

# **QUEENSLAND BUDGET** 2019–20

## **Service Delivery Statements**

Department of Natural Resources,  
Mines and Energy

[budget.qld.gov.au](http://budget.qld.gov.au)



# 2019–20 Queensland Budget Papers

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## Service Delivery Statements

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**Queensland**  
Government

## Department of Natural Resources, Mines and Energy

### Summary of portfolio

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# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Natural Resources, Mines and Energy:

<p style="text-align: center;"><b>Minister for Natural Resources, Mines and Energy</b></p> <p style="text-align: center;">The Honourable Dr Anthony Lynham MP</p>
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<p style="text-align: center;"><b>Department of Natural Resources, Mines and Energy</b></p> <p style="text-align: center;">Director-General: James Purtill</p>
<b>Service area 1:</b> Natural Resources Management Services
<b>Service area 2:</b> Minerals and Energy Resources Services
<b>Service area 3:</b> Energy Services

Additional information about this agency can be sourced from [www.dnrme.qld.gov.au](http://www.dnrme.qld.gov.au)

# Departmental overview

The Department of Natural Resources, Mines and Energy's vision is that together our land, water, mineral and energy resources deliver sustainable benefits for current and future generations of Queenslanders. Our purpose is to help the community and government make the best use of our renewable and non-renewable land, water, mineral and energy resources and deliver safe, secure, affordable and sustainable energy and water.

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

- Create jobs in a strong economy by contributing to Queensland's capacity to create jobs and increase private sector investment through the responsible and equitable use of our land, water, mineral, and energy assets
- Protect the Great Barrier Reef by contributing to improved water quality and land and vegetation management, and by utilising renewable energy resources. We will continue to develop strategies that mitigate the impacts of climate change
- Be a responsive government by tailoring our services to, and developed with, communities so they are more transparent and easy to use, and remain effective and useful. We will continue to strengthen our direct engagement with communities and other stakeholders, and increase opportunities for collaboration and partnerships.

Our objectives are to:

- manage Queensland's land, water, mineral and energy resources to optimise sustainable development outcomes
- deliver safe, secure, affordable and sustainable energy and water resources
- engage the combined expertise of Traditional Owners, community, industry and government to optimise the management and use of our natural resources
- build a contemporary workforce that demonstrates high levels of expertise, innovation, collaboration and leadership to improve service quality and responsiveness to customers and communities.

The department's work is subject to changes in the external environment which brings new challenges in optimising the management and use of our natural resources.

In 2019-20 the department's key priorities are to:

- implement the December 2019 update of the *Queensland Bulk Water Opportunities Statement*
- facilitate the completion of feasibility studies under the Australian Government's National Water Infrastructure Development Fund
- continue to ensure that Queensland's catchment-based water plans provide sustainable water allocation for the environment, agriculture, industries and population centres
- lead the implementation of Queensland's responsibilities under the Murray-Darling Basin Plan and related Intergovernmental Agreement, including accreditation of relevant Queensland water plans
- support the delivery of water security for Townsville, including Stage 1 of the Haughton pipeline
- unlock additional gas tenements for the domestic market
- deliver a program of work to implement the suite of vegetation management commitments, in collaboration with relevant Queensland Government departments
- lead the review of the *Cape York Peninsula Heritage Act 2007* with respect to the provision of economic development opportunities for Traditional Owners
- continue reforms to resource safety and health, particularly in response to the re-identification of Coal Workers' Pneumoconiosis
- support implementation of the reforms to the mine rehabilitation and financial assurance regimes
- implement initiatives under the *Affordable Energy Plan: making electricity more affordable* and *Powering Queensland Plan*
- lead the implementation of existing National Agreements and Partnerships
- make electricity more affordable for residential and business customers, including continuing an effective working relationship with the Energy and Water Ombudsman Queensland
- facilitate coexistence between landholders and the resources sector, including fostering an effective working relationship with the Land Access Ombudsman.

# Service Performance

## Performance Statement

### Natural Resources Management Services

#### Service Area Objective

Sustainable management of Queensland's land and water resources, oversight of water service providers and water infrastructure owners, and the provision of accurate, timely knowledge of the department's property and spatial information resources.

#### Services

- Sustainable management of Queensland's land and water resources services
- Accurate, timely knowledge of property and spatial information resources services

#### Description

This service area administers land, the vegetation management framework and water management policy and planning frameworks including issuing licences, permits, leases and other dealings; resolving native title claims; allocating unallocated State land and water; managing unallocated State land; promoting water trading through market mechanisms; administering the Titles Registry; issuing land valuations; and maintaining Queensland's spatial data. The department also establishes the policy framework which administers drinking water safety, urban water service provision, safety of referable dams, governance of government owned water entities, pricing of water for irrigation and urban bulk water in South East Queensland (SEQ), water security (including infrastructure) planning, and administers non-commercial dams and weirs.

#### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
384,318	321,474	51,958	7,110	3,776

Notes:

1. The department's total cost is \$601.2M, with the following sources of revenue: \$462.9M State contribution, \$122.3M User charges and fees, \$7.1M Commonwealth revenue and \$9.0M Other Revenue. This includes corporate partnership costs of \$3.6M which are funded through state contribution. These costs have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

#### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
1,896	1,894	1,893

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 2,665 in 2018-19 Budget, 2,663 in 2018-19 Estimated Actual and 2,662 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 28 in 2018-19 Budget, 28 in 2018-19 Estimated Actual and 28 in 2019-20 Budget, which have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby

corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

## 2019-20 service area highlights

In 2019-20 the service area will:

- contribute to the Government's response and the protection of the Great Barrier Reef by delivering, regulating and supporting land and water management programs
- implement improvements to water resource management in response to the *Murray-Darling Basin Compliance Compact* and the independent audit of Queensland non-urban water measurement and compliance through the Rural Water Management Program
- continue to deliver dam regulation in Queensland according to the *Water Supply (Safety and Reliability) Act 2008*
- work in partnership with local government water service providers (as part of the *Queensland Bulk Water Opportunity Statement* Priority Initiative) to develop Regional Water Supply Security Assessments to help them plan for urban water supplies
- continue to work with the Townsville City Council to enhance water security, with the final allocation of \$55 million to be provided in 2019-20 as part of \$225 million over three years
- finalise the targeted amendment to the *Moreton Water Plans* to include sustainable and volumetric arrangements for water in the Central Lockyer Valley Water Supply Scheme
- deliver on *Basin Plan* implementation commitments including compliance compact reporting, annual water use reporting and Northern Basin Toolkit measures
- finalise the partnership with the Australian Government for the delivery and operation of Rookwood Weir
- complete the transfer of the remaining Local Management Arrangement Scheme
- undertake a review of the South-East Queensland Level of Service agreements for bulk water provision
- grow Queensland's regional economy by improving processes to access underutilised water including optimising water trading for use by higher value agricultural and industrial customers (Unlock Water to Unleash Projects)
- implement rural irrigation prices to be charged by Sunwater and Seqwater for the 2020-21 to 2023-24 period, based on advice from the Queensland Competition Authority
- work with industry to develop a series of targeted releases of Unallocated Water Reserves and leasing of Strategic Infrastructure Reserves with the aim of creating economic development and employment outcomes in regional Queensland
- revise the remaining Accepted Development codes for vegetation management
- enhance the Statewide Landcover and Trees Study (SLATS) and vegetation mapping, assessment and monitoring in Queensland through consultation with the Department of Environment and Science
- co-ordinate legislative amendments across Government to support the move to the new Geocentric Datum of Australia 2020
- continue to facilitate system and other changes to enable higher volumes of title transactions to be conducted online through electronic conveyancing
- provide property valuation services across Queensland, including promoting easier electronic access to valuations
- support the Government's North Stradbroke Island (*Minjerribah*) tenure resolution program
- continue to promote Native Title Consent determinations across Queensland
- continue with the program to finalise outstanding entitlements to leases in Aboriginal and Torres Strait Island communities
- provide real time satellite monitoring of Queensland's natural resources
- continue to implement the Natural Resources Investment Program to invest in the sustainable management of land, water and vegetation resources.

<b>Natural Resources Management Services</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<b>Service: Sustainable management of Queensland's land and water resources services</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Percentage of native title claims resolved by agreement between the parties	>50%	100%	>50%
Accuracy and reliability of the State's water monitoring networks <sup>1</sup>	90%	92%	90%
Percentage of the State's drinking water service providers compliant with drinking water regulatory requirements <sup>2</sup>	90%	94%	90%
<i>Efficiency measure</i>			
Average cost per participant of support provided to implement and deliver workshops and visits to Water Supply Providers <sup>3</sup>	<\$400	\$350	<\$400
<b>Service: Accurate, timely knowledge of property and spatial information resources services</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Accuracy of title dealings registered	99.5%	99.8%	99.5%
Average percentage adjustment to annual statutory land valuations, resulting from meritorious objections <sup>4</sup>	≤15%	4%	≤8%
<i>Efficiency measures</i>			
Average cost per valuation <sup>5</sup>	<\$20	\$20	<\$20
Average cost per online spatial services accessed <sup>6</sup>	Baseline cost reducing at least 4% year on year	\$0.03	4% improvement per annum

Notes:

1. The wording of this service standard has been amended to reflect the focus of the measure on confidence in the quality of data available through the monitoring network to support decision making and use by public and other agencies. The wording was previously 'Reliability of the State's water monitoring networks' in the 2018-19 *Service Delivery Statement* (SDS). The calculation methodology has not changed. The availability, accuracy and timeliness of data underpins the department's water planning and management activities and is used by the Bureau of Meteorology to deliver flood monitoring and warning across Queensland.
2. This service standard provides information on how appropriately the drinking water legislation is being implemented by drinking water service providers. The measure is focussed on compliance with legislative requirements that manage regulatory provisions to provide assurance that public health is being protected when compliance is achieved, and the effectiveness of the Regulator (Department of Natural Resources, Mines and Energy) in using appropriate mechanisms to strongly encourage non-compliant providers to meet requirements.
3. This service standard provides an indication of cost efficiency by measuring the average costs incurred by the department in conducting workshops and/or visits to the regions in administering support programs to assist regulated entities to achieve compliance. This includes salary, travel and associated venue costs to provide workshops and face to face visits. The department supports the regulated entities in developing a greater understanding of the regulatory framework whilst improving the implementation and facilitation of workshops.
4. This service standard measures the effectiveness of providing Queenslanders with accurate, timely knowledge of land valuations. This service standard relates to the average percentage adjustment to land valuations, due to meritorious objections. It is an indicator of the accuracy of the land valuations. The Target/Estimate for this measure has been amended for 2019-20 as it was significantly exceeded over the past two years. The wording of the measure has changed to improve clarity but the calculation methodology has not changed. It was previously worded 'Average percentage adjustment to annual statutory land valuations that are objected to' in the 2018-19 SDS.
5. This service standard provides an indication of the cost efficiency of this area fulfilling its intended outcome of Queenslanders having access to reliable and accurate statutory land valuations. The average cost/valuation is an overall efficiency measure of the area's output. The budgeted base expenditure is reported on a unit cost basis and measures the cost to deliver the volume increases in the valuation roll based on the total budget for State Valuation Services for the financial year. This service standard has been moved from 'Sustainable management of Queensland's land and water resources' material service to 'Accurate, timely knowledge of property and spatial information resources' material service, since it is not a management of land measure, rather a land service cost measure.



