

DEPARTMENTAL BRIEFING:

Inquiry into the future and continued relevance of Government
land tenure across Queensland

Prepared for: State Development, Industry and Infrastructure
Committee – 11 July 2012

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Thank you for inviting the Department of Natural Resources and Mines to present on land tenure in Queensland, administered under the *Land Act 1994*.

While I am aware that a number of you would be familiar with the tenure system in Queensland, others will not be, so I will start with a fundamental overview before heading into more detail on specific aspects.

I will be covering a general introduction to Queensland tenure, then go into more detail about grazing and agricultural leases – the types, terms, rents and other attributes such as renewal and how the native title acts interact with them. I will then discuss tourism leases, and briefly cover other types of leasehold land. I will touch on some of the differences and similarities between freehold and leasehold land, and then provide some information about the rural leasehold land strategy and survey requirements for freehold land.

Introduction

Other than issues of native title, which I will deal with later, with European settlement all land in the colony of New South Wales (which included Queensland) became the property of the Crown, or as we call it today, State land.

The Land Act 1994 is the primary legislation under which state land is defined, managed and administered. The primary purpose of the current Land Act, and land acts that came before it, is to ensure that the land of Queensland is managed for the benefit for the people of Queensland.

In accordance with the relevant legislation, the Government can choose to alienate that land, and issue a deed of grant to a person. On registration in the freehold land register, alienated land becomes freehold land and the ownership of and proprietary rights in the land transfer to the person holding the deed of grant.

Not all property rights transfer, as the State still holds or reserves to itself the ownership of minerals and petroleum that may be in the land, as provided for under the various resources acts such as the Mineral Resources Act, and as recorded on the title.

For a range of reasons across the years since the first Land Acts in 1860, governments have chosen to make some land available as freehold title and some through a leasehold system.

For instance, leasehold land was used to encourage settlement in western parts of the state without requiring people to purchase the land, or it has been used where the government wanted to retain some level of flexibility as settlement patterns and needs changed, or wanted to maintain some level of oversight of the land use. Leases have also been used to allow the early stages of major developments to occur, with incentive based conditions that freehold could be obtained once certain levels of development had occurred.

Where the state issues a lease to a person over state land, that tenure is known as leasehold. There is a range of different types of leases and I will go into more detail about them later.

Where a road is needed, state land can be dedicated as road. The land is still state land, owned by the state, but it is identified as a road. That includes land that is formed and bitumened, or not formed, and even not identifiable other than as it is shown on a survey plan. It is all road (from boundary to boundary) and is generally available for public use.

Under the Local Government Act and the Transport Infrastructure Act, local governments and the Department of Transport and Main Roads, have rights to control, construct and maintain roads, but the land is still owned by the State.

About two thirds of the land that is road is also designated as stock route.

If land is no longer needed as a road, that dedication as road can be removed and the land can be disposed of in the same way as other state land – eg sold as freehold or included in a lease and the like – this applies to small slivers of road when realignments take place as well as to substantial tracts of road.

When a local government wants, say, a park, or a town may need a showground, state may identify a parcel of land which it is willing to provide for that purpose without charge, on the basis that it is held in trust for that purpose.

This type of land – which is dedicated to some community purpose - is collectively called 'trust land', and will generally be a reserve. It is still state land, however trustees are appointed to manage the land for the purpose for which it is set aside. Trustees are usually (but not always) the local government.

Reserve land is not the only land used for community purposes such as parks and recreation. For example, a local government may own some freehold land on which they wish to have a park. That is their call. However there are a lot of parks and other community purpose lands that are held as reserves.

There is another form of trust land used for this type of community purpose - a deed of grant in trust. While a number of deeds of grant in trust exist, it is a tenure rarely issued today. In essence it is similar to a reserve, with trustees identified and for a specific community purpose.

The diagram on the first attachment shows the different types of land holding that I've mentioned. The parcel in the bottom right (white) is freehold, over the road (grey) from the freehold parcel is a parcel of leasehold land (pink), and up in the top right corner is a reserve (green).

The diagram also shows a small (red) sliver of land that has no tenure or other type of holding. Perhaps it resulted from a realignment of the road. That is unallocated state land – as the name implies, it is state land that is not currently allocated to any particular person or purpose.

There is a sometimes a misapprehension that there is a lot of unallocated state land or vacant crown land across the state. While there are a large number of parcels of unallocated state land; like the one shown on the diagram, most are small in size and in odd locations. Other than a few occasional large parcels of land, the majority of land across Queensland is allocated either as freehold, leasehold, road, reserve or other tenure such as national park or state forest. Unallocated state land makes up less than 1% of Queensland land.

In the diagram, should that adjoining owner be interested in buying that piece of land from the state (at market value) and including it in their freehold parcel, then there is a process to enable that to occur.

Over these various tenure types, interests may be created or permissions given for other activities – for instance you may lease part or all of your freehold land. Similarly, a lessee can sub-lease part or all of their leasehold land, so long as the sub-lease's purpose is consistent with the purposes of the head lease. A lease may also be issued by the trustee over a reserve, generally so long as it is consistent with the purpose of the reserve.

