

Productivity Commission Draft Research Report  
Performance Benchmarking of Australian Business Regulation:  
Planning, Zoning and Development Assessments

**Planning Institute Australia**

31 March 2011

Planning Institute Australia  
[www.planning.org.au](http://www.planning.org.au)



## Contact Information

**Simone Stevenson**  
Project and Policy Officer

**Kirsty Kelly**  
Chief Executive Officer

Signed



.....  
Dated: 31 March 2011

### PIA NATIONAL

PO Box 5427  
Kingston ACT 2604  
Telephone: (02) 6262 5933  
Facsimile: (02) 6262 9970  
Email: [ea@planning.org.au](mailto:ea@planning.org.au)  
Web: [www.planning.org.au](http://www.planning.org.au)

ABN 11 802 663 785



## Contents

---

<b>1</b>	<b>Introduction and general comments</b> -----	<b>5</b>
<b>2</b>	<b>The efficient and effective functioning of cities</b> -----	<b>7</b>
<b>3</b>	<b>Regulatory framework</b> -----	<b>9</b>
<b>4</b>	<b>Supply of land</b> -----	<b>10</b>
<b>5</b>	<b>Infrastructure</b> -----	<b>12</b>
<b>6</b>	<b>Compliance costs</b> -----	<b>13</b>
<b>7</b>	<b>Competition</b> -----	<b>15</b>
<b>8</b>	<b>Governance of the planning system</b> -----	<b>18</b>
<b>9</b>	<b>Transparency, accountability and community involvement</b> -----	<b>19</b>
<b>10</b>	<b>Referrals to state and territory government departments and agencies</b> -----	<b>20</b>
<b>11</b>	<b>Impact of the Commonwealth on planning</b> -----	<b>21</b>
<b>12</b>	<b>PIA Division Specific Comments</b> -----	<b>23</b>
	<b>12.1 PIA Queensland Division</b> -----	<b>23</b>
	<b>12.2 PIA South Australian Division</b> -----	<b>24</b>
<b>13</b>	<b>Conclusion</b> -----	<b>27</b>
<b>14</b>	<b>References</b> -----	<b>28</b>



“The final report must reflect the important role of planning, which is to strike a balance between often competing social, environmental and economic objectives”

## 1 Introduction and general comments

The Planning Institute of Australia (PIA) welcomes the opportunity to comment on the Productivity Commission's *Performance Benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessments* Draft Research Report. PIA made a comprehensive submission to the Issues Paper, released for comment prior to the Draft Report. The objective of this subsequent submission is to reiterate points made in the original submission, and to address higher order issues of planning principles and practice. PIA will not address sections of the report which relate to specific jurisdictions. Comments made by Divisions of PIA specific to their own State have been included in the last section of this submission, and appendices have been included of PIA's original submission, and any relevant PIA position statements. This section will also address general issues of theme and referencing which apply to the paper as a whole, and is then followed by comments on each of the Draft Report sections (excluding 'Comments from Jurisdictions').

There is an ongoing concern from the Planning Institute of Australia that much of the report is based on the misconception that planning is a drag on the economy which needs to be minimized. PIA does acknowledge that the effectiveness of the planning system could be improved to make land and property markets more efficient. While the inquiry process provides an important opportunity to identify the particular procedural requirements in planning systems that cause delays, uncertainty, or additional expense to developers and potentially to provide a way of benchmarking planning systems that support economic investment, these should not occur at the expense of environmental or social objectives.

An emphasis of the Report is upon the desirability of changing effort from de-facto policy at the development assessment stage to better strategic planning and community consultation early in the planning process, leading to simpler, more certain assessment requirements to follow, including resolving agency referral issues at the strategic level and improving development assessment approval timeframes. PIA strongly supports this shift.

