

INSIGHTS REPORT 27 November 2026

Oversight of the Advance Queensland initiative

Report 6: 2026–27

Queensland Audit Office

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The Honourable P Weir MP
Speaker of the Legislative Assembly
Parliament House
BRISBANE QLD 4000

27 November 2026

This report is prepared under Part 3 Division 3 of the *Auditor-General Act 2009*.

Rachel Vagg
Auditor-General

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Contents

Report summary 1

1. Recommendations 3

2. Context and background 5

3. The Advance Queensland initiative 7

4. How AQ was monitored and evaluated against its objectives 15

5. Funding provided for the Advance Queensland initiative 22

Appendices 25

A. Entity responses 26

B. How we prepared this report 33

C. AQ initiative objectives 36

D. Governance arrangements 40

E. AQ initiative evaluations 43

F. AQ initiative funding allocation 48

G. Business Development Fund 50

Acknowledgement

The Queensland Audit Office acknowledges the Traditional Owners and Cultural Custodians of the lands, waters, and seas of Queensland. We pay our respects to Elders past and present.

We use the term ‘First Nations people’ in this report. We respect First Nations people’s choices to describe their cultural identity using other terms, such as Aboriginal and Torres Strait Islander peoples, particular peoples, or by using traditional place names.

Report summary

This report outlines our assessment of the key processes for overseeing the delivery of the Advance Queensland initiative from its beginning in 2015 to its replacement in 2026.

Why did we perform this assessment?

Advance Queensland (AQ) was a significant government initiative designed to foster innovation by building a diversified economy and creating jobs that was launched in 2015. In August 2026 the Queensland Government released a new *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*, which will replace the AQ initiative.

During this time, its approved budget grew from $180.2 million to $843.8 million. The AQ initiative was delivered through 114 individual programs managed by several government departments.

In 2022, the Queensland Government launched *Advance Queensland – Innovation for a Future Economy 2022–2032 Roadmap* (2022–2032 roadmap), which refocused the AQ initiative's objectives and amended the way it was monitored and evaluated.

In June 2025, the Minister for the Environment and Tourism and Minister for Science and Innovation wrote to the Auditor-General requesting QAO consider auditing the AQ initiative and raising concerns about the initiative's effectiveness, governance, and value for money. Given the length of the initiative, the number of programs, and the initiative's changes since 2015, our assessment focused on how the overall impact of the AQ initiative was monitored and evaluated rather than focusing on the outcomes of the individual programs or activities under it. We refer to this as the whole-of-initiative level.

DEFINITION

In this report we use the following terms to describe the AQ initiative and the activities under it.

AQ initiative: all funded programs and activities agencies delivered as part of the government's targeted investment in innovation.

Programs: a funded program or activity delivered to advance the objectives of the AQ initiative. These included grants, partnerships, competitions, procurement of goods and services, events, and sponsorships.

What did we find?

The AQ initiative had broad objectives, that were not supported by key targets and defined success metrics

While the AQ initiative identified objectives linked to approved strategies, the objectives did not include specific targets or success measures. Well-defined objectives and measurable expected outcomes allow for better data capture when measuring performance. Information provided to us about the individual AQ programs did not clearly demonstrate how program objectives aligned with the overall AQ initiative objectives.

Monitoring and evaluation of the AQ initiative changed focus under the 2022–2032 roadmap

In approving the AQ initiative, the Queensland Government set clear governance expectations, including rigorous evaluation, trial-based approaches, and a monitoring and evaluation framework. The initial governance structures aligned with this expectation, with monitoring and evaluation occurring at a whole-of-initiative level.

The Queensland Government commissioned 2 macro-level evaluations of the AQ initiative in 2019 and 2021. The second macro-level evaluation, completed in 2022, reported that many effects from the AQ initiative (both positive and negative) would likely emerge over the next 5 years. No macro-level evaluations of the AQ initiative were performed after 2022.

With the launch of the 2022–2032 roadmap, governance was decentralised, with individual departments responsible for monitoring and evaluating the AQ programs they delivered. This meant that after June 2022, monitoring of the AQ initiative only focused on legacy AQ programs, with unexpected funds and programs funded under the 2022–2032 roadmap.

By June 2022, budgeted funds for programs commenced prior to the launch of the 2022–2032 roadmap were largely committed and most programs were no longer accepting applications or had formally closed. However, the outcomes of these programs were only likely to emerge over the next 5 years. Monitoring of initiatives and programs with longer-term objectives should consider how the outcomes of the initiative and supporting programs will be assessed after the allocated funds are spent.

We could not identify the total amount spent on the AQ initiative

Reporting on the total spend for the AQ initiative against the approved budget was initially provided to the AQ steering committee. This information was also provided as part of quarterly briefs to the Minister for Innovation.

However, following the launch of the 2022–2032 roadmap, the reporting of budget and expenditure only focused on programs funded under the 2022–2032 roadmap. There was no longer reporting on the total budget and expenditure of the AQ initiative from its inception.

In preparing this report, we relied on information from the Department of the Environment, Tourism, Science and Innovation (DETSI) and annual state budgets. As the information provided was compiled from several different sources, it was difficult to reconcile the total amount funded and spent under the AQ initiative.

Based on the information provided, the Queensland Government does not currently have oversight of the total funds spent across the AQ initiative and does not know how it compares to the approved budget. The lack of central monitoring of spending meant DETSI could not confirm if AQ funding was used efficiently, effectively, and economically in alignment with the AQ initiative's objectives.



What do entities need to do?

We make 5 recommendations to all departments based on our assessment and learnings that can be applied to future initiatives. Our recommendations focus on the following themes:

- establishing governance at a whole-of-initiative level
- designing objectives for initiatives and programs
- enhancing performance monitoring and evaluation
- improving transparency and accountability.

We asked DETSI to respond on whether it agrees with our recommendations. The department has agreed to all of our recommendations.

1. Recommendations

The Advance Queensland (AQ) initiative provides a useful broad case study about designing, governing, and evaluating large government initiatives. For this reason, our recommendations are forward-looking and intended to strengthen the overall governance and financial accountability of future initiatives.

In August 2026, the Queensland Government released its new 15-year *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*. This will effectively replace the AQ initiative. The Department of the Environment, Tourism, Science and Innovation (DETSI) should consider how the learnings from our report can apply to the monitoring and governance structures implemented for the new strategy to ensure it effectively meets its objectives and delivers its intended outcomes.

While our assessment focused on DETSI, we have addressed our recommendations to all departments, which should consider these learnings when developing and leading similar initiatives.

Ensure the initiative and supporting programs have well-defined targets and measures	**Entity responses**
1. We recommend that, when establishing future initiatives, all departments: • establish key metrics, performance indicators, and targets that measure the success of the overall initiative against its objectives and expected outcomes • ensure programs released under the initiative have well-defined objectives, metrics, and expected outcomes that align with the overall initiative's objectives.	Agree
Establish whole-of-initiative governance for the life of the initiative	**Entity responses**
2. We recommend that, when establishing future initiatives, all departments establish and maintain a whole-of-initiative approach to governance, budgeting, expenditure, performance monitoring, and reporting for the life of the initiative. This should include monitoring and reporting on the long-term outcomes of the initiative and supporting programs after the allocated funds are spent.	Agree
Support performance assessment through consistent, accurate, and timely data capture and reporting for the life of the initiative	**Entity responses**
3. We recommend that, when establishing future initiatives, all departments: • develop whole-of-initiative frameworks, policies, and procedures for data capture requirements and expectations that support performance monitoring and reporting • ensure that whole-of-initiative policies are applied consistently by all agencies delivering programs under the initiative • compare performance data against established indicators and objectives • ensure that each agency responsible for delivering programs under the initiative tracks budgeting and spending for each program • ensure performance and financial data are centrally coordinated and regularly reported to the governance committee.	Agree

Enhance transparency and accountability in assessing whether the initiative and programs achieve their desired outcomes	Entity responses
4. We recommend that, when establishing future initiatives, all departments: • ensure evaluations are conducted at regular intervals or when there is significant new program funding • ensure evaluations consider whether the intended outcomes are achieved rather than reporting on inputs or outputs alone (for example, reporting only how much was spent) • consider the results of previous evaluations in designing and implementing future initiatives and programs • report evaluation results publicly and regularly.	Agree
Enhance transparency and accountability of spending	**Entity responses**
5. We recommend that, when establishing future initiatives, all departments: • publicly release the approved budget for the initiative and supporting programs • report on funding provided and spent to date against the total funding approved for the initiative and supporting programs • identify the status of all projects under the initiative, including any action required to complete them.	Agree

Reference to comments

In accordance with s. 64 of the *Auditor-General Act 2009*, we provided a copy of this report to relevant departments. In reaching our conclusions, we considered their views and represented them to the extent we deemed relevant and warranted. Any formal responses from the departments are at Appendix A.

2. Context and background

This chapter provides background information on the Advance Queensland (AQ) initiative from its commencement in 2015 through to the Queensland Government releasing its new *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*, in August 2026. It also provides context to the basis of our assessment and the objective of this report.

What is Advance Queensland and why was it established?

AQ was an initiative launched by the Queensland Government in 2015 to foster innovation by supporting a more diversified economy and creating jobs.

The Queensland Government established AQ following a 2015 election commitment and to respond to weaknesses and opportunities identified in *Queensland's Innovation Ecosystem and Recommendations for Future Action*, known as the Lerner report. The previous Queensland Government commissioned the Lerner report in 2014 to assess the state's technology and entrepreneurial sectors.

AQ began with 8 programs supported by $180.2 million over 4 years, approved in the Queensland Budget 2015–16.

What were Advance Queensland's original strategies?

The AQ initiative was developed around 5 key strategies:

- **supporting culture**: engaging the community on innovation, inspiring current and future generations to be creative, developing ideas, working together, and identifying innovation potential
- **building capability**: maintaining a strong research base to support entrepreneurship, business commercialisation, and creativity, and create and update new technologies
- **fostering collaboration**: building networks and partnerships across organisations, sectors, and disciplines to spark creativity, share existing knowledge, and translate ideas into outcomes
- **increasing investment**: facilitating access to funds for translating ideas to outcomes and assisting innovators to be investment ready
- **scaling for jobs and growth**: empowering businesses and key industries to benefit from technologies and access global chains to unlock potential for innovation and development for small businesses, high-growth firms, and regions.

How was Advance Queensland to be governed?

The Queensland Government set clear expectations for governance of the AQ initiative, including:

- requiring rigorous evaluation and trial-based approaches
- establishing a central program management team
- establishing an expert panel
- implementing a monitoring and evaluation framework and progress reporting.

How has the initiative changed?

The AQ initiative grew substantially and changed focus from its beginning in 2015 until it was replaced in 2026.

In 2022, the Queensland Government released the new $142.2 million *Advance Queensland – Innovation for a Future Economy 2022–2032 Roadmap* (2022–2032 roadmap), which reset the government's innovation priorities.

In August 2026, the Queensland Government released the new 15-year *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*, which will replace the AQ initiative. While the Queensland Government is now focused on delivering the new strategy, some contractual commitments from previous AQ programs will continue through to expiry of funds.

Responsibility for delivering the AQ initiative and providing oversight of it was initially assigned to the Department of Science, Information Technology and Innovation as the department responsible for the government's innovation function. Over the course of the initiative, the innovation function was transferred in and out of multiple departments through machinery of government changes. Some departments were also renamed.

In November 2024, the innovation function was transferred to the Department of the Environment, Tourism, Science and Innovation.

In this report, we use the term 'innovation department' to refer to the department responsible for delivering the AQ initiative between 2015 and 2024.

What did we assess?

On 9 June 2025, the Minister for the Environment and Tourism and Minister for Science and Innovation wrote to the Auditor-General requesting QAO consider conducting an audit of the AQ initiative. The minister raised concerns about the initiative's effectiveness, governance, and value for money.

We performed our assessment in accordance with the *Auditor-General Auditing Standards* and the *Auditor-General Act 2009*. These allow the Auditor-General to assess information provided by anyone with concerns about financial management in Queensland public sector entities and, if appropriate, investigate the issue with the aim of strengthening and improving public sector performance and accountability.