A road may have certain permitted uses over it, so it can be used for a purpose other than as a road. For instance if the road is not required at the moment for travelling public then a road licence can be issued over it. Or if it is still required but another use can occur at the same time – for instance an apiary site – then a permit can be issued over part of it.

The table on attachment 2 shows land across the state:

- 24% of the state is held as freehold land
- 66% of the state is held as leases, licences or permits under the Land Act.
- 2% is held as roads
- Less than 1% as reserves or similar
- Less than 1% is unallocated state land
- The remaining 7% is other tenures such as national parks and state forest.
(These tenures are set aside under legislation other than the Land Act, and I won't be discussing them today)

The table on attachment 3 shows the relative number of parcels and unimproved value of those lands.

- Freehold consists of more than 2 million parcels, valued at about \$453 billion.
- There are some 24,500 leases, licences and permits, valued at about \$6.5 billion.
- There are 3 M ha of road valued at about \$44 billion.
- There are about 27,500 reserves or similar, valued at about \$15 billion.
- There are about 21,000 parcels of unallocated state land, valued at about \$1.7 billion.

The map on attachment 5 shows the general areas of leases, freehold and other holdings across the State.

Revenue to the state from rental of state land brings in approximately \$100 M per year and revenue from sale of state land brings in approximately \$10 – 20 million per year. That provides a general overview of tenures, now I intend to go into more detail about leasehold tenure.

Leasehold land

For the purposes of this presentation, and in consideration of the committee's terms of reference, I will discuss leasehold land against four main categories:

- term leases for grazing and agriculture;
- perpetual leases for grazing and agriculture;
- grazing homestead freeholding leases; and
- other leases, which includes those for tourism and a range of other purposes.

I will briefly explain the characteristics of these types of leases, including their purposes, rents, renewals, conversions and native title implications.

Term leases for grazing and agriculture

In general these leases are to be found in the western parts of the state and in the Cape – see attachment 5.

There are currently just under 4,800 term leases for grazing and agricultural purposes. Basically grazing and agriculture covers any type of primary production. These leases can be for terms of up to 50 years or even 75 years, although the majority are for either 30 or 40 years.

The average size of these leases is in the order of 20,000 ha, though there are a number that are between 500,000 ha and up to 1,000,000 ha.

Anyone is able to hold them – individuals, partnerships, companies, foreign companies as well as Australian companies. In general there are no restrictions as to who may be the lessee, although undischarged bankrupts, criminals and minors (i.e. individuals under 18) are considered ineligible.

They are issued by the Minister responsible for administering the Land Act 1994.

They are bought and sold on the open market, requiring only Ministerial approval to the transfer. Ministerial approval might be withheld if for instance the proposed transferee is a person under 18.

Historically these leases are generally bought and sold for values close to or the same as similar freehold land.

The lease must be used for the purpose specified – ie. grazing and/or agriculture; however a lessee may use their lease for a secondary or ancillary purpose, such as low key tourism or farm stay or for wind or solar energy generation.

Minerals and petroleum exploration and development may also occur on these lands, under the provisions of and consistent with the requirements of the relevant mining or petroleum legislation.

Lessees pay annual rent to the state.

Rent is calculated by using a five-year averaged unimproved value of the lease, multiplied by the prescribed rental rate, which is currently 1.5%.

The unimproved value of the lease is established under the *Land Valuation Act 2010* by the Valuer-General.

Rents are capped until 2017 at no more than 20% of the previous year's rental.

Some examples of rents are:

- A 19,400 ha term lease approx 120km north-west of Hughenden is currently paying \$4,726 per annum or \$91 per week (equating to 24 cents/ha/year);
- A 20,200 ha term lease approx 45km south-west of Clermont is currently paying \$18,709 per annum or \$360 per week (equating to 93 cents/ha/year);
- A 295,000 ha term lease 400km east of Charleville is currently paying \$11,344 per annum or \$218 per week (equating to 4 cents/ha/year).

Lessees of these leases generally have a right to apply for renewal of the lease. This application can only be made after 80% of the existing term of the lease has expired or if in the Minister's opinion, special circumstances exist. If a renewal application is approved, the new lease must be issued for the same purpose as the prior lease and any registered interests (such as mortgages) on the prior lease carry forward to the new lease.

Native Title is quite likely to exist on leases of this type. While this does not impact on the day to day management of the lease, native title implications under the Commonwealth native title legislation have to be considered and appropriately addressed, before any renewal or conversion of the lease to any other form of tenure (eg a perpetual lease or freehold) is approved.

Under the Land Act, any tenure related action must be taken in a way that is not inconsistent with the Commonwealth Native Title Act. If native title is not extinguished, this could be achieved by negotiating native title holder consent to the action in an Indigenous Land Use Agreement (ILUA) under the *Native Title Act 1993* (Cth).

Renewal of leases under similar terms and conditions is however usually able to occur without a Native Title Act process. Many of these leases come under the renewal strategy known as the rural leasehold land strategy or the 'Delbessie agreement'. I will come back and further describe that strategy, after I've completed this overview of the types of leases.