6. This service standard measures the cost efficiency based on the average cost to provide online spatial services (salary costs only). The average cost depends on the number of web services accessed. The number of web services accessed is dependent upon staff and customer usage. The 2018-19 Target/Estimate was to reduce the baseline cost of \$0.10 by at least 4 per cent (\$0.096). The 2019-20 Target/Estimate is to reduce the baseline cost of \$0.096 by at least 4 per cent (\$0.092). Customer usage is expected to continue to grow and therefore lower cost per service is expected during the next 12 months. Capturing and managing foundation spatial data is critical to support Queensland as it provides consistent and reliable land and spatial information for business planning and decision making.

## Minerals and Energy Resources Services

### Service Area Objective

Responsible use of our minerals and energy resources.

### Services

- Resources safety and health
- Mineral, coal, petroleum and gas services

### Description

This service area provides geoscientific and resource information to enable a series of resource functions to be undertaken and include:

- management of mineral resources to ensure that they are being used in a sustainable way to the benefit of all Queenslanders
- acquisition of geoscientific information
- administration of permits for mining, petroleum, gas, geothermal and carbon sequestration and storage activities
- management of baseline data and monitoring data to predict the groundwater impacts associated with coal seam gas extraction
- coordination and progress of complaints and enquiries relating to the on-ground impacts of resource development
- provision of information to stakeholders about the regulatory framework for resources exploration and development
- oversight of the safety and health of workers in Queensland's mining, explosives and petroleum and gas industries and communities affected by mining, explosives, petroleum and gas
- licensing the use of explosives and gas
- identification of critical resources requiring protection for future use.

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
175,978	105,653	70,325	..	..

Notes:

1. The department's total cost is \$601.2M, with the following sources of revenue: \$462.9M State contribution, \$122.3M User charges and fees, \$7.1M Commonwealth revenue and \$9.0M Other Revenue. This includes corporate partnership costs of \$3.6M which are funded through state contribution. These costs have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
633	633	633

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 2,665 in 2018-19 Budget, 2,663 in 2018-19 Estimated Actual and 2,662 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 28 in 2018-19 Budget, 28 in 2018-19 Estimated Actual and 28 in 2019-20 Budget, which have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

## 2019-20 service area highlights

In 2019-20 the service area will:

- progress a further review of the revised respiratory component of the Coal Mine Workers' Health Scheme, to ensure that it is designed and performing according to best practice, as recommended by the Monash University *Review of Respiratory Component of the Coal Mine Workers' Health Scheme*
- publish performance data on the management of respirable crystalline silica in Queensland mines and quarries
- publish the historical review of fatalities in the Queensland mining sector
- implement a new Queensland Security Explosives Clearance application process
- verify implementation of Well Integrity Management System by selected petroleum and gas operators
- deliver the Collaborative Exploration initiative to encourage exploration into frontier areas in Queensland
- increase coverage of pre-competitive geophysical data in the Northwest Queensland Mineral Province
- manage disclaimed and legacy mine sites and water infrastructure, focussing on the mitigation of public health and safety risks and reviewing, re-purposing and re-commercialisation opportunities
- release the *Underground Water Impact Report 2019* for the Surat Cumulative Management Area
- deliver the Minerals and Energy Resources Globe to provide access to spatial and metadata as an interface for clients and users.

Minerals and Energy Resources Services	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service: Resources safety and health services<sup>1</sup></b>			
<b>Service standards</b>			
<i>Effectiveness measure</i> Lost time injury frequency rate (injuries per million hours) in the mining and quarrying industries	<3.1	3.1	<3.1
<i>Efficiency measure</i> Average cost per mine safety licence issued (\$/Licence) <sup>2</sup>	2.5% improvement per annum	5.8%	2.5% improvement per annum
<b>Service: Mineral, coal, petroleum and gas services<sup>1</sup></b>			
<b>Service standards</b>			
<i>Effectiveness measure</i> Notification of directly impacted stakeholders prior to the release of new areas for resource exploration or production by competitive tender <sup>3</sup>	New measure	New measure	90%
<i>Efficiency measure</i> Average cost of all tenure processing transactions <sup>4</sup>	≤\$2,200	\$1,300	≤\$2,200

Notes:

1. For the 2019-20 *Service Delivery Statement* (SDS) the service area has identified new material services. Service standards are presented for each.
2. This service standard measure of cost efficiency is based on the average cost to issue individual Type A Gas Work, Shotfirer, or Fireworks Operator Licences over the past five years (2014-19). The average cost depends on the number of licence applications received from industry (dependent on industry activity and fixed salary costs). The 2019-20 Target/Estimate is to keep the average cost to issue a mine safety licence less than or equal to \$453.74 and is calculated based on the total salary costs to process these licences.
3. This is a new service standard for the 2019-20 SDS. This proxy measure of effectiveness is about providing directly affected stakeholders notification of the future release of areas for resources activities and access to information about how this might impact them. The intent of these notifications is to proactively help communities and individuals prepare for future resource activities through early engagement and provision of pathways to information and has been implemented to directly address their feedback on historic release processes.
4. This service standard measures the efficiency in tenure processing dealings of all transactions lodged manually and through MyMinesOnline, and all fossicking related transactions. This is calculated based on the total budget for the relevant business area.

## Energy Services

### Service Area Objective

Ensuring Queensland's energy sector is efficient, equitable and sustainable.

