

TRANSPORT AND RESOURCES COMMITTEE
PUBLIC BRIEFING - 2020-21 ANNUAL REPORT
DEPARTMENT OF RESOURCES
QUESTION TAKEN ON NOTICE
ASKED ON 21 FEBRUARY 2022

QUESTION FROM THE MEMBER FOR TOOWOOMBA NORTH

Is the volume of thermal and metallurgical coal growing, both in terms of dollars and volume, and what has been the impact of Chinese trade barriers?

ANSWER:

Table 1 indicates the volume of coal exported from Queensland over the past three financial years. (Source: ABS unpublished trade data) and Table 2 indicates the total sales value (in Australian dollars) of coal produced in Queensland.

Table 1 – Total volume of coal exported from Queensland

| Total volumes exported from Queensland | 2018-19 | 2019-20 | 2020-21 |
|---|----------------|----------------|----------------|
| Thermal coal (tonnes) | 64,692,776 | 62,317,240 | 49,035,131 |
| Metallurgical coal (tonnes) | 160,124,773 | 154,448,508 | 150,505,618 |

Table 2 – Total export value of Queensland coal

| Total export value (A\$million) | 2018-19 | 2019-20 | 2020-21 | YTD 2021-22 * |
|--|----------------|----------------|----------------|----------------------|
| Thermal coal | 7,310 | 5,578 | 3,960 | 4,253 |
| Metallurgical coal | 38,960 | 30,374 | 20,584 | 20,775 |

* Six months to December 2021. Note that this represents an increase of 105% compared to the A\$10,123 million (A\$10.1 billion) of metallurgical coal exported during the first six months of 2020-21, and represents a 165% increase over the A\$1,607 million (A\$1.6 billion) of thermal coal exported during the first six months of 2020-21.

As you can see from the tables above, while there was a contraction in thermal and metallurgical coal exports over the financial years from 2018-19 to 2020-21, there has been a significant recovery in exports by value during the six months from 1 July 2021 to 31 December 2021.

China's informal ban on the import of Australian coal remains in place, with a substantial decline in coal exports to China since October 2020. However, Queensland exporters have been successful in finding alternative markets for the majority of these coal exports, with more than 85 per cent of export volumes lost to China having been replaced by increased exports to other markets, particularly India, Japan and South Korea. (Source: Queensland Treasury, Mid-Year Financial and Economic Review, December 2021)

Of the coal exported from Queensland, the following tonnages were shipped to China over the past three financial years. (Source: ABS unpublished trade data)

| Total volumes exported from Queensland to China | 2018-19 | 2019-20 | 2020-21 |
|--|----------------|----------------|----------------|
| Thermal coal (tonnes) | 19,967,386 | 16,081,690 | 1,506,983 |
| Hard coking coal * (tonnes) | 31,337,390 | 41,698,428 | 10,773,512 |

* Hard coking coal represents only a component of total metallurgical coal volumes. Note that total metallurgical coal volumes are not available by country.