

Submission for the Parliament Enquiry,

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Relationship with the owner (my wife)

Property owner

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Firstly I should point out Melbourne should not have a UGB/ green wedge policy, the consequence of it pushes up the cost of housing across Melbourne.

Regarding the GAIC tax,

Government needs to prove beyond reasonable doubt prior to any proposed legislation that the claimed windfall gains actually exist for all of the affected landowners. To reinforce its windfall claim the GAA refers to research it has commissioned, I asked for a copy of it and was refused, if government had nothing to hide then why not release the research in its entirety to the public? They won't do this, and this action suggests that the GAA and the planning minister and his departments have been "loose with the truth" cherry picking the data to suit their ends. This is reprehensible and the lies need to stop.

I submit the following points,

1. This proposal will not reduce land prices to the end user, in fact will make developed land more expensive.
2. It will send some "far from/many years from development" landowners bankrupt.
3. It will make landowners reliant on the old age pension. After all, for most the land is their superannuation plan.
4. Rates and land tax will make this a tax on a tax.
5. Labor government promised no new taxes before last election.
6. It makes a mockery that government has a duty to treat people with equality and not to discriminate. Only some landowners are to pay this tax!
7. Chokes the land supply as landowners will try not to sell until the GAIC tax value is added to the land sale.
8. Claimed windfall gains for the "far away from current UGB landowners" not proved by government.
9. Claims of profit windfalls by government are based on economic boom times.
10. Large release of land into the UGB will further reduce fringe area UGB land values.
11. What happens to land some years from being desired by developers? How old are you? Don't get sick!
12. No private investors will provide competition in the market, the up front tax costs are too high.
13. Landowners will not be able to secure finance.
14. Some highly geared landowners will be in breach of their lending contracts.
15. Developers cannot progress pay the contributions.
16. Flat rate GAIC tax is a stupid unfair proposal as every block of land has a different value. This means some landowners are penalised for having lower priced land.

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17. Small landholders 10ha and less will find selling at a viable price very difficult.
18. Small landowners should not have to beg their neighbours to sell with them as singly they face financial ruin.
19. The GAIC tax will push up the price of a 4ha hobby farm beyond what most prospective buyers can afford. It's a fickle niche market that's very price sensitive.
20. Who will want to buy a hobby farm only to be uprooted in 4-10 years?
21. If you were to rent the hobby farm out the rent may not cover the rates and land taxes.
22. Rates on properties brought into the UGB will go up despite no windfall gains to be made, (the rate increase will be due to the GAIC tax).
23. Land tax will follow the same route as the council rate increases UP!
24. Then there are the issues of divorce related sales and many others like this.
25. If you need to buy out a partner's share of the property you need to pay the GAIC tax.
26. The proposal of a hardship provision admits that this growth area Planning policy is not fair to all it affects.

Conclusion,

- Rather than have this tax we are happy to remain in the existing zoning, forget the UGB change!
- The GAIC is designed to force landowners to sell and provide funds for infrastructure that should be provided by the greater Melbourne population. Unlike other Australian States that tax the developers, the Victorian government is looking after its developer mates by squeezing the often old and mostly ethnic landowners in safe Labor seats.
- The Victorian government and the GAA are morally bankrupt by even considering such an unfair policy.

Final words "let the prospective house buyers, the people who can't afford it, pay the most, for the least, and travel the furthest, taking the longestwhilst the others laugh the most and the longest at the poorest.

That's what all the Victorian government policy has done for 10 years, presided over the biggest crisis in housing.

Well done Labor I cannot wait to see the next exciting instalment.

The end of submission.