This report outlines the findings from our assessment of the key processes implemented to oversee the delivery of the AQ initiative since it began in 2015. Given the length of the initiative, the significant number of programs, and the initiative's changes since 2015, our assessment focused on whether there was whole-of-initiative oversight that:

- assessed whether the AQ initiative was meeting its approved objectives
- aligned with initial governance arrangements approved for the AQ initiative
- allowed for monitoring and reporting on total funding allocated to and spent on the AQ initiative.

We did not assess the merits of the AQ initiative's objectives or whether they were achieved.

We conducted our assessment based on information and documentation that was either publicly available or which the relevant coordination and delivery departments provided.

Our assessment was not conducted as an audit or assurance engagement under Australian auditing and assurance standards. Accordingly, this report does not include a formal opinion or conclusion on the implementation of the AQ initiative. Further information on how we conducted our assessment is included in Appendix B.

3. The Advance Queensland initiative

Advance Queensland (AQ) started in 2015 as a $180.2 million initiative with 8 programs. By 2021, it grew to 114 programs with a total approved budget of $755 million.

In 2022, the Queensland Government released *Advance Queensland – Innovation for a Future Economy 2022–2032 Roadmap* (2022–2032 roadmap), refocusing the objectives and desired outcomes of the AQ initiative.

The Queensland Government identified the strategies and priorities to be addressed through the original AQ initiative and through the 2022–2032 roadmap. It also identified the objectives to be achieved through these strategies and priorities. It did not, however, include specific targets for measuring success against these objectives.

In August 2026, the Queensland Government launched a new science and innovation strategy, which replaced the AQ initiative. While the Queensland Government is now focused on delivering the new strategy, some contractual commitments from previous Advance Queensland programs will continue through to expiry of funds.

What were the 8 initial programs?

In 2015, the Queensland Government approved 8 initial programs for the AQ initiative. These programs were intended to foster innovation, build a more diversified economy, and create jobs. They supported 4 of the AQ initiative's 5 strategies: building capability, increasing investment, scaling for jobs and growth, and supporting culture.

The 8 programs were supported by $175.8 million of the $180.2 million in funding approved in the Queensland Budget 2015–16. Queensland Treasury held the remaining $4.4 million as a contingency. This first tranche of programs targeted universities and innovation start-ups.

The Department of Science, Information Technology and Innovation (innovation department) was initially responsible for all programs except the Business Development Fund, which Queensland Treasury was responsible for. Figure 3A identifies the 8 initial programs, describes their objectives, and shows their approved funding.

Figure 3A
AQ initial programs

AQ program	Objective	Budgeted funds ($ mil.)
Talent and Skills Program	Developing, attracting, and retaining world-class scientific and entrepreneurial talent through the Best and Brightest Fund	$45.6
Future Jobs Program	Developing industry and research collaboration, tackling big challenges, focusing on translation, and delivering 10-year roadmaps for industries with global growth potential as part of the AQ Future Jobs Strategy	$45.0
Supporting Priority Industries Program		$1.0
Business Development Fund	Attracting co-investment in small to medium enterprises (SMEs) and start-ups	$40.0

AQ program	Objective	Budgeted funds ($ mil.)
SME and Start-Up Program	Encouraging new Queensland start-ups and supporting proof-of-concept projects through the Business Investment Attraction package	$24.0
Proof of Concept Program		$12.0
Program Administration and Evaluation	Providing flexibility in responding to new opportunities as they arise, especially as industry roadmaps are developed	$5.9
Science and Innovation Community Engagement Strategy		$2.3
Total		**$175.8**

Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation and other government entities.

DEFINITION

Start-ups: a new or small company with the potential to grow quickly, founded by entrepreneurs to introduce a new product, technology, or service.

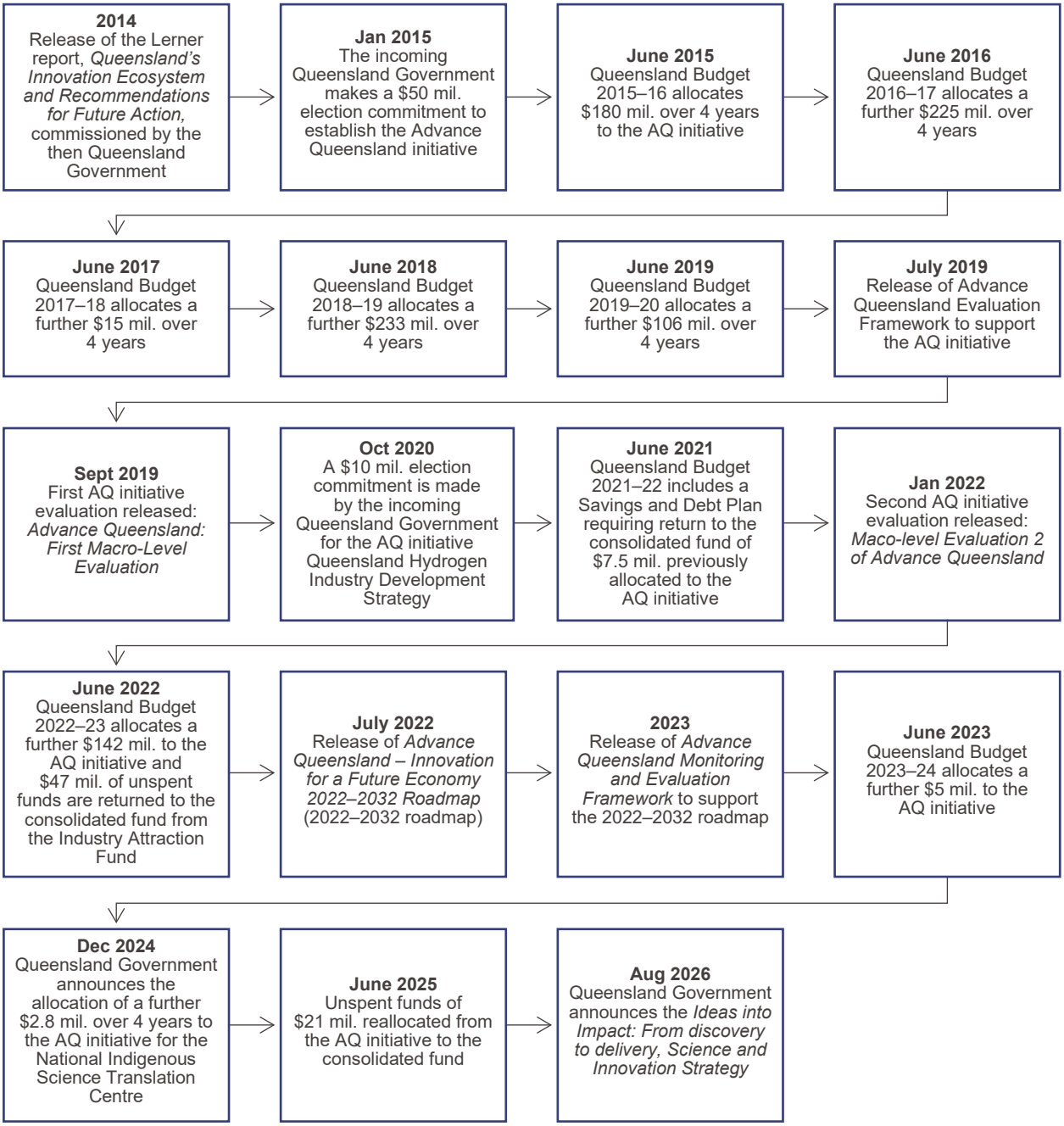
How did the AQ initiative change from 2015 to 2026?

Over its life, the AQ initiative grew from the initial 8 programs to a peak of 114 programs being delivered by 9 departments. Total funding of $843.8 million was allocated to the AQ initiative between 2015 and June 2026. This includes adjustments for amounts reallocated and returned to the consolidated fund or reprioritised to other programs.

The AQ initiative involved a range of programs and activities including grants, partnerships, competitions, procurement, events, sponsorships, and an administration function.

Figure 3B provides a timeline of key Queensland Government announcements and funding decisions to demonstrate how the AQ initiative changed between 2015 and 2026.

Figure 3B
Timeline of key announcements and funding decisions for the AQ initiative



Source: Compiled by Queensland Audit Office.

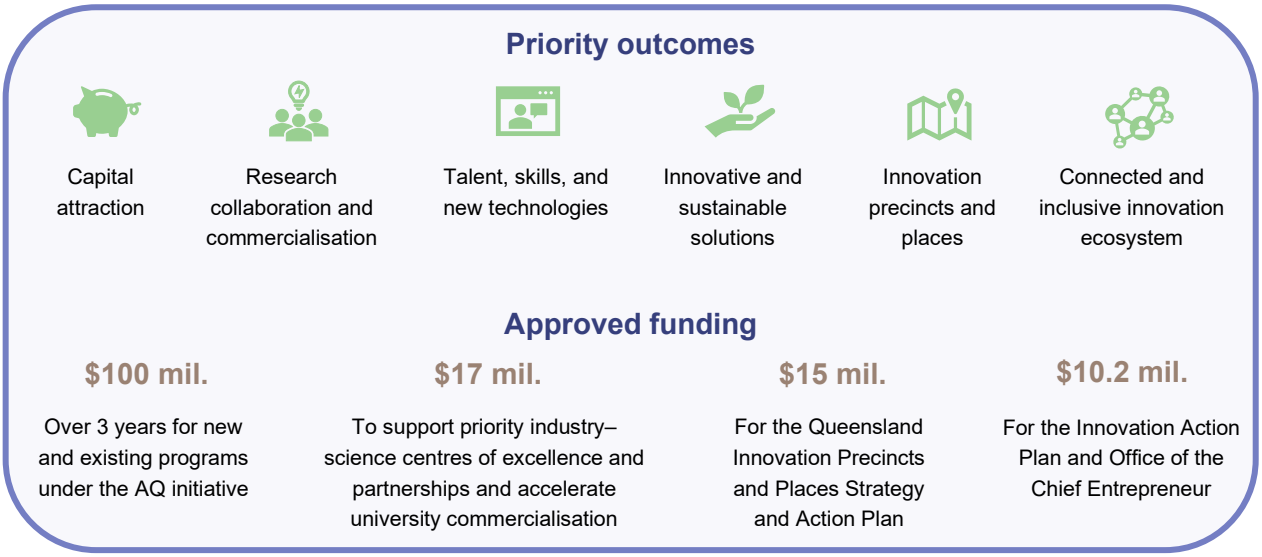
Release of the 2022–2032 roadmap

From mid-2021, the Queensland Government redirected the AQ initiative toward a new strategy focused on innovation and science. In July 2022, the Queensland Government released the 2022–2032 roadmap.

The 2022–2032 roadmap was supported by additional funding of $142.2 million. This increased the overall budget for the AQ initiative from $755 million at 30 June 2022 to $843.8 million by 30 June 2026. The total overall budget included additional funding for new programs approved in 2023–24 and 2024–25 and unspent funds returned to the consolidated fund.

Figure 3C outlines the 6 priority outcomes and the funding announced under the 2022–2032 roadmap.

Figure 3C
Priority outcomes and funding decisions for the 2022–2032 roadmap



Source: Compiled by Queensland Audit Office from Advance Queensland – Innovation for a Future Economy Roadmap 2022–2032.

Release of the 2026 science and innovation strategy

On 18 August 2026, the Minister for the Environment and Tourism and Minister for Science and Innovation released the Queensland Government's *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*.

This new strategy aims to provide a 15-year plan for accelerating ideas, unlocking investment, and strengthening the partnerships needed to take innovation from concept to commercialisation.

The Queensland Government committed $22 million over 4 years as initial support, and $5.5 million per year ongoing, for implementing the strategy. In launching the new strategy, the Queensland Government also announced it was establishing a new chief innovator role within the Department of the Environment, Tourism, Science and Innovation (DETSI).

Coinciding with the release of the new strategy, DETSI replaced the previous AQ website with an innovation website based around the new strategy. It removed previously available documents and reports about the AQ initiative.

