

QUESTION ON NOTICE

No. 1981

asked on Wednesday, 6 October 2010

MR KNUTH ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY AND MINISTER FOR TRADE (MR ROBERTSON)—

QUESTION:

With reference to the massive increase in crown rental which has impacted severely on residents of the small Walsh River Road community at Watsonville on the western edge of the Atherton Tablelands where there is no infrastructure, no council services, no gazetted roads, no electricity, no town water and residents must provide their own basic services through generated power, water pumps and blaze their own access roads—

Will the Minister acknowledge that there is a gross lack of services to the Walsh River Road Watsonville community and because of the massive increases in crown rent, would the Minister earmark a proportion of landholders crown rental contributions towards future upgrade of tenure?

ANSWER:

In 2008, the Queensland Government began a review of the State's regulated land rents for leases, licences and permits to occupy. The new rental arrangements, which were introduced under the Land Regulation 2009, are the first major change for land rents in 15 years. As part of the rental review, it was determined that the percentage rate used to determine rentals for tenures in the residential category should be increased from the previously subsidised rate of three per cent to better reflect current market rents for residential properties. The percentage rate was raised to five per cent this year and will increase to six per cent in 2011.

To mitigate against the impact of the increase, the Government introduced three year averaging of valuations for rental purposes. Quarterly billing was also introduced for rentals over \$2,000 to help lessees better manage their rental payments.

As in many remote areas of Queensland, land valuations reflect that there are less services available to remote communities. The residents who hold leases and permits to occupy at Walsh River, Watsonville, were aware of the level of services available when these tenures were offered. The acceptance of these tenures by residents was on the clear understanding about the level of service available to them and that conversion to freehold tenure could therefore not be allowed.

Lessees who may be suffering from rental increases may be eligible for a concession under the residential hardship provisions of the *Land Act 1994*, provided the lease is used exclusively as their private residence.

All monies received for rentals over tenures issued under the *Land Act 1994* are allocated to consolidated revenue with the State budget process being used to prioritise and allocate available funds to the most appropriate use.