PIA would like to request the following references to previous submissions and publications from the Planning Institute to be corrected so that when cited both in text and in reference lists, 'Planning Institute of Australia' is written out in full and the State Divisions are not referred to as 'Branches'. Using abbreviations for states is acceptable (e.g. SA, NSW). An example of a correct reference in text would be (Planning Institute of Australia - NSW Division, 2004). The following pages of the draft report have incorrect references to the Planning Institute of Australia: 2, 13 and 20. There may be additional errors which PIA has not picked up here.

## 2      **The efficient and effective functioning of cities**

The Planning Institute of Australia recognises that the Productivity Commission was required by the terms of reference to investigate the ‘efficient and effective functioning of cities’ as affected by planning and zoning. The Planning Institute is of the position that this topic is much broader than the Business Regulation and Competition Working Group's main focus, and is not something which can be considered in isolation of the other factors influencing it, such as taxation settings, population policies or the environment.

The draft report comments that in order to “ensure the effective and efficient functioning of cities, governments need to balance environmental and liveability needs with economic and business objectives”. The Planning Institute would argue this is fundamentally incorrect, as environmental health and liveability directly contribute to the success of economic and business objectives. Environmental and social objectives should not be considered in direct opposition to economic outcomes, but as closely linked influences that economics cannot be considered in isolation of. The Planning Institute’s first submission to the Issues Paper (Appendix 1) highlights the substantial dependence of the Australian economy on efficient, liveable and sustainable cities for positive economic development in more detail.

The Planning Institute is supportive of increasing population density in order to achieve the efficiencies listed in the Draft Report (lower infrastructure costs, smaller urban footprints and a stronger base for businesses). Better integration of land-use planning and infrastructure provision can help address potential costs of congestion and crowding. PIA suggests that the 3<sup>rd</sup> key point on page 9 be re-worded to convey that poor planning and design could result in congestion and crowding, not that it is a direct and unavoidable consequence of density. With regards to the “cost” of reducing the availability of large blocks of land (again, the 3<sup>rd</sup> key point), the Planning Institute believes there needs to be a significant cultural shift away from this type of value in Australia if the growing population is to be accommodated sustainably and affordably. The Planning Institute advocates for increased housing diversity to provide the population greater choices to meet the needs of their household size as well as lifestyle options, and the focus on large blocks is inconsistent with our current and projected demographics. Continuing to reinforce this “value” is likely to negatively impact on Australia’s ability to meet the population growth, sustainability and economic challenges ahead.



### 3 Regulatory framework

The Planning Institute of Australia is supportive of greater co-ordination between the states with regards to the regulatory frameworks used to achieve planning objectives. The Planning Institute therefore supports the adoption of a national urban policy by the Commonwealth Government and the COAG reforms to ensure all Australian capital cities have strategic planning systems that meet key criteria by 2012.

There are some concerns, however, regarding the Draft Report's emphasis on timeframes as a means of measuring the efficacy of regulatory frameworks between the states. While time is one factor in the process, it should not be prioritised at the expense of sound, good quality decision making. Poor planning decisions have the potential to incur far greater costs to society as a whole than those incurred by individual businesses navigating the DA process. Planning decisions and the resulting built environment are with us for many years to come and the long term costs of poor planning decisions over a 50-100 year timeframe are very likely to outweigh the costs to the developer of a delay of weeks or months.

The PIA is pleased to see the Report comment on the need for greater emphasis by Governments on creating comprehensive strategic policy on which to base development decisions, and on keeping these policies up to date. This focus can potentially increase the quality of decision making whilst also reducing decision making time frames. It is suggested there is a need to look at processes required to get approval for these plans in each State, as these processes are often lengthy and result in a time lag and an out of date plan. It may not be the preparation of the local plan that takes the time but the subsequent statutory approval processes (for example State interest checks etc.).

## 4 Supply of land

The Draft Report considers the supply of land from the narrow viewpoint of available land in relation to population size and growth, and the time-frames involved with Greenfield development. While the release of land may have an impact on reducing the cost of housing in a particular area, this release of land may come at a far greater cost of food security or loss of biodiversity. There remains a view amongst many in government, the private sector and the community that Australia has an endless supply of land for urban development. Irrespective of the pros and cons of Greenfield development, land is a finite resource and has typically been under-optimised. In other words land has not been valued for its optimal use leading to substantially inefficient use of land.

