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.

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