Who was responsible for delivering AQ programs?

While AQ was a whole-of-government initiative, the Queensland Government established expectations that individual departments were responsible for implementing individual programs. Each department was responsible for the budget provided to deliver its programs, and for monitoring and reporting on the programs it delivered.

Figure 3D outlines the total number and approved funding for AQ programs by portfolio area between 2015 and 2026.

Figure 3D
AQ programs by portfolio area

Portfolio area	No. of programs	Total budget ($ mil.)
Innovation	82	$392.9
Treasury	3	$193.0
State development	2	$68.0
Health	2	$60.0
Science	12	$55.5
Tourism	2	$33.5
Small business	6	$26.7
Education	3	$10.3
Primary industries	2	$3.9
Total	**114**	**$843.8**

Note: This table was prepared using portfolio areas as several departments were subject to machinery of government changes between 2015 and 2026, resulting in the transfer of program responsibilities.

Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation.

Did the AQ initiative and supporting programs have clear objectives and expected outcomes?

The overall objectives of the AQ initiative were revised with the release of the 2022–2032 roadmap. The new 2026 science and innovation strategy has identified its own focus areas, actions, and success measures. While these have changed over time, they all reflect similar themes including:

- increasing investment in innovation
- supporting and enhancing collaboration between key stakeholders
- improving capability and skills in innovation, including STEM (science, technology, engineering, and mathematics) skills
- supporting job creation.

Objectives of the AQ initiative

Initial objectives

In approving the AQ initiative, the Queensland Government set clear expectations around monitoring and evaluation of the initiative's objectives. An evaluation framework was developed to support this expectation.

We reviewed the July 2019 version of the AQ evaluation framework, which formally documented the objectives of the AQ initiative and matched them to the 5 key strategies approved by the Queensland Government.

The framework outlined the approach and high-level strategy for evaluating the AQ initiative and its programs and activities, and provided guidance on appropriate evaluation methodologies, measures, and data. It also identified high-level measures for each objective. However, it did not include specific targets for measuring success.

Further information on the objectives and how they link to the key strategies is available in Appendix C.

2022–2032 roadmap objectives

In the 2022–2032 roadmap, the Queensland Government replaced the original 5 key strategies with 6 priority outcomes as outlined in Figure 3C. It also identified objectives considered critical to achieving these outcomes.

Similar to the original AQ initiative, while the objectives identified high-level measures for assessing the outcomes of the 2022–2032 roadmap, they did not include specific targets for measuring success.

Further information on the 2022–2032 roadmap priorities and objectives is available in Appendix C.

Science and innovation strategy objectives

The Queensland Government launched *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy* (science and innovation strategy) in August 2026. The science and innovation strategy identifies 3 key focus areas to replace the 6 priority outcomes in the 2022–2032 roadmap:

- Accelerating ideas – bringing people together to grow ideas and turn research into real-world solutions
- Unlocking investments – opening doors to new investments and markets for everyone
- Advocating partnerships and places – strengthening connections through science and innovation hubs and partnerships.

The science and innovation strategy also establishes broad actions and success measures for each focus area and identifies the following targets:

- doubling the value of Queensland's innovation ecosystem
- increasing our share of Australian Government research and development funding
- increasing the impact of Queensland's intellectual property.

Further information on the science and innovation strategy's focus areas, actions, and success measures is available in Appendix C.

Publicly reported targets

Since 2016–17 the innovation department has included the following performance measure in its service delivery statements (SDS) prepared as part of the annual state budget process:

Ratio of investment leveraged as a result of Queensland Government funding invested

This measure is directly linked to activities conducted for advancing Queensland through innovation. The initial target of $1.25 of investment leveraged for each dollar the Queensland Government funds has not changed from 2016–17 to 2026–27. This is despite the expansion of the AQ initiative during this period.

The actual performance reported against this target in the department's annual SDSs ranged from a low of $1.10 leveraged in 2016–17 to a high of $1.44 leveraged in 2022–23. The actual result reported in DETSI's annual report for 2025–26 was $1.35.

AQ program objectives

In approving the AQ initiative, the Queensland Government set clear expectations that all programs would follow strict monitoring and assessment criteria to ensure they met the objectives of the program. It expected implementing departments to establish the objectives for each program they were responsible for delivering. An evaluation framework was developed to support the monitoring and evaluation of the AQ initiative.

The 2019 version of the AQ evaluation framework also identified that each program within the AQ initiative had several expected outputs and outcomes, contributing to one or more of the AQ initiative's strategies and objectives. As the AQ initiative developed, objectives for some AQ programs were also established within program guidelines.

While our assessment largely focused on whole-of-initiative oversight, we also assessed a sample of AQ programs to identify whether they had clear objectives aligned with the strategic objectives of the AQ initiative.

In performing our assessment, we reviewed documents and information the innovation department provided as the department with central oversight responsibility under the original AQ initiative governance framework. We identified that some of the information included detail on the programs' purpose and, for some programs, case studies of successful recipients. However, the documents provided only minimal information about the programs' objectives and how they aligned with the approved objectives and strategies of the overall AQ initiative.

Based on our review of the information provided, it was not possible to identify whether departments established appropriate detailed objectives for all programs under the AQ initiative.

Clearly documented program objectives are important for ensuring:

- appropriate measures can be developed for assessing programs' success
- relevant data can be identified and captured for measuring programs' success.

A lack of appropriately documented program objectives limits the oversight that can be exercised over the AQ initiative. This reduces the ability of the Queensland Government to demonstrate that funds spent on the AQ initiative were successful in meeting its overall objectives.

We also identified some funded programs that did not have an obvious direct link to the AQ initiative's objectives and its focus on innovation. Some of the programs we assessed appeared to have funded business-as-usual activities, with either no established objectives or with a limited link to innovation. Figure 3E includes a case study for the Connecting with Asia Strategy.

Figure 3E
Case study – Connecting with Asia Strategy

Connecting with Asia Strategy

The Connecting with Asia Strategy was launched in 2016–17 with a funding commitment of $33.5 million in the Queensland budget. The department responsible for the Queensland Government's tourism function delivered this program.

The overall objective of the Connecting with Asia Strategy was to grow tourism and make Queensland the number one destination for millions of Asian visitors by:

- securing more international air routes
- creating innovative tourism products
- building stronger relationships with targeted Asian cities
- building the digital capability of Queensland tourism businesses to secure more Asian business
- growing awareness of Queensland initiatives.

Information provided by the Department of the Environment, Tourism, Science and Innovation identified that the program had committed $32.96 million across 11 recipients. Tourism and Events Queensland (TEQ), a government statutory body, received several payments for this program. As TEQ's operations are largely funded through government grants from the tourism department, it appears that the AQ program grants supplemented other grants funding TEQ's operations rather than being used to meet any strategic objectives under the AQ initiative.

Further, in reviewing the program objectives and the grant project details, we found only limited connection between the program and the AQ initiative's key strategies and objectives. For example, the 2 highest-funded projects were Australia's Tropical Holiday Resort Destination Project and Welcoming China to Southern Queensland and Beyond, both of which are more closely related to tourism objectives than innovation.

Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation.

Recommendation 1: Ensure the initiative and supporting programs have well-defined targets and measures

We recommend that, when establishing future initiatives, all departments:

- establish key metrics, performance indicators, and targets that measure the success of the overall initiative against its objectives and expected outcomes
- ensure programs released under the initiative have well-defined objectives, metrics. and expected outcomes that align with the overall initiative's objectives.

4. How AQ was monitored and evaluated against its objectives

In 2015, the Queensland Government set clear governance expectations for the Advance Queensland (AQ) initiative, including rigorous evaluation, trial-based approaches, and establishing a monitoring and evaluation framework. This demonstrated an expectation that all programs would follow strict monitoring and assessment criteria to ensure they met the objectives of the program and the AQ initiative.

The then Department of Science, Information Technology and Innovation (innovation department) established governance structures that supported this expectation. Central oversight of the AQ initiative was provided through key governance bodies including an AQ steering committee and an AQ evaluation subcommittee. The director-general and other senior executives of the innovation department led these committees.

In 2016, an initial evaluation framework was developed outlining the overarching approach and high-level strategy to evaluating the AQ initiative. In July 2018, the AQ steering committee considered and approved a final draft evaluation framework. In July 2019, the Queensland Government published an updated version of the *Advance Queensland Evaluation Framework* to ensure appropriate monitoring and evaluation.

Under the evaluation framework, 2 macro-level evaluations were completed – in 2019 and 2022. These evaluations identified that the AQ initiative was generally meeting its objectives, but highlighted limitations in measuring performance against the objectives.

The second macro-level evaluation, completed in 2022, reported that many effects from the AQ initiative (both positive and negative) would likely emerge over the next 5 years. No macro-level evaluations of the AQ initiatives were performed after 2022, and monitoring of the AQ initiative was refocused following the release of the *Advance Queensland – Innovation for a Future Economy Roadmap 2022–2032* (2022–2032 roadmap).

With the launch of the 2022–2032 roadmap, governance became decentralised, with individual departments responsible for monitoring and evaluating the AQ programs they delivered. This meant that after June 2022, monitoring of the AQ initiative focused only on legacy AQ-funded programs with unexpended funds and programs funded under the 2022–2032 roadmap.

Changes to the governance and monitoring arrangements were based on budgeted funds for programs under the AQ initiative being largely committed and most AQ programs no longer accepting applications or had formally closed. However, as the second macro-level evaluation identified, the outcomes of these programs were likely to emerge over the next 5 years.

Monitoring of initiatives and programs with longer-term objectives should consider how the outcomes of the initiative and supporting programs will be assessed after the allocated funds are spent.

How was delivery of the AQ initiative monitored?

Initial governance structure

In approving the AQ initiative, the Queensland Government noted that delivery would be overseen by a senior officer group from the innovation department, the Department of the Premier and Cabinet, Queensland Treasury, and any other relevant agencies.

This senior officer group was to establish a monitoring and evaluation framework and a reporting regime. The innovation department was required to allocate a senior executive to develop a coordinated program-management approach to program delivery.

In addition to the senior officer group, an AQ interdepartmental committee was established to provide leadership and oversight. The Director-General of the innovation department chaired this committee, and it included representatives from other implementing departments.

The initial governance arrangements were reviewed in December 2017 following machinery of government changes to ensure they remained fit for purpose. In January 2018, the Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games approved an updated governance structure. This revised structure involved several committees and groups, as outlined in Figure 4A.

Figure 4A
Overview of AQ governance arrangements in 2018

Group/committee	Role and responsibilities
AQ Strategic Leadership Group	Strategic direction for the AQ initiative
Expert panel	High-level independent strategic advice and direction to the government on the overall AQ initiative
AQ steering committee	Leadership and oversight in delivering the AQ initiative, programs, and activities
AQ evaluation subcommittee	Oversight of evaluation activities
AQ Implementation Unit	Whole-of-initiative coordination through: • management strategies and guidance material • maintaining and providing key program information and data
Implementing agencies and program managers	Planning, implementing, monitoring, evaluating, and reporting on AQ programs and activities

Source: Compiled by Queensland Audit Office from Advance Queensland Evaluation Framework – July 2019 and Advance Queensland: First Macro-Level Evaluation (Term 1) – Evaluation Report.

Further information on these committees and groups, including membership, is included in Appendix D.

The innovation department developed a whole-of-government innovation policy framework to communicate policies supporting investment strategies and to provide an evidence base and rationale for the AQ programs. In conjunction with the innovation policy framework, a whole-of-initiative AQ evaluation framework was also developed.

AQ steering committee and evaluation subcommittee

The innovation department established the AQ steering committee and an AQ evaluation subcommittee to provide governance over program monitoring and evaluation. The steering committee reported to the Minister for Innovation. The evaluation subcommittee reported to the steering committee. Both committees were supported by formal terms of reference.

Under the approved terms of reference, both committees were required to meet quarterly. These meetings were evidenced through formal agendas, minutes, and meeting papers.

