Service reports

Fiscal

Treasury drives the long-term sustainability of Queensland’s fiscal position by implementing budget strategies and applying financial risk management and accountability oversight. We support government priorities through providing expert advice, policy development and disclosure of whole-of-state budget and financial statements. We do this by:

• preparing the Queensland Budget
• monitoring whole-of-government expenditure
• preparing whole-of-government financial reports and accounts
• managing the balance sheet and having oversight of the state’s interests
• managing the state’s financial risks.

Despite the economic impacts in early 2022 from COVID-19, the Queensland floods and the War in Ukraine, Queensland’s economy and fiscal position have been resilient.

Objective

Deliver fiscal sustainability

2021–22 Budget Update

The 2021–22 Budget Update (the Update) provided an update on Queensland’s economic and fiscal position since the 2021–22 Queensland Budget. The Update reported a $1.993 billion reduction in the operating deficit in 2021–22, largely driven by a temporary increase in royalty income along with higher transfer duty receipts. Windfall gains in royalty revenue of $2.5 billion were invested into the state’s Long Term Assets portfolio.

Queensland Budget

The improving economic conditions since mid-2020 continued the strong rebound in revenue in 2021–22. A net operating balance of $1.9 billion is expected for 2021–22, driven by the revenue impacts from the temporary surge in coal and oil prices and housing activity.

The 2022–23 Queensland Budget leveraged the benefits of the government’s strong health response to drive recovery and grow the economy through focusing on more jobs in more industries, delivering better services, and protecting the Queensland lifestyle.

Budget priorities included record funding for health services and a transformative health capital program to grow the system’s bed capacity. The boost to the health infrastructure is part of a $59.126 billion capital program over 4 years to 2025–26. The Queensland Budget also addresses cost of living pressures through a significant concessions uplift, including an Electricity Asset Ownership Dividend rebate to help manage electricity costs.

Financial Provisioning Scheme

The Financial Provisioning Scheme manages the state’s financial risk of small miners and resource sector holders of an environmental authority not meeting their rehabilitation obligations under the Environmental Protection Act 1994. As at 31 March 2022, all assessable environmental authorities had been transitioned into the Risk Category Allocation assessment process. More information can be found in the Scheme Manager’s Financial Provisioning Scheme Annual Report, available on the Queensland Treasury website.

Economic and productivity

Treasury provides preeminent economic, statistical and revenue analysis, forecasts and policy advice to support, inform and enhance Queensland Government decision-making.

Key functions in this service include:

• providing timely, robust and reliable advice on the performance and outlook for the state’s economy, including implications for the state’s revenues
• providing policy leadership to drive innovative policy solutions across government to promote economic growth, boost productivity and improve regulation in Queensland
• informing and supporting public policy development and implementation, and line agency performance through expert economic, fiscal and policy analysis and advice
• working in partnership with government agencies to develop and deliver programs, initiatives and reforms
• providing expert statistical and data analytics services to support Queensland Government policies, programs and service delivery decisions
• managing Treasury’s intergovernmental interactions.
Service reports

Objective
Grow the Queensland economy and create jobs

Through providing economic leadership and expertise, Treasury played a critical role in the government’s proactive response to drive ongoing strong economic recovery from COVID-19. The department continued to provide economic analysis, modelling and policy advice on the impacts of COVID-19 that helped inform the government’s economic policy response, including development of the substantial business support initiatives, and in development of the government’s economic strategy outlined in the 2022–23 Queensland Budget.

Policy advice

Throughout 2021–22, Treasury collaborated with other Queensland Government agencies on a range of policy areas including:

- contributing to the development of whole-of-government economic strategy
- advising on The Queensland Government Guide to Better Regulation to support regulatory processes across government
- negotiating approval for funding agreements with the Australian Government and engaging on interjurisdictional policy matters
- supporting the development of the government’s response to the Queensland Women’s Safety and Justice Taskforce, Hear her voice – Report one – Addressing coercive control and domestic and family violence in Queensland
- working with Queensland Health to address growth in demand for health and ambulance services and in particular mental health, alcohol and other drugs services
- working with the Department of Employment, Small Business and Training and the Department of Tourism, Innovation and Sport to develop the COVID-19 Business Support Package, the Tourism and Hospitality Sector Hardship Grants and the Major Tourism Experiences Hardship Grant.


Objective
Drive public sector reform

In 2021–22, Treasury played a critical role in driving public sector reform to improve efficiency in government services including:

- administering the government’s regulatory review requirements to ensure regulation is necessary, well-designed and fit-for-purpose
- supporting investment in contemporary technology and infrastructure in the justice system
- working with the Department of Transport and Main Roads (DTMR) to deliver a sustainable capital program, priority capital projects, public transport services and heavy vehicle road reform.