A lessee may apply to convert their term lease to a perpetual lease for grazing and agriculture, so long as the lease does not contain a specific clause that restricts such a conversion.

When considering such applications, the Department of Natural Resources and Mines will primarily need to ensure that native title issues have been appropriately addressed in accordance with the Native Title Act. If it has, then the department will also consider the condition of the land, any public interest and planning requirements, and ensure that any other statutory requirements have been met (for example, that the lessee is not in arrears for payments owed).

Perpetual leases for grazing and agriculture

There are about 2,750 perpetual leases issued for grazing and or agricultural purposes, generally they are known as grazing homestead perpetual leases or GHPLs.

These leases are held in perpetuity (not 99 years or any other term).

The average size of these leases is in the order of 7,500 hectares. On the map it can be seen that these leases are generally through the better grazing lands of the state.

Under the Land Act these types of leases can only be held by individuals. This restriction has been in place since the 1890s, primarily to support the concept of the family farm. The individual may however hold the lease on trust under a family company arrangement.

In addition, an individual cannot hold 2 or more perpetual leases for grazing or agricultural purposes if the aggregated area of the leases would be substantially more than 2 living areas. A living area is determined by a range of features primarily relating to the region in which the leases are located. Again this provision was to ensure that the better farming lands of the state were not able to be aggregated into very large holdings by a small number of individuals.

A lessee can use their lease for a secondary purpose or ancillary purpose, in addition to the grazing and agriculture, such as low key tourism or farm stay, or for wind or solar energy generation.

These leases are issued by the Minister responsible for the administration of the Land Act 1994.

They are bought and sold on the open market, requiring only Ministerial approval to the transfer. They generally sell for values close to or the same as similar freehold parcels.

Rent is calculated by using a five-year averaged unimproved value of the lease, multiplied by the prescribed rental rate, which is currently 1.5% – the same as for term leases for grazing and agriculture.

The unimproved value of the lease is established under the *Land Valuation Act 2010* by the Valuer-General.

Rents are capped until 2017 at no more than 20% of the previous year's rental.

Some examples of rents are:

- A 7,500 ha GHPL approx 60 km east of Hughenden is currently paying \$1,286 per annum or \$25 week (equates to 17 cents/ha/year);
- A 10,000 ha GHPL approx 90 km south-east of Emerald is currently paying \$25,081 per annum or \$482 per week (equates to \$2.71/ha/annum);
- A 800 ha GHPL approx 110 km south west of Roma is currently paying \$3,124 per annum or \$60 per week (equates to \$3.85/ha/annum).

Renewal is not an issue as the leases are in perpetuity.

A lessee of a grazing homestead perpetual lease may apply to convert the lease to freehold – either directly or via a grazing homestead freeholding lease (which I will describe in a minute).

GHPLs are scheduled leases under the *Native Title Act 1993 (Cth)* and as such are deemed to have extinguished native title. This means that in general, conversion does not require native title related issues to be considered.

As a part of a freeholding application, consideration of the state's ownership of forest products (eg commercial timber) and quarry materials is required. Resolution may see payment for the forest products and quarry materials being included in the purchase price if no longer needed by the state, or there may be a requirement for a special reservation under the Forestry Act to be put in place, before freeholding may occur.

In addition, in considering an application, the local government's planning strategies and policies and the opinion of the relevant local government must be considered. For example, are new roads needed – and can they be dealt with as a part of the conversion process.

Unless the purchase price or formula for conversion is stated in the lease, the purchase price is calculated as the unimproved value of the land being offered, as if it were fee simple (plus any payment relating to forest products as mentioned before).

For example, an 8,000 ha GHPL located 30km from Moranbah, was converted directly to freehold in March of this year. The total purchase price including stamp duty, GST and deed fees, was \$2,417,035; however, after applying the discount for converting directly to freehold (as opposed to converting via a freeholding lease) the total purchase price was \$1,884,475.

It is a requirement of any freehold approval that the land be surveyed. Survey requirements and why they exist is a topic that I will come back to after this overview of leases.

In addition, the Act currently contains a provision that any perpetual lease for grazing and agriculture, of more than 2,500 ha, converted to freehold as I have just described,

must contain a restriction against being held by a corporation; however the Governor in Council can, and regularly does, agree to lift that restriction.

Freeholding leases for grazing and agriculture

Should freeholding of a perpetual lease for grazing and agriculture be approved, then generally the lessee can elect to either purchase the land outright (for example using bank finance), or take a freeholding lease.

A freeholding lease is in effect a term purchase of the land, where freeholding is approved up front, but the ownership is obtained by paying off the purchase price of the land to the state in rent-like annual payments known as instalments. In effect the government is performing a banking role.

There are about 1,200 freeholding leases existing for grazing and or agricultural purposes – generally these are known as grazing homestead freeholding leases (GHFL).

An average size of these leases is in the order of 5,000 – 6,000 hectares.

For freeholding leases issued before 1990 the land is paid off over a term of 60 years, interest free, based on the purchase price, calculated as outlined earlier, at the time the application to convert is received.