Our review of minutes and meeting papers identified that:

- the steering committee met quarterly between May 2018 and March 2020; from March 2020 to March 2021, considerations were only evidenced through out-of-session papers
- the evaluation subcommittee met at least quarterly between May 2018 and May 2020; it also met an additional 3 times in 2019.

In 2021, the innovation department decided that the committees were no longer required. The Department of the Environment, Tourism, Science and Innovation (DETSI) advised QAO this was because:

- during COVID-19, resources were moved from the innovation portfolio to support tourism as part of the COVID-19 response and recovery
- formulation of the 2022–2032 roadmap had begun, affecting innovation priorities
- by March 2021, 94.5 per cent of budgeted funds for the AQ initiative were committed and most AQ programs were no longer accepting applications and/or had formally closed.

Governance arrangements under the 2022–2032 roadmap

Under the 2022–2032 roadmap, new funding only supported science and innovation programs. Delivery and evaluation of these programs was managed by the innovation and science departments including through:

- a strategic projects and governance team that managed program-level governance
- internal program governance meetings and reporting tools
- evaluations monitored and governed by the Innovation Executive Leadership Team within the innovation department.

In 2024–25, an internal audit was conducted over the Innovation Grants Review Program at DETSI, including the AQ initiative. The internal audit found that the grants program was generally well structured with several areas of good practice in place. However, the audit identified that DETSI's innovation division had been impacted by multiple machinery of government changes and, as a result, current practices did not fully reflect the department's grants management framework. It also noted that the AQ initiative's grants management framework had not been revised and did not reflect current processes.

The internal audit identified 3 areas for improvement:

- clearer portfolio- and program-level governance structures to strengthen oversight, decision-making, and portfolio risk management
- reduce variability in key assessment procedures to improve defensibility of grant decision-making and award processes
- opportunities to strengthen the use of existing Power BI dashboards for improved decision-making and portfolio monitoring.

How did the Queensland Government evaluate the implementation and success of the AQ initiative?

In December 2016, the AQ interdepartmental committee endorsed a whole-of-initiative approach for reporting on the status, achievements, data, and funding commitments of all AQ programs. This approach was developed to:

- enable regular, consistent, and transparent information collection from relevant agencies
- provide a consolidated view of AQ for the Premier, ministers, and directors-general
- provide agencies with a forward schedule of reporting to enable planning
- provide the necessary evidence base for ongoing program evaluation and design.

The AQ initiative was supported by the *Advance Queensland Evaluation Framework*. The evaluation framework outlined the approach and high-level strategy for evaluating the AQ initiative, programs, and activities, and provided guidance on appropriate evaluation methodologies, measures, and data.

The evaluation framework was designed to ensure a coordinated approach to reviewing implementation, measuring AQ initiative outcomes, and informing future investment and policy direction. It outlined the approach for evaluating the AQ initiative and associated programs including:

- key principles underpinning the evaluation methodology and activities
- a system-wide approach to identify overall impact
- the levels and types of evaluations to be conducted
- logic frameworks for key elements
- planning and prioritisation of evaluation activities.

As identified in Chapter 3, the evaluation framework formally documented the objectives to be achieved across all programs, aligned to the 5 key strategies of the AQ initiative.

Our assessment identified several reports used to monitor and assess the performance and governance of the AQ initiative since its inception. These are outlined in the following sections.

AQ steering committee

Under the AQ interdepartmental committee's endorsed reporting approach, implementing departments were required to report quarterly on the implementation and performance of their AQ-funded programs. The AQ Implementation Unit within the innovation department was to use this information to develop an AQ quarterly highlight report and provide a consolidated view of the AQ initiative for responsible ministers, implementing departments, and governance groups.

Each quarterly highlight report was intended to be tabled at AQ steering committee meetings for consideration and endorsement. Our review of available minutes and documents for the steering committee identified that quarterly highlight reports were tabled between January 2018 (consultation draft) and December 2019.

These reports provided high-level information on program status, budget and expenditure, applications received and approved, investment sourced from outside the Queensland Government, and jobs supported.

AQ evaluation subcommittee

The evaluation framework outlined the evaluation subcommittee's responsibilities:

- considering risks and issues relevant to monitoring and evaluating AQ programs and activities
- addressing evaluation risks and issues as escalated by implementing departments
- providing advice to the steering committee on significant strategic and directional issues relating to monitoring and evaluation
- endorsing the AQ evaluation plan and overseeing its implementation
- reviewing and endorsing evaluation plans and reports.

Our review of minutes for the evaluation subcommittee identified evidence that the subcommittee fulfilled its responsibilities in these areas. However, our review also identified that the meeting notes of the final subcommittee meetings in February and May 2020 documented concerns about factors that limited the completion of evaluation activities, including:

- inadequate financial resourcing to complete the necessary evaluation activities
- inadequate or insufficient data to enable appropriate evaluations.

As the subcommittee was abolished in May 2021, we were unable to assess whether these issues were resolved. From May 2021, departments responsible for implementing the individual AQ programs conducted evaluation activities.

Macro-level evaluations

The Queensland Government commissioned 2 macro-level evaluations to evaluate the implementation, achievements, and benefits of the AQ initiative. These assessed the overall impact, systemic outcomes, and long-term value of the AQ initiative rather than focusing on the outcomes of the individual programs or activities under it.

These were released in 2019 and 2022. While the external firms responsible for completing the evaluations concluded that the AQ initiative was generally meeting its objectives, they highlighted limitations in interpreting the results.

First macro-level evaluation

In September 2019, the innovation department commissioned an external firm (the first evaluator) to conduct a whole-of-initiative evaluation of the implementation, achievements, and benefits of the AQ initiative. It considered all programs and activities between 2015–16 and 2017–18. The evaluation assessed the extent to which the AQ initiative was:

- implemented as intended to successfully reach its target audience, with governance arrangements that supported implementation
- responsible for achieving outcomes
- delivered at the lowest possible cost, to the areas of greatest need, and improved over time by finding better or lower-cost ways to deliver outcomes.

The first evaluator concluded that the AQ initiative was largely delivered as intended, the allocation of funding was on track, and associated programs were designed and implemented in line with recommendations from the Lerner report's recommendations and policy framework. However, they also reported that:

- improvements could be made around some aspects of governance relating to structures and roles and responsibilities
- a lack of visibility about how data and information are used could be a barrier to successful implementation.

In their report, the first evaluator outlined several challenges and limitations for noting when interpreting the evaluation findings. This included noting that their analysis was limited by available data.

Further information on the findings from this evaluation is included in Appendix E.

Second macro-level evaluation

In 2021, the innovation department commissioned a second macro-level evaluation to assess the AQ initiative from its inception to March 2021. This evaluation was conducted by a second firm (the second evaluator) and focused on the extent the AQ initiative:

- was adopted by key stakeholders
- delivered on its stated objectives
- provided value for money.

The evaluation report prepared by the second evaluator identified that while the AQ initiative was generally meeting its objectives, there were improvement opportunities. It also identified constraints in assessing some objectives due to limitations with available data.

The second evaluator identified opportunities to enhance program design and reporting by:

- embedding outcomes measurement and reporting to demonstrate the value of each program
- defining key terms, measures, and indicators, and calculating baselines of key metrics prior to expenditure.

In its evaluation report, the second evaluator identified that, at the time of their analysis, approximately one-third ($167 million) of AQ funding was committed but unspent, and that many effects (both positive and negative) would likely emerge over the next 5 years.

Further information on the findings from this evaluation is included in Appendix E.

No further macro-evaluations of the AQ initiative were commissioned by the innovation department after 2021.

Evaluations under the 2022–2032 roadmap

To support the 2022–2032 roadmap, an AQ monitoring and evaluation framework was developed and released in 2023. Within the framework, the innovation department committed to publishing the following performance reports:

- quarterly performance reporting for AQ-funded programs
- 6-monthly achievements and initiative tracking
- annual progress reporting.

Prior to launching the 2022–2032 roadmap, quarterly briefs were given to the Minister for Innovation providing updates at a whole-of-initiate level. These briefs provided high-level information on budget and expenditure, the number of funding recipients, investment sourced from outside the Queensland Government, and jobs supported.

While the ministerial briefs continued following the launch of the 2022–2032 roadmap, the focus of the information changed. Instead of reporting at the whole-of-initiative level from inception, the reports focused only on legacy AQ funded programs, with unexpended funds and programs funded under the 2022–2032 roadmap.

The quarterly performance reports to the minister also supported quarterly performance reports published on the dedicated AQ website containing the same high-level information provided in the briefs. The last ministerial brief prepared was for the June 2024 quarter.

From June 2023 to June 2026, quarterly reports were also prepared for the Deputy Director-General, Innovation within the innovation department. These reports contained similar high-level information to that provided to the minister. After June 2024, the quarterly performance reports published on the dedicated AQ website were approved by the deputy director-general.

Key achievements of the 2022–2032 roadmap were published on the AQ website and were updated every 6 months. The key achievements reported included announcements on activities, events, and funding for each priority outcome area under the 2022–2032 roadmap. They did not identify specific outcomes these activities delivered. The final update published reflected achievements up to December 2023.

An annual progress review was also published on the AQ website for 2022–23. This review identified high-level achievements and case studies for each of the 6 priority outcomes.

Other reviews

While our assessment did not include a detailed review of individual programs, we reviewed a report commissioned by the former Department of State Development, Manufacturing, Infrastructure and Planning in 2018–19 to assess the implementation of 2 AQ programs:

- Advance Queensland Industry Assistance Fund
- Jobs and Regional Growth Fund.

While the report found the programs were achieving their objectives, it identified opportunities to improve efficiency, standardise systems and data, and improve monitoring of program performance. These improvement opportunities included:

- enhancing data integrity and use by improving the way that data is entered, generated, and used to understand fund performance
- establishing clear measures and targets for performance
- measuring performance against broader benefits of the initiative
- demonstrating the need for current administrative spend and projected trajectory of future spending.

Recommendation 2: Establish whole-of-initiative governance for the life of the initiative

We recommend that, when establishing future initiatives, all departments establish and maintain a whole-of-initiative approach to governance, budgeting, expenditure, performance monitoring, and reporting for the life of the initiative. This should include monitoring and reporting on the long-term outcomes of the initiative and supporting programs after the allocated funds are spent.

Recommendation 3: Support performance assessment through consistent, accurate, and timely data capture and reporting for the life of the initiative

We recommend that, when establishing future initiatives, all departments:

- develop whole-of-initiative frameworks, policies, and procedures for data capture requirements and expectations that support performance monitoring and reporting
- ensure that whole-of-initiative policies are applied consistently by all agencies delivering programs under the initiative
- compare performance data against established indicators and objectives
- ensure that each agency responsible for delivering programs under the initiative tracks budgeting and spending for each program
- ensure performance and financial data are centrally coordinated and regularly reported to the governance committee.

Recommendation 4: Enhance transparency and accountability in assessing whether the initiative and programs achieve their desired outcomes

We recommend that, when establishing future initiatives, all departments:

- ensure evaluations are conducted at regular intervals or when there is significant new program funding
- ensure evaluations consider whether the intended outcomes are achieved rather than reporting on inputs or outputs alone (for example, reporting only how much was spent)
- consider the results of previous evaluations in designing and implementing future initiatives and programs
- report evaluation results publicly and regularly.

5. Funding provided for the Advance Queensland initiative

Reporting on the total spend for the AQ initiative against the approved budget was initially provided to the AQ steering committee. This information was also provided as part of quarterly briefs to the minister through to June 2022. However, following the launch of the *Advance Queensland – Innovation for a Future Economy Roadmap 2022–2032* (2022–2032 roadmap) the reporting of budget and expenditure focused on programs funded under the 2022–2032 roadmap and legacy programs under the AQ initiative with unexpended funds.

In preparing this report, we relied on information provided by the Department of the Environment, Tourism, Science and Innovation (DETSI/innovation department) and amounts reported through annual state budgets. As the information provided was compiled from several different sources it was difficult to reconcile the total amount funded and spent under the AQ initiative. We acknowledge that the information DETSI provided is likely to have been impacted by the age of the AQ initiative, the impact of machinery of government changes, and the shift to a decentralised governance framework for oversight of the AQ initiative.

