



Speech by Mr DENVER BEANLAND

MEMBER FOR INDOOROOPILLY

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VALUATION OF LAND AMENDMENT BILL

Mr BEANLAND (Indooroopilly—LP) (4.53 p.m.): Valuations are an issue of great concern not only to the people of my electorate but also to the other ratepayers in Brisbane. Of course, they live on some of the highest value rateable land in the State. It is fair to say that, now that valuations are issued each year, they have become a major issue. It has never been fully explained to me why we have annual valuations. Many years ago, valuations were made every five years. Certainly, that is too long a time between valuations.

However, we need to ensure that valuations are carried out in an appropriate manner. Valuations are made on the unimproved value of the land, taking into consideration comparable sales in the area. That is fine, but as this occurs each year people who are unhappy with their land valuation have to object to it and go through the appeal process in the Land Court. I know that many people believe that they cannot be bothered doing that each year, so they just sit back and cop it as it comes, although they complain and whinge about the whole process. Nevertheless, this issue creates a great deal of unhappiness within the community.

Mr Springborg: It's got worse under this Minister.

Mr BEANLAND: Yes. I agree with that. In my electorate, there were some horrific valuations. For those ratepayers, it was not a pleasant sight indeed to receive new valuation notices stating that their valuation had increased by 20% or 25%—whatever the figure might be; in some cases it is even more—from one year to the next.

I notice that this legislation allows—as the Minister points out—valuations to be carried out each year, or every second year, or every three years. If some parts of the State are to have valuations carried out every three years, why should that not apply to all parts of the State? In this case, what applies to one ratepayer should apply to another.

Areas in Brisbane, the Gold Coast and other parts of south-east Queensland might have more significant changes to their valuations than some other parts of Queensland, and sometimes that occurs for no good reason. I know how the valuation system works. We have to ensure that valuations are not made simply by a computer entry. I also know that there are fewer and fewer staff in the Valuer-General's Department, that that handful of staff, who do a very good job, are becoming run down and are suffering more stress as more pressure is placed on them. Those valuers are facing greater pressures within the community because of the increasing number of valuations that have to be carried out each year owing to our increasing population and a corresponding increase in allotments. Therefore, those valuers sit down at a computer, work out an average value across-the-board, key in a few figures, press a number of buttons and away it goes for that suburb. They then move on to the valuation for the next suburb, the next suburb and so on.

Some people might say that that is fine, but every block of dirt is different. Some blocks are small, some are large, some are located at the top of a hill, some located halfway up the hill and some have drainage problems, and so on it goes. When making a valuation of an allotment, a range of such issues must be taken into account. Some of those issues change from one year to the next. I suggest that valuers should be allowed to have more time so that they can put greater effort into the valuation process and take into account the features of individual allotments.

I understand that the Minister is not going to increase the number of valuers in the department. No matter what I say, the Minister is not suddenly going to go out and put on a stack of additional valuers to carry out valuations. However, if that were to occur, I believe that people across-the-board would receive a fairer valuation of their allotments. Therefore, the public would be more inclined to accept land valuations. They would not be simply looking at a set of figures and then finding out that everyone in the street had their valuations increased by the same percentage, which so often occurs. That is when the ratepayers become concerned, want to object and so on.

I appreciate the fact that valuations are made not only to residential property but also to commercial property. Valuations are carried out for a number reasons but, specifically, they are carried out to ascertain the rateable value of the property. Local governments were not particularly worried whether valuations were done each year, every two or three years, or every five years, because they work out how much revenue they want to raise and then levy the rates according to the valuations to gather that revenue. That would certainly even out some of the peaks and troughs in the marketplace at the moment.

Comparable sales have an impact on valuations. A range of peaks and troughs is generated by comparable sales of land in an area. That has to be averaged out in order to arrive at a fairer valuation. This is an issue that requires the Minister's attention. As I said, I realise that more valuers will not be appointed. The valuers we have at the moment are courteous and do their best. They put a great deal of energy and effort into their work, but at the end of the day they are constrained by time. They are under more pressure than ever, because there are more allotments, commercial and farm properties to value. This is a growing issue of concern.

People can object to a valuation if they wish to do so. They can fill in a form and submit it. If they want to take the matter further they can go to the Land Court. Before that stage they usually ask for a conference. Unfortunately, today more and more of these conferences are held in the Valuer-General's premises in Edward Street in the city, from which it is impossible for valuers to observe the features of allotments; they can do so only by visiting the properties of the people who are objecting. If we are to have an objection process that has any justice attached to it at all, it is essential that valuers are given sufficient time and resources to inspect properties. We might be talking about hundreds, thousands or tens of thousands of properties. But surely that is what the objection process is all about, that is, ensuring that people receive justice in relation to their objections. From the objection process they can then go to the Land Court. Usually they go through a mediation process in the first instance.

As I have said, the Land Court officers do a good job. Recently, changes were made to the procedures of the Land Court to improve its processes. They do a great job for ratepayers through the mediation processes. I believe a lot of this problem could be avoided if at the outset more time were made available for the valuers to do their job in the way I am sure they would like to do it. If there is an objection, they should be able to inspect the site and speak to the property owner involved about the issues.

Land tax is the other major reason for valuations. The State will still collect its amount of land tax no matter what happens. Perhaps the State Government feels that if it does not have annual valuations for Brisbane, the Gold Coast and the Sunshine Coast it will miss out on some money. It might; it would not be the local governments that missed out. If the Government is planning to follow through with the former Borbidge/Sheldon Government's proposals to abolish land tax, this will not be such a big issue for the State; it will continue to diminish.

There were other issues that I was going to raise, but other speakers have already mentioned them. I refer to the effect of issues such as native title and water availability on valuations, particularly in country areas in the west of the State. In the future native title will play a greater role than ever before. The whole vegetation issue, which seems to have cropped up recently, will also play a role in relation to valuations, but not to the extent that native title will. It will become a major issue in relation to valuations.

I look forward to the Minister giving greater consideration not only to people in Brisbane but also to the landowners of the State generally when it comes to their valuations and ensuring that valuers are able to make on-site inspections. It was not that many years ago, before we adopted IT, that valuers went around from allotment to allotment and inspected them. It is not that many years ago that that process was carried out. From memory, the valuations were done every five years. Today all of that has gone. People sit at a computer, feed in a few figures, press a button and the computer gives the answer for whole suburbs and, in many cases, half a city. That is simply not good enough. More effort and energy needs to be put into ensuring that the State Valuation Service has the resources to be able to give this important area the attention it deserves and to ensure that property owners, no matter where they live, are afforded justice in relation to their property valuations.