### Description

The core functions of the Energy Services service area are to:

- undertake policy and economic analysis, and provide advice to the Minister for Natural Resources, Mines and Energy on matters related to energy policy at the State and National level
- deliver simple and effective regulation to support the efficient and secure operation of the energy sector, while meeting the needs of the community and maximising the value and productivity of the Government's own operations
- enhance customer value for Queenslanders by acting to ensure they have access to reliable and cost-effective energy and provide a framework for consumer protection
- facilitate economic growth and innovation by helping to unlock the State's renewable energy potential to create new industries and new jobs while driving broader productivity improvements across the energy sector to underpin Queensland's economic growth.

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
37,347	32,140	..	..	5,207

Notes:

1. The department's total cost is \$601.2M, with the following sources of revenue: \$462.9M State contribution, \$122.3M User charges and fees, \$7.1M Commonwealth revenue and \$9.0M Other Revenue. This includes corporate partnership costs of \$3.6M which are funded through state contribution. These costs have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
108	108	108

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 2,665 in 2018-19 Budget, 2,663 in 2018-19 Estimated Actual and 2,662 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 28 in 2018-19 Budget, 28 in 2018-19 Estimated Actual and 28 in 2019-20 Budget, which have not been assigned to a particular service area within DNRME as these services are delivered to other government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DNRME to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Agriculture and Fisheries, and the Department of Environment and Science.

## 2019-20 service area highlights

In 2019-20 the service area will:

- implement initiatives under the *Affordable Energy Plan: making electricity more affordable*, including:
  - limit electricity price growth for households and small businesses to inflation over the next year
  - provide grants to help landlords install solar Photovoltaic and solar monitoring technology on rental properties in Gladstone, Bundaberg and Townsville
  - help large businesses understand their electricity use and transition to appropriate tariffs
  - help agricultural businesses (farms) realise energy savings through energy audits and transition support to appropriate new tariffs
  - assist targeted regional families in hardship to manage their energy costs through improved energy literacy, taking simple energy efficiency actions and switching to monthly billing
- implement the Government's *Powering Queensland Plan* including:
  - undertake actions to support the target of at least 50 per cent renewable energy generation in Queensland by 2030
  - continue to support the establishment of CleanCo Queensland Limited, as the State's third publicly owned power generation company commencing operations in 2019-20
  - consider the findings of our statewide hydro–electric study under the Powering North Queensland Plan
  - partner with the Australian Renewable Energy Agency to develop a solution to deliver sustainable energy for the Daintree, to provide residents with a quality, clean, power supply to enhance their standard of living, reduce local pollution and support local businesses and jobs
- regulate and provide strategic oversight of Queensland's electricity and gas supply industries, as well as Queensland's bio-based petrol and bio-based diesel mandates
- maintain the system for the fuel price reporting trial to help motorists shop around and save at the bowser
- lead Queensland's engagement with the Council of Australian Government's Energy Council as it progresses significant policy issues including the integration of climate and energy policy and long-term energy market design
- work with Energy Queensland and local communities to deliver renewable energy solutions to four remote communities being Bamaga, Mapoon, Pormpuraaw and Doomadgee.

Energy Services	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Renewable energy as % of total energy consumed in Queensland <sup>1</sup>	New measure	New measure	9.9%
Average time of energy (electricity and gas) licensing assessments <sup>2</sup>	New measure	New measure	90% < 4 months
<i>Efficiency measure</i>			
Cost per biofuels exemption application assessed <sup>3</sup>	<\$4,680	\$4,030	<\$4,680

Notes:

1. This new service standard measures the effectiveness of renewable energy produced as a percentage of total energy consumed, and relates to the Queensland Government's energy objectives. The transition to 50% renewable generation by 2030 is a key commitment for the Government in the transition to a low carbon sector. The Government has not set annual targets for the 50% target by 2030. Output of renewable energy generation on an annual basis is a market outcome and can vary year-to-year depending on a range of factors including electricity demand, the rate of deployment of projects and climatic variations (for example, resulting in higher or lower solar/wind/water resource availability).
2. This new service standard is a proxy measure of effectiveness of the Queensland Government's renewable energy objectives by optimising customer outcomes through an efficient energy licensing process. Providing certainty on regulatory timeframes is key to industry investment and project certainty, leading to optimised economic outcomes. The timeframe for assessments is within 4 months of receipt of all necessary information to enable a regulatory decision. This measure was previously presented with a breakdown by level of assessment (high and low with the relevant associated timeframes).
3. This service standard measures the cost efficiency of the department in supporting exemption application decisions. It is measured based on the full-time equivalent staff cost to administer exemption applications. Administration tasks include supporting eligible applicants,

arranging the pre-lodgement meeting (noting this stage is optional for applicants), registering and tracking application documentation, information assessments, preparation of draft and final decision documentation, liaison with legal services and correspondence with the applicant. While this measure does not incorporate time taken to finalise an exemption, faster turnaround times are a factor that increases the number of exemptions issued in the quarter, and therefore improved decision times will contribute to an improved efficiency result. The department will continuously improve its assessment practices and education of regulated businesses.

