



Speech by

## Dr Mark Robinson

MEMBER FOR CLEVELAND

Hansard Tuesday, 9 March 2010

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### VALUATION OF LAND AND OTHER LEGISLATION AMENDMENT BILL

**Dr ROBINSON** (Cleveland—LNP) (8.08 pm): I rise to oppose the government's Valuation of Land and Other Legislation Amendment Bill 2010 as it was introduced into this House. I join the many concerned constituents in my electorate and across Queensland who have contacted my office, and I call for major amendments to the bill. I will mainly address the bill in its introduced and supposedly well-considered form.

The government has had plenty of time to get this right. It is an indictment on this Labor government that, despite all the resources at its disposal, it has put forward such a pathetic bill. The government's incompetence is further demonstrated by the fact that, on the morning of the debate, at the eleventh hour, after suffering from LIP syndrome, or 'Labor induced panic syndrome', it suddenly produced amendments. Today members opposite, including the member for Brisbane Central, falsely presented to the parliament the perception that the government planned this approach all along. What a farce! To accept the member for Brisbane Central's assertion is to ignore all the facts in the lead-up to the debate today.

The government communicated to the public in the light of the Pacific Fair court case that it intended to change the definition of 'unimproved value' and to apply it retrospectively. There is no doubt that the Property Council, among other bodies, together with landowners everywhere, interpreted the government's bill as nothing but a tax grab and a radical change to what the public understands as the definition of 'unimproved value'. To suggest differently is to fly in the face of the facts—but the member for Brisbane Central rarely lets the facts get in the way of the Labor story.

**Ms GRACE:** Madam Deputy Speaker, I rise to a point of order. I find those words offensive. They are misleading and I ask them to be withdrawn.

**Dr ROBINSON:** I withdraw. The truth that government members are running from and seeking to hide from the public is that the government today performed a gold medal winning backflip. Succumbing to the great pressure applied by the community and the opposition, and with a sudden and rare rush of common sense, the government has decided to scrap several of the discriminatory and unjust aspects of the bill that it fully intended to force upon the public. Except for the high-profile campaign by various property industry groups, the government would have forced its bill through today without amendment. This dramatic backdown by the government on the new land valuation laws while welcome would not have been necessary if the government had consulted with industry and listened to the public and LNP suggestions in the first place. Something has gone very wrong with this government's public antenna. Labor has lost its ability to listen and respond to the public. When the large majority of Queenslanders do not want Labor's asset sales or its social experiments, Labor has this ability to ignore the public and push ahead.

This bill needs to be understood in the light of the failure of this government to manage the state's economy and its need to increase its revenue through increased taxation. Labor's original laws may have seen land tax increases of between 20 and 40 per cent. Such increases would have threatened the viability of many businesses, cost jobs and hurt mum-and-dad investors. This land tax bill is nothing more

than a rip-off tax grab from this high-taxing, high-debt Bligh government. Instead of being more prudent with expenditure, this government looks for every opportunity to feed its tax addiction.

This government loves taxes. Like the mutants in the Will Smith blockbuster movie *I Am Legend* who thirst for human blood, this government is sucking the life out of Queenslanders—everyday investors and workers. No-one escapes the bared fangs of this tax-thirsty government. It loves new taxes and it loves lifting taxes so that it can spend more. We see the example of Labor's ETS—a great big new tax—that Labor does not want to talk about since the failure of Copenhagen. We also see Labor's possible GST increase to 12½ per cent rumoured in the hidden Henry review. The tax increase will be needed to pay for the new layer of federal bureaucracy in Rudd's health plan.

Then there is the Queensland transport minister's flirtation with a congestion tax. She wants to tax everyone who drives into the city by car. One person who understood the Labor tendency to tax anything and everything said that they were surprised that the Premier had not put a congestion tax on all the voters switching from Labor to the LNP. Based on the latest polls and including union members who were outside the parliament today who are deserting Premier Bligh, we could replace all other taxes in Queensland with a congestion tax on the exodus from Labor.

**Madam DEPUTY SPEAKER** (Ms O'Neill): Order! Would the member return to the topic of the bill, please?

**Dr ROBINSON:** Taxes? I do not intend to repeat what other opposition members have presented. Let me say that I concur with the excellent speeches provided by the members for Callide and Clayfield, among others, and commend them for their very significant and common-sense contribution to this debate that I have listened to. Further, I condemn the government for its legislative recklessness.

