

SERVICE DELIVERY STATEMENTS

Department of Resources

2022–23 Queensland Budget Papers

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The budget papers are available online at budget.qld.gov.au

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Service Delivery Statements

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Department of Resources

Portfolio overview

Minister for Resources

The Honourable Scott Stewart MP

Department of Resources

Acting Director-General: Mark Cridland

Additional information about these agencies can be sourced from:

www.resources.qld.gov.au

Department of Resources

Overview

The Department of Resources' (the department) vision is to be an influential economic department that advocates in the public interest. The department's purpose is to capitalise on Queensland's resources for sustainable economic prosperity and just outcomes.

The department supports the government's objectives for the community:

- More Jobs in More Industries: Good, secure jobs in our traditional and emerging industries
- Protecting Our Queensland Lifestyle: Protect and enhance our Queensland lifestyle as we grow
- Better Services: Delivering even better services right across Queensland.

The service areas within the department align with the following department objectives:

Department's service areas	Department's objectives
Land Services Provide modern and effective land administration and property services to ensure efficient use of Queensland's resources Minerals and Energy Resources Services Enable a resilient, responsible and sustainable resources industry that grows as it transforms	Optimised use of land resources of the state Increased and diversified private sector investment in georesources Innovation to unlock our data's potential Positive stakeholder and public sentiment on our policies, programs and people

Department highlights

In 2022–23, the department will:

- commence the modernisation of the state land administration system to enable smarter, quicker, and more transparent decision-making to better support government and industries deliver economic growth
- implement the Queensland Resources Industry Development Plan with a vision for a resilient, responsible and sustainable Queensland resources industry that grows and transforms
- continue to support development of new economy minerals projects and supply chains, including by advancing the common user vanadium processing facility
- actively manage mineral, coal, petroleum and gas resources to ensure that they are being used in a sustainable way that supports economic development to the benefit of all Queenslanders
- facilitate the continued development of domestic gas supply for the east coast market
- deliver reliable, efficient, and effective regulatory support to the mineral, coal, petroleum and gas sectors
- modernise data and digital systems to help improve resource sector efficiency and efficacy
- continue to enhance the experience of our customers by understanding their sentiment and satisfaction and improving our service delivery based on their feedback.

Budget highlights

In the 2022–23 Queensland Budget, the government is providing:

- \$39.8 million over 5 years to support the implementation of several key initiatives included in the Queensland Resources Industry Development Plan (QRIDP), including \$17.5 million for the Collaborative Exploration Initiative, \$10 million for the delivery of airborne and ground based geophysical surveys, \$5 million for research to better define Queensland's new economy minerals potential, \$5.7 million for the Resources Centre of Excellence - Future Industries Delivery Hub in Mackay, and \$1.6 million for regulatory system improvements
- \$40 million over 4 years and \$10 million per annum ongoing to continue the Natural Resources Recovery Program to increase the resilience of Queensland's landscapes leading to sustained economic outcomes
- \$11.7 million over 2 years to continue the Abandoned Mines Sites – Care and Maintenance, Risk Mitigation and Remediation Program at the former underground coal gasification sites at Hopeland (Linc Energy) and Bloodwood Creek (Carbon Energy) to plug and abandon all wells.

Further information about new policy decisions can be found in *Budget Paper No. 4: Budget Measures*.

Performance statement

Land Services

Objective

Provide modern and effective land administration and property services to ensure efficient use of Queensland's resources.

Description

This service area administers land, property services, vegetation management frameworks and Queensland's Natural Resources Investment Program. This includes issuing licences, permits, leases and other dealings, resolving native title claims, allocating and managing unallocated state land, administering Queensland's stock routes, issuing land valuations and monitoring and reviewing the performance of the titles registry function by Titles Queensland.

Service standards	2021–22 Target/Est.	2021–22 Est. Actual	2022–23 Target/Est.
Effectiveness measures			
Percentage of native title claims resolved by agreement between the parties ^{1,2}	>75%	91.6%	>60%
Average percentage adjustment to annual statutory land valuations, resulting from all properly made objections ³	≤8%	...	≤8%
Efficiency measure			
Average cost per valuation	<\$20	\$16.37	<\$20

Notes:

1. The 2022–23 Target/Estimate has been amended from >75 per cent to >60 per cent due to expected increase in matters for trial before the Federal Court in 2022–23. Where a claim is not able to be resolved by agreement there is no option but for the parties to litigate the matter. Compared with past years, significantly more of Queensland's active claimant applications are currently in active trial or likely to be so programmed, reducing the number of claims available to be resolved by agreement.
2. The Variance between the 2021–22 Target/Estimate and the 2021–22 Estimated Actual is due to claim resolution being subject to several highly variable external factors. For the reporting period, there were more consent determinations made without resorting to litigation.
3. The 2021–22 Estimated Actual is not available as the objections period closed at the end of May 2022, resulting in the objections data not being available until the end of June 2022. The actual result will be reported in the department's 2021–22 annual report.