For freeholding leases issued after that, the land is paid off over a term of 30 years, with interest, based on the purchased price, calculated as outlined earlier, at the time the application to convert is received.

Interest is set in the Land Regulation as the Suncorp-Metway business banking variable lending base rate, and is currently 8.94%.

A lessee can use their lease for a secondary or ancillary purpose, such as low key tourism or farm stay or for wind or solar energy generation.

As they result in a freehold title, with no further assessment other than the payment, as with all freehold titles, they are issued by the Governor in Council.

They are bought and sold on the open market, but require Ministerial approval of the transfer.

Their annual instalment is determined by the purchase price, the terms of repayment and the current interest rate, if applicable.

The lessees can pay off the remainder of the GHFL and receive the freehold title, at any time.

Native Title is generally not relevant for the issue of the freehold title, as any native title issues will have been considered at the time of conversion.

That covers the majority of leases that are used for primary production. However I must stress that I have spoken generally, as there will always be exceptions that exist for some reason of history.

Other leases

There is a range of other types of leases issued under the Land Act 1994 that may be term, perpetual and freeholding lease tenures and may be for a wide range of purposes.

Tourism leases

Tourism ventures may take place on freehold and on leasehold land. Freehold is generally preferred for commercial developments; however there are occasions where for some reason the state wishes to maintain ownership of the land. For example, it has been a long standing government policy that, in general, Queensland's coastal islands and the Southport Spit not be freeholded.

In those instances, leases for tourism purposes may be issued.

These tend to be term leases generally issued for a term of about 30 years. However they can be for up to 100 years where the lease is for a significant development.

Ownership is not in general restricted to any class of person (other than being over 18, not an undischarged bankrupt or a criminal). The Minister however must also consider whether the proposed lessee is capable of facilitating the use of the leased land, and may request information from the proposed lessee which assists the Minister in making that judgement. This is to mitigate against the risk of half-finished abandoned developments.

Lessees are required to pay rent, which is calculated in accordance with the Land Regulation 2009.

The current prescribed rent for a tourism lease is the lesser of the following:

- 6 % of the 3 year averaged unimproved value of the lease land; or
- the amount that is 10 per cent more than the rent payable for the lease for the immediately preceding rental period (i.e. increases are capped at 10 per cent, applies until 30 June 2015).

There are currently less than 120 tourism leases across the state.

Examples include:

- An Island off the central Queensland coast, with an annual rent of \$12,100.
- An island off the north Queensland coast, with an annual rent of \$44,044.
- A site on the Gold Coast with an annual rent of \$1,980,000.

Unless a condition of the lease or a provision of the Act prohibits its renewal, the lessee of a tourism lease can apply for renewal of the lease. The chief executive will assess the application and, taking into account the requirements of the Act may offer

to renew the lease. The offer may be subject to terms such as a change in some of the conditions of lease.

Like other term leases, existing tourism leases may be subject to Native Title rights and interests. This means that any conversion of the lease to freehold title would require that native title is considered and if it is found to exist, would require resolution through an Indigenous Land Use Agreement (ILUA) under the *Native Title Act 1993 (Cth)*.

There may also be other specific conditions of the lease that must be fulfilled prior to freehold being approved; for instance, that a certain level of development of the site has been reached.

Residential, charities, sporting clubs, telecommunications facilities, commercial leases

Other leases could be for a variety of purposes such as residential, charities and sporting or recreational club activities, telecommunications facilities, and commercial uses.

While in general freehold is the preferred tenure for residential and commercial leases, in a particular instance, the State may prefer leasehold tenure. For example the state may be planning to use certain land for, say, some future industrial use, but in the short term is happy to allow leases.

Rent on these leases is charged in accordance with the Land Regulation 2009 and depends generally on the purpose.

Attachment 4 provides information about all of the categories of rents and the method of calculation.

For example:

- A residential lease located 30km from Charters Towers, has an annual rent of \$2,484, or \$47 per week.
- A business lease on the Gold Coast has an annual rent of \$6,900 or \$132 per week.
- A telecommunications site in Brisbane has an annual rent of \$15,540
- A lease held by a charity in Rockhampton has an annual rent of \$103.

In general, the lessee may apply to renew their term lease or convert their lease to freehold, unless the Act or a condition of lease prohibits their renewal or conversion. Each application is assessed on its merits taking into account the requirements of the Act's renewal or conversion considerations, and in particular the requirements of the Commonwealth Native Title Act.

For example, the lessee of a business lease in an urban area may apply to renew the lease, but the evaluation of the land assesses that the most appropriate tenure for the land is freehold, and it has been determined that native title has been extinguished by some past action. As a consequence, rather than renewing the lease, the chief

executive may decide to deal with the renewal application as a conversion application and make an offer to the lessee that the land be purchased and granted to the lessee as a freehold title.

Some differences between leasehold and freehold

In brief, lessees:

- must comply with the purpose and conditions of the lease;
- must pay an annual rent to the government (payable by 1 September each year) or a freeholding instalment;
- must comply with the provisions of the Land Act such as controlling pests and weeds on the lease;
- require the Minister's consent to sell or sub-lease the lease;
- require the Minister's consent to subdivide or amalgamate the lease.

