

Media statement



Land valuations assess 23 local government areas

9 October 2009

The Department of Environment and Resource Management will conduct land valuations in 23 local government areas this year comprising some 965,000 properties, making it one of the largest valuation programs undertaken.

The new valuations, which will be issued early next year, are a snapshot of unimproved land values as at October 1, 2009. They will take effect on June 30, 2010.

The local government areas being valued are Balonne, Banana, Brisbane, Bundaberg, Cassowary Coast, Charters Towers, Cook, Croydon, Etheridge, Fraser Coast, Gold Coast, Lockyer Valley, Moreton Bay, Redlands, Rockhampton, Somerset, South Burnett, Southern Downs, Torres, Townsville, Weipa, Western Downs, and Whitsunday.

Department of Environment and Resource Management, Director-General, John Bradley said that he considered a number of criteria under the Valuation of Land Act 1944 to determine which local governments will be valued.

“These included market survey reports, consultation with local governments and industry groups, and the impact of valuations used for land tax or rental purposes,” Mr Bradley said.

“Other criteria included the length of time since a valuation was carried out, relativity of valuations in an area compared with those in adjacent local government areas, and the valuation program over the next five years.”

Under the Act DERM is required to undertake a valuation of all local government areas at least once every five years.

Where local government areas are not valued in a given year the existing valuations remain current.

“Property values are a snapshot of the unimproved land value of properties as at 1 October 2009,” Mr Bradley said.

“While the real estate market has softened recently, the new valuations reflect the overall change in the market between the last valuation (up to five years ago) and 1 October 2009.

“In some areas, if the valuation was a few years ago, valuations can be expected to increase significantly despite the market movement in the last twelve months.”

“However, an increase in valuation does not automatically mean that council rates must rise.”

Local governments base their rates on the revenue they need to provide services to residents and valuations are just one factor they use when calculating their annual budgets.

Under the *Local Government Act 1993*, councils can manage rates using rate capping, setting a minimum rate and the averaging of valuations before rates are assessed.

“This year’s valuation process will also see a valuation undertaken in any remaining Councils which were amalgamated, but hadn’t yet been valued on their new basis as an amalgamated entity.

“This means that valuations across each amalgamated Council area will now be based on the same year.”

“There are four amalgamated local government areas in this category which have yet to be valued in their new formation, including Moreton Bay, Rockhampton, Southern Downs and Western Downs.

Valuations were not issued to any local government areas in 2009 as a decision was made in early February not to issue the 2009 valuations. This decision was made as a result of unusual circumstances relating to the global economic crisis and the extreme weather conditions affecting approximately 60 per cent of Queensland at the time.

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