## Discontinued measures

Performance measures included in the *2018-19 Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of Natural Resources, Mines and Energy	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service area: Natural Resources Management Services</b>			
Percentage of non-compliant providers brought back into compliance <sup>1</sup>	90%	90%	Discontinued measure
<b>Service area: Energy Services</b>			
Average time of energy (electricity and gas) licensing assessments: <sup>2</sup>			
- per low level assessment within 2 months	90%	100%	Discontinued measure
- per high level assessment within 4 months	90%	100%	

Notes:

1. This service standard sub-measure was previously presented under 'Compliance with drinking water regulatory requirements' and has been discontinued as it does not adequately measure the actions taken by the Regulator (the Department of Natural Resources, Mines and Energy) to bring drinking water service providers back into compliance. Actions that can be taken range from engagement initiatives, such as emails, phone calls and visits, to prosecution. This only measures whether or not the service provider responded to the actions. To comply or not is ultimately their decision. This will be reported in the 2018-19 Annual Report and the other sub-measure 'Percentage of the State's drinking water service providers compliant with drinking water regulatory requirements' remains as an effectiveness measure for the Service area: Natural Resources Management Services.
2. This service standard's sub-measures were previously presented under 'Average time of energy (electricity and gas) licensing assessments' breakdown by level of assessment (high and low with the relevant associated timeframes) and have now been discontinued. The new measure 'Average time of energy (electricity and gas) licensing assessments' captures both high level and low level assessments, all of which are required within 4 months. This will be reported in the 2018-19 Annual Report.

## Administered items

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

The Department of Natural Resources, Mines and Energy administers funds on behalf of the State as follows:

Revenue collected on behalf of Government:

- **Titles Lodgement Revenue:** Revenue is collected under the *Land Title Act 1994*, *Land Act 1994* and the *Water Act 2000* for the lodgement of documents to secure ownership and other interests in freehold and State leasehold land, water allocations and other resources and to record related information. Customers include individuals, companies and organisations, both in Queensland and elsewhere, with interests in the State's resources. The client groups include landowners, investors, solicitors, financial institutions, surveyors and developers, government agencies, industry groups and other service providers
- **Revenue from State Land:** The department manages the State's administered land portfolio which is made up of reserves, unallocated State land, freehold land, land under roads and leasehold land. Annual rentals and instalments are collected on land leased from the State and on various licenses and permits issued over State land under the *Land Act 1994*. Administered revenue is also generated from sales of unallocated State land and from issuing easement access across State land. The revenue from sales can vary significantly from year to year as they are largely application driven
- **Mineral and Petroleum Rentals:** Annual rent is collected on various permits, authorities, licenses and leases issued under the *Mineral Resources Act 1989*, the *Petroleum Act 1923*, the *Geothermal Energy Act 2010* and the *Petroleum and Gas (Production and Safety) Act 2004*
- **Resource Tenure Application Processing Fees:** Revenue is collected for resource tenure applications and associated dealings under the *Mineral Resources Act 1989*, the *Petroleum Act 1923*, the *Geothermal Energy Act 2010*, the *Petroleum and Gas (Production and Safety) Act 2004* and the *Greenhouse Gas Storage Act 2009*.

Community Service Obligation (CSO) Payments:

- CSO payments are made to Energy Queensland and Origin Energy to ensure all similar Queensland non-market electricity customers pay the same price for electricity, regardless of where they live
- CSO payments are made to Sunwater and Seqwater for the provision of rural irrigation services. A payment is also made to Sunwater for the Cloncurry Pipeline.

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



# Departmental budget summary

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

Department of Natural Resources, Mines and Energy	2018-19 Budget \$'000	2018-19 Est Actual \$'000	2019-20 Budget \$'000
<b>CONTROLLED</b>			
<b>Income</b>			
Appropriation revenue <sup>1</sup>			
Deferred from previous year/s	41,755	43,740	45,100
Balance of service appropriation	490,762	548,431	424,872
Other revenue	130,871	133,350	131,266
<b>Total income</b>	<b>663,388</b>	<b>725,521</b>	<b>601,238</b>
<b>Expenses</b>			
Natural Resources Management Services	392,556	511,445	384,318
Minerals and Energy Resources Services	157,695	151,730	175,978
Energy Services	109,609	58,831	37,347
Corporate Partnerships	3,528	3,515	3,595
<b>Total expenses</b>	<b>663,388</b>	<b>725,521</b>	<b>601,238</b>
<b>Operating surplus/deficit</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Net assets</b>	<b>327,741</b>	<b>328,043</b>	<b>419,886</b>
<b>ADMINISTERED</b>			
<b>Revenue</b>			
Commonwealth revenue	..	..	..
Appropriation revenue	482,607	484,094	518,758
Other administered revenue	780,489	746,543	760,033
<b>Total revenue</b>	<b>1,263,096</b>	<b>1,230,637</b>	<b>1,278,791</b>
<b>Expenses</b>			
Transfers to government	550,084	516,138	529,628
Administered expenses	533,012	534,499	569,163
<b>Total expenses</b>	<b>1,083,096</b>	<b>1,050,637</b>	<b>1,098,791</b>
<b>Operating surplus/deficit</b>	<b>180,000</b>	<b>180,000</b>	<b>180,000</b>
<b>Net assets<sup>2</sup></b>	<b>66,458,592</b>	<b>68,128,565</b>	<b>68,286,557</b>
<b>CAPITAL</b>			
<b>Capital purchases<sup>3</sup></b>			
Total land, buildings and infrastructure <sup>4</sup>	77,215	77,215	90,825
Total plant and equipment	3,063	3,063	2,961
Total other capital <sup>5</sup>	10,718	11,540	15,807
<b>Total capital purchases</b>	<b>90,996</b>	<b>91,818</b>	<b>109,593</b>

Notes:

1. Includes State and Commonwealth funding.
2. Administered Net Assets for 2018-19 have been updated to reflect a publishing error in 2018-19.
3. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
4. This line item includes expenditure for the construction of Rookwood Weir.