Leasehold land is not subject to land tax whereas certain freehold land generally is.

Resource Acts like the Mineral Resources Act 1989, the Petroleum and Gas (Production and Safety) Act 2004 and the Geothermal Energy Act 2010 are generally tenure neutral. They apply equally to leasehold land and freehold land. The provisions that restrict actions in certain circumstances, such as restrictions concerning operating within a certain distance of a residence or consulting with an owner or occupier before accessing land, apply equally to lessees and freehold owners.

The Vegetation Management Act 1999 (VMA) applies to leasehold and freehold land. For all practical purposes the VMA applies to freehold and leasehold equally. A minor point of difference is the higher protection of "of concern" vegetation on leasehold land, which continues historical protections of vegetation on leasehold land.

Rural leasehold land strategy

When I discussed pastoral leases, I mentioned the renewal of grazing and agriculture leases under the rural leasehold land strategy, also known as the Delbessie agreement, so with the committee's agreement I would like to briefly touch on the current Delbessie provisions of the Act.

In January 2007 amendments to the Land Act established the legislative basis for the current administrative arrangements for rural leasehold land. The purpose was to promote sustainable management of Queensland's rural leasehold land while ensuring productivity and security of tenure.

The Agreement provides an incentive based land management framework and focuses on improving the profitability, productivity and sustainability of rural leasehold land. It aims to identify issues related to declining land condition (such as loss of productive pastures and increasing declared pest plants and animals) and assist lessees (and rural communities) secure long-term economic, social and environmental sustainability. Currently it focuses on rural leasehold land with a term of 20 years or more and an area covering 100 hectares or more.

Under the strategy 40, 50 or 75 year lease terms can be issued where the lease land is in 'good condition' and agreements relating to Indigenous access and use, and protection of significant natural environmental values (if applicable) are in place. The 75 year term applies specifically to leases in the Cape York region where all or part of the lease land is an area of international conservation significance under the Cape York Peninsula Heritage Act 2007.

Under the Land Act, all new and renewed Delbessie leases are subject to a land management agreement being in place. A land management agreement is a written agreement between the Minister and the lessee about the management and use of the lease land, and must be registered.

The three main purposes of a land management agreement are: to record the condition of the lease land at a particular point in time; to improve or maintain its condition so that it is, or will be, in at least a good condition; and to identify any land degradation issues relating to the land.

Two of the general provisions that must be considered before deciding whether or not to offer a new lease include the condition of the lease land, and the extent to which the lease land suffers from, or is at risk of, land degradation. This requires an assessment of the lease land condition as part of the lease renewal process. The land management agreement documents the issues identified from that assessment.

All holders of leases, licences and permits under the Act are subject to the condition that the lessee, licensee or permittee has the responsibility for a duty of care for the land. The duty of care for a lease issued for agricultural, grazing or pastoral purposes includes taking all reasonable steps to: avoid causing or contributing to land salinity; conserve soil, water resources and biodiversity; protect riparian vegetation; maintain pastures perennial and productive pastures and native grasslands free from encroachment; and manage any declared pest. This duty of care is reflected in the land management agreement under the negotiated relevant actions and management strategies to address identified issues.

Survey

When I discussed freeholding earlier, I mentioned the need for survey, and I am aware that it has been mentioned recently by various stakeholders.

Fundamental to the Torrens title system, which is the foundation of the state's land registry system, is that when land is freeholded, the registered owner is entitled to have an unambiguous understanding of the spatial definition (extent and area) of the land he or she is entitled to occupy.

The State also needs to be in that same position of having an unambiguous understanding of the spatial definition of the land that has been granted. This definition can only be achieved by a survey of that land.

Where a landholder is uncertain about the location of their boundaries, they are limited in their ability to properly exercise their ownership rights without potentially affecting

adjoining owners. In the case of freehold ownership, the need to be certain about the extent of that ownership is greatest.

When the state grants a freehold interest to land, the state in determining the sale price of that land must be fully aware of the size and extent of the land that is being freeholded and to satisfactorily do this the land must be fully surveyed. This provides for highly secure, low risk, ownership rights.

A secure land registration system is fundamental to the State's economy.

There is a community expectation, both in the urban and rural environment, that the characteristics of land being part of the freehold land register is that all parcels are uniquely identified and their boundaries are fully defined.