The lack of central monitoring over how funds under the AQ initiative were applied over the full life of the initiative meant DETSI could not confirm if AQ funding was being used efficiently, effectively, and economically in a way that aligned with the AQ initiative's objectives.

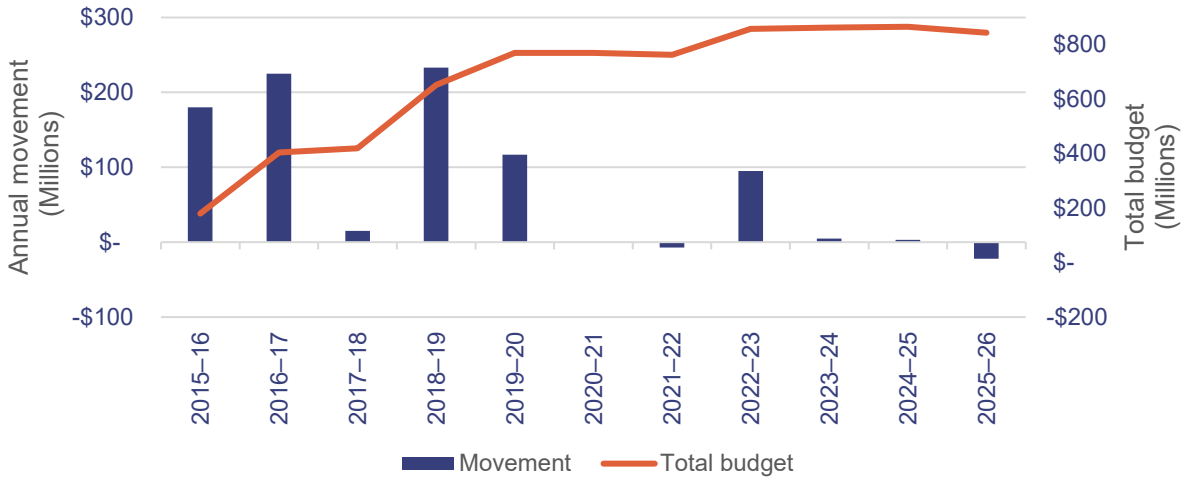
How did the AQ initiative budget grow over time?

As identified in section 3, the Queensland Government's initial approved budget of $180.2 million grew to $843.8 million by 30 June 2026.

With the release of the *Advance Queensland – Innovation for a Future Economy Roadmap 2022–2032* (2022–2032 roadmap) and the move to a decentralised governance framework for oversight of the AQ initiative, it became more difficult to verify movements in the approved AQ initiative budget. In performing our assessment, we relied on information DETSI provided to identify the budget allocated to the AQ initiative between 2021–22 and 2025–26

Figure 5A shows the budget movement for the AQ initiative between 2015–16 and 2025–26.

Figure 5A
AQ initiative budget



Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation.

The information provided by DETSI included a list of all 114 programs operated under the AQ initiative and the total budget allocated to each program. The top 5 funded programs accounted for approximately 38 per cent of the AQ initiative's total budget. These programs and their allocated budgets were the:

- Business Development Fund: $80.0 million
- Industry Attraction Fund: $77.5 million
- Ignite Ideas and Ignite+: $62.7 million
- Industry Research Fellowship: $55.5 million
- Research Infrastructure Co-investment Fund: $40.8 million.

Further information on the amount spent on these programs is included in Appendix F.

Who monitored how AQ initiative funds were spent?

While individual agencies were responsible for implementing AQ programs, the AQ interdepartmental committee was initially responsible for overseeing the whole-of-initiative implementation. This role was subsequently performed by the AQ steering committee.

Our review of minutes and meeting papers identified that the steering committee was provided with information on the overall budget and expenditure of the AQ initiative. A report to the steering committee providing summary data as at 31 March 2021 identified that, of the $757.5 million whole-of-initiative budget:

- over $500 million was spent
- a further $216 million was contractually committed.

Together, this represents 95 per cent of the total budget.

Our assessment of information DETSI provided identified approximately $113 million of grant funding allocated to programs after the committee was abolished.

The quarterly ministerial briefs on AQ performance reported on the total expenditure against the AQ whole-of-initiative budget up to 30 June 2022. Subsequent briefs only reported on funded activities under the 2022–2032 roadmap.

After the 2022–2032 roadmap launched, unspent funds allocated to programs under the AQ initiative and not delivered by the innovation department were no longer monitored at a whole-of-initiative level. Instead, the Innovation Executive Leadership Team within the innovation department monitored the program evaluation, supported by a strategic projects and governance team. This reflected the revised focus of the 2022–2032 roadmap where the innovation department managed all new programs.

DETSI advised us that a central whole-of-government recipients' register, developed at the beginning of the AQ initiative, is used to record amounts allocated on each AQ program. The central recipients' register identifies the amount provided to grants recipients for each AQ program and is updated quarterly.

This indicates that from June 2022 until the end of the AQ initiative in 2026, there was no central oversight or reporting of the total budget and spend at a whole-of-initiative level. This is despite agencies outside the innovation department continuing to deliver programs funded under the AQ initiative before the 2022–2032 roadmap was launched.

How much of the funding has been spent?

We asked DETSI to provide information supporting the total amount spent on the AQ initiative. As this amount is no longer reported and monitored at a whole-of-initiative level, DETSI provided us with information compiled from several sources, including DETSI's grant management platform, and the central recipients' register.

The information provided by DETSI identified that program allocation for all 114 AQ programs was $785.8 million as at December 2025. This represents approximately $57 million less than the allocated budget for the AQ initiative identified in other information DETSI provided to us.

Based on the information provided, we could not separately quantify the extent to which this difference related to:

- funds allocated to AQ programs that remained unspent
- AQ program costs that were not identified through the information provided
- AQ programs that were not identified and included in the information provided, where funding was approved but not recorded on the central recipients' register
- support and administration costs applied to overall AQ initiative management that are not allocated to specific AQ programs.

Based on the information provided, the Queensland Government does not currently have oversight of the total funds spent across the entire life of the AQ initiative and does not know how it compares to the approved budget. There is also a risk that the central recipients' register of all programs and the funds allocated to and spent on them is not complete.

How much was spent on the larger programs?

In assessing the information provided by DETSI and other departments, we identified that $484.3 million was allocated to the 10 AQ programs with the highest amount of committed funds. This represents approximately 57 per cent of the overall budget for the AQ initiative.

Further information available to QAO identified that approximately $463.8 million was spent on these programs. A breakdown of these programs is included in Appendix F. This represents approximately 96 per cent of the committed funds for these programs.

How much has been spent under the 2022–2032 roadmap?

The Queensland Government approved $142.2 million to support the 2022–2032 roadmap in the 2022–23 State Budget. Of the $142.2 million, $110.9 million was made available to the innovation department and $0.8 million to other departments. The remaining $30.5 million reflects amounts the Queensland Government reprioritised to fund other programs and services and other adjustments.

Information provided by DETSI identified that the amount the department spent on science and innovation programs under the 2022–2032 roadmap to 30 June 2026 was $89.4 million. A breakdown of the amounts it spent on these programs is included in Appendix F.

Did the Queensland Government report publicly on amounts spent on the AQ initiative?

While the Queensland Government made formal announcements of approved funding for the AQ initiative and AQ programs, we did not identify any regular and consistent public reporting on the status of amounts spent at either the initiative or program level over the life of the initiative.

While there was high-level reporting on the amount spent at the whole-of-initiative level up to June 2022, the changed focus of reporting under the 2022–2032 roadmap meant there was no public reporting on the amount spent over the entire life of the AQ initiative.

The lack of consistent public reporting on the total amount spent on the AQ initiative over its life means that key stakeholders and interested parties cannot assess whether the approved funding was spent on the AQ initiative; whether the funds were applied economically, efficiently, and effectively; and whether they provided value for money.

Recommendation 5: Enhance transparency and accountability of spending

We recommend that, when establishing future initiatives, all departments:

- publicly release the approved budget for the initiative and supporting programs
- report on funding provided and spent to date against the total funding approved for the initiative and supporting programs
- identify the status of all projects under the initiative, including any action required to complete them.



Appendices

A.	Entity responses	26
B.	How we prepared this report	33
C.	AQ initiative objectives	36
D.	Governance arrangements	40
E.	AQ initiative evaluations	43
F.	AQ initiative funding allocation	48
G.	Business Development Fund	50

A. Entity responses

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to:

- Minister for the Environment and Tourism and Minister for Science and Innovation
- Director-General, Department of the Environment, Tourism, Science and Innovation.

We also provided a copy of the report to the following entities and gave them the option of providing a response:

- Premier and Minister for Veterans
- Director-General, Department of the Premier and Cabinet
- Treasurer, Minister for Energy and Minister for Home Ownership
- Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations
- Under Treasurer, Queensland Treasury
- Director-General, Department of State Development, Infrastructure and Planning.

This appendix contains the responses we received.

The heads of these entities are responsible for the accuracy, fairness, and balance of their comments.

Comments received from Director-General, Department of the Environment, Tourism, Science and Innovation

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Department of the
Environment, Tourism, Science and Innovation

Your reference: PRJ05671
Our reference: CTS 21059/26

23 NOV 2026

Ms Rachel Vagg
Auditor-General
Queensland Audit Office
53 Albert Street
BRISBANE QLD 4000

Dear Ms Vagg

Thank you for your email of 30 October 2026 regarding the recent work of the Queensland Audit Office (QAO) reviewing the Advance Queensland initiative following a request from the Honourable Andrew Powell MP, Minister for the Environment and Tourism and Minister for Science and Innovation.

I am pleased to receive the QAO report titled *Oversight of the Advance Queensland initiative* (the report) and being able to consider your office's findings and recommendations.

I note the report provides detail of the extensive review conducted by QAO, in collaboration with the Department of the Environment, Tourism, Science and Innovation (the department) and other Queensland Government departments involved in the Advance Queensland initiative. In conducting the review your office considered the management of the Advance Queensland initiative from 2015 to 2026 with a particular focus on how the overall impact of the initiative was monitored and evaluated.

The recommendations provided in the report provide a comprehensive summary of the considerations and best practice actions required to be taken by Queensland Government departments when designing, governing and evaluating large government initiatives.

Since its launch in August 2026, the department is tasked with delivering the new Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery*. This 15-year Strategy creates the conditions for success by accelerating ideas, unlocking investment and activating partnerships and places, so more Queensland ideas become products, services, businesses, jobs and long-term benefits for Queenslanders.

The recommendations contained in the report provide a timely basis on which to model the department's work to establish and implement a good governance model for this new initiative including:

- clear objectives for the initiative and programs under the initiative;
- robust monitoring and evaluation frameworks to monitor and evaluate progress and impact; and
- transparent and accountable reporting processes for the life of the initiative.

I have enclosed feedback in relation to the five individual recommendations made in the report.

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The department will adopt these recommendations in our activation of the Strategy and the associated programs and activities including monitoring, evaluation and reporting activities. The recommendations will also be considered and where appropriate, adopted for any other large-scale initiatives managed and delivered by the department.

Finally, I would like to advise that the department has continued to review its governance measures and implemented recent improvements including establishment of a Science and Innovation Program Management Office (PMO) and Program Management Board to provide consistency in the planning, approval and execution of projects. The PMO also provides a mechanism for better and more consistent management of resources, benefits realisation, budget and risk management across projects.

Should your officers require any further information or assistance in relation to this matter, they may contact Mr Tony King, Executive Director - Innovation Strategy, Innovation Division of the department by

Yours sincerely

Patricia O'Callaghan
Director-General

Encl. (1)

Responses to recommendations

Queensland Audit Office
Better public services

Department of the Environment, Tourism, Science and Innovation

Oversight of the Advance Queensland initiative

Response to recommendations provided by Patricia O'Callaghan, Director-General, Department of the Environment, Tourism, Science and Innovation.