Commercial and investment

To support a stronger economy, Treasury is focused on structuring commercial opportunities and activities to support business investment in priority industries through:

- providing expert advice on financial and commercial aspects of the state’s infrastructure and strategic investments
- leading the state’s partnership with the private sector on significant commercial transactions
- attracting and managing private sector proponents and investors and developing investment pathways
- supporting major private sector investment by providing tailored project facilitation services and coordination across government and key project stakeholders
- leading the management of the state’s investment in government-owned corporations, providing expert advice to the Treasurer as shareholding minister.

Objective
Grow the Queensland economy and create jobs

During 2021–22, Treasury actively engaged in commercial and investment opportunities, generating over 2,777 jobs and $1.3 billion in capital investment.

Notable achievements include:

- announcing 3 new projects under the Jobs and Regional Growth Fund (now closed). The fund is expected to generate over $1.8 billion in capital investment and more than 2,000 operational jobs over its life
- announcing 4 new projects under the Advance Queensland Industry Attraction Fund and Essential Goods and Supply Chain Program (now closed).
These programs are expected to generate over $518 million in capital investment and more than 2,500 operational jobs over their life

- establishing the $520 million invested in Queensland program with 4 announced projects to date that are expected to generate over $440 million in capital investment and 723 operational jobs
- providing equity investments in several businesses through the $100 million Business Investment Fund to enable them to grow market share and support the future Queensland economy
- supporting strategic investment projects that secured the relocation and upgrade of Visy’s Brisbane glass manufacturing, the $177 million Brisbane International Cruise Terminal and Boeing’s selection of Toowoomba as the preferred site for an uncrewed-aircraft production facility, the first ever outside of North America
- working with partner agencies to deliver 4 investor forums focused on agribusiness; health; aviation and aerospace maintenance, repair and overhaul; and tourism to drive major private investment projects
- administering the $2 billion Renewable Energy and Hydrogen Jobs Fund to allow government-owned corporations to increase ownership of renewable energy and hydrogen projects and supporting infrastructure, including in partnership with the private sector
- announcing a pipeline of up to 1,200 new social and affordable homes under the Housing Investment Fund, with an initial stage delivering almost 600 dwellings with a capital value of $250 million and supporting 225 construction jobs
- securing agreements under the first round of the Build-to-Rent Pilot Project, with developments expected to deliver around 750 apartments including up to 240 dwellings provided at a discounted rent, supporting over 600 construction jobs.

From 1 February 2022, QRO commenced administering and collecting certain fines for camera-detected and tolling offences formerly issued by Queensland Police Service (QPS) and DTMR.

Objective

Deliver fiscal sustainability

QRO’s Debt Recovery and Compliance Program aims to maximise existing revenue sources to help fund essential services and infrastructure for Queenslanders. The program is a combination of proactive measures for penalty debt management, improved upfront compliance, and increased audits and investigations for taxation and royalties. The program is expected to raise $488.1 million by 30 June 2024.

In 2021–22, QRO’s debt management centre contacted more than 295,000 debtors and collected $175 million in payments. QRO also achieved a strong increase in audits and investigations, resulting in more than $141.5 million in revenue being assessed. Targeted SPER field enforcement activities such as vehicle immobilisation and seizure increased in 2021–22, despite the suspension of certain enforcement activities due to COVID-19 and flood events. Consolidating resources within QRO for administering and collecting certain traffic camera-related fines resulted in an extra $26 million collected in 2021–22.

The State Penalties Enforcement (Modernisation) Act 2022 was passed by the Legislative Assembly in May 2022, giving legislative effect to the integration of fine administration functions into QRO from TMR and QPS, and enabling early registration of unpaid infringement notices.


Objective

Grow the Queensland economy and create jobs

During 2021–22, QRO paid more than 22,799 home owner and home builder grants totalling $382.80 million. The grants include the existing First Home Owners’ Grant and the Regional Home Building Boost Grant. QRO also administered the HomeBuilder Grant on behalf of the Australian Government.

Revenue management

Queensland Revenue Office (QRO) administered revenue totalling $26 billion in 2021–22 by delivering simple, efficient and equitable revenue management services for state taxes and royalties. Key revenue sources included duties, payroll tax, betting tax and land tax, as well as mining and petroleum royalties.

QRO ensures the integrity of the state’s revenue base through a robust compliance program and by collecting penalty debt owed to the state through the State Penalties Enforcement Registry (SPER). QRO also administers home owner and home builder grants.

Service reports