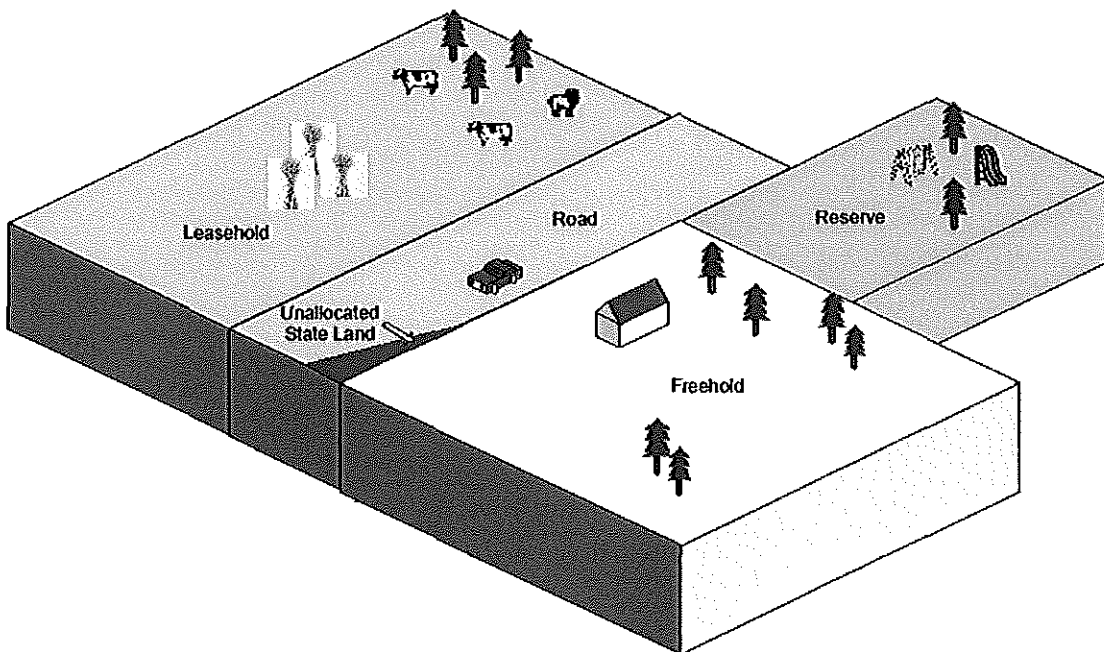
Recent advances in surveying and positioning technologies has significantly reduced the costs of surveying large pastoral holdings in remote areas, and the costs of these surveys are generally low compared to the value of the land being freeholded.

In addition, there is a special survey standard for surveys in remote areas that permits a reduced level of marking, but does not diminish the certainty in the location of the boundaries.

No doubt this presentation has identified as many questions for the Committee, as it has answered. The department will be pleased to address the committee's questions as it moves forward with the inquiry, and to assist with the provision of facts and figures where possible.

Thank you for the opportunity to present to the Committee.

Attachment 1



Attachment 2

Tenures across Queensland - % of Queensland

Current as at August 2011

<i>Tenure</i>	<i>% of the state's land mass</i>	<i>Area - hectares</i>
Freehold	24%	42 million
Land Act leases, licences and permits:	66%	115 million
• Term leases	• 52%	• 90 million
• Perpetual leases	• 12%	• 20 million
• Freeholding leases	• 2%	• 4 million
• Other occupations	• <1%	• 1 million
Roads	2%	3 million
Reserves and similar	< 1%	< 1 million
Unallocated state land	< 1%	1 million
Other (eg national parks)	7%	12 million

Attachment 3

Tenures across Queensland – number of parcels and value
Current as at August 2011

Tenure	Approx number of parcels	Approximate value of the land
Freehold	> 2 million	\$453 billion
Land Act leases, licences and permits'	24,500	\$6.5 billion
<ul style="list-style-type: none"> • Term leases • Perpetual leases • Freeholding leases • Other occupations 	<ul style="list-style-type: none"> • 10,000 • 2,900 • 2,500 • 9,100 	<ul style="list-style-type: none"> • \$4 billion • \$2 billion • < 1 billion* • < 1 billion
Roads	-	\$44 billion
Reserves and similar	27,500	\$15 billion
Unallocated state land	21,000	\$1.7 billion

*Approximate only, as the department only has records of the value at the time of the freeholding application, not the present value

Attachment 4

Rents

<i>Category</i>	<i>Number of parcels</i>	<i>Total area ha</i>	<i>Total annual rent</i>	<i>Average annual rent</i>
11 Primary production	14,466	111 million	\$25M	\$1,728
12 Residential	3,514	46,000	\$12M	\$3,494
13 Business and government	2,330	291,000	\$41M	\$17,758
14.1 Charities and clubs	913	13,000	\$0.09M	\$103
14.2 Clubs > 2000 members	8	< 100	\$0.6M	\$1,472
15.1 Community telecomm	30	< 100	\$0.003	\$103
15.2 Rural limited service telecomm	29	< 100	\$0.15	\$5,180
15.3 Urban limited service telecomm	4	< 100	\$0.03	\$7,700
15.4 Rural non community telecomm	528	1,800	\$5M	\$10,360
15.5 Urban non community telecomm	135	< 100	\$2M	\$15,540
16 Divestment	109	145	\$13M	\$121,932

Categories for rent assessment

- category 11— primary production;
- category 12— residential;
- category 13— business and government core business;
- category 14.1— charities and small sporting or recreational clubs;
- category 14.2— large sporting or recreational clubs;
- category 15.1— communication sites (community service activities);
- category 15.2— communication sites (limited commercial service activities—rural);
- category 15.3— communication sites (limited commercial service activities—urban);
- category 15.4— communication sites (non-community service activities—rural);
- category 15.5— communication sites (non-community service activities—urban);
- category 16— divestment.

