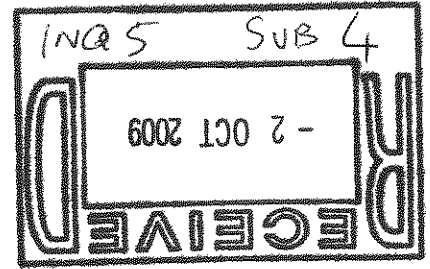


John and Heather Holtham
145 Stephens Road,
Officer . 3809
30-09-2009



Outer Suburban/Interface Services and Development Committee.
Parliament of Victoria
Spring Street,
East Melbourne 3002

Inquiry into the Impact of the State Government to Change the Urban Growth Boundary.

Submission

We wish to make a submission regarding the plans to introduce a Growth Areas Infrastructure Contribution (GAIC) tax to be paid by the landowners at point of sale. All the advice we have been able to ascertain indicates that it could be 15 to 20 years before our area will be developed, a blanket amount of \$80,000 (GAIC) per hectare plus capital gains tax would amount to half the value of the property.

With the uncertain future of the proposed Employment Zone this has not produced the owner windfall gain described in the information brochure put out by the Growth Areas Authority (GAA). What would be the situation if our land is only worth \$80,000 per hectare in this current economic downturn with the distinct lack of interest by developers? If we were able to sell, would we be expected to hand over the entire amount to pay for this tax? If a developer was interested in buying our thirty acre farm they would not want to pay the extra \$80,000 per hectare then have to wait possibly decades before getting a return on their investment.

Regardless of when this tax is paid, how will this produce more affordable development as suggested in your brochure? Do you really believe that developers will pass on these anticipated reductions in cost?

We understand that contribution is needed for infrastructure, but a blanket amount per hectare regardless of value is inappropriate. As our locality will be the last to be developed, the value of the land is substantially less than areas which already have Structure Plans in place. We believe that the GAIC should be paid by developers at the point of development, not by hard working farmers and families who most probably have invested years if not decades improving their properties, only to find that the government wants to take it away from them.

When superannuation salesmen came to our farm trying to sign us up, we would point to our paddocks and tell the salesman, "there's our superannuation and no one can take it away from us". It seems we were wrong!

In the present situation, we are not prepared to sell the property and give away half the value of our assets in GAIC. Our retirement plans have been put on hold and we are very concerned about the financial situation. Over the last four years, our rates have quadrupled (up from \$2000 to over \$8000) since being included into the Urban Growth Areas UGB. I have been forced to return to work after retiring two years ago for health reasons. We are not eligible for any Centrelink payments as we were self funded retirees, so I had to find a job so that we can pay our bills and buy food.

The Minister for Planning keeps saying that people in our position can title off some of our land and sell this to help with finances. We have approached the council on many occasions and have always been told we can't subdivide under forty hectares. We have just under twelve hectares.

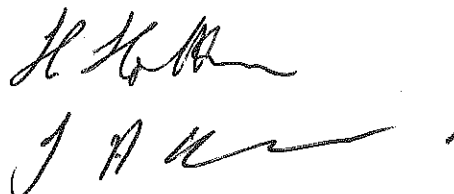
Justin Madden keeps saying that the landowners have gained a huge uplift in their land values since being brought into the UGB. He forgets to add that this uplift occurs if it is within three years of development, as reported by the government's landvaluer. So we are stuck between a rock and a hard place.

Recently when Peter Seamer, CEO of the GAA, was interviewed on the ABC, he was asked what percentage of the monies raised by the GAIC would be used for infrastructure, he replied, 15%. Why would the Brumby government want to create so much stress and hardship on hardworking families for such a small gain for those areas brought into the UGB? Most of us will move away and gain no benefit from our contribution (tax). This has been badly researched and the impact on many staunch Labor voters will be very damaging for the Brumby government.

It also seems ludicrous to bring fertile market garden areas around Clyde into the UGB. We have efficient families producing our vegetables within a fifty kilometre range of the wholesale markets. The soil is perfect for vegetable growing and to even think of putting houses on this land is ridiculous. Surely the location so close to the markets, is more important in saving transport costs to keep our food more affordable, than providing a few houses!

John and Heather Holtham
145 Stephens Road,
Officer 3809

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The image shows two handwritten signatures in black ink. The top signature is a cursive signature that appears to be 'H Holtham'. The bottom signature is also in cursive and appears to be 'J Holtham'. Both signatures are written in a fluid, connected style.