



Speech by

Mark Ryan

MEMBER FOR MORAYFIELD

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VALUATION OF LAND AND OTHER LEGISLATION AMENDMENT BILL

Mr RYAN (Morayfield—ALP) (10.20 pm): I rise to contribute to the debate on the Valuation of Land and Other Legislation Amendment Bill 2010. I must say firstly that I am embarrassed by the contributions of opposition members to this debate. *Hansard* will show that they have remained true to form. Through their partisan fearmongering contributions they continue to trash Queensland, they continue to scare businesses and communities and they continue to knock our state's reputation. In respect of this debate *Hansard* will show that their contributions clearly misstate the real intent and effect of the amending bill.

Opposition members interjected.

Mr RYAN: I take the interjections as further proof of the opposition's hatred for Queensland. They hate Queensland. They continually interject. They continually trash our state's reputation. The amending bill is about preserving the status quo and providing certainty for landowners, governments and community members. It will come as no surprise to the House that the provision of public services and public infrastructure are funded through a budget process from public funds. The way in which those public funds are collected must be transparent, fair and accountable and must reflect taxation burden priorities.

It is important for taxation burden priorities to be clear and steps taken to preserve those priorities. There is only one bucket of money and the way that we fill that bucket of money depends on the relative priorities of government. This bill is about preserving those priorities. This bill is about preserving the status quo. This bill is about protecting the property owners, particularly residential property owners, from a change to the relative taxation burden priorities flowing from a recent case decided by the Queensland Court of Appeal. If the government did not act then the government would not be protecting Queenslanders from the potential for hundreds of millions of dollars in land tax and rate repayments which have emerged after a recent court decision. Make no mistake, to support the status quo, to protect property owners, particularly residential property owners and to provide certainty to government and the community for the future, members of this House must support this bill.

In speaking in support of this bill I would like to reassure property owners in the Morayfield state electorate and around Queensland that this bill will not affect their rates or land tax payable by them. The budget bucket is not getting larger as a consequence of this bill. This bill merely preserves the respective proportions contributed by different sectors of the Queensland community to the government budget.

In reassuring residential property owners in the Morayfield state electorate I would like to address the impact of the amendments on land used for residential purposes by the majority of Queenslanders. Valuations are made under the Valuation of Land Act 1944 and are one of the considerations used by relevant local governments to calculate the rate which is levied for each property. Local governments have wide powers to moderate any substantial increase in the issued values which may be indicated by the real estate market. They may, for example, average the last two or three valuations issued for a property or adopt a cap above which a rate may not be increased. A minimum rate may also be applied.

The valuations are generally issued by the Department of Environment and Resource Management to landowners before the end of March each year and are used by the local government to calculate rates in the financial year commencing on the next 30 June in the year the valuation is issued. The valuations

reflect the price which an owner who is well acquainted with the real estate market would be expected to pay for the land as a vacant site but with the surrounding infrastructure in place.

This figure would reflect the physical nature of the block before the current or former owners carried out any improvements on the land, such as a filling or levelling, and ignores the value of any structures erected on the land such as a house or shed. It does, however, reflect the services and advantages which would influence a purchaser in deciding which property they consider best meets their needs and budget. This could include existence or absence of road access to the property or the availability of services such as electricity, reticulated water, sewerage and access to rail and bus services. It could also include proximity to schools and shopping centres.

This method has been adopted for residential lands in the past and will continue to be used. This is because the amendments have no effect and no impact on this historic valuation approach and residential values will continue to be based on sales of vacant or near vacant lands. There is generally no shortage of such sales to be used as a basis for valuing land. If there are no sales in one area there are usually sales in another area that may be used to form a basis of valuation for residential properties. Departmental valuers are very experienced in making these assessments.

A landowner who is unhappy with the amount of the valuation may lodge an objection within 45 days of the date of issue of the valuation. A new, more robust and transparent objection process is also being proposed in this bill which will enable a landowner to provide information upfront if they think their valuation is incorrect. The new objection form will require a landowner to provide details about their property. Information such as the lot on plan number, the valuation they think should apply, the reasons or grounds on which they are basing their objection and any other information to support these grounds will be required to inform the objection. The department will assist landowners to make a properly made objection where required.

There are claims circulating that all landowners in Queensland will be adversely impacted by the legislative changes. This is not the case. The government has made it quite clear that residential property owners, and to that end occupants of residential properties, will not be disadvantaged by this bill. As the minister said in his second reading speech, without intervention the commercial property owners would receive a massive discount in their rates at the expense of residential property owners. Without action by this Labor state government residential property owners would be put in a position of effectively subsidising the current relevant contributions made by major commercial property owners to the Queensland state budget. This is an unacceptable situation and I am proud that this Labor state government is acting to protect and give certainty to Queensland property owners. I commend the minister, his staff and the department on their hard work in respect of this bill and I also commend the bill to the House.