



Speech by

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MEMBER FOR TABLELANDS

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VALUATION OF LAND AMENDMENT BILL

Mr NELSON (Tablelands—IND) (4.47 p.m.): I rise to speak to the Valuation of Land Amendment Bill. I am a bit mystified as to why there is not more interest in the Chamber in this debate. Property values are the driving force behind the property market—one of the biggest markets not only in Queensland but Australia. I took the time to go through the Bill in detail. A number of people from the electorate of Tablelands have helped me go through it—people who know a bit more about the issues than I do.

In general, I support the Bill and its direction. However, I wish to raise a few points. Again, these are points that I do not believe have been raised to date so I will take the time to go through them. The first is the whole concept of the farm forestry—something in which I am particularly interested, coming from the Atherton Tableland, an area that is very conducive to farm forestry agriculture and the growing of plantation timber. We have a few very large DPI run forestry plantations that are producing excellent quality timbers, such as native red cedars and kauri pine. Also, a lot of people around the tablelands, in areas around Ravenshoe and the Wondecla area, are looking at or are in the process of growing their own plantation timber at the moment. One of the biggest issues with the farming of trees is, of course, the amount of time it takes to grow the tree to a marketable size and the issues surrounding harvesting and rights to harvest. The biggest problem I have with respect to the valuation of land that has forestry timber on it is that we may now in the year 2000 look at a large patch of land of, say, 100 acres, that is covered in red cedar timber and we can say, "Yes, right now you have the right to harvest that timber and sell it for a profit", but what happens in 10 or 15 years' time?

Again, we do not know what is going to be the future trend or what is going to happen in the future, especially as far as the environment is concerned. My major concern is the right to harvest that timber in the future. It may be an investment that people make to upgrade the value of their property now by placing timber on it, but in the future they may not have the right to harvest that timber and, therefore, gain the income from the investment that they made at the start. I think that is an incredibly important issue and one that I certainly hope the Minister or the people in his department will look at.

What future guarantees are going to be given on the rights to harvest timber plantations outside of the zone of major companies that plant the massive broadacre pine plantations? I am talking about, for example, the family who own, say, 100 acres and who plant out the bottom 40 with red cedar as a bit of a long-term investment in their future. A lot of friends of mine have put 20 or 30 acres of red cedar trees in as a superannuation fund, knowing that in 60 years' time that timber will be very valuable. Proposed section 17(2)(c)(iv)(A) says—

"... a minimum value of farm improvements or plantings of forest or orchard trees of \$50,000."

I do not know how many people here have gone out and bought seedlings lately, but they widely vary in price depending on who planted them. People can easily spend \$50,000 on rejuvenating just a minimum of 10 acres, and I have seen a lot of people spend a hell of a lot more on a smaller area.

That in itself is an issue that needs to be looked at. I know that, with the recent kerfuffle over land clearing Bills and lord knows what else, there was a lot of concern also over the issue of regrowth. I know that a lot of farmers, particularly on the tablelands, because of the reduction in their dairy herds, are now looking at using some of the spare acreage they have—if it can be called spare acreage—to let the native forest regrow. As a tablelander, I can assure honourable members that rainforest regrows

very quickly. If people let it go in certain areas, within 10 to 15 years they would be looking at almost complete and total regrowth.

I do not know if anyone here has been to the Atherton Tableland, but I refer to Lake Eacham. The member for Bulimba is signalling that he has been there. Does everyone know Lake Eacham? It is a beautiful lake. It may surprise the member for Bulimba to know that up until about 40 years ago it was surrounded by a town. There were no trees around it whatsoever; it was clear felled completely. That is all regrowth forest there. Of course, it is now being listed as a national park, and quite rightly so. I am not saying that it should not be listed. However, that illustrates the rate of regrowth that can occur and how it can affect land valuations, especially when we are looking, as I said, at a change in the agricultural diversity on the Atherton Tableland. As I said, a lot of people are looking at investing in trees as a future income resource. They are the issues of concern.

As I have said, I know the Minister is very interested in forestry and in the development of environmentally friendly ways of developing our agricultural land. I am also one who is very interested in looking at forestry as a way of improving farm income in the future. But, as I said, the main concern raised with me by many farmers on the tablelands is their right to harvest in the future. We have to look at some way of guaranteeing that so that the valuations reflect the true value of the timber and not just the perceived value of the timber in the near future.

Mr Mickel: Does the council up there give your people any incentive?

Mr NELSON: The member for Logan has a good point. Does the council give the people incentives? The local council up there, of course, has just undergone a huge shake-up after the council elections. They are settling in. I have raised the issue with a few councillors, but to my knowledge at the moment, no, they do not.

Mr Mickel: You should have a look at Gympie.

Mr NELSON: I will take that on board. I know that the councils up there are now coming to terms with the issues that are impacting on them and they would certainly be looking at that point.

