



HIGH COURT OF AUSTRALIA

11 May 2011

SPRINGFIELD LAND CORPORATION (NO 2) PTY LTD & ANOR v STATE OF
QUEENSLAND & ANOR
[2011] HCA 15

The High Court today dismissed an appeal brought by Springfield Land Corporation Pty Ltd and Springfield Land Corporation (No 2) Pty Ltd ("the Springfield companies") against a decision of the Queensland Court of Appeal. The Court of Appeal had upheld a decision of the Supreme Court denying the Springfield companies compensation from the State of Queensland, determined pursuant to the *Acquisition of Land Act 1967 (Q)* ("the Acquisition Act"), for the transfer of certain land to the State.

The Springfield companies and the State of Queensland entered into an agreement for the Springfield companies to transfer certain land at Springfield near Ipswich to the State, with compensation for the transferred land to be assessed as if the State had acquired the land under the Acquisition Act. The transferred land was to be amalgamated with other land owned by the Department of Main Roads in an area designated as the "South West Transport Corridor". Section 20(3) of the Acquisition Act required that, in assessing the compensation to be paid, there be taken into consideration, by way of set-off or abatement, any enhancement in the value of the interest of the claimant in land adjoining the acquired land as a result of the carrying out of the purpose for which the land was acquired.

The State of Queensland argued that the Springfield companies were not entitled to any compensation because of the enhancement of value of the land owned by the Springfield companies adjoining the transferred land resulting from the proposed use of the land for the facilitation of transport infrastructure. The State's claim was rejected by an arbitrator, who was appointed under the agreement between the parties to determine the quantum of compensation. The arbitrator awarded the Springfield companies \$1,468,406. However, both the Supreme Court and the Court of Appeal accepted the State of Queensland's argument and awarded no compensation to the Springfield companies.

The High Court, by majority, held that the relevant purpose of the acquisition of the land by the State of Queensland was for future transport purposes, including the facilitation of transport infrastructure for the South West Transport Corridor. As this purpose enhanced the value of the adjoining land owned by the Springfield companies so as to exceed the value of the transferred land, no compensation was required to be paid to the Springfield companies.

The Springfield companies were ordered to pay the respondents' costs.

This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.