

QUESTION ON NOTICE

No. 763

asked on Tuesday, 24 May 2011

MRS MENKENS ASKED THE MINISTER FOR ENVIRONMENT AND RESOURCE MANAGEMENT (MS JONES)—

QUESTION:

With reference to the 151 per cent increase in valuations in the Burdekin area, and as real estate has been dropping markedly in this area for several years—

Will the Minister advise the market evidence and methodology on which the valuations are based since the last valuation in 2006?

ANSWER:

New statutory land valuations were released by the Valuer-General for all 58 rateable local government areas, including in the Burdekin Shire Council area on 3 May 2011. The Valuer General, Mr Neil Bray, is the independent head of the State Valuation Service and is accountable for delivering statutory land valuations in Queensland.

For the first time, Queensland has adopted the 'site valuation' methodology for non-rural land, because site value is a closer reflection of the land's current value.

Site value is similar to the market value of the land in its current state. It includes the value of any site improvements made to the land including filling, clearing, levelling and drainage works. Structural works such as houses, sheds, fencing, dams, and other such improvements on the land, do not form part of the site value.

This new approach is a simpler methodology, it is used in most Australian states and it has the full support of the property industry, local governments and other stakeholders.

Most landowners have seen little difference in their new valuation as a result of the shift to a site value methodology, other than through normal market movement.

Land that is zoned rural or equivalent under a local government planning scheme has continued to be valued using the unimproved value methodology.

The Valuer General has advised me that the Burdekin Shire Council's property values have increased by 77 per cent overall since the last valuation issued in 2006. Urban values have increased in the local government area mainly due to market increases over a five-year period since its last valuation.

To determine statutory land valuations, experienced State Valuation Service registered valuers research the property market and examine trends and sales information for each land use category (e.g. residential, commercial, industrial and rural). Particular emphasis is placed on recent sales of vacant or lightly improved land which are inspected and assessed by State Valuation Service valuers.

I'm advised that after considering all relevant sales and market evidence, a new valuation is determined for each property. The statutory land valuations take into account access to services such as reticulated town water, sewerage, electricity and roads and have regard to the present use of the land, its zoning under a planning scheme and its highest and best use.

If landholders believe their annual valuation is incorrect, or does not reflect damage caused by weather events, they may lodge an objection by 4 July 2011. Objection kits and further information about valuations are available from the Department of Environment and Resource Management's website (www.derm.qld.gov.au) and the Department's toll free number 1300 664 217.