



Speech by

**Mark Ryan**

**MEMBER FOR MORAYFIELD**

Hansard Thursday, 16 September 2010

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## LAND VALUATION BILL

**Mr RYAN** (Morayfield—ALP) (6.09 pm): I rise to contribute to the debate on the Land Valuation Bill. This is reforming legislation from a reforming Queensland government. This bill will modernise the land valuation process for non-rural land in Queensland and, in doing so, it supports equity and certainty for landholders. Not only does this legislation continue past reforms of the government in respect of land valuations—including the introduction of capping, averaging, payment period extensions and objection period extensions—but it will now also introduce new measures which further promote understanding, certainty and equity by moving to a site valuation model.

Importantly, this legislation will also mandate the universal and yearly release of valuations for landholders. This practice is of critical import for business and investors around Queensland. For instance, until recently, some areas of the Moreton Bay region had not had new valuations issued for up to five years. This created two specific problems. Firstly, the release of the new valuations after a period of up to five years meant that those new valuations were substantially higher than the past valuation. Understandably, these new valuations were of some concern to landholders. Secondly, the different timing for the release of valuations for previously different areas of the Moreton Bay region meant that it was difficult to introduce common rating policies across the region. This legislation will not only remedy those problems but will indeed correct the uncertainty and inequity which exists within the current arrangements.

I would like to take this opportunity to consider this particular aspect further by outlining the statutory land valuation process that will be undertaken in 2011 and into the future. This bill provides for statutory valuations to be undertaken every year for all local government areas except in unusual circumstances or if there is little movement in the property market. Accordingly, all 58 rateable local government areas will be valued next year and every year thereafter. This means every landowner will receive a new valuation. Rural landowners will be valued using the unimproved value methodology and non-rural landowners will be valued using the new site value methodology.

It is critical that these valuations are undertaken using a credible valuation process that is transparent and is understood by landowners. That is why this government is introducing the valuation reforms provided for in this bill to modernise the valuation system in Queensland in line with other Australian jurisdictions. I note that numerous opposition members have mentioned in this debate that they support a site valuation methodology as the basis for land valuation in Queensland. This bill introduces a site valuation methodology as the basis for land valuation for non-rural land in Queensland.

Whilst the bill provides for annual valuations to be issued to every rateable local government area, there is provision to not provide a valuation in certain circumstances, such as unusual circumstances or if there has been minimal market movement. This will be determined by the Valuer-General following a market survey report prepared for him by the State Valuation Service. Valuing local governments on an annual basis will provide greater certainty for local authorities and landowners about when a valuation will be undertaken. It will also provide consistency and increased equity and predictability in valuations across property types throughout the state.

The move to annual valuations will also overcome large changes in valuations that have occurred when the period between annual valuations was up to five years under the Valuation of Land Act 1944. For 2011, introducing site value for non-rural land will make the valuation easier to understand for landowners and simpler to implement than unimproved value. It is more reflective of Queensland's state of development and removes uncertainty about what land was like in its original state. Unimproved value will continue to be used to value rural land.

I have been informed that, when all landowners receive their new valuation in March next year, most will see little difference in their new site valuation. I have also been informed that the value of most residential land will not be significantly affected through the introduction of the site value methodology. Every landowner will receive a valuation notice and accompanying information explaining the new valuation methodology. The valuation notice will state the existing valuation amount and the new valuation amount.

In addition, the accompanying explanatory information will provide the Department of Environment and Resource Management website address for additional information and comparison valuations and sales data. A call centre will also operate from the issue of the new valuations until the end of the objection period to answer questions or concerns landowners may have regarding any aspect of the valuation process. This government has moved to strengthen the delivery of statutory land valuations in Queensland with the introduction of this bill. The proposed legislation brings Queensland into line with other states and sets the framework for a contemporary, equitable and transparent valuation process.

I would like to conclude my remarks by commenting on some of the contributions made by members of the opposition. Those members have said that the current valuation system has problems, that it does not work, that it is broken and that it needs to be changed, and those same members have also said that they support the new site valuation methodology. It is disappointing and perhaps also irresponsible of those members of the opposition to treat this bill as some sort of political plaything. They are having two bob each way. They want the current valuation methodology changed but they seek to preserve the status quo by opposing this bill.

As you have heard, Mr Deputy Speaker, they say that the status quo does not work. They want to move to the new site valuation methodology but they reject that new methodology by opposing this bill. If opposition members support the site valuation methodology, as they say they do, then they should support this bill. If opposition members want to change the current valuation methodology, as they say they want to do, then they should support this bill. This is reforming legislation by a reforming government which promotes equity and certainty for landowners. I commend the bill to the House and ask that all opposition members put their politics aside and support the bill.