



National
Office

PO Box 5427
Kingston ACT 2604

Telephone: (02) 6262 5933
Facsimile: (02) 6262 9970
Email: info@planning.org.au
Web: www.planning.org.au

A.B.N. 11 802 663 785

Chair
Senate Rural and Regional Affairs and Transport Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator Heffernan,

Re: Inquiry into the Airports Amendment Bill 2006

The Planning Institute of Australia (PIA) represents around 5000 urban planners and related professions in Australia. PIA is an advocate for better planning systems and actively promotes economically, socially and environmentally sustainable communities. Around half of our members work for local government, thirty percent for the private sector and the remainder for state government and academia.

PIA has been concerned and alarmed for some time about the extent of non-airport related development that has been approved on airport land around the country. Conflict with state and local authorities and other commercial developers is inevitable under this regime.

According to the Productivity Commission, retail and commercial development is underwriting profits for airport operators with up to 70% of revenue at Australia's privatised airports earned from non-aeronautical activities¹.

¹ www.propertyreview.com.au/index.php?id=1456 accessed August 14th 2006

PIA accepts that airports are well located and can become and are significant employment and commercial hubs in the regional economy.

However the principal of competitive neutrality which is promoted in the National Competition Policy must be upheld and all developers of land must be subject to the same planning regime.

The current system does not allow proper metropolitan planning to occur when a significant metropolitan developer can operate outside the jurisdiction of proper planning processes. This in turn creates uncertainty for other metropolitan commercial operators who are required to comply with agreed plans.

Development on airport land does not allow proper consideration of off site impacts of airport development such as increased traffic generated by retail and commercial development, something which the local community has to live with.

PIA believes that non-airport development on airport land must comply with State planning legislation, processes and strategies.

In general terms PIA supports any endeavors to amend the current legislation to ensure adequate consultation occurs for proposed developments on airport land. However PIA urges the Government to go further and ensure this development is consistent and integrated with surrounding metropolitan or regional planning.

Attached is a copy of the PIA National Position statement on development of non-airport related development at airport sites which supports PIA's position on this matter.

Please contact Liz de Chastel, National Policy Co-ordinator on telephone 02 6262 5933 if you require further information on this matter.

Yours sincerely,

Di Jay
Chief Executive Officer
9th January 2007

Development on Airport Land

Statement 1 | August 2006



Planning
Institute
Australia

PIA POSITION

PIA believes that airports provide excellent opportunities for metropolitan business and commercial centres but is opposed to the current system that allows for non-airport related development on airport land to occur outside the context of local, metropolitan or state government planning.

PIA strongly believes that all Commonwealth land sold, leased or otherwise transferred to the private sector for airport development should operate under the same rules as other private developers.

Metropolitan planning processes must integrate airports into their economic strategies but this cannot occur without certainty about development intentions on airports.

PIA requires the following urgent action to address the current concerns about development on airport land:

- **To ensure co-ordination and integration of development on airport land, the Commonwealth Government must enter into a binding agreement with airport owners that requires non-airport development on airport land to comply with state planning legislation, processes and strategies.**
- **Recognising that airports will evolve as multi-use transport nodes and attract development, Metropolitan Plans must recognise and build airport development into their strategies, including infrastructure requirements.**

POLICY PRINCIPLES

Airports are significant economic and social assets for a region; generally have good road and rail access and a large supply of unencumbered land. They act as commercial hubs for airport related activities which generate and create significant employment opportunities.

The Commonwealth Government has now transferred most of Australia's city and regional airports to private operators.

POLICY PRINCIPLES *(cont)*

In recent times there has been an increase in non-related airport activities such as hardware stores and discount outlets which do not require any reference to state or local planning strategies. This activity is undermining metropolitan business centre planning and in some cases increasing road congestion where demand has exceeded capacity.

The affect of large scale development on smaller regional airports will have severe impacts on the ability of local communities to properly plan and coordinate development.

PIA believes that the current system whereby privately managed land (formerly Commonwealth) can operate outside of any state or local government planning jurisdictions has no place in the current business climate that fosters National Competition Policy (competitive neutrality).

Urgent action is required to ensure airport development is integrated into metropolitan planning processes that are currently underway in most capital cities.

PIA ACTION

PIA will lobby the Commonwealth Government to ensure that processes are put in place that require development on airport land to integrate and comply with state planning legislation and planning processes.

THIS POSITION STATEMENT DERIVES FROM

PIA Liveable Communities (2004) – support for National Competition Policy