



Speech by

Fiona Simpson

MEMBER FOR MAROOCHYDORE

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VALUATION OF LAND AND OTHER LEGISLATION AMENDMENT BILL

Ms SIMPSON (Maroochydore—LNP) (7.48 pm): We heard the Oscar rating given by the member for Gympie of this government's performance, particularly aligning their acting cred to that of a B-grade movie.

Mr Gibson: Going to DVD.

Ms SIMPSON: Or going to DVD early it is so bad, but I think there is another analogy and that is of a government that is perhaps deserving of an award in the Razzies. They are certainly the worst economic managers that this state has ever seen. While we can laugh about just how bad they may seem, the sad reality is that it is Queenslanders who actually pay for that failed economic management.

This is the first government that lost its AAA rating. It would have us believe that it was not its fault. In an excuse analogous to the 'dog ate my homework', this government lost the AAA rating at a time when other states did not. Now we see this legislation before the House, which is another milestone on its path to economic disaster because it has no connection or understanding of the business and investment world in which we do live. That is not just big business; it is small business and it is private investment. If ever there was an example of a piece of legislation that has been crafted in such a way as to fail to understand the most basic principles of investment here in Queensland, this is it.

If there is a movie that we can align this government's performance to it is probably *Risky Business*. If we look at what industry has been saying about this piece of legislation, they have said this legislation is risky to business. You would think that those who are professional in the area of valuations—professional valuers who are in the business of putting their skills on the line, being willing to go out to the marketplace and make their professional judgements on the valuation of property—may see this legislation as such a great opportunity in that many of them would be called in to undertake revaluations under the government's proposed legislation. But no, they were critical of this legislation. They were highly critical of this legislation because of the fact that it was risky to business. I will read just one contribution from the valuation industry in this regard which I think is quite important. They said—

The deception—the bill—will serve to make Queensland a risky place to invest.

That is a very strong statement. As I said, this is not just about big business or even small business, which employs the majority of Queenslanders; it is also about private investors—all those mum-and-dad investors and people who have money in superannuation funds. What we have seen with this legislation is a sneaky, sly attempt to justify the government's desire to grab more land tax by changing the way that valuations are formulated in this state.

I have heard all these excuses from Labor members saying, 'It's not really that serious. It was not such a big change.' When we consider the level of extraordinary outrage from across the community in regard to this bill we realise that this government has no understanding of the field in which it operates. Did it conduct consultation? Looking at the explanatory notes, did it consult with the people it was impacting upon the most? The answer is no. The explanatory notes have a paucity of information about those the government has talked to other than government departments. Also we see that it did talk to government departments interstate. But did it bother to talk to mum-and-dad investors here? Was there any fair dinkum

public consultation before this bill came into the House? No. We see it talked to the LGAQ, which is 'supportive of the amendments in relation to the rolling schedule adjustments factor'. However, I am looking for where the industry stakeholders are listed. I am looking for where the feedback is on the wider public consultation that the government should have conducted about a bill of this nature, and there is none. That is why when this legislation was tabled in the House we saw a rolling groundswell of absolute fury and disbelief that this government, which has taken dishonesty to a new level, would dare to stoop to this.

This legislation shows that this government is desperate for cash. It does not matter how it wants to get it or what means it wants to take; it wants to grab it without understanding the full ramifications upon the purses of ordinary Queenslanders. At the end of the day, to create jobs in Queensland you have to have businesses, big and small, you have to have certainty in the investment arena and you have to have an understanding of how economic development occurs. This Labor government really believes its own mythology that bigger taxes equals better service. It has shown that myth for what it is: there are bigger taxes, but we have not seen better services.

Queensland used to be one of the most competitive regimes in which to operate and it used to be able to deliver hospital services and a range of other services in a much more timely way with infrastructure than what we have seen with this government. Instead what we see now is a government that wilfully wastes money on PR campaigns and on poorly scoped infrastructure programs with significant blow-outs that should make it blush. Yet still it puts its hands out asking for more from the public and hopes that people will allow it to get away with it. The public did not want to allow it to get away with it. The government has had to back down in force as we now await the new legislation, the replacement legislation, which has been announced today and which will allegedly come forward at the end of the year.

Yes, it is an embarrassment to this state that this is the way that this government does business. Ultimately, we in the LNP want to see a business community and an investment climate for small investors that has the certainty to know that governments do what they say they will do and they are not deceitful and operate with a sleight of hand. This legislation as it was presented to the parliament is a sleight of hand. Some of the changes that it proposed were to redefine 'unimproved capital value'. The government tried to make out it was not really a definition; it already had a certain bundle of other elements within unimproved capital value, which was just fallacious. It has been blown out of the water by those in the valuation industry. The government was attempting in this legislation to tax entrepreneurial profit and to also tax goodwill. It admitted that leases and goodwill were improvements, claiming that these improvements were always deemed to be part of unimproved capital value. As I said, the valuation industry begged to differ.

What was quite significant and took this beyond the realm of just big business is the fact that in Queensland since the amendment to the Land Tax Act in 2009 there is actually a wider base of people who will potentially be affected by land tax. Tenants are now directly liable to pay land tax under those amendments. That is passed on to a whole raft of thousands of Queenslanders. The tax burden might have been widened but it definitely impacts beyond big business; it impacts everybody. Someone who has an investment house, somebody who has a small business or is paying land tax or those at the big end of town—all were affected. Because of the way this government has been pushing up the unimproved capital value with its dodgy self-convenient reinterpretation of unimproved capital value combined with the rate of land tax, Queensland is now one of the most expensive places in Australia.

Queensland deserves better. Queensland deserves a competitive taxation rate and an efficient delivery of services. Queenslanders no longer deserve this myth that has been peddled by this government that bigger taxes equals better government, because what we have seen has proven that to be a complete lie.

We are opposed to the legislation that the government has tabled. We are vehemently opposed to a means which is about taking money off people, not delivering better services, and undermining the certainty which is so necessary not only for business but also for the small investor. Queensland deserves better legislation than this.