Development and sequencing of land release must be co-ordinated with social and physical infrastructure delivery in order to deliver liveable communities in growth areas. Any pattern of urban growth has social, economic and environmental implications that need to be considered and balanced in deciding the most desirable urban growth solution. The PIA supports the use of Government owned land banks to assist in planning for strategic urban growth. This will require the continued purchase of significant land parcels to ensure the co-ordination of delivery of services and the establishment of balanced and sustainable residential and business communities. PIA also supports and encourages the role of Government land development agencies in land amalgamation activities within existing urban areas in order to create developable sites for infill development, whether that be for residential or commercial purposes.

Consistent with seeking to encourage appropriate increases in the density of development, PIA is concerned at the reference on page 94 of this section including townhouses as a form of high density development. This is incorrect and misleading, as townhouses do not fall under the category of high density and this type of reference further perpetuates the community's concerns about high density being anything other than a detached house. This reference should be moved to an example of "less dense forms of housing", alongside villas and multi-unit housing.

The Report identifies the declining affordability of housing in Australia; now a poor performer internationally. A focus of the Report is about increasing the availability of supply to drive down pricing, and on this basis identifying areas that that can speed the supply of land to the market. More analysis is required into this aspect what is contributing to this, how is it not the case overseas, what other mechanisms do they employ and what are the obligations of intergenerational equity that may justify some of the interventions used overseas.

## 5 Infrastructure

Planning can ensure the coordination of development and sequencing of land release with social and physical infrastructure delivery, including optimising the use of established infrastructure and services through infill development. Planners frequently encounter issues of inadequate infrastructure provision, particularly in the outer/fringe metropolitan areas. Governments often push for land releases without providing adequate services to the development area, creating both environmental and social problems for inadequately serviced communities. The Planning Institute believes that the integration of planning for land use and transport would go part of the way towards preventing this occurring. With regards to developer contributions, PIA supports a consistent, clear and stable developer contribution framework at a local level and that is allocated to the appropriate authority, however does acknowledge that this is a complex task with complex methodologies to achieve equity.

The Draft Report suggests the adoption of leading practice model, adopting “a designated body responsible for the coordination of infrastructure in new development areas”. The Planning Institute of Australia supports the objective of achieving the coordination of infrastructure with Greenfield development, and that while the adoption of such a body is one mechanism for achieving this; it is not the only option. PIA does not endorse the concept of having one model for delivery across each jurisdiction (e.g. the proposed body), and believes the choice of mechanism for achieving coordination should be chosen at the discretion of the jurisdiction.

## 6 Compliance costs

The Planning Institute of Australia takes the position that the short term costs of planning are far outweighed by the longer term benefits. As the Royal Town Planning Institute (2004, p. 1) states, “the short term costs of planning to business are outweighed by the longer term financial benefit as well as the overall economic, social and environmental benefits accruing to the locality and to the nation that are derived from spatial planning.”

PIA does recognise, however, that the planning system imposes certain costs upon business, those of preparing, submitting and providing supporting materials for development applicants or planning scheme amendments, and approval delays in these applications. PIA supports the suggested ‘leading practice’ points made on page 36 of this chapter.

PIA particularly endorses the adoption of the Development Assessment Forum (DAF) Ten Leading Practices identified by ‘A Leading Practice Model for Development Assessment in Australia’ March 2005 as a basis for reform of development assessment systems and legislation in Australia. These practices are expanded upon in more detail in the PIA Development Assessment Position Statement, provided in Appendix 2 to this submission.

