

G.F. 3569

C.C. SAVIN

THE RESEARCH DIRECTOR
S.D.I. COMMITTEE,

1-8-12

DEAR SIR,

It is of prime importance that your committee carefully consider the viability of industry operating on QdL land.

The Govt. formula for deciding rentals on leasehold land was simply not sustainable in the longer term, unless some unprecedented level of commodity values were to come into being.

The rules demanded a higher standard of maintenance of improvements and land care, while at the same time imposing more onerous rules on our allowable activities, and then imposing a level of rents that took away any funds that we could use for such activities, it was simply not sustainable!

Take off the

shackles and allow us a fair go, to produce the food and produce Old and Australia both need so urgently.

The idea of allowing affordable freeholding is encouraging; but it needs to be genuine freehold, not the variety that Mr. T Beattie and Co were effectively able to ignore and impose impossible and expensive conditions on!

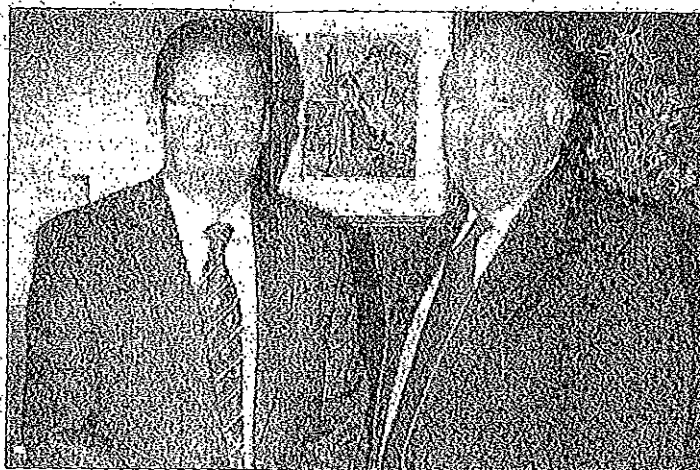
In determining freeholding costs it is proposed to use U.C.V. figures, to do this the valuation levels need to be realistic, which is not presently the situation! G.F. 3569 which I hold, has a U.C.V. of about three times its likely sale value, in a word ridiculous.

Many very small special leases are attracting impossible levels of rental and rates, an urgent fix of this problem is needed now!

Look to the Brigalow Development scheme of last year, a huge success by any sensible measure.

Yours faithfully
C. G. Savill

COLIN GORDEN SAVILL



Minister enjoys breakfast meet

Agriculture Minister John McVeigh (left) and AgForce Grains president Wayne Newton at the AgForce Grains members' breakfast on June 21. Mr McVeigh lives in Toowoomba with his wife Anita and six children, and is passionate about his area. "He was raised on a grain farm at Jondaryah on the Darling Downs, and completed his schooling in Toowoomba," the LNP member profile says. "With many years of commercial and agribusiness experience in local, national and international markets, he understands how essential Queensland's agriculture sector is and the need to protect this important industry."

Time has arrived to reform land tenure

THIS year AgForce members will face one of the most significant reform measures to affect the rural industry in recent memory – an assessment of the future of land tenure in this state.

This will come in the form of an inquiry into the future and continued relevance of government land tenure.

It will be headed by the State Development, Infrastructure and Industry Committee.

The report is due to be presented back to State Parliament by November 30.

Deputy Premier Jeff Seeney says he believes freehold is the most effective title to provide certainty to land managers and to best manage the land. Frankly, AgForce agrees.

Given the numbers, pastoral lessees should have a significant stake in this inquiry.

About 70 percent of Queensland is owned by the state and 66pc is managed for agriculture under pastoral leases.

At time of settlement, the tenure system was implemented to fulfil a number of aims including:

- The facilitation of land development at no cost to government.
- The dispersal of settlements throughout the state.
- Provision of a much-needed income return to a developing economy.

At the same time the government, as landlord, benefited from the increasing value as owner of the land.

There was the general assumption that there would be progressive transition towards greater private property right and leases ultimately would be freeholded.

COMMENT

LAUREN HEWITT

AgForce general manager policy

As we know, this process never eventuated. In fact further allocation of freehold title has been viewed by successive previous governments as unnecessary.

The reality is that the state's current value in leasehold land is dubious.

Lessees have developed the land at their own cost while returning an annual rental to the state.

Other jurisdictions such as NSW have introduced reforms to encourage the freeholding of leases with a stated aim of "placing ownership of the land into the hands of those who already control it".

It is understood that more than 10,000 leases were converted to freehold as part of this process at a cost to lessees of 3pc of the lease value, which is what they considered was equivalent to the state's residual interest in leases.

In Queensland, it is understood the government currently holds and adminis-

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ters more than 25,000 individual leases.

In addition to this there are about 18,000 parcels of unallocated state land and more than 21,000 parcels of community purpose reserves.

AgForce strongly believes it is time to reconsider freeholding.

Historically, another justification for the government's continued interest in leasehold tenure has been under the guise of ensuring good land management.

However, as has been demonstrated in recent years through the introduction of "tenure-blind" legislation on vegetation, water and land rights, freehold land can and generally does deliver the same land management outcomes as leasehold.

REPORTS

• For over a year now AgForce's leasehold committee, which will now coordinate member input to the inquiry into tenure, has charted the barriers to preventing landholders from accessing more secure tenure.

• These include addressing significant costs for survey standards that lessees would be required to foot as part of any freeholding

venture; the lessees' capacity to pay; limits on diversification and; restrictions on the ability of corporations to hold various leases.

• AgForce is excited and ready for frank discussions on how to resolve the barriers and will coordinate a submission to the inquiry. Stay tuned for how to be involved.

Have your say...