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
1. We recommend that, when establishing future initiatives, all departments: • establish key metrics, performance indicators, and targets that measure the success of the overall initiative against its objectives and expected outcomes • ensure programs released under the initiative have well-defined objectives, metrics and expected outcomes that align with the overall initiative's objectives.	Agree	Immediately as applies to the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and, as appropriate, for other large government initiatives managed by DETSI	The recently launched Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* has been deliberately developed to contain three key high-level targets and built in success measures to enable measurement of success in the DETSI's achievement of those objectives and expected outcomes. In the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* DETSI is establishing a comprehensive Monitoring, Evaluation and Reporting Framework and Plan to ensure there are defined metrics, performance indicators and targets at program level and supporting mechanisms to identify expected outcomes and systems to collect and report these outcomes against initiative objectives.

1

Queensland Audit Office
Better public services

	Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
2.	We recommend that, when establishing future initiatives, all departments establish and maintain a whole-of-initiative approach to governance, budgeting, expenditure, performance monitoring, and reporting for the life of the initiative. This should include monitoring and reporting on the long-term outcomes of the initiative and supporting programs after the allocated funds are spent.	Agree	Immediately as applies to the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and, as appropriate, for other large government initiatives managed by DETSI	Planning and implementation of the initiatives under the recently launched Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* is being developed with a focus on whole of initiative governance for financial management and monitoring, evaluation and reporting functions across the 15-year term of the Strategy. The recent establishment of a Program Management Office and Program Management provides the strong governance required to manage future programs at a whole-of-initiative. Whilst only recently implemented the maturing of this function will further enhance management across all aspects of programs.

2

Queensland Audit Office
Better public services

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
3. We recommend that, when establishing future initiatives, all departments: • develop whole-of-initiative frameworks, policies and procedures for data capture requirements and expectations that support performance monitoring and reporting • ensure that whole-of-initiative policies are applied consistently by all agencies delivering programs under the initiative • compare performance data against established indicators and objectives • ensure that each agency responsible for delivering programs under the initiative tracks budgeting and spending for each program • ensure performance and financial data are centrally coordinated and regularly reported to the governance committee.	Agree	Immediately as applies to the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and, as appropriate, for other large government initiatives managed by DETSI	In the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* DETSI is establishing a comprehensive Monitoring, Evaluation and Reporting Framework and Plan to ensure there are defined metrics, performance indicators and targets at program level and supporting mechanisms to identify expected outcomes and systems to collect and report these outcomes against initiative objectives. The establishment of a Program Management Office (PMO) allows for better coordination of projects across science and innovation including budget management, resourcing, benefits realisation and reporting. Recent enhancements mean that all future reporting major initiatives will occur through the PMO using the Integrated reporting tool (IRT). The IRT contact information on the initiative, milestone dates, accountable officers, priority ratings and is being enhanced to accommodate budget. This will allow better reporting at the program level across all characteristics of projects.

3

Queensland Audit Office
Better public services

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
4. We recommend that, when establishing future initiatives, all departments: • ensure evaluations are conducted at regular intervals or when there is significant new program funding • ensure evaluations consider whether the intended outcomes are achieved rather than reporting on inputs or outputs alone (e.g. reporting only how much was spent) • consider the results of previous evaluations in designing and implementing future initiatives and programs • report evaluation results publicly and regularly.	Agree	Immediately as applies to the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and, as appropriate, for other large government initiatives managed by DETSI	In the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* DETSI is establishing a comprehensive Monitoring, Evaluation and Reporting Framework and Plan which will set out a plan for the evaluation of individual activities (micro), groupings of similar targeted activities (meso) and whole of initiative (macro), all focused on reviewing the impact of the Strategy at appropriate intervals throughout the 15-year term of the Strategy.
5. We recommend that, when establishing future initiatives, all departments: • publicly release the approved budget for the initiative and supporting programs • report on funding provided and spent to date against the total funding approved for the initiative and supporting programs • identify the status of all projects under the initiative, including any action required to complete them.	Agree	Immediately as applies to the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and, as appropriate, for other large government initiatives managed by DETSI	The Honourable Andrew Powell MP, Minister for Science and Innovation released a media release on 17 August 2026 announcing the launch of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery*. The media release confirmed the current whole of initiative financial commitment of $22 million. As part of the implementation of the Science and Innovation Strategy, *Ideas into Impact: From discovery to delivery* and supporting activities, DETSI is establishing whole of initiative financial management and reporting systems to enable reporting on total funding and program level funding level approval, expenditure and status for the whole for initiative and individual programs and activities.

4

B. How we prepared this report

Queensland Audit Office reports to parliament

The Queensland Audit Office (QAO) is Queensland's independent auditor of public sector entities and local governments.

QAO's independent public reporting is an important part of our mandate. It brings transparency and accountability to public sector performance, and is a vital part of the integrity framework that provides public confidence in the system of government. By reviewing our reports to parliament, the community can assess whether entities are delivering government services in a manner that meets their expectations.

QAO provides valued assurance, insights and advice, and recommendations for improvement via the reports it tables in the Legislative Assembly, as mandated by the *Auditor-General Act 2009*. These reports to parliament may be on the results of our financial audits, on the results of our performance audits, or on our insights. Our insights reports may provide key facts or a topic overview, the insights we have gleaned from across our audit work, the outcomes of an investigation we conducted following a request for audit, or an update on the status of Auditor-General's recommendations.

We share our planned reports to parliament in our 3-year forward work plan, which we update annually: www.qao.qld.gov.au/audit-program.

A fact sheet about how we prepare, consult on, and table our reports to parliament is available on our website: www.qao.qld.gov.au/reports-resources/fact-sheets.

About this report

QAO prepares its insights reports under the *Auditor-General Act 2009*:

- section 63, which outlines the discretion the Auditor-General has for reporting to parliament.
- section 62, which outlines the Auditor-General may prepare interim and supplementary reports.

In accordance with the Act and the *Auditor-General Auditing Standards*, the Auditor-General may report to parliament on any matters, observations, and insights arising from audits that they consider to be significant or in the public interest.

QAO welcomes information on public sector performance and requests for audits from the public, elected members, public sector employees, and other integrity offices. This information is a valuable input to our work.

What we cover in this report

In June 2025, the Minister for the Environment and Tourism and Minister for Science and Innovation requested QAO consider conducting an audit of the Advance Queensland (AQ) initiative. The minister noted concerns about the initiative's effectiveness, governance, and value for money.

This report outlines our assessment of the key processes for overseeing the delivery of the AQ initiative since it commenced in 2015–16. This includes governance arrangements for monitoring allocated funding and achievement of objectives at a whole-of-initiative level.

Entities included in this report

In preparing this report, we focused on the Department of the Environment, Tourism, Science and Innovation (DETSI) as the current department responsible for administering the government's innovation function, including overseeing delivery of the AQ initiative.

We also engaged with the following departments responsible for delivering programs under the initiative:

- Queensland Treasury
- Department of State Development, Infrastructure and Planning.

Our approach

Why we focused on the AQ initiative

In preparing this report, we focused our assessment on how the Queensland Government monitored and evaluated the AQ initiative at a whole-of-initiative level. AQ was a significant government initiative aimed at fostering innovation through building a more diversified economy and creating jobs. It was launched in 2015 and ran through to August 2026 when the Queensland Government released the new 15-year *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy*, which will replace the AQ initiative.

During this time, its approved budget grew from $180.2 million to $843.8 million. The number of individual programs grew from 8 programs managed by 2 departments to 114 programs managed by 9 departments across the life of the initiative.

We also anticipated that findings from our assessment would provide insights and learnings relevant for similar future initiatives.

What we did

We performed our assessment in accordance with the *Auditor-General Auditing Standards* (the standards). The standards recognise that in discharging their mandate, the Auditor-General is not limited to considering the mandatory professional requirements issued by the Australian Auditing and Assurance Standards Board.

Under the standards, the Auditor-General can assess information provided by anyone with concerns about financial management in Queensland public sector entities and, if appropriate, investigate the issue with the aim of strengthening and improving public sector performance and accountability.

We assessed the initiative as a whole because of its duration, the changes made over time, and the number of individual programs involved. Our aim was to determine whether the Queensland Government could identify the AQ initiative's overall impact and whether it was achieving its objectives.

In developing our work plan for this assessment, we considered the Queensland Government's expectations when approving the AQ initiative, including its overarching objectives and governance requirements. These expectations included that the AQ initiative would be centrally monitored and its performance regularly reported.

Our assessment focused on whether there was whole-of-initiative oversight that:

- included assessing whether the AQ initiative was meeting its approved objectives
- was consistent with initial governance arrangements approved for the AQ initiative
- allowed for monitoring and reporting on total funding allocated to and spent on the AQ initiative.

We conducted our assessment based on information and documentation that was either publicly available or provided by DETSI and other relevant delivery departments. This included:

- information supporting the implementation of the strategy and key decisions the Queensland Government made
- minutes of various governance committees
- publicly reported information about the AQ initiative and supporting programs
- other financial and performance information.

DETSI advised that information it provided to us was prepared from:

- estimates briefs
- state budget papers
- internal financial management tools, including departmental ledgers
- DETSI's grants management platform, and the central recipients' register.

We have relied on information provided by the relevant agencies and have not audited it.

What we did not assess

Our assessment of the AQ initiative did not include an assessment of the merits of the AQ initiative's objectives or whether they were achieved. It also did not include a detailed assessment of the individual programs delivered under the AQ initiative.

How we have reported our findings

Our assessment was not conducted as an audit or assurance engagement under Australian auditing and assurance standards. Accordingly, this report does not include a formal opinion or conclusion on the implementation of the AQ initiative.

Instead, this report identifies the key findings from our assessment of the funding arrangements and the insights we gleaned from these findings. We have included learnings we believe the Queensland Government should consider in developing similar programs in the future.

C. AQ initiative objectives

This appendix provides further information on the objectives established for the AQ initiative, the 2022–2032 roadmap, and the new *Ideas into Impact: From discovery to delivery, Science and Innovation Strategy* (science and innovation strategy).

Initial objectives

Figure C1 outlines the strategies and objectives of the AQ initiative included in the evaluation framework.

Figure C1
Advance Queensland strategies and objectives in the evaluation framework

Strategy: Supporting culture

Increase innovation awareness and engagement
Increase Queensland's reputation as a knowledge economy and Queenslanders' awareness and engagement in innovation, including science, research, technology, business, and start-up activity
Increase entrepreneurialism
Build Queensland's culture of entrepreneurialism and clusters of entrepreneurial activity

Strategy: Building capability

Increase innovation capability
Improve research capability and business and industry skills for undertaking innovation
Develop, attract, and retain talented people (including STEM skills)
Increase uptake and individual skills (including STEM) and build the science, research, and technology strength that enables increased innovation and entrepreneurial activity

Strategy: Fostering collaboration

Build sustainable partnerships to deliver outcomes
Increase the value of local, national, and international collaboration – business to research, business to business, and research to research
Increase local and international networks
Increase the number and scale of connections locally, nationally, and globally – business to research, business to business, and research to research

Strategy: Increasing investment

Grow pipeline of investable products and services
Increase business investment in innovation and start-up activity, including capital expenditure and external innovation investment
Build access to capital
Build Queensland's venture capital industry, and increase cross-industry innovation investment and investment from third parties

Strategy: Scaling for jobs and growth

Expedite commercialisation
Increase the ideas, research, and technologies turned into commercial products, processes, or systems
Increase economic benefits from innovation (including jobs)
Increase employment opportunities; improve profitability, productivity, and exports; and stimulate economic growth through increased innovation

Note: STEM – science, technology, engineering, and mathematics.

Source: Advance Queensland Evaluation Framework, July 2019.

2022–2032 roadmap objectives

Figure C2 outlines the 2022–2032 roadmap priorities and objectives.