In the previous Issues Paper, the Planning Institute was concerned the study did not identify the range of pressures on the development assessment system including increasing population pressures, increased community pressures and expectations, enhanced political pressures, reduced resourcing and increased expectations from the development industry. Whilst some of these have been addressed it seems it is difficult to quantify enhanced political pressures and reduced resourcing as an issue. It is still recommended the Productivity Commission needs to consider these pressures when evaluating existing planning systems across Australia.

The Draft Report refers to the adoption of ‘electronic development assessment’ systems throughout, including page 236 of this section. PIA suggests these references be expanded to ‘electronic *planning systems*’, as there is wider potential for electronic streamlining and use of technology, including planning schemes/documents, policy and GIS mapping.

The Draft Report lists the “inefficiency of development approval staff” as being a cause of approval delay, and that there is a need to encourage planners to meet reasonable timeframes. Page XLIII of the overview recommends the introduction of statutory timeframes as a means of achieving this. The Planning Institute of Australia disagrees that these delays arise from the ‘inefficiency’ of planners, and would strongly argue that the underlying cause is from under-resourced planning departments in local and state government. We feel that this statement put undue blame on planning officers carrying out their duties in a resource constrained system. These types of statements further inflame already difficult relations between DA planners and the development industry, and should be worded more appropriately to recognise resource constraints.

An inquiry into the state of planning, particularly in local government, by PIA in 2005 identified a severe shortage of technical planning skills throughout Australia. Local government is the most under-resourced, and have difficulty retaining what staff they do have given the lack of resources and the pressure this places on existing planners. There is also a lack of administrative staff with the necessary training required to allow them to act as assistant planners, further escalating the problem. Anecdotal evidence and examination of the rates of job vacancies indicated that this shortage remains and issue for planning in Australia.

PIA does not, therefore, support the emphasis on statutory timeframes as a means of reducing approval delays, as if with the current level of resources the applications could be processed within the timeframes, this would largely be occurring already. More constructively the commission should focus on system streamlining and efficiencies to reduce unnecessary and time consuming processes, in conjunction with increasing resources and capacity within the profession. Accordingly, we respectfully request that when discussing ‘staff inefficiency’ in the Report, that it be expressed in relation to resourcing deficiencies and system inefficiencies, rather than the focus on the staff themselves.

## 7 Competition

The focus of the Draft Report is focused heavily on the premise that planning restricts, or acts as a barrier to, competition. It also fails to adequately acknowledge the role of planning in promoting economic development, both directly and indirectly through social and environmental measures. The Planning Institute would like to reiterate the importance of planning's role in balancing these objectives to provide a greater net community benefit. This issue was explored in great detail in PIA's first submission to the Issues Paper, provided in Appendix 1. PIA does, however, acknowledge that there are potentially some areas of planning, within some jurisdictions that could be relaxed to allow greater competition and market/business flexibility. This relaxation should only occur provided externalities are managed, for example amenity impacts – noise, traffic, air quality, overshadowing etc.

Centres hierarchy policies have in the past been criticised for being anti-competitive. However, competition and centres hierarchy policies serve different purposes (Maiorano, 2010, p. 7). Competition policy is focused on economic efficiency and deregulation, whereas centres hierarchy policy exists to regulate land uses to promote economic growth in targeted locations to maximise investment and sustainable outcomes (Maiorano, 2010, p. 7). PIA would like to reiterate the position that new centres should only be established if they can be supported by evidence that indicates they will have an acceptable level of impact on existing centres. This is particularly crucial in relation to existing centres in regional cities and towns where the potential of the traditional main street being rendered a 'dead centre' through the development of an out-of-centre development is very real and would have significant negative social and economic impacts on the community.

The Draft Report makes consistent references (for example page 270) to the difficulty experienced by developers and retailers when trying to obtain the correct sized parcel of land in established centres. The Report is heavily focused on using this issue as a market for out-of-centre development. PIA recommends that the report also mention the need to consider other approaches to this problem including mechanisms to support land amalgamations and more collaborative and cooperative approaches where government (state/local) work with developers to amalgamate parcels to create development sites. This is relevant for all types of development including infill residential and commercial.