# Budgeted financial statements

## Analysis of budgeted financial statements

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

## Departmental income statement

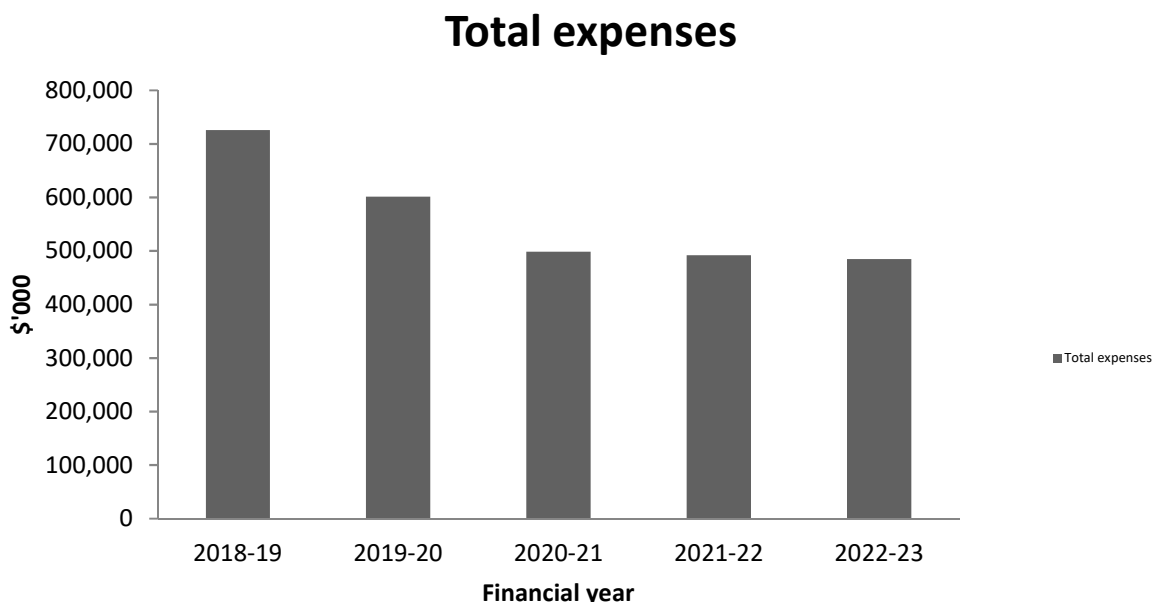
The department's total expenses are estimated to be \$601.2 million in 2019-20, a decrease of \$124.3 million from the 2018-19 Estimated Actual. This is largely due to the timing of expenditure for various programs, including the Townsville Water Security Program, the Affordable Energy Plan and the Regional Business Support Package.

From 2019-20 onwards expenditure estimates are expected to decrease due to the finalisation of a number of limited life initiatives, including the Townsville Water Security Program, the Affordable Energy Plan, the Coal Mine Workers' Health Scheme, Linc Energy, Local Management Arrangements and the Strategic Resources Exploration Program. The reduced estimates also reflect the end of Australian Government funded initiatives, including the National Water Infrastructure Development Fund and the Water for the Future program.

The department raises a quarter of its revenue from sources other than State appropriation, including:

- industry charges which fund the Office of Groundwater Impact Assessment, Resource Safety and Health and the Petroleum and Gas functions.
- user charges revenue, predominantly for maps, cadastral and title searches, storage fees for explosives and other fee for service activities provided by units such as Safety in Mines Testing Research Stations (SIMTARS).
- funding from the Australian Government in relation to specific initiative including the National Water Infrastructure Development Fund, the Great Artesian Basin - Infrastructure Investment program and the Murray Darling Basin Programs.

**Chart: Total departmental expenses across the Forward Estimates period**



## Departmental balance sheet

The department's major assets consist of property, plant and equipment (\$312 million) and intangibles (\$57.6 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, grants, trade creditors and unearned revenue. 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, water infrastructure assets, payables and receivables. State-owned land includes leasehold land, land under roads, unallocated state land and reserves totalling \$68.369 billion.

# Controlled income statement

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	1,7	532,517	592,171	469,972
Taxes		..	..	..
User charges and fees		121,792	121,542	122,123
Royalties and land rents		160	160	160
Grants and other contributions	2,8	7,848	10,577	7,907
Interest and distributions from managed funds		..	..	..
Other revenue		1,071	1,071	1,076
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>663,388</b>	<b>725,521</b>	<b>601,238</b>
<b>EXPENSES</b>				
Employee expenses	3,9	290,336	296,681	303,050
Supplies and services	4,10	183,426	162,570	173,734
Grants and subsidies	5,11	152,881	244,893	87,308
Depreciation and amortisation		17,300	16,932	17,710
Finance/borrowing costs		..	..	..
Other expenses		4,408	4,408	4,436
Losses on sale/revaluation of assets	6,12	15,037	37	15,000
<b>Total expenses</b>		<b>663,388</b>	<b>725,521</b>	<b>601,238</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Controlled balance sheet

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		106,092	106,476	105,761
Receivables		20,752	21,765	22,737
Other financial assets		..	..	..
Inventories		26	30	30
Other		2,276	1,703	1,703
Non-financial assets held for sale		96	896	896
<b>Total current assets</b>		<b>129,242</b>	<b>130,870</b>	<b>131,127</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,19	227,568	231,676	312,026
Intangibles	20	47,202	46,101	57,597
Other		..	..	..
<b>Total non-current assets</b>		<b>274,770</b>	<b>277,777</b>	<b>369,623</b>
<b>TOTAL ASSETS</b>		<b>404,012</b>	<b>408,647</b>	<b>500,750</b>
<b>CURRENT LIABILITIES</b>				
Payables		32,505	32,592	33,555
Accrued employee benefits	14,21	9,792	10,891	9,624
Interest bearing liabilities and derivatives	15	14,000	19,318	19,318
Provisions		..	..	..
Other	16	14,813	11,004	11,004
<b>Total current liabilities</b>		<b>71,110</b>	<b>73,805</b>	<b>73,501</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables	17,22	1,634	6,799	7,363
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		482	..	..
Other	18	3,045	..	..
<b>Total non-current liabilities</b>		<b>5,161</b>	<b>6,799</b>	<b>7,363</b>
<b>TOTAL LIABILITIES</b>		<b>76,271</b>	<b>80,604</b>	<b>80,864</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>327,741</b>	<b>328,043</b>	<b>419,886</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>327,741</b>	<b>328,043</b>	<b>419,886</b>