Figure C2
2022–2032 roadmap priorities and objectives

Priority	Objective
Greater investment attraction and more innovative businesses starting, growing, and staying in Queensland	• Attract and retain more innovative businesses in Queensland • Increase start-up and business survival rates • Strengthen Queensland's venture capital market • Increase the value of capital invested in Queensland start-ups and businesses • Increase high-value knowledge economy jobs
Queensland's world-class research and collaborations are translated into creating commercialisation opportunities	• Increase expenditure on research and development • Enhance commercialisation of research and development • Improve research–business collaboration • Support growth of university research income • Increase investment in intellectual property
Queensland's existing and emerging priority industries and talent are globally competitive	• Increase the proportion of knowledge economy workers in the Queensland workforce • Enhance the contribution of priority industries in the Queensland economy • Increase knowledge-intensive productivity growth • Improve STEM uptake and innovation and entrepreneurial skills in education and the workforce

Priority	Objective
Queensland's big challenges and events are supported through innovative and sustainable solutions	• Encourage increased innovation and participation by innovative start-ups and SMEs in Queensland Government procurement • Facilitate more partnerships and contracts between corporates, SMEs, and start-ups • Increase investment to develop and implement solutions for key challenges and events • Improve business collaboration on innovation
Queensland has world-class innovation infrastructure to drive ideas through to commercialisation, adoption, and diffusion	• Position Queensland precincts, places, and hubs to reach their full potential for attracting investment and creating jobs • Co-locate innovation precincts and places with research education and training institutes • Improve digital infrastructure accessibility
Queensland has a well-connected, inclusive, and thriving innovation ecosystem	• Increase the participation of priority cohorts (including regional, female, and First Nations innovators) in the Queensland innovation ecosystem • Improve business digital readiness • Increase regional economic diversification

Note: STEM – science, technology, engineering, and mathematics. SME – small and medium enterprise.

Source: Advance Queensland – Innovation for a Future Economy Roadmap 2022–2032.

Science and innovation strategy objectives

Figure C3 outlines the focus areas, actions, and success measures identified in the new science and innovation strategy.

Figure C3
Science and innovation strategy: Focus areas, actions, and success measures



Accelerating ideas – bringing people together to grow ideas and turn research into real-world solutions

Actions	Success measures
• Support early-stage innovation to accelerate commercialisation and real-world impact • Pilot new approaches to unlock and commercialise intellectual property, strengthening industry and investor engagement • Build entrepreneurship and commercialisation capability to grow investment-ready ventures • Strengthen the advanced technology talent pipeline through targeted training and industry-connected pathways • Promote and increase STEM participation and entrepreneurial skills, focusing on youth, women, and regional and First Nations communities • Deliver a new connector service to link researchers, universities, and businesses and support faster translation	• More Queensland ideas progress towards impact • Queensland's science and innovation workforce grows, diversifies, and becomes more mobile

Unlocking investments – opening doors to new investments and markets for everyone

Actions	Success measures
• Establish an Office of Commercialisation to accelerate the commercialisation of new ideas and discoveries • Grow Queensland's share of national research and development funding by backing priority partnerships • Activate co-investment to help high-potential researchers, founders, and businesses to translate ideas, attract private and federal capital, and grow • Deliver targeted scale-up support to help high-growth businesses strengthen investment readiness and expand into new markets • Use procurement, innovation challenges, and pilot programs to open market opportunities, test Queensland solutions in real-world settings, and support early adoption	• High-growth firms have a clear commercialisation pathway to grow and stay in Queensland • Innovative Queensland businesses are securing more state and local government procurement contracts • Queensland is growing its share of national research and development funding

Activating partnerships and places – strengthening connections through science and innovation hubs and partnerships

Actions	Success measures
• Build partnerships with universities, research institutes, industry, and international partners to attract timely investment and capability • Co-invest in shared research and innovation infrastructure to strengthen capability and access to national funding • Activate precinct and place-based opportunities to support research and business capability, connections, and commercialisation • Accelerate adoption of artificial intelligence and advanced technologies to lift productivity and solve Queensland challenges • Deliver an annual science and innovation conference to connect partners and showcase opportunities • Establish a Ministerial Science and Innovation Advisory Council to guide priorities and coordination	• Queensland provides opportunities for partnerships and connections between research, industry, government, communities, and precincts and hubs • Queensland supports strategic investment in research and innovation infrastructure • Enhanced uptake and application of advanced technologies

Note: STEM – science, technology, engineering, and mathematics.

Source: Compiled by Queensland Audit Office from Ideas into Impact: From discovery to delivery, Science and Innovation Strategy.

D. Governance arrangements

The following table identifies the governance arrangements over the Advance Queensland (AQ) initiative as at June 2018.

Figure D1
Advance Queensland governance arrangements

Membership	Role and responsibilities
Advance Queensland Strategic Leadership Group	
Minister for Innovation and Tourism Industry Development (Chair) Director-General, Department of Innovation and Tourism Industry Development (DITID) (Deputy-Chair) Directors-general of implementing departments	• Providing strategic direction for the AQ initiative • Resolving strategic and directional issues between departments delivering AQ programs and activities • Considering significant strategic risks and issues • Considering significant evaluation findings to inform the development of policy options and future directions for AQ
Advance Queensland steering committee	
Director-General, DITID (Chair) Deputy Director-General, Innovation, DITID (Deputy-Chair) Deputy directors-general (or equivalent) of implementing departments and the Office of the Queensland Chief Scientist	• Providing leadership and oversight in delivering the AQ initiative, its programs and activities • Addressing strategic and directional issues between departments delivering AQ programs and activities • Addressing program risks and issues as escalated by implementing departments • Considering significant operational risks and issues • Approving the AQ evaluation framework, strategies, and plan • Ensuring a coordinated whole-of-government approach to evaluating the AQ initiative • Endorsing/approving major evaluation reports • Reviewing key evaluation reports • Addressing strategic and directional risks and issues relating to evaluation, as escalated by the evaluation sub-committee

Membership	Role and responsibilities
Evaluation subcommittee	
Executive Director, Innovation Governance and Strategy, DITID (Chair) Senior officers from implementing departments	• Providing oversight of evaluation activities • Considering risks and issues relevant to monitoring and evaluating AQ programs and activities • Addressing evaluation risks and issues as escalated by implementing departments • Providing advice to the AQ steering committee on significant strategic and directional issues relating to monitoring and evaluating AQ programs and activities • Endorsing the AQ evaluation framework, plan, and guidance material • Reviewing, updating, and overseeing the AQ evaluation plan • Reviewing and endorsing evaluation plans and reports • Providing guidance and support on evaluation principles and practices • Addressing risks and issues as relevant to monitoring and evaluation and escalating when appropriate
Advance Queensland Implementation Unit	
Established within the Innovation Division, DITID	• Providing whole-of-initiative coordination through: – management strategies and guidance material – maintaining and providing key program information and data • Commissioning and providing oversight of key macro-level evaluations • Providing standardised and routine reports on the implementation and performance of AQ • Coordinating and disseminating key macro- and system-level data sets • Providing guidance and support on evaluation principles and practices
Expert panel	
Minister for Innovation and Tourism Industry Development (Chair), Queensland Chief Scientist, and independent experts	• Providing high-level independent strategic advice and direction to the government on the overall AQ initiative
Implementing departments and program managers	
Established within individual implementing departments	• Developing program logics and evaluation plans for groups programs with common processes, audiences, and/or objectives and priority programs (as outlined in the evaluation plan) • Resolving strategic and directional issues within departments delivering AQ programs and activities • Defining acceptable risk profile thresholds for the program and related activities • Addressing program risk and issues as necessary and escalating when appropriate • Conducting or commissioning evaluations • Conducting data collection, analysis, and validation • Providing regular implementation and performance reports

Source: Compiled by Queensland Audit Office from Advance Queensland Evaluation Framework – July 2019 and Advance Queensland: First Macro-Level Evaluation (Term 1) – Evaluation Report.

In this appendix, implementing departments include:

- Department of Agriculture and Fisheries
- Department of Education and Training
- Department of Employment, Small Business and Training
- Department of Innovation and Tourism Industry Development
- Department of Environment and Science
- Department of State Development, Manufacturing, Infrastructure and Planning
- Department of the Premier and Cabinet
- Queensland Health
- Queensland Treasury.

E. AQ initiative evaluations

This appendix provides an overview of key findings from the 2 macro-level evaluations of the Advance Queensland (AQ) initiative commissioned by the Queensland Government.

First macro-level evaluation

An external firm (the evaluator) was engaged by the Department of Innovation and Tourism Industry Development (DITID) in 2019 to conduct the first macro-level evaluation of the AQ initiative. This evaluation considered all programs and activities between 2015–16 and 2017–18.

The evaluation assessed the extent to which the AQ initiative was:

- implemented as intended to successfully reach its target audience, with governance arrangements to support implementation (process)
- responsible for particular outcomes (effectiveness)
- delivered at the lowest possible cost, to the areas of greatest need, with improvement over time by finding better or lower costs for delivering outcomes (efficiency).

Key findings

The evaluation found evidence that the AQ initiative was being delivered according to its strategies and objectives. It also identified that the AQ initiative was addressing weaknesses and capitalising on opportunities in the innovation system as recommended in the Lerner report.

The evaluation findings were based on various data sources, including program data provided by AQ implementing departments, survey responses from AQ funding recipients, consultations with AQ implementing departments and subject matter experts, and analysis conducted and provided by Queensland University of Technology.

Figure E1 provides a summary of key findings against the AQ strategic objectives.

Figure E1
Advance Queensland first macro-level evaluation findings

Objective	Evaluator finding
Supporting culture	
Increase innovation awareness and engagement	A reported increase in innovation awareness and engagement
Increase entrepreneurialism	A reported increase in entrepreneurialism
Building capability	
Increase innovation capability	A reported increase in innovation capability
Develop, attract, and retain talented people (including STEM skills)	A reported increase in STEM subject uptake in schools and universities Some success regarding AQ's performance in developing, attracting, and retaining talented people

Objective	Evaluator finding
Fostering collaboration	
Build sustainable partnerships to deliver outcomes	Some sustainable partnerships facilitated by AQ
Increase local and international networks	A reported increase in the development of local and international networks
Increasing investment	
Grow pipeline of investable products and services	A reported improvement in the pipeline of investable products
Build access to capital	Queensland's share of national investment (venture capital) increased in terms of value from 13.5% in 2015–16 to 15.3% in 2017–18
Scaling for jobs and growth	
Expedite commercialisation	Organisations receiving AQ funding experienced more business growth events compared to organisations without AQ funding
Increase economic benefits from innovation (including jobs)	A reported increase in economic benefits from innovation As of 30 June 2018, AQ supported 12,568 jobs, including actual new jobs reported and additional new jobs forecast to be created in Queensland within 5 years as a direct result of AQ investment

Note: STEM – science, technology, engineering, and mathematics.

Source: Advance Queensland: First Macro-Level Evaluation (Term 1) – Evaluation Report.

The evaluation also found that AQ funding had a relatively high leverage ratio when compared to other programs that aim to promote research and development. This ratio compares the funding provided by non-government AQ initiative partners to the committed funding provided by government entities under AQ programs.

Feedback from participants and implementing departments in the evaluation report noted that AQ programs were:

- delivered with low administrative costs
- generally of high quality
- largely implemented as planned and delivered as intended.

Challenges and limitations

The evaluation report outlined several challenges and limitations to be noted when interpreting its findings. These included:

- the evaluation focused on the impacts at the whole-of-initiative level, considering all AQ programs; as such, the reported results were overall indicators of AQ and did not account for the specific achievements of individual programs
- the reported survey results were based on 229 responses from AQ participants out of approximately 3,600 AQ participants to whom the surveys were sent
- the evaluation analysis was limited by data availability, including the unavailability of data related to other similar innovation programs; this limited the analysis in benchmarking and assessing the technical efficiency of the AQ initiative
- as system-level indicators were impacted by many factors beyond the AQ initiative, the evaluation acknowledged that changes may not be directly attributable to the AQ initiative
- the evaluation report recognised that the AQ initiative was still in its early stages and that it would take time to achieve the full extent of impacts on innovation and the economy.

Second macro-level evaluation

A second firm (the second evaluator) was engaged by the Department of Tourism, Innovation and Sport (DTIS) to conduct a second macro-level evaluation of the AQ initiative. This evaluation assessed the AQ initiative from its inception to March 2021. This second evaluation was conducted between July 2021 and January 2022.

