

22 July 2008

The Manger
Contaminated Sites Section
Department of Environment and Climate Change NSW
PO Box A290
SOUTH SYDNEY NSW 1232

E-mail: clmreg@environment.nsw.gov.au

Dear Sir/Madam

Re: Consultation for remaking the *Contaminated Land Management Regulation 1998*

We appreciate the opportunity to provide comment on the above.

The Urban Taskforce represents Australia's most prominent property developers and equity financiers. We are always pleased to work with government in your efforts to promote excellence in urban design, environmental sustainability and environmental protection.

In this case, we understand that the Department of Environment and Conservation must prepare a new *Contaminated Land Management Regulation* to replace the existing Regulation that is due for automatic repeal on 1 September 2008.

The Urban Taskforce has no general objection to the updating of notification forms and/or the introduction of penalty infringement notice provisions for some offences. However, we are very concerned with the sharp increase in fees.

The administration costs and auditor accreditation fees have been significantly increased. The increased proposal represents a:

- 33 per cent increase in administration costs associated with orders;
- 71 per cent increase in application fee for auditor accreditation; and,
- 50 per cent increase in accreditation fee.

This is a dramatic increase in fees to try to put through at once. The Urban Taskforce can understand the need to keep pace with inflation and would be able to support a fee increase in line with the most recent annual CPI movement, but fee increases of 33 per cent to 71 per cent are untenable.

We are in the grips of a housing crisis. There is no doubt that we are not developing enough land and this is causing an affordability crisis. In NSW, underlying demand for housing is 47, 800 dwellings for the 2008/09 period, however 'starts' are only 29,140.¹

The housing affordability problem is addressed by making more residential sites available (green-field and infill). The overwhelming body of evidence on this matter indicates that to make more sites available and hence to improve affordability we must address those matters that are currently restricting site availability. One of the primary reasons that land is not being developed is increasing development costs. Fees, charges, taxes and acquisition cost of land are already too high and an increase in fees that you suggest is clearly inappropriate at the current time.

¹ HIA (2008) *Million New Homes Required in 5 Years*. Statement 30 June

The Urban Taskforce has made numerous submissions to the State Government on the importance of ensuring that development fees and charges are reasonable. In this regard, we strongly argue that there must be an element of market reality when determining fees and charges and for this reason, your fee increase should not exceed 4.2 per cent.²

The Urban Taskforce looks forward to continued dialogue with the Government on this important matter and if I can be of any further assistance, please feel free to contact me on telephone number (02) 9238 3955 or e-mail: admin@urbantaskforce.com.au

Yours sincerely

Urban Taskforce Australia

A handwritten signature in black ink that reads "Aaron Gadiel". The signature is written in a cursive style with a long horizontal stroke at the end.

Aaron Gadiel
Chief Executive Officer

² ABS (2008) Consumer Price Index, Australia, Mar 2008