# Controlled cash flow statement

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		533,206	574,290	470,495
User charges and fees		121,792	121,542	122,123
Royalties and land rent receipts		160	160	160
Grants and other contributions		7,848	10,577	7,907
Interest and distribution from managed funds received		..	..	..
Taxes		..	..	..
Other		2,113	2,113	2,118
<b>Outflows:</b>				
Employee costs		(291,572)	(297,917)	(304,317)
Supplies and services		(183,797)	(162,941)	(174,212)
Grants and subsidies		(152,881)	(244,893)	(87,308)
Borrowing costs		..	..	..
Other		(4,532)	(4,532)	(4,560)
<b>Net cash provided by or used in operating activities</b>		<b>32,337</b>	<b>(1,601)</b>	<b>32,406</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		37	37	37
Investments redeemed		(15,037)	(37)	(15,000)
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		(85,996)	(86,818)	(109,593)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(100,996)</b>	<b>(86,818)</b>	<b>(124,556)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		72,299	74,324	95,141
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(3,706)	(3,706)	(3,706)
<b>Net cash provided by or used in financing activities</b>		<b>68,593</b>	<b>70,618</b>	<b>91,435</b>
<b>Net increase/(decrease) in cash held</b>		<b>(66)</b>	<b>(17,801)</b>	<b>(715)</b>
<b>Cash at the beginning of financial year</b>		<b>106,158</b>	<b>124,277</b>	<b>106,476</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>106,092</b>	<b>106,476</b>	<b>105,761</b>

# Administered income statement

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	26	482,607	484,094	518,758
Taxes		..	..	..
User charges and fees	23,27	376,830	346,829	355,301
Royalties and land rents	24,28	158,966	155,021	159,916
Grants and other contributions		225,185	225,185	225,185
Interest and distributions from managed funds		5,508	5,508	5,631
Other revenue		..	..	..
Gains on sale/revaluation of assets		14,000	14,000	14,000
<b>Total income</b>		<b>1,263,096</b>	<b>1,230,637</b>	<b>1,278,791</b>
<b>EXPENSES</b>				
Employee expenses		..	..	..
Supplies and services	25,29	3,120	1,638	2,926
Grants and subsidies	30	521,547	524,516	557,892
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		550,084	516,138	529,628
<b>Total expenses</b>		<b>1,083,096</b>	<b>1,050,637</b>	<b>1,098,791</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>180,000</b>	<b>180,000</b>	<b>180,000</b>



# Administered balance sheet

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	31,38	86,039	62,064	65,796
Receivables		35,403	32,909	32,918
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale	32	814	13,278	13,278
<b>Total current assets</b>		<b>122,256</b>	<b>108,251</b>	<b>111,992</b>
<b>NON-CURRENT ASSETS</b>				
Receivables	33,39	25,235	23,606	21,606
Other financial assets		..	..	..
Property, plant and equipment		66,448,075	68,209,233	68,369,225
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>66,473,310</b>	<b>68,232,839</b>	<b>68,390,831</b>
<b>TOTAL ASSETS</b>		<b>66,595,566</b>	<b>68,341,090</b>	<b>68,502,823</b>
<b>CURRENT LIABILITIES</b>				
Payables	34	88,839	40,556	44,297
Transfers to Government payable	35	3,968	7,835	7,835
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	26	26
Provisions		..	..	..
Other	36	43,902	42,355	42,355
<b>Total current liabilities</b>		<b>136,709</b>	<b>90,772</b>	<b>94,513</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		265	44	44
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	37	..	121,709	121,709
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>265</b>	<b>121,753</b>	<b>121,753</b>
<b>TOTAL LIABILITIES</b>		<b>136,974</b>	<b>212,525</b>	<b>216,266</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>66,458,592</b>	<b>68,128,565</b>	<b>68,286,557</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>66,458,592</b>	<b>68,128,565</b>	<b>68,286,557</b>

# Administered cash flow statement

Department of Natural Resources, Mines and Energy	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		482,607	482,968	521,195
User charges and fees		376,601	346,600	355,072
Royalties and land rent receipts		158,966	155,021	159,916
Grants and other contributions		..	..	..
Interest and distribution from managed funds received		5,508	5,508	5,631
Taxes		..	..	..
Other		63,239	63,239	63,239
<b>Outflows:</b>				
Employee costs		..	..	..
Supplies and services		(65,055)	(66,978)	(64,861)
Grants and subsidies		(476,547)	(479,516)	(512,892)
Borrowing costs		..	..	..
Other		12,068	12,068	12,068
Transfers to Government		(550,084)	(516,138)	(529,628)
<b>Net cash provided by or used in operating activities</b>		<b>7,303</b>	<b>2,772</b>	<b>9,740</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		14,000	14,000	14,000
Investments redeemed		..	..	..
Loans and advances redeemed		4,000	4,000	4,000
<b>Outflows:</b>				
Payments for non-financial assets		(5,000)	(5,000)	..
Payments for investments		..	..	..
Loans and advances made		(2,000)	(2,000)	(2,000)
<b>Net cash provided by or used in investing activities</b>		<b>11,000</b>	<b>11,000</b>	<b>16,000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		5,000	5,000	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(22,008)	(22,008)	(22,008)
<b>Net cash provided by or used in financing activities</b>		<b>(17,008)</b>	<b>(17,008)</b>	<b>(22,008)</b>
<b>Net increase/(decrease) in cash held</b>		<b>1,295</b>	<b>(3,236)</b>	<b>3,732</b>
<b>Cash at the beginning of financial year</b>		<b>84,744</b>	<b>65,300</b>	<b>62,064</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>86,039</b>	<b>62,064</b>	<b>65,796</b>

