



Hon Tony Kelly MLC
Minister for Planning
Minister for Infrastructure
Minister for Lands
Deputy Leader of the Government in the Legislative Council
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MIN10/4173

Mr Russell Grove
Clerk of the Legislative Assembly
NSW Legislative Assembly
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Mr Grove

I am writing in relation to the Committee on the Office of the Valuer General's Report No. 2/54, titled *Report on the Sixth Meeting with the Valuer General*.

Please find attached a response covering each recommendation made by the Committee in its Report.

Yours faithfully

Tony Kelly MLC
Minister for Lands

Seen & read by 11/11/2010.

REPORT ON THE SIXTH MEETING WITH THE VALUER GENERAL

RECOMMENDATION 1: The Committee recommends that the New South Wales Government actively support the Valuer General in enhancing course content and improving accreditation and gaining access to universities as required.

Currently there are two under graduate degree course provided in NSW through the University of Technology (UTS) and the University of Western Sydney (UWS). In addition two advanced diploma courses are available through two TAFE NSW educational institutions; the Sydney Institute of Technology (SIT) and the Open Training and Education Network (OTEN)

TAFE NSW offers an *Advanced Diploma of Property Services (Valuation)*. The course is accredited in NSW for five years from October 2009 until 31 December 2014 and commenced delivery by TAFE NSW in 2010.

Due to a number of factors, which may include choice of electives and experience in industry, universities determine how much recognition is provided to each TAFE NSW graduate. For previous TAFE NSW property valuation qualifications, graduates have gained between 30 and 50 percent credit into the following undergraduate degree qualifications; *Bachelor of Property Economics*, University of Technology, Sydney and *Bachelor of Business Commerce – Property*, University of Western Sydney.

Negotiations are currently underway with university partners to formalise the articulation for graduates of the *Advanced Diploma of Property Services (Valuation)*. It is anticipated that the quantum of credit will be at least to the level previously granted to graduates.

RECOMMENDATION 2: The Committee recommends that the Valuer General set appropriate fees for all users of valuation information and services.

The Valuer General provides land valuation services for several different clients on behalf of the NSW Government. The principal users of these valuation services are local councils within NSW and the Office of State Revenue (OSR).

In addition to these major clients, the Land and Property Management Authority's (LPMA) Land and Property Information Division sells its valuation services to a number of customers including both government departments and the private sector (minor customers).

The data provided to these minor customers is largely a by-product of servicing councils and OSR. Accordingly the total cost incurred in providing valuation services to minor customers is also relatively small. The total revenue earned from providing valuation services to minor customers is also relatively small, and in some cases the data is provided for free. The charges to minor customers have been set historically and do not reflect current costs.

In April 2010 the Valuer General commissioned KPMG to prepare a report to advise on prices for the provision of valuation data to minor government clients.

The report recommended a concise pricing regime. This is being considered as part of the pricing and access policy review being undertaken by the LPMA's Land and Property Information Division. The review is expected to be finalised by the end of the financial year.

RECOMMENDATION 3: The Committee recommends that the New South Wales Government press for the adoption of a national licensing model similar to the full registration regime for valuers in New South Wales.

The Council of Australian Governments (COAG) agreed to establish a National Occupational Licensing System in July 2008. Valuers are currently part of the second tranche of the occupational licences to be considered for inclusion in the national licensing system. The second tranche is due to commence as soon as possible after 1 July 2013. Whether there should be a national approach to licensing valuers will be examined when industry consultation committees are formed in late 2010.

The National Occupational Licensing System process will provide an opportunity for the NSW Government to participate in discussions on a national approach to licensing valuers. NSW Fair Trading will provide information on its approach to the registration of valuers as part of the process.