Minerals and Energy Resources Services

Objective

Enable a resilient, responsible and sustainable resources industry that grows as it transforms.

Description

This service area provides high quality and timely administration of Queensland's minerals, coal, petroleum and gas, and spatial data resources to facilitate the exploration and development in the public interest through administering permits for mining, petroleum, gas, geothermal and carbon sequestration and storage activities; undertaking monitoring, evaluation and compliance activities to ensure performance complies with current regulatory frameworks; supports, guides and provides information necessary to meet statutory requirements and social licence commitments; collects geoscience data and information to play a key role in attracting investment to Queensland's resources sector; manages legacy mining impacts through active remediation programs; and identifies critical resources requiring protection for future use.

Service standards	2021–22 Target/Est.	2021–22 Est. Actual	2022–23 Target/Est.
Effectiveness measure			
Notification of directly impacted stakeholders prior to the release of new areas for resource exploration or production by competitive tender	90%	100%	90%
Efficiency measures			
Average cost of all tenure processing transactions ¹	≤\$2,200	\$922.24	≤\$2,200
Average cost of acquiring, maintaining and providing spatial information per thousand user accesses ^{2,3}	≤\$45	\$26.03	≤\$45

Notes:

1. The variance between the 2021–22 Target/Estimate and 2021–22 Estimated Actual is due to high number of fossicking applications and variation applications relating to COVID.
2. The variance between the 2021–22 Target/Estimate and 2021–22 Estimated Actual is due to higher than anticipated demand growth.
3. This service standard was previously presented in the 'Land Services' service area in the 2021–22 *Service Delivery Statements*. Responsibility for spatial data resources has moved to the 'Minerals and Energy Resources Services' service area.

Departmental budget summary

The table below shows the total resources available in 2022–23 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Resources	2021–22 Adjusted Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹	325,268	311,028	364,106
Other revenue	17,199	14,245	11,042
Total income	342,467	325,273	375,148
Expenses			
Land Services	173,714	164,310	171,459
Minerals and Energy Resources Services	165,602	157,567	200,221
Corporate Partnerships	3,151	3,396	3,468
Total expenses	342,467	325,273	375,148
Operating surplus/deficit	..	..	..
Net assets	171,263	187,803	188,858
ADMINISTERED			
Revenue			
Appropriation revenue	7,426	7,226	7,499
Other administered revenue	438,860	437,076	451,513
Total revenue	446,286	444,302	459,012
Expenses			
Transfers to government	208,290	206,517	220,951
Administered expenses	57,996	57,785	58,061
Total expenses	266,286	264,302	279,012
Operating surplus/deficit	180,000	180,000	180,000
Net assets	73,285,004	74,603,067	74,761,059

Note:

1. Includes State and Commonwealth funding.

Staffing

The table below shows the Full Time Equivalents (FTEs) as at the 30 June in the respective years.

Service area	2021–22 Adjusted Budget	2021–22 Est. Actual	2022–23 Budget
Land Services	945	930	872
Minerals and Energy Resources Services	584	578	530
Corporate Partnerships	21	23	23
Total FTEs	1,550	1,531	1,425

Notes:

1. Corporate FTEs are allocated across the service to which they relate.
2. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments, and therefore cannot be allocated by Service Area.
3. The variance between 2021–22 Estimated Actual and the 2022–23 Budget relates to the department's contribution to the whole-of-government pool of unallocated FTE positions.

Capital program

The department's 2022–23 capital investment program will support the maintenance of the state's stock route network (\$900,000) and investment in digital solutions to support the vast datasets used to stimulate economic development in Queensland (\$3.4 million) and other critical property, plant and equipment assets to support the department's service delivery requirements (\$5.8 million).

The table below shows the capital purchases by the agency in the respective years.

	2021–22 Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
Capital purchases	12,140	7,405	10,105
Capital grants	..	..	..
Total capital outlays	12,140	7,405	10,105

Further information about the Department of Resources capital outlays can be found in *Budget Paper No. 3: Capital Statement*. There may be variations between the capital program figure quoted across papers as payments across Queensland government agencies are excluded from *Budget Paper No. 3: Capital Statement* and may be included in the figure quoted above.

Budgeted financial statements

Departmental income statement

Controlled income statement

The department's total expenses are estimated to be \$375.1 million in 2022–23, an increase of \$49.9 million from the 2021–22 Estimated Actual.