So that is one very important issue that I would like addressed. It may be that it is not an issue for the Valuation of Land Amendment Bill, but it certainly is an issue for the future. If we are looking at, as I said, the rights of harvesters—not the massive timber plantations, but little blocks of land on the farm or on people's own 100 acres down the back—

Mr Welford interjected.

Mr NELSON: The right to harvest on small blocks of land, not the right to harvest a massive plantation. If people plant the bottom 10 acres out with timber and in 30 years' time they want to cut down some valuable timber—red cedar, native species like that—they want to be able to knock it down. As I said before, people regard it almost as a superannuation package.

Mr Mickel: You don't want some greenie coming along and knocking it over.

Mr NELSON: A perfect example of that—and the Minister may well know this—is the DPI plantations at Wondecla. To laymen, they would look like a B-grade rainforest. They would look at them and say, "Wow, that is some pretty spectacular rainforest." But to a trained eye—and I am not saying that I have one—they are predominantly red cedar. We can tell that it is plantation timber, but most people from Germany, Austria or Sweden driving down the Wondecla road would say, "Look at the wonderful rainforests." Although it is a plantation, when DPI goes in there with bulldozers and knocks it all down, quite rightfully people are going to be screaming blue murder because a lot of species have used it for habitation. We need to be very careful. This is an area that may not generally be covered by this Bill, but it will be an issue in the future.

The next issue I raise, which is another one that I think is extremely important to land valuation, is native title. That is one issue that has not been dealt with in the Bill and it has not been raised in the debate. Regardless of the ideological opinions regarding native title, it does affect land valuation; it does affect the saleability of land. Where I come from that is no different from areas in and around Brisbane where the same issues concern people. I have personally seen radical drops in prices when native title claims have been taken out over land.

Mr Welford: Temporary.

Mr NELSON: It may be temporary, but it still occurs. Those drops in price occur and they have dramatically affected some sales in my area. One recent quite spectacular example was the sale of a station down the Goonawarra road that was severely affected by a native title claim. It dropped its price from around the \$1.4m to \$1.5m mark to its eventual sale price of \$600,000. As anyone here can understand, that is a considerable difference. That dramatic price reversal was directly after a native title claim that was made on the area. My sources tell me that the property was eventually sold to the native title claimants for that price.

Again, as far as land valuations are concerned, I think that native title is an issue that must be looked at. Whether the drop in price is temporary or long term I do not think is so much the issue. Suffice to say that native title does affect land valuations. I think that it is something that should be covered by the Bill in some way. Again, I do not have the answers here and now about how we would do that. Some people may say that a native title claim could increase the value of the land, especially if it had significant cultural heritage value or something like that. Therefore, there are issues on both sides. It is something that I certainly think should be looked at here.

The final point I raise—and it was raised by the member for Keppel earlier—is, of course, water and the linking of water to the valuation of land. It is a particularly important issue in the Mareeba-Dimbulah irrigation area, but I think it is no less an important issue for other areas. There was a very heated debate when the initial concept was put forward. Since then there has been an ongoing debate on how this would all work. Of course, some could argue that it is the availability of water that increases the value of the land and, of course, some could argue that the water is actually a right that is owned by the person who is farming the land; it is not owned by the land itself. It is a very tricky area. It was very difficult for a lot of people to get in touch with. One of the biggest issues is the distribution of the water and how it does get from where it is to where it is going. For example, in the MDIA there are large irrigation channels which push the water around and, of course, bypass land or intersect land from which the farmers irrigate directly.

One could argue that a water channel going over a person's land would impart a natural right to that water because of its situation to that land. Others would argue that the only people who have natural rights to water on their land are people whose properties border streams and rivers. It is a very touchy area. From my unlearned opinion on this subject and from what I have been told by various groups in the tablelands, this is an issue that needs to be revisited to clear it up. Although there was a reversal of a valuation decision relating to the tablelands, there was never actually a result from all of the discussions. There was never any revisitation of the issues and what the future would hold. There are people on the tablelands who are rightfully still concerned about what will happen in the future with regard to water being attached to land as part of the overall valuation and how much of an effect that will have.

The other issue that has to be raised in conjunction with this is availability of water. Anyone from north Queensland knows that it is one of the wettest places in the world. Unfortunately, the massive amount of water available is underutilised owing to the fact that there is only one relatively small dam in the area to capture it. Today I again mention that there is definitely a need for a second water catchment on the Atherton Tableland in order to increase property values, especially if the attachment of water is to be an intrinsic part of land valuation. As I said, it is an incredibly wet part of the country, but it is a part of the country that does not have the water catchment facilities to enable effective management of its water resource. I must stress that water is not used only for agricultural purposes. The Barron Falls run out of Tinaroo Falls Dam. Whether or not the Barron Falls run depends on whether the Tinaroo Falls Dam is full. Therefore, there are environmental considerations as well.