Rent calculations

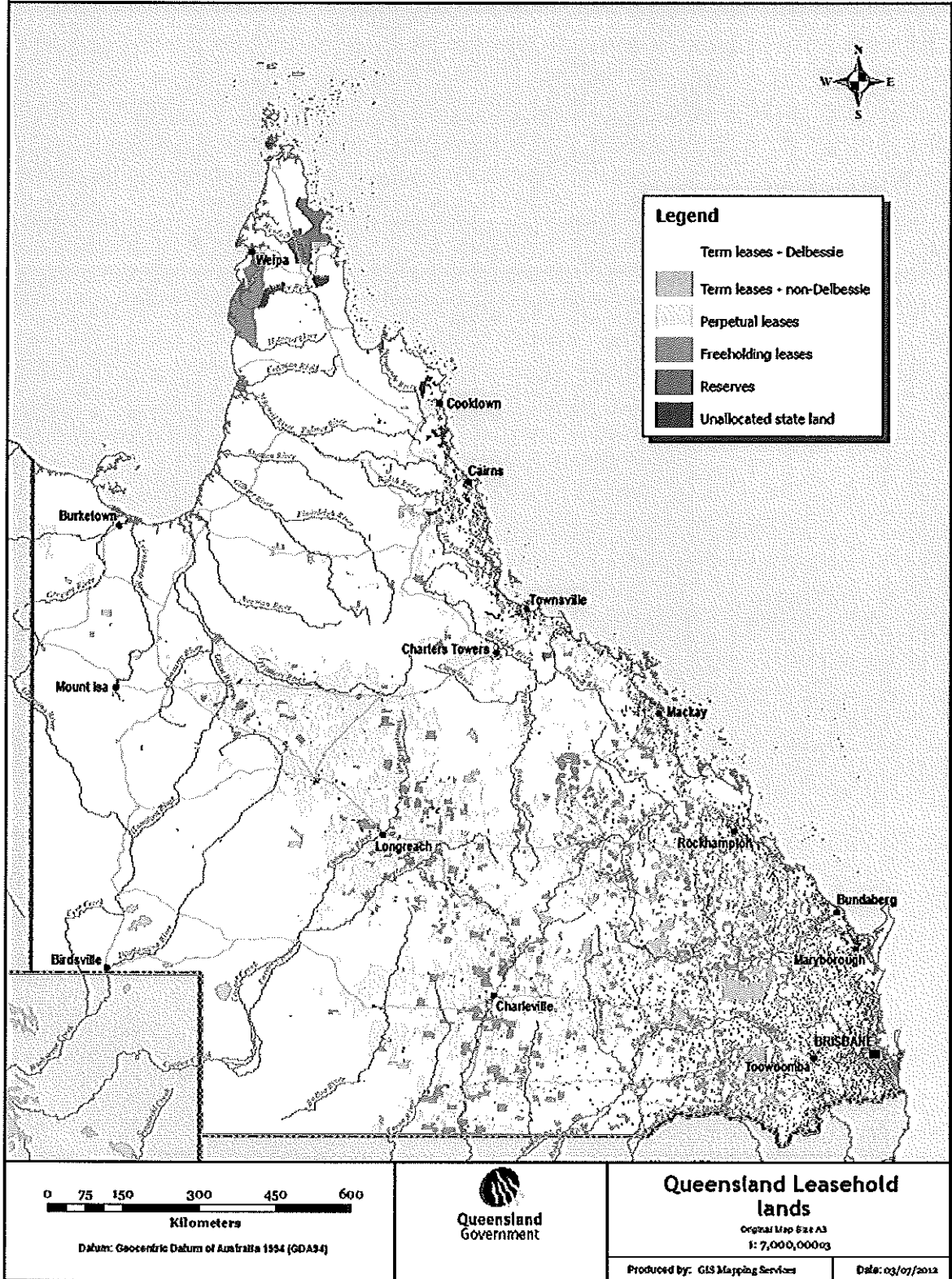
- category 11 lease —1.5% of the five year averaged unimproved value of the land, with increases capped at 20% until 2017.
- category 12 lease—6% of the three-year averaged unimproved value of the land, with increases capped (other than for category 12 excluded leases) at 50% for the financial year ending 30 June 2013, 75% for the financial year ending 30 June 2014, and 100% for the financial year ending 30 June 2015. A 'category 12 excluded lease' is a category 12 lease held by a corporation that is not a charitable organisation, non-commercial community service organisation of body corporate, or a government leasing entity other than a local government.
- category 13 lease—6% of the three year averaged unimproved value of the land, with increases capped (other than for category 13 excluded leases) at 100% until 30 June 2014, or for tourism leases listed at schedule 6A of the Land Regulation 2009, increases are capped at 10% until 30 June 2015. A 'category 13 excluded lease' means a category 13 lease with a title reference stated in schedule 6A of the Land Regulation 2009, or held by a person who carries on a mining business, or held by a government leasing entity other than a local government.
- category 14.1 lease—\$103.
- category 14.2 lease— 5% of the three year averaged unimproved value of the land on which the clubhouse and associated amenities are situated; and 1% for the remainder of the land under the lease.
- category 15.1 lease - \$103.
- category 15.2 lease—\$5,180.
- category 15.3 lease—\$7,700.
- category 15.4 lease—\$10,360.
- category 15.5 lease—\$15,540.
- category 16 lease—7% of the unimproved value of the land, with increases capped at 100% until 30 June 2014.

