



Speech by

Andrew Cripps

MEMBER FOR HINCHINBROOK

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LAND AND OTHER LEGISLATION AMENDMENT BILL

Mr CRIPPS (Hinchinbrook—NPA) (7.47 pm): I rise to make a contribution to the debate on the Land and Other Legislation Amendment Bill 2007. The bill amends the Land Act 1994 and quite a few other pieces of legislation including the Acquisition of Land Act 1967, the Vegetation Management Act 1999 and the Integrated Planning Act 1997, amongst others.

I would like to focus on the proposed changes to the Land Act 1994. The objectives of the bill with respect to the Land Act 1994 include implementing a report on business improvement opportunities for the management of state land which is designed to improve customer service, amendments to facilitate the introduction of the State Rural Leasehold Land Strategy, amendments to enhance dealing with significant developments and making facilitative changes to the leasehold rental system pending finalisation of a new rental system.

The bill proposes facilitative changes to the leasehold rental system contained in the Land Act 1994, which is the instrument that provides the framework for the issuing of approximately 23,000 leases, licences and permits that are held for the occupation and other use of state land in a variety of categories. These different types of leases, licences and permits are used for such diverse activities as grazing and agriculture, tourism, and light and heavy industries. Entities holding the different types of leases, licences and permits range from clubs and charities to companies, local councils and, of course, individuals.

The rental arrangements of these leases, licences and permits are being reviewed due to a statutory requirement for such a review to occur before August this year. Typically, rents are calculated on a prescribed percentage of the land's unimproved capital. Earlier in this debate several of my colleagues from the Queensland coalition, including the members for Darling Downs, Warrego, Charters Towers and Gregory, spoke in detail about how this legislation will affect leasehold land. I would like to speak about another form of land title, namely, permits to occupy. Before I do that, with respect to land tenure I would like to reiterate that the Queensland coalition believes in ensuring a security of tenure for landholders. We will be supporting the bill insofar as it will provide an opportunity for landholders to access extensions to leases for up to 30 or 40 years where strong land stewardship has been demonstrated.

I turn now to permits to occupy. The Minister for Natural Resources and Water would be fully aware that this type of land title is prevalent in north Queensland in coastal areas. Permits to occupy have been granted widely in north Queensland, frequently to provide small parcels of land to individuals for recreational purposes, in many instances adjacent to rivers and other waterways where the permit holder has erected a structure for extended fishing and camping trips. It is a lifestyle issue which many north Queenslanders have an interest in, and in many instances take quite seriously because of the length of time that they or their family have held an interest in these small parcels of land. More recently, I have had cause to make representations to the minister about the issue of security of tenure with respect to permits to occupy in my electorate. On each occasion the circumstances have been slightly different.

Firstly, I raised concerns on behalf of the Kemp family, who held a permit to occupy at Lucinda. On this occasion the concern related simply to an increase in the valuation from one year to the next. The Kemps received a property valuation from the Department of Natural Resources and Water advising that

the valuation of their permit to occupy had increased by more than 1,000 per cent from the rates notice issued in 2005 to the rates notice issued in 2006. Commensurate with this more than 1,000 per cent increase, the Department of Natural Resources and Water increased the land rent due on the above property. I raised with the minister concerns that the Kemp family had about the property valuation increases in the immediate vicinity of that permit to occupy, which had increased by more moderate levels of 375 per cent, which is still a significant increase but, relative to the increase of their permit to occupy, appeared much more reasonable.

Yesterday in the briefing by officers from the Department of Natural Resources and Water—for which I also thank the minister; it was very informative—I was pleased to learn that this legislation aims to increase the flexibility of the methodology used to calculate rents with respect to leases, licences and permits including permits to occupy. I was pleased to learn that there would be moves to use average yearly increases in land valuations to calculate land rents, which may provide an instrument to moderate some of these enormous land valuations and subsequent large increases in land rent. In addition, I was pleased to learn that the bill would aim to provide for capping of property valuations and, thus, land rent increases. This would also be a useful instrument that could moderate extravagant land valuation and land rent increases.

I inquired as to the possibility of using these instruments in concert with one another, being the use of both yearly averages and caps simultaneously, to moderate increases and was advised that this could indeed happen. I would encourage the minister to pursue the use of both of these instruments in extreme cases such as the one I have described in the case of the Kemp family who faced a 1,000 per cent increase in the valuation of their permit to occupy in a single year. The minister represents part of the Thuringowa City Council local government area and he knows that the local government area and the region itself are experiencing significant growth accompanied by significant valuation increases, especially on the coastal strip.

The second set of representations that I have made to the minister was on behalf of the Crystal Creek Hut Owners Association dealing with approximately 32 permits to occupy at Crystal Creek Beach in Halifax Bay. Crystal Creek provides the boundary between Hinchinbrook shire and Thuringowa City Council. This case is an example of the point that I had previously made about permit holders who have held an interest in the land for a considerable amount of time and their concern relates to ongoing security of tenure under the current arrangements whereby the permits to occupy at that site are required to be renewed annually. These permits to occupy are important to the holders of those permits. The fishing and camping huts have significant sentimental value for their families and they feel strongly about the possibility of leaving these permits to occupy to family members.

Members of that association were so concerned that they expressed interest in pursuing various changes to their tenure arrangements depending on their individual financial circumstances, hoping to convert permits to occupy to freehold or leasehold or even securing permits to occupy with longer periods such as three-, five- or even 10-year permits to occupy to get some degree of tenure security. Any increase would be an improvement to the current situation where they have to apply annually. I support the members of the association in their endeavour to achieve these increased security of tenure arrangements in recognition that these huts are part of a long-established tradition throughout north Queensland and that these recreational fishermen, generally speaking, are good custodians of the land on which they have previously been granted permits to occupy.

To return to the matter of how rents are calculated and to discuss the matter in a little bit more detail with respect to permits to occupy, I am particularly concerned with the way valuations on permits to occupy are calculated using the same formula that is used to calculate valuations and rents for leasehold title. Of course, the concern arises as a result of holders of permits to occupy having no comparable rights to that afforded to the holders of leasehold land and the lack of security that these permit holders have in comparison with the leasehold landholders. I would really like to know how the minister intends to address this inequitable situation.

I understand from yesterday's briefing that the bill, while providing for averaging and capping of land valuations and rents, will apply these instruments—if they are applied—in a uniform way across the different types of land title in that particular category. This does not really acknowledge the different types of property rights or land tenure attached to various different types of title that exist. I suggest to the minister that there is an avenue here that he could pursue, if he is so inclined, to address this inequity. In fact, I wonder how secure the position of the government is in a legal sense insofar as it continues to charge rents on permits to occupy using the same formula used to calculate rents on leasehold property given that they do not enjoy similar rights or security of tenure. The minister might like to offer an opinion later on during his summary or he may like to take it on board and get back to me at a later date.

While permits to occupy do not necessarily often play a huge role in the overall land use in Queensland, they are an important form of land title in my electorate. I thank the House for the opportunity to speak about them on behalf of many north Queenslanders who enjoy fishing and camping as a recreational pursuit and on behalf of these people who have held permits to occupy for some time.