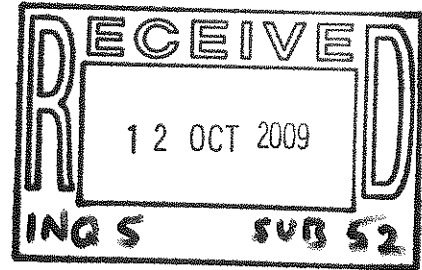


Mr Jack & Mrs Minerva Ivankovic
68 Sinclairs Road
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7 October 2009

Outer Suburban/Interface Services & Development Committee
Parliament House
Spring Street
EAST MELBOURNE Vic 3002



Dear Sir\Madam

RE: INTRODOCTION OF PROPOSED GAIC LEGISLATION

As one of the many home owners affected by the extension of the UGB and the Growth Areas Infrastructure Contribution Levy (tax). I am shocked and bemused by the handling of these two issues by the government of Victoria. The land brought into the UGB in 2005 has not been fully developed, so I cannot see a reason to extend the urban growth boundary further in 2009. The only reasons that we see is with the exception to re-classify the land to residential, to appease developers and councils.

The first intent, we believe, is that the government can reap millions of dollars at the expense of home owners. This exercise will only place further financial burden and pressure, on the people already struggling with their financial commitments.

The demographics in the west of Melbourne, Wyndham, Sunbury, Diggers Rest, Rockbank are middle working class families from many ethnic backgrounds. Living in the area for the last 25 years I have come to know many people, I can say that the majority of home owners are retirees. The uplift in council rates from \$2,000 to \$15,000 or more on these people, this financial burden would be unbearable and unacceptable and un-Australian culture "fair go mate"!

The second intent for shifting the UGB and the re-zoning of the land, is that the ploy by the Labour Government of Victoria is to rake in billions of dollars of tax under the guise of growth areas infrastructure contribution levy (tax).

Upon reading and analyzing the fact sheets produced by the Growth Areas Authority and the spin voiced by the Labour politicians, John Brumby, Justin Madden and every other Labour politician, I have spoken to, know and are not willing to admit publicly that these two issues affecting so many home owners is nothing but a money grab to bolster the budget.

The \$95,000 flat rate per hectare is absolutely ludicrous! To impose a flat rate on all land brought into the UGB, does not take into consideration the difference in land evaluations, not all land is worth the same dollars per hectare. Yet, the \$95,000 applies to all land regardless of its use.

Other factors to take into consideration in some cases, is that the valuation of land is less than the tax payable.

The proposed uplift of value on land brought into the UGB and re-zoned for urban development and as mentioned in the media on numerous occasions by the Premier John Brumby, Planning Minister Justin Madden and Peter Seamer, CEO of Growth Areas Authorities that the value of the developable land would be approx \$365,000 per hectare across Melbourne's growth areas, ranging from \$225,000 to \$450,000 or more! What a lot of "hog wash"! The government has not provided one shred of evidence to support their claims. The valuation figures that the government is spruiking are nothing but speculative and fictional!

As one of the affected home owners within the UGB, and the proposed legislation for the contribution infrastructure levy, we feel quite strongly that this is a most unjust and unfair way to punish a hard working family who is self sufficient not only during their prime years but to also be self-funded retirees. This proposed new legislation will only shatter one's dream of having their own home and legacy for their children. It seems to us that this is the government's new way of penalizing hard working families rather than rewarding them, this we believe will only create a new generation of families who will only be too willingly to line up for the fortnightly hand outs!!

Thus, in conclusion, we would like to thank the Committee for taking the time in reading our concerns and would appreciate an audience with the relevant Committee Members to hear our plight amongst other many Victorians affected by this new government proposal! The solution to this problem is to levy the infrastructure contribution levy (tax) upon development of land by a developer as it has been for many previous years.

Yours faithfully



Jack & Minerva Ivankovic