ATTACHMENT 5

Disclaimer:

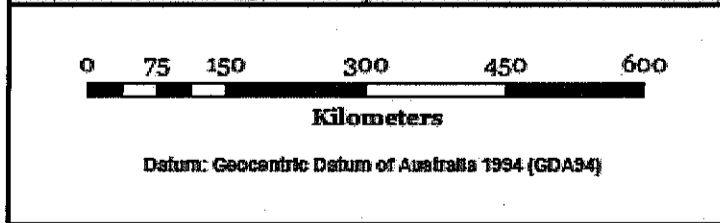
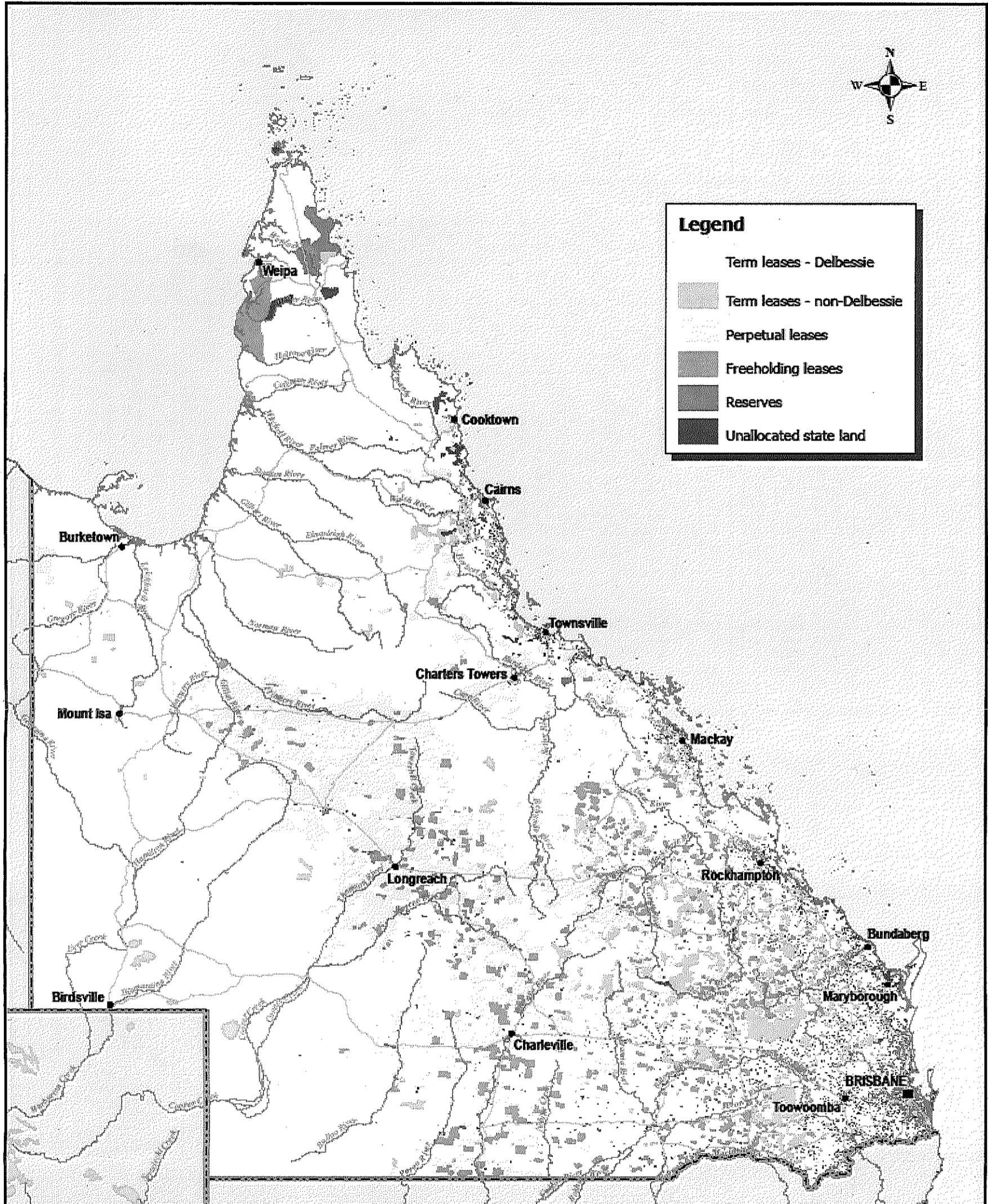
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Queensland Leasehold lands
 Original Map Size A3
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