



Speech by

Shane Knuth

MEMBER FOR CHARTERS TOWERS

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MINING COMMUNITIES, RESIDENTIAL LAND RENTAL VALUES

Mr KNUTH (Charters Towers—NPA) (10.10 pm): On 27 February I tabled a petition from residents in the mining communities, particularly Moranbah and Collinsville, with regard to the massive rise in residential land rental values. The petition calls for the state government to show compassion and declare an amnesty to enable leasehold residents to convert from leasehold to freehold, taking into consideration the last amnesty was declared in the 1990s.

The petition also calls on the minister to recognise that many of those who are affected by this hike are only able to afford residential leasehold land as they service the mining industry—the teachers, nurses, supermarket workers, railway workers, low-income earners and retirees—the people that this government says it represents.

I strongly support this petition as residential leasehold land rentals have jumped from a manageable \$270 to \$3,400 in four years—a 1,200 per cent increase. In just one year Moranbah residents have seen their residential leasehold land rent jump from \$870 in 2006 to \$3,400 in 2007. This is on top of the homeowners' \$1,800 a year rates bill. This increase is one of the biggest rip-offs ever to hit average working families in Queensland's history.

Effectively what this has done is reduce the capacity of the low-income workers, the support workers of the mining industry, to be able to afford to live in this area. These increases have had a massive impact on those who can least afford it. Often leasehold land is purchased by retirees or low-income earners because this is only what can be afforded. After paying \$1,800 a year in rates, who can afford a home mortgage, fuel, school fees and the high cost of living and then hand \$3,400 over to the treasury coffers? What is hypocritical is that previously this government had continued to warn local councils not to cash in on land valuation increases yet has slammed local working families with a whopping increase of up to \$3,400 a year. This is highway robbery and it is hard to comprehend how the state government can justify this greedy hike.

The region produces billions of dollars to the state economy and the best the government can do to reward residents is slam them with a \$3,400 residential leasehold bill. This hike does not affect the big transnational corporations; it hits the battlers. I remind members that residential leasehold land is not valued the same as freehold land. Freehold properties are more attractive to buyers, and lending institutions are reluctant to provide loans to finance leasehold properties due to the insecurity of tenure. Those currently with residential leasehold properties are severely disadvantaged. While the unimproved value of their land is similar to freehold properties, their saleability is significantly reduced and at the same time they are slugged nearly \$3,500 in rental fees.

I call on the minister to take heed of what the petition says and acknowledge the massive increases and recognise that, unless an amnesty is put in place to allow the conversion of leasehold to freehold at a value that is truly indicative of the land value and not overinflated because of the current economy, these residential leasehold owners will lose entirely when the current mining boom finishes.

Time expired.