Question on Notice

No. 318

Asked on 1 May 2013

DR DOUGLAS ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

Will the Treasurer advise what the lease-back arrangements are for the State regarding the following buildings sold to the QIC, (a) David Longland Building, 63 George Street, (b) Education House, 54 Mary Street, (c) 61 Mary Street, (d) Primary Industries Building, 62-80 Ann Street, (e) 111 George Street, (f) 33 Charlotte Street and (g) Mineral House, 41 George Street, including (i) length of leases, (ii) option and cost of option and (iii) annual increases itemised and other inclusions such as outgoings?

ANSWER:

The sale of the buildings to funds managed by QIC has allowed the Queensland Government (the State) to pay down over half a billion dollars in debt and take another step in the fiscal repair task.

The State will no longer bear the costs associated with the continued ownership of these buildings and having to operate and maintain these buildings or undertake building capital works.

Under the leases agreed with QIC, the State is only exposed to fixed increases in rent and incidental expenses of tenanting the building (such as tenant power and cleaning). The State will also meet the cost of any increases in land tax above an agreed base amount. All other costs (such as outgoings) will be met by the funds managed by QIC.

The Leases have been lodged with Titles and can be searched on the Land Title Registry and are a matter for the public record.

The lease options were all secured by the State for no additional cost.