# Explanation of variances in the financial statements

## Income statement

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

1. The increase is primarily due to additional funding for the Townsville Water Security Program.
2. The increase is due to additional funding for the Paddock to Reef Integrated Monitoring, Modelling and Reporting Program between the Australian Government and the State of Queensland, and an increase in Australian Energy Market Commission grant revenue.
3. The increase is due to the impacts of enterprise bargaining for the core agreement.
4. The decrease relates to the timing of expenditure within programs such as the Affordable Energy Plan, the Gas Action Plan, the Coal Mine Workers' Health Scheme, Linc Energy and the Strategic Resources Exploration Program.
5. The increase in grants and subsidies is due to timing of expenditure for the Townsville Water Security Program.
6. The decrease reflects the delay in finalisation of the Local Management Arrangement scheme until 2019-20.

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

7. The decrease is primarily due to the finalisation of the Townsville Water Security Program and various Australian Government funded programs including Water for the Future and the National Water Infrastructure Development Fund.
8. The decrease is due to the finalisation of Paddock to Reef Integrated Monitoring, Modelling and Reporting Program and the timing of the Australian Electricity Market Commission grants funding.
9. The increase is due to the impact of enterprise bargaining for the core agreement.
10. The increase is due to additional expenditure for the Coal Mine Workers' Health Scheme, Linc Energy and the establishment of Resources Safety and Health Queensland.
11. The decrease is due to the timing of expenditure for various programs including the Regional Business Support Package, the Local Management Arrangement Scheme and the Townsville Water Security Program.
12. The increase reflects the delay in the finalisation of the Local Management Arrangement Scheme until 2019-20.

## Balance sheet

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

13. The increase is primarily due to increases associated with the department's capital works program.
14. The increase is the result of the timing of payroll processing at the end of the financial year.
15. The increase relates to deposits held on behalf of other government departments for the statutory purchase of land and buildings on their behalf.
16. The decrease predominantly relates to movements in unearned fee for service revenue.
17. The movement is mainly due to a reclassification in relation to the accounting treatment of leases.
18. The movement is mainly due to a reclassification in relation to the accounting treatment of leases.

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

19. The increase is predominantly due to additional investment in the Rookwood Weir Project, plant and equipment purchases and other capital works projects.
20. The increase is primarily a result of the timing of the delivery of ICT related projects.
21. The decrease is a result of the timing of payroll processing at the end of the financial year.
22. The movement relates to the accounting treatment of leases.

## Administered income statement

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

23. The decrease is due to revised estimates for Titles lodgement fees which are subject to movements in the property market.
24. The decrease is due to the conversion of a number of leasehold to freehold properties at net present value, which are application based.
25. The decrease is due to timing of expenditure for the Non-Commercial dam and weir maintenance program.

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

26. The movement is the result of the timing of expenditure for Community Service Obligation payments for Ergon Energy.
27. The increase is due to revised estimates for Titles lodgement fees which are subject to movements in the property market.
28. The increase is due to revised estimates for land and mining rent fees.
29. The increase is due to the timing of expenditure for Non-Commercial dam and weir maintenance program.
30. The movement is the result of the timing of funding related to Community Service Obligation payments for the Drought Relief from Electricity Charges Scheme.

## Administered balance sheet

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

31. The movement in cash is primarily due to the timing of expenditure related to Community Service Obligation payments.
32. The increase relates to land assets which have been identified as surplus to requirement.
33. The decrease relates to movements in non-current finance leases.
34. The decrease is predominantly due to the timing of expenditure related to Community Service Obligation payments.
35. The increase relates to movements in administered receipts to be returned to the Consolidated Fund at year end.
36. The decrease reflects movements in land dealings with and on behalf of other government agencies.
37. The increase is the result of the State's entitlement and obligations in relation to commodity and electricity price hedge instruments related to renewable solar energy investment projects.

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

38. The movement in cash is primarily due to the timing of expenditure related to Community Service Obligation payments.
39. The decrease relates to movements in non-current finance leases.

# Glossary of terms

<b>Accrual accounting</b>	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.
<b>Administered items</b>	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
<b>Agency/entity</b>	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.
<b>Appropriation</b>	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> <li>• delivery of agreed services</li> <li>• administered items</li> <li>• adjustment of the Government's equity in agencies, including acquiring of capital.</li> </ul>
<b>Balance sheet</b>	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
<b>Capital</b>	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.
<b>Cash Flow Statement</b>	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
<b>Controlled Items</b>	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.
<b>Depreciation</b>	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
<b>Equity</b>	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.
<b>Equity injection</b>	An increase in the investment of the Government in a public sector agency.
<b>Financial statements</b>	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
<b>Income statement</b>	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.
<b>Outcomes</b>	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.
<b>Own-source revenue</b>	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
<b>Priorities</b>	Key policy areas that will be the focus of Government activity.
<b>Services</b>	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
<b>Service area</b>	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
<b>Service standard</b>	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.





Queensland Budget 2019–20

**Service Delivery Statements**

[budget.qld.gov.au](http://budget.qld.gov.au)