This is largely driven by new budget measures since the 2021–22 published budget to support the implementation of several key initiatives included in the Queensland Resources Industry Development Plan (QRIDP), the continuation of the Abandoned Mines Sites – Care and Maintenance, Risk Mitigation and Remediation Program and the Natural Resources Recovery Program.

New funding is also available under the Federation Funding Agreement to support the delivery of a Gas Well Trials Initiative in the North Bowen and Galilee Basins.

Administered income statement

Administered activities are those undertaken by departments on behalf of the government. The department administers funds on behalf of the state for mineral and petroleum, revenue for state land and resource tenure application processing fees.

The department's total administered revenues are estimated to be \$459 million in 2022–23, an increase of \$14.7 million from the 2021–22 Estimated Actual. The increase mainly reflects the expected growth in revenue derived from mining and petroleum leases and pastoral holdings.

Departmental balance sheet

The department's major assets consist of property, plant and equipment (\$94.5 million) and intangibles (\$32.9 million). Land, infrastructure and buildings are also subject to market fluctuations through annual revaluations.

The department's main liabilities relate to payables for accrued employment benefits and trade creditors. The balance sheet is underpinned by receivables and payables which fluctuate as they fall due and there are no known factors that will vary these over the next few years.

The department's administered entity balance sheet includes state-owned land, payables and receivables. Property, plant and equipment includes state-owned leasehold land, land under roads, unallocated state land and reserves totalling \$74.708 billion.

Controlled income statement

Department of Resources	2021–22 Adjusted Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
INCOME			
Appropriation revenue	325,268	311,028	364,106
Taxes	..	..	..
User charges and fees	12,131	10,881	10,288
Royalties and land rents	160	40	30
Grants and other contributions	3,900	2,914	314
Interest and distributions from managed funds	..	..	..
Other revenue	1,008	410	410
Gains on sale/revaluation of assets	..	..	..
Total income	342,467	325,273	375,148
EXPENSES			
Employee expenses	195,734	199,317	208,224
Supplies and services	104,400	85,536	103,511
Grants and subsidies	26,658	24,880	47,980
Depreciation and amortisation	12,504	12,504	12,304
Finance/borrowing costs	..	..	..
Other expenses	3,171	3,036	3,129
Losses on sale/revaluation of assets	..	..	..
Total expenses	342,467	325,273	375,148
OPERATING SURPLUS/(DEFICIT)	..	..	..

Controlled balance sheet

Department of Resources	2021–22 Adjusted Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
CURRENT ASSETS			
Cash assets	56,280	78,693	81,984
Receivables	10,013	18,542	18,881
Other financial assets	..	..	..
Inventories	(412)	..	..
Other	1,430	2,469	2,469
Non-financial assets held for sale	440	1,110	1,110
Total current assets	67,751	100,814	104,444
NON-CURRENT ASSETS			
Receivables	(460)	..	..
Other financial assets	..	..	..
Property, plant and equipment	128,234	97,164	94,457
Intangibles	37,020	32,451	32,922
Other	..	..	..
Total non-current assets	164,794	129,615	127,379
TOTAL ASSETS	232,545	230,429	231,823
CURRENT LIABILITIES			
Payables	26,539	20,641	21,972
Accrued employee benefits	7,568	8,284	6,953
Interest bearing liabilities and derivatives	21,138	10,509	10,509
Provisions	..	..	..
Other	5,244	2,853	2,853
Total current liabilities	60,489	42,287	42,287
NON-CURRENT LIABILITIES			
Payables	793	339	678
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	..	..	..
Other	..	..	..
Total non-current liabilities	793	339	678
TOTAL LIABILITIES	61,282	42,626	42,965
NET ASSETS/(LIABILITIES)	171,263	187,803	188,858
EQUITY			
TOTAL EQUITY	171,263	187,803	188,858

Controlled cash flow statement

Department of Resources	2021–22 Adjusted Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	326,384	301,166	365,222
User charges and fees	12,131	10,881	10,288
Royalties and land rent receipts	160	40	30
Grants and other contributions	3,900	2,914	314
Interest and distribution from managed funds received	..	..	..
Taxes	..	..	..
Other	2,050	2,882	1,452
Outflows:			
Employee costs	(197,065)	(200,648)	(209,555)
Supplies and services	(105,103)	(86,239)	(104,214)
Grants and subsidies	(26,658)	(24,880)	(47,980)
Borrowing costs	..	..	..
Other	(3,295)	(3,160)	(3,253)
Net cash provided by or used in operating activities	12,504	2,956	12,304
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	37	37	37
Investments redeemed	..	..	..
Loans and advances redeemed	..	..	..
Outflows:			
Payments for non-financial assets	(12,140)	(7,405)	(10,105)
Payments for investments	..	..	..
Loans and advances made	..	..	..
Net cash provided by or used in investing activities	(12,103)	(7,368)	(10,068)
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	696	696	4,761
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	(3,706)	(3,706)	(3,706)
Net cash provided by or used in financing activities	(3,010)	(3,010)	1,055
Net increase/(decrease) in cash held	(2,609)	(7,422)	3,291
Cash at the beginning of financial year	58,889	79,025	78,693
Cash transfers from restructure	..	7,090	..
Cash at the end of financial year	56,280	78,693	81,984

