

QUESTION ON NOTICE

No. 700

asked on Tuesday, 15 October 2013

MR KNUTH ASKED THE MINISTER FOR NATURAL RESOURCES AND MINES (MR CRIPPS)—

QUESTION:

Will the Minister advise if the cost of pursuing rental payments on small pieces of unallocated Crown land from small land owners is financially beneficial and what financial impact there is on the upkeep of land on leases that have been relinquished because of high land rent?

ANSWER:

Where the state issues a lease, licence or permit to occupy over state land, it must enter into a formal tenure dealing with that landholder, and an annual rent is payable under the *Land Act 1994*. It is important that, in administering state land, a fair return is achieved for the use of the asset. Any such allocation of state land has an assigned rental charge established by the Land Regulation 2009.

Rents are based on the unimproved value of the land, multiplied by the rental category percentage rate assigned the tenure. For small permits to occupy, the rent usually falls within a minimum rent of \$221 per annum which equates to \$4.25 per week. In return, the permittee is able to use the permit to occupy under the terms and conditions for which the tenure was issued.

Importantly, the occupancy rights of each permit holder are supported by a land administration system that includes the creation of permits and their registration in the automated titling system. This provides certainty and transparency as to the rights of the permit holder. The government is, however, working on a range of land tenure reforms to ensure the cost effectiveness and client servicing of state land administration in Queensland is best practice.

Of the 4425 permits to occupy issued under the Land Act, 151 (or 3.4 per cent) have been surrendered since 1 July 2012 for various reasons, including surrender for further dealing as another tenure or voluntary surrender by the landholder. The majority of that number would be cases where the surrendered permit to occupy has been re-issued due to the transfer of the land to which the permit area attaches. Other than the re-issue of a new permit, it is unclear whether the level of rent or other reasons, such as the permittee no longer wishing to use the land, have been the main reason for surrender.

The Department of Natural Resources and Mines has a team of approximately 20 officers across the state whose role is the oversight and maintenance of the 20,000 parcels of unallocated state land—dealing with issues such as bushfire

hazard reduction, feral animal and weed control, and any illegal dumping of rubbish. Given the negligible number of surrenders, the additional cost of managing those few relinquished parcels does not significantly increase the department's resourcing of managing unallocated state land.