Centres hierarchy policies have been an important management tool to achieve retail objectives. The policies assist to provide certainty to commercial investors about where to invest, to coordinate the provision of infrastructure and to provide certainty to communities that the amenity of their residential area will not be impacted upon by negative noise and traffic impacts caused by retail and commercial developments (Maiorano, 2010, p. 3).

Page 245 of this section discusses infrastructure provision in centres. PIA recommends paragraphs 2 and 3 provide a more comprehensive description of what is meant by 'infrastructure'. This should include not only public transport, but also community services, government offices, council services, libraries and the full range of other 'soft' and 'hard' infrastructure that it often located within centres. The section, particularly page 256, has a concerning focus on allowing the market to determine where businesses should locate. PIA would like to reiterate the greater community benefits which can be achieved through a planned approach and the concentration of community services and facilities. The issue of competition, and the importance of planning to economic development, is covered in greater detail in PIA's first submission to the Issues Paper (Appendix 1).



With regards to competing developers 'gaming' the appeals system, the Planning Institute of Australia is of the opinion that this does not occur frequently, and should not be considered a major barrier to competition. One way to prevent the 'gaming of appeals' is to limit appeal rights. In the South Australian development assessment system, there is an increase in appeal rights and level of notification the less a development conforms to what would be expected in a particular zone. This is through a system of categories of notification. For example a shop in a shopping zone would not require notification under most circumstances and therefore there would be no appeal rights.

## **8 Governance of the planning system**

The Planning Institute calls for greater horizontal and vertical co-ordination between all tiers of government when it comes to planning, particularly strategic planning. Markets operate on a range of spatial levels which normally cut administrative boundaries, within which planning has to work. This can be a major constraint on the planning system (RTPI, 2004, p. 12). A lack of coordination between all levels of Government leads to inadequate consideration to the cumulative flow on effects of planning decisions. This is evident with the sometimes poor integration between land use and transport planning, particularly related to government infrastructure funding and the need for it to be consistent with strategic planning frameworks.

## 9 Transparency, accountability and community involvement

The Planning Institute of Australia notes that there is disconnect between where community engagement is needed and can arguably be the most useful (the strategic planning stage) and where planning is more likely to elicit community attention due to its direct and tangible impact (the development assessment stage).

The Planning Institute of Australia believes that development assessment performance should be measured and published, however it is imperative that the criteria by which performance is measured deals with qualitative issues related to outcomes for the community, rather than focusing solely on matters of speed in decision making on development applications. PIA also supports the introduction of measures and processes to minimise the incidence of corruption, and providing easily accessible resources on zoning location and requirements.

There are slight inconsistencies in the Draft Report which need to be addressed. In the 'compliance costs' section of the Draft Report, references were made regarding the costs of approval delays to business, however this section stresses the importance of third party appeals systems in providing transparency in the system, despite their tendency to extend approval times. PIA supports the need to engage the community at the strategic planning stage in order to reduce appeals later on. PIA also encourages the alignment of public notification and third-party appeal rights with planning policy, so that those applications which comply or meet desired development standards are granted lower levels of notification than those which are significantly at variance or contrary to development policies (with graduated increase in notification in between).

## 10 Referrals to state and territory government departments and agencies

The Planning Institute of Australia is of the position that reducing the number of referrals and referral times to Government agencies could be achieved through maximizing integration of appropriate policies in planning instruments/ordinances/development plans. This needs to be addressed at the early strategic planning stage in order to be effective.

As mentioned in the section on compliance costs, PIA endorses the DAF Leading Practice model, which includes the following recommendations:

- Only one body should assess an application, using consistent policy and objective rules and tests.
- Referrals should be limited only to those agencies with a statutory role relevant to the application. Referral should be for advice only. A referral authority should only be able to give direction where this avoids the need for a separate approval process.
- Referral agencies should specify their requirements in advance and comply with clear response times.