Administered income statement

Department of Resources	2021–22 Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
INCOME			
Appropriation revenue	7,426	7,226	7,499
Taxes	..	..	..
User charges and fees	27,351	29,639	30,184
Royalties and land rents	166,437	167,259	181,151
Grants and other contributions	225,185	225,185	225,185
Interest and distributions from managed funds	5,887	993	993
Other revenue	..	..	..
Gains on sale/revaluation of assets	14,000	14,000	14,000
Total income	446,286	444,302	459,012
EXPENSES			
Employee expenses	..	..	..
Supplies and services	2,121	1,910	2,113
Grants and subsidies	47,530	47,530	47,603
Depreciation and amortisation	3,125	3,125	3,125
Finance/borrowing costs	..	..	..
Other expenses	5,000	5,000	5,000
Losses on sale/revaluation of assets	220	220	220
Transfers of Administered Revenue to Government	208,290	206,517	220,951
Total expenses	266,286	264,302	279,012
OPERATING SURPLUS/(DEFICIT)	180,000	180,000	180,000

Administered balance sheet

Department of Resources	2021–22 Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
CURRENT ASSETS			
Cash assets	23,294	61,640	62,935
Receivables	73,664	27,942	27,951
Other financial assets	..	..	..
Inventories	..	..	..
Other	..	..	..
Non-financial assets held for sale	3,418	1,710	1,710
Total current assets	100,376	91,292	92,596
NON-CURRENT ASSETS			
Receivables	(24,857)	9,819	7,819
Other financial assets	..	..	..
Property, plant and equipment	73,252,543	74,548,275	74,708,267
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	73,227,686	74,558,094	74,716,086
TOTAL ASSETS	73,328,062	74,649,386	74,808,682
CURRENT LIABILITIES			
Payables	4,152	4,403	5,707
Transfers to Government payable	8,780	5,711	5,711
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	(12)	357	357
Provisions	..	..	..
Other	30,088	35,848	35,848
Total current liabilities	43,008	46,319	47,623
NON-CURRENT LIABILITIES			
Payables	51	..	..
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	..	..	..
Other	(1)	..	..
Total non-current liabilities	50	..	..
TOTAL LIABILITIES	43,058	46,319	47,623
NET ASSETS/(LIABILITIES)	73,285,004	74,603,067	74,761,059
EQUITY			
TOTAL EQUITY	73,285,004	74,603,067	74,761,059

Administered cash flow statement

Department of Resources	2021–22 Budget \$'000	2021–22 Est. Actual \$'000	2022–23 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	7,426	7,226	7,499
User charges and fees	27,122	29,410	29,955
Royalties and land rent receipts	166,437	167,259	181,151
Grants and other contributions	..	..	..
Interest and distribution from managed funds received	5,887	993	993
Taxes	..	..	..
Other	63,239	63,239	63,239
Outflows:			
Employee costs	..	..	..
Supplies and services	(64,056)	(63,845)	(64,048)
Grants and subsidies	(2,530)	(2,530)	(2,603)
Borrowing costs	..	..	..
Other	12,068	12,068	12,068
Transfers to Government	(208,290)	(206,517)	(220,951)
Net cash provided by or used in operating activities	7,303	7,303	7,303
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	14,000	14,000	14,000
Investments redeemed	..	..	..
Loans and advances redeemed	4,000	4,000	4,000
Outflows:			
Payments for non-financial assets	..	..	..
Payments for investments	..	..	..
Loans and advances made	(2,000)	(2,000)	(2,000)
Net cash provided by or used in investing activities	16,000	16,000	16,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	..	..	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	(22,008)	(22,008)	(22,008)
Net cash provided by or used in financing activities	(22,008)	(22,008)	(22,008)
Net increase/(decrease) in cash held	1,295	1,295	1,295
Cash at the beginning of financial year	21,999	60,345	61,640
Cash transfers from restructure	..	..	..
Cash at the end of financial year	23,294	61,640	62,935

Glossary of terms

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



Queensland Budget 2022–23

Service Delivery Statements

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