

QUESTION ON NOTICE

No. 15

asked on Tuesday, 23 February 2021

MR P WEIR ASKED THE MINISTER FOR RESOURCES (HON S STEWART)—

QUESTION:

With reference to the next cycle of property valuations—

Will the Minister advise why the Gold Coast, Sunshine Coast and Brisbane areas have been excluded in the next round of valuations?

ANSWER:

The Valuer-General is an independent statutory officer whose authority is created under the *Land Valuation Act 2010*. A market survey report of each rateable local government area is undertaken by the State Valuation Service to inform the Valuer-General in making his decision.

A market survey report details the sales of land in the area since the last valuation was made and the probable impact of those sales on the value of land in the area. In addition, valuers also consider factors that impact on the value of the land such as the state of the economy, commodity prices and population trends.

In August 2020, the former Valuer-General prepared a market synopsis report and provided that to industry stakeholder groups as part of his consultation for the proposed 2021 Annual Valuation Program.

The *Land Valuation Act 2010* requires the Valuer-General to make a valuation of all land in a local government area—that is, the Valuer-General cannot value a subsection of a local government area, for example, only commercial or only residential properties.

Analysis was undertaken by registered valuers with expertise in each market sector—residential, rural residential, multi-unit residential, commercial, industrial and primary production.

There was concern that sales activity in the residential sector may be artificially inflated by economic stimulus packages. This will not be fully understood until the cessation of those stimulus packages, expected to be in March 2021.

It is recognised that valuation uncertainty and market volatility was expected as a result of COVID-19; however, there is insufficient sales evidence, particularly in the commercial sector, which includes office, retail, shopping centres, hotels etc to determine the impact on site values.

The State Valuation Service engaged in significant market research, including meeting with selling agents and valuer discussion groups to ensure all market evidence was considered.

It is also recognised that, while there has been an impact to some sectors such as the commercial office space, retail/shopping centre, tourism and hotel industries, other sectors have continued to operate at near full strength, such as bulky goods, grocery retailers and petrol stations.

At the time of decision, there was insufficient market evidence to draw accurate conclusions as to the market position in the major centres of South East Queensland. All available sales evidence will continue to be monitored during 2021.