## 11 Impact of the Commonwealth on planning

Planning is an integral part of administering the *EPBC Act (1999)*, both in facilitating referrals for controlled actions, but also in managing land clearing for urban development, which is recognised as a key threatening process to Australia's endangered species and ecological communities by the *Act (1999)*. The Draft Report has a strong focus on the costs of compliance and approval delays incurred by businesses as a result of the Act. PIA acknowledges these costs can be substantial, particularly as there are also state/territory lists of endangered species with which developers must consult. While there is potential for the reduction of approval time and duplication between state and federal protections, the Report should also acknowledge the value of the environmental objectives this compliance affords. The Planning Institute of Australia endorses the use of strategic assessments to reduce the need for ad hoc EPBC Act (1999) referrals, and the streamlining of the process.

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.

## 12 PIA Division Specific Comments

### 12.1 PIA Queensland Division

The PIA QLD Division has undertaken a review of the most recent Draft Research Report that was prepared to benchmark the states' and territories' planning and zoning systems and their development assessment processes. The report identifies numerous leading practices which contribute to better outcomes and an improved process.

As an overall comment, PIA QLD Division acknowledges there are some issues in the development assessment system and the research by the Productivity Commission should be seen as an opportunity to further improve processes and outcomes. The terms of reference require the Commission to assess how planning and zoning regulations and their implementation unjustifiably restrict competition. There is concern any suggested improvements will be sought at the expense of the other important planning outcomes including environmental and social objectives. The development assessment process deals with a multitude of factors, often competing, including centres/retail policies. In other words there is concern the commission is identifying broad "features" (refer *Chapter 7 Competition*) of planning and zoning systems which are likely to improve the competitiveness of relevant markets, without giving consideration to other interplaying factors.

PIA QLD Division considers that centres policy and centres hierarchies in themselves are not anti-competitive. An effective centres hierarchy is an important planning policy. It is also a tool that enables authorities to identify and plan for services including roads, public transport nodes, community services and facilities so that they are accessible to the community.

PIA QLD Division supports the idea that local plans are more quickly brought up to date with the strategic/city plans. It is suggested there is a need to look at processes required to get approval for these plans in each State, as these processes are often lengthy and result in a time lag and an out of date plan. It may not be the preparation of the local plan that takes the time but the subsequent statutory approval processes (for example State interest checks etc.).

PIA QLD Division supports the implementation of electronic development assessment systems and impact-based development assessment tracks. Queensland has made significant grounds in this area and early indications are positive.

PIA QLD Division supports the approach of undertaking research into each State planning system as they all differ and each has their own peculiarities and inherent advantages and disadvantages. It is also critical to put the systems into their planning context, for example high growth cities/States versus low growth cities/States.

PIA QLD Division suggests the planning system supports economic goals by promoting the achievement of safe, healthy, attractive and environmentally sustainable environments. There is an established link between these outcomes of economic growth, which is not recognised in the Productivity Commission Paper.

PIA QLD Division supports applying consistent and efficient criteria to determine the level of developer contributions, however there is recognition that this is a complex task with complex methodologies to achieve equity.

In the previous Issues Paper, PIA Queensland Division was concerned the study did not identify the range of pressures on the development assessment system including increasing population pressures (in high growth areas such as South East Queensland), increased community pressures and expectations, enhanced political pressures, reduced resourcing and increased expectations from the development industry. Whilst some of these have been addressed it seems it is difficult to quantify enhanced political pressures and reduced resourcing as an issue. It is still recommended the Productivity Commission needs to consider these pressures when evaluating existing planning systems across Australia.

## **12.2 PIA South Australian Division**

From a South Australian perspective it is noted in the Report that South Australia performs well, it has a simple and straightforward system that is easily accessible, this and the similar DAF reforms are supported as a way forward.