This evaluation focused on the extent to which the AQ initiative:

- was adopted by key stakeholders (reach)
- delivered on its stated objectives (effectiveness)
- provided value for money (efficiency).

The scope for this macro-level evaluation focused on the overall impact of the AQ initiative, not the individual outcomes of AQ programs. The evaluation report included a summary of key findings, opportunities, and lessons learned, and highlighted selected activities or programs to illustrate key findings.

Key findings

The second evaluator developed its findings and opportunities based on a literature review, analysis of various datasets – including program data, publicly available and restricted data, and survey results – and stakeholder engagement through interviews and focus groups.

Figure E2 provides a summary of the key findings outlined in the evaluation report.

Figure E2
Advance Queensland second macro-level evaluation findings

Area	Evaluator finding
Reach	
To what extent was the AQ initiative adopted by key stakeholders	AQ reached all intended key stakeholder categories Participation was highest amongst those identifying as start-ups and small to medium enterprises (SMEs) Participation from innovators and entrepreneurs in priority cohorts – female, First Nations, and regional and rural – was strong and increased over time
Effectiveness (strategy and objective)	
Supporting culture • Increase innovation awareness and engagement • Increase entrepreneurialism	AQ's programs appear to have been successful in increasing exposure to science, innovation, and entrepreneurship, raising their profile across a broad section of Queenslanders; however, it appeared this interest was not sustained AQ was one factor contributing to a more favourable business environment, but this lagged behind New South Wales and Victoria

Area	Evaluator finding
Building capability • Increase innovation capability • Develop, attract, and retain talented people (including STEM skills)	Despite some progress against objectives, more challenges remained under the building capability strategy than other strategies Queensland's pipeline of future capabilities and talent remained insecure When compared to other states, Queensland's performance on key enrolment and academic performance STEM (science, technology, engineering, and mathematics) metrics was mixed Queensland experienced a significant upswing in using digital and technology solutions; COVID-19 acted as a trigger for change, and AQ played a significant role in enabling the uptake Queensland lagged other states in digital readiness, driven by a lack of appropriate infrastructure, capability, confidence using technologies, and awareness of benefits and opportunities offered by greater use of digital technologies
Fostering collaboration • Build sustainable partnerships to deliver outcomes • Increase local and international networks	Queensland businesses mirrored the Australian trend of low collaboration on innovation. However, businesses recognised the importance of innovation and sought support through AQ and similar initiatives to overcome factors preventing them from collaborating, including lack of time or funding One of participants' most praised achievements of AQ was the initiative's facilitation of connections between AQ participants leading to positive outcomes Results were mixed for collaboration in research on a macro level. While Queensland's researchers appeared as collaborative as their interstate colleagues, there was an opportunity to further incentivise collaboration between research and industry
Increase investment • Grow pipeline of investable products and services • Build access to capital	Queensland's businesses and government demonstrated strong commitment to increasing investment in research and development (R&D), as shown by Queensland outperforming comparison states across government and business R&D investment metrics and attracting external R&D investments The higher number of patent applications compared to other states suggests high productivity from the research conducted in Queensland Venture capital grew more slowly than in comparison states. AQ participants enjoyed greater access to capital and reported stronger commercialisation outcomes. However, there was an opportunity to explore how AQ funding could be further leveraged to address gaps in commercial funding for innovation, for better innovation outcomes
Scaling for jobs and growth • Expedite commercialisation • Increase economic benefits from innovation (including jobs)	AQ played a part in Queensland displaying strong performance across key economic metrics including job creation, increase in exports, and business productivity Scale-ups had a much higher growth rate after AQ started, based on analysis of Queensland payroll tax data, developed by the second evaluator for this evaluation Queensland was outperforming comparison states in multifactor productivity and export growth, showing that strong jobs, revenue, and productivity outcomes reported by AQ participants was likely translating to the wider economy
Efficiency	
To what extent has the AQ initiative provided value for money	Early indications showed that AQ provided a healthy return on investment based on a cost benefit analysis. AQ likely delivered more benefits to Queenslanders than it cost by a ratio of at least 1.6 to 1 Many effects (both positive and negative) were likely to emerge over the next 5 years, some of which may be unpredictable. The cost benefit analysis should be taken as an illustrative estimate and was limited by several factors, such as COVID-19 and a lack of data points that would allow the second evaluator to account for other external factors

Source: Macro-level Evaluation 2 of Advance Queensland: Final Report – 31 January 2022.

Challenges and limitations

The evaluation report outlined several challenges and limitations that should be noted when interpreting the findings including:

- numerous external factors influenced the initiative's outcomes and examining them was largely out of scope for the evaluation; the second evaluator noted it was near impossible to fully attribute all benefits to the AQ initiative
- administrative program data collected for monitoring and reporting of AQ presented challenges for the economic assessment; most program data focused on selected metrics to meet reporting requirements, but did not cover the breadth needed for economic analysis
- to address data limitations, the second evaluator used other data sources and made appropriate assumptions where no datasets were available; the cost–benefit analysis included several assumptions that increased the margin of error
- due to lag times, some of AQ's impacts would not have been fully realised at the time the second evaluator performed their evaluation.

Continuous improvement in program design and reporting

The evaluation report identified opportunities for continuous improvement in program design and reporting based on lessons learned from its implementation and evaluation. These opportunities included:

- embedding outcome measurement and reporting to demonstrate the value of each program, especially those attracting greater public or political scrutiny
- ensuring grants recipients are accountable and can demonstrate outcomes for government money received
- defining key terms, measures, and indicators, and calculating baselines of key metrics before expending funding
- annually updating and monitoring measures developed by the second evaluator to track innovation performance.

F. AQ initiative funding allocation

Figure F1 identifies the 10 largest programs, by dollar value, under the Advance Queensland (AQ) initiative, the amount of committed funds, and the amount spent for each program.

Figure F1
Committed funding and amount spent on the 10 largest AQ programs

Top 10 programs	$ committed ($ mil.)	$ spent ($ mil.)
Business Development Fund	$80.0	$80.0*
Industry Attraction Fund	$77.5	$72.7
Ignite Ideas Fund	$62.7	$60.0
Industry Research Fellowship	$55.5	$52.1
Research Infrastructure Co-investment Fund	$40.8	$40.8
The Precinct	$39.6	$37.6
Industry roadmaps	$38.3	$36.1
Connecting with Asia Strategy	$33.0	$33.0
Integrated Care Innovation Fund	$32.9	$32.9
QLD Hydrogen Industry Development Strategy	$24.0	$18.6
Total	**$484.3**	**$463.8**

Note: * Further information on the Business Development Fund is included in Appendix G.

Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation and other departments.

Figure F2 provides a breakdown of the total amount spent by the Department of the Environment, Tourism, Science and Innovation (DETSI) on programs under *Advance Queensland – Innovation for a Future Economy 2022–2032* (2022–2032 Roadmap) as at 30 June 2026.

Figure F2
Amounts spent by DETSI on programs under the 2022–2032 Roadmap

Program	Amount spent to 30 June 2026 ($ mil.)
Research Infrastructure Co-Investment Fund	$14.8
The Precinct	$13.3
Ignite - Ideas/Spark	$12.8
Industry Research Fellowships	$9.8
Science Into Industry	$8.9
Industry Research Projects	$6.1
Queensland Innovation Precinct and Places	$3.9
Deadly Innovation	$3.3
Office of the QLD Chief Entrepreneur	$3.1
Regional Enablers	$2.7
Program Support	$2.5
Ignite+	$1.6
Regional Futures (Collaborative)	$1.6
Innovation Events & Stakeholder Engagement	$1.6
Corporate Innovation Initiatives Program	$1.0
Corporate Innovation Network Program	$0.8
Private Sector Partnerships	$0.7
Industry Research Foundations	$0.5
Backing Female Founders	$0.3
Future Strategy	$0.1
Total	**$89.4**

Note: Amounts of $73,000 and $55,000 were also spent on The Innovation Squad and Innovation Advisory Council. Various programs and administrative support costs have been allocated under the Program Support heading.

Source: Compiled by Queensland Audit Office from information provided by the Department of the Environment, Tourism, Science and Innovation.

G. Business Development Fund

The Business Development Fund (BDF) was established as one of the 8 original programs under the Advance Queensland (AQ) initiative in 2015. The originally approved budget for the BDF was $40 million, but this grew to $80 million by 2019–20. The purpose of the BDF was to invest in innovative, growing businesses based in Queensland.

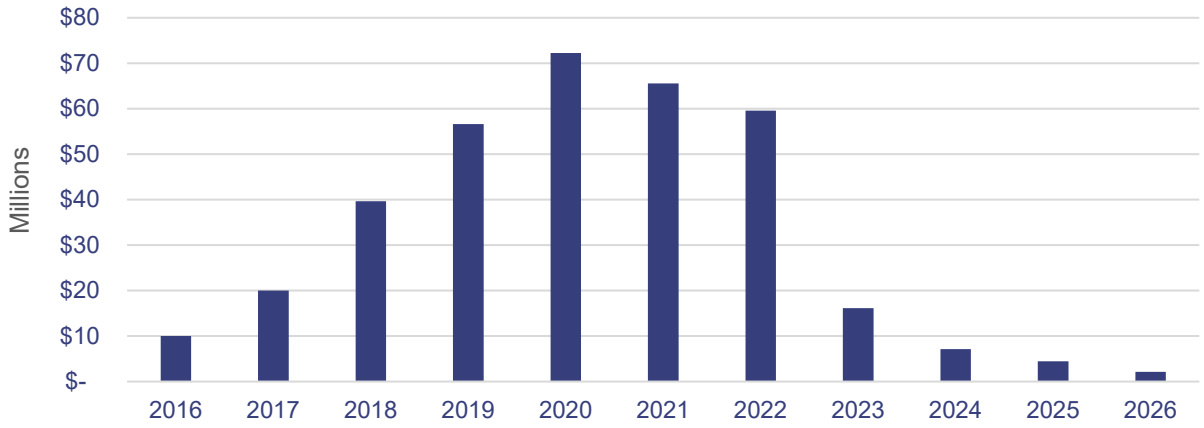
The BDF invested between $125,000 and $2.5 million in businesses, with the investment to be matched by a private sector co-investor. The BDF and the co-investor were shareholders in the private company with identical rights. The BDF held its investment in the company until its shares were purchased through a merger, acquisition, or initial public offering.

The BDF was administered by QIC Limited on behalf of Queensland Treasury, with investment decisions made by an independent panel of experts with entrepreneurship and early-stage investment experience.

Queensland Treasury reported the BDF as a financial asset in its annual financial statements. The amount reported represented the underlying value of the investments held within the BDF. As at 30 June 2026, the value of the BDF reported in Queensland Treasury's 2025–26 financial statements was $2.1 million.

Figure G1 shows the value of the BDF reported in Queensland Treasury's annual financial statements between 2015–16 and 2025–26.

Figure G1
Reported value of the BDF in Queensland Treasury's financial statements



Source: Compiled by Queensland Audit Office from Queensland Treasury's annual financial statements.

Movements in the value of the BDF between 2015–16 and 2025–26 were represented by:

- new investments into the fund
- changes in the value of the underlying investments
- amounts withdrawn from the fund.

Figure G2 reconciles the amount invested in the BDF to the reported balance as at 30 June 2026.

Figure G2
Reconciliation of movements in the BDF

Movement	Amount ($ mil.)
Investments in the BDF	$80.0
Net movements in the value of underlying investments	($29.6)
Withdrawals and transfers from the BDF*	($48.3)
Balance as at 30 June 2026	**$2.1**

Note: * Amounts withdrawn and transferred include uncommitted funds held by the BDF. These include proceeds received on the sale of shares held by the BDF. Between 2022–23 and 2025–26, approximately $39.4 million was transferred to the Enterprise Acceleration Fund, also held by Queensland Treasury, as part of the Backing Queensland Business Investment Fund (BQBIF). The BQBIF is not a program under the AQ initiative.

Source: Compiled by Queensland Audit Office from Queensland Treasury's annual financial statements.



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