Key problems identified in the bill by opposition members and groups such as the Property Council include: firstly, the cash-grabbing retrospectivity provisions; secondly, the attempt to unjustly redefine unimproved land value in favour of the government and against the public; thirdly, the fact that it supports the status quo in which Queenslanders are already slugged with excessively high land tax bills that under this government will keep climbing—land tax has grown dramatically from \$380 million in 2004-05 to a projected figure of \$1 billion in 2010; fourthly, the flow-on effect of the tax to everyday consumers as higher rents, rates and prices; fifthly, the loss of jobs when land tax increases cannot be recovered; sixthly, the restrictions regarding appeals; and, seventhly, the ignoring of key stakeholders in the process resulting in unnecessary pain.

I would like to build on the LNP's opposition to the bill by considering some local stories from my electorate of Cleveland and the wider Redlands community. Since the introduction of this legislation, my office has received many complaints about this bill. These were unsolicited phone calls, emails and faxes. I offer just a few examples to illustrate the problems that Labor's land tax policy has already inflicted on constituents of Cleveland, the wider Redlands and other parts of Queensland.

One local businessman told me that his land tax bill had gone up dramatically under the Bligh government. His land tax bill has grown as follows: in 1993 it was \$1,400 for a number of years up until 2006, when it grew to \$3,000. That is a \$1,600 increase in around 13 or so years. Then in 2007 it grew to \$6,000—from \$3,000 to \$6,000 in one year. In 2008 it was \$10,000. In 2009 it was \$14,000. This is a tenfold increase since 1993. Another resident whose land tax bill has soared in recent years to be in excess of \$100,000 wrote to me on 8 March. He wrote—

Hello Mark, we are contacting you trusting this will allow us to strongly object to the proposed land tax amendments by the current state Labor Government. Land tax ... can only create increased rents and charges [and] more unemployment. This shallow blind thinking is a cover to recoup wasted millions to boost empty government coffers ... The resultant inflation will immediately erode the spending power of the worker, yes and the investor also—a great result.

This individual went on to say that they would normally have to pass on the high level of tax that they pay, particularly any increases, to their clients who would in turn have to pass it on to their customers. However, in this case the leases of their clients were not due to be renewed for another eight years, so he was having to contemplate other remedies. His employees would have to be nervous.

On a slightly divergent but still relevant note, I give another example of the impact of this legislation on local Redlanders. The sports minister, Phil Reeves, today announced in a ministerial statement that the Bligh government will continue its investment in the Australian PGA Championship at Coolum for a further three years from 2010 until 2012. He also claimed that the event generates more than 100 jobs for Queenslanders. I would like the House to consider another golf course that shows the real impact of the government's tax-hungry policies—the Howeston golf course in the Redlands. Many Cleveland residents use it. I admit to hitting the occasional golf ball into the trees and dams myself. I raise the case before the House to illustrate the fears this insidious high-taxing Labor bill has created in the Redlands community. Recently the owners of the golf course wrote a letter to the Premier and they sent me a copy. It states—

Dear Premier,

We pay \$47,178.00 Land Tax now.

We have been in business for 38 years.

Our family business is now in its third generation.

Since we started employing staff in 1984, we have employed 50 different people. Some starting from school days and working here during their university studies. These employees have gone onto professional positions. Six school teachers, events management, environmental officers and so on. Three of our staff have received long service and are still working here.

We have improved our golf course from 9 holes to 27 holes, made by our own hands. This sporting venue has hosted the Queensland PGA Foursomes, the Queensland PGA Championships as well as hosting 38 consecutive annual Pro Am's. Many of the Professional golfers that have played in these Pro Am's have gone onto the world stage.

Our sporting venue is an important part of the community attracting players from far and wide. Our low green fees are a big part of the attraction allowing people from many walks of life to play. We neither ask for nor receive any government help. If the government goes ahead with the idea put forward—

talking about this bill—

it would mean the difference of us remaining a going concern. Staff would be out of work. Suppliers affected. Please give this your consideration.

No one would ever improve or invest in their business. This would affect all business and investors. They would leave Queensland en masse. It would be political suicide. Any gain in tax would be chicken feed compared to the loss from business and investors ... Please reply to my concerns. Please consider what you are doing to us and to our State.

Yours faithfully ...

The impact of increased land tax on the golf course is clear: higher green fees that some people may not be able to afford, jobs lost, suppliers affected, and potentially bankruptcy. It is clear that the original bill was a disaster, and I note that the government has backed down from some of its most disastrous provisions. While this backdown is welcome, as a member of the opposition in representing the residents of Cleveland, I will be watching for what the government comes up with later in the year to do what I can to ensure it does deliver a fair and proper land valuation system. In summary, I oppose this unfair and unjust bill, and call on the government to implement major amendments.