It is also noted that SA has one of the most consultative systems at the application stage and Councils in SA are well below the staff ratio of 4.5 Full Time Equivalent personnel (FTE) per 10,000 persons, identified as the benchmark. We'd wish for that ratio in SA but it is unlikely as long as local government continues to subsidise the development assessment process here. What is reasonable for the applicant and the community to contribute is something the Report should address, as well as other opportunity such as paying for speedy assessment so that additional resources can be employed to address these priorities.

An emphasis of the Report is upon the desirability of changing effort from de-facto policy at the development assessment to better strategic planning and community consultation in the first instance with simpler more certain assessment requirements to follow: including resolving agency referral issues at the strategic level. This thrust is supported.

The Report identifies the declining affordability of housing in Australia; now a poor performer internationally. A focus of the Report is about increasing the availability of supply to drive down pricing, and on this basis identifying areas that that can speed the supply of land to the market. More analysis is required into this aspect what is contributing to this, how is it not the case overseas, what other mechanisms do they employ and what are the obligations of intergenerational equity that may justify some of the interventions used overseas.

The report in this area also examines the Developer Contributions to new development, generally finding that contributions should be directly attributed to the cost of the development and not to be used for funding facilities for the general population. This is supported.

There is little to criticise in the Report, given it is narrow to the governance of private development (Planning, Zoning and Development Assessment). It does not address the role of public housing or specifically intergenerational equity.

Whilst it is tempting to compare the South Australian Government's planning directions to that recommended in the report, the request for comments is not a forum intended to critique the performance of the State Governments - both positive and negative. The Productivity Commission Report does however provide a reasonable benchmark to compare and potentially hold to account the practice of State Governments in the implementation of the planning system reforms, and in SA the 30 Year Plan for Greater Adelaide.

## 13 Conclusion

The Planning Institute of Australia has outlined in this submission that the issue is not so much that planning per se is inconsistent with competition or with the conditions that support development confidence and success, but rather that poorly functioning planning systems can make new development more expensive and risky. As such, PIA considers that the Productivity Commission should be reviewing the Draft Report to ensure it considers planning as a means to achieve optimal net community benefit which could not be achieved through market forces.

PIA acknowledges that there are some costs imposed on business when planning systems operate inefficiently. PIA is supportive of the Productivity Commission's program to identify those inefficiencies. However, the final Report must reflect the important role of planning, which is to strike a balance between often competing social, environmental and economic objectives.

PIA supports the theme running throughout the Draft Report of the need to place greater emphasis on the strategic planning stage in order to achieve greater efficiencies at the development assessment 'front end' of the planning system.

## 14 References

Development Assessment Forum (2005), 'A Leading Practice Model for Development Assessment in Australia', March

*Environmental Protection and Biodiversity Conservation Act (1999)* (Aus)

House of Commons (2002), 'Transport, Local Government and the Regions', Planning Green Paper, Thirteenth Report of Session 2001-2002, Volume 1: Report and Proceedings of the Committee, The Stationary Office Limited, London

Maiorano, G (2010), 'Retail Planning, Centres and Competition Policy', URPS Client Briefing Paper, May

PIA (2001), 'Liveable Communities', Planning Institute of Australia's National Policy on Liveable Communities

PIA (2004), 'Liveable Communities: how the Commonwealth can foster sustainable cities and regions', a National Policy Statement by the Planning Institute of Australia, February

PIA (2006), 'Development on Airport Land', National Planning Institute of Australia Position Statement, August

PIA (2007), 'Integrated Use and Transport Planning', National Planning Institute of Australia Position Statement, May

PIA (2007), 'Urban Growth Management, National Planning Institute of Australia Position Statement, December

PIA (2008), 'Planning Workforce', National Planning Institute of Australia Position Statement, May

PIA (2010), 'Major Developments or Projects Position Statement', South Australian Planning Institute of Australia Draft Position Statement, June

PIA (2009), 'Development Assessment Position Statement', National Planning Institute of Australia Position Statement, September

Royal Town Planning Institute (RTPI) (2004), 'Planning & Economic Growth', the RTPI Evidence to the Barker Review of Land Use Planning