

Planning and Economic Development in Australia

In Australia formal land use planning is commonly seen to be an impediment to economic development. The regulation of land use is seen to add to the time and cost of on-the-ground development, impede the realisation of some forms of economic activity, and add to the overall cost of doing business. Such views, of course, are commonly expressed by the proponents of growth, while others hold contrary views with equal – if not greater – vigour. Land use planning seeks the orderly development of land, and in many ways adds to productivity by ensuring development is adequately supplied with infrastructure (water, electricity, sewerage, transport) and that different types of business have an appropriate location for their activities.

As with the USA, land use planning in Australia is predominantly the preserve of state governments – which tend to set the policy and legislative framework – and local governments, which are given a mandate by the states to implement their policies. The Australian Government has a very limited role in land use planning, one that is restricted to control over sites they own, and in providing financial incentives to states to achieve mutually agreed outcomes (e.g. in the supply of affordable housing). Therefore, there is not a single planning system in Australia; instead there are six spread across the Australian states and a further two systems in force for the ACT and the Northern Territory. There are, however, broad similarities between jurisdictions in their aims and objectives, the UK heritage of planning systems and broadly comparable goals and objectives.



In broad terms, Australian planning systems tend to exhibit two key dimensions: a strategic/aspirational dimension that reflects the goals of the government and the community with respect to economic growth, social structure, housing form and infrastructure; and a statutory system that is represented by the rules and regulations that inform decision making processes. The two dimensions come together to create a framework for decision making about on-the-ground development. Critically, land use planning in this form is a form of control over proposed initiatives, and has limited capacity to bring about growth in and of itself (Searle 2017). In most Australian jurisdictions there are layers of state, regional and local planning strategy, with each informing or enacting the other tiers.

Planning strategies come into force when development applications are considered by the appropriate authority (most commonly, a local government) and the main considerations in their assessment include:

- the degree to which the proposal is aligned to strategy;
- land and infrastructure capability;
- land use conflict;
- urban amenity and the preservation of heritage and/or natural environments;
- practical implications; and,
- professional opinion on the suitability of the proposal.

The decision-making process is commonly not clear-cut, and there may be ways in which a proposal can be amended in order to receive planning approval.

Other initiatives used by planning authorities to promote development include:

- the inclusion of provisions within planning legislation for significant potential investments above a nominated threshold to receive ‘major project status’, and thereby receive an expedited planning approval;
- the implementation of a Priority Development Area (PDA) as a pre-approved master plan for a nominated locality, which allows developments to occur without the standard approval process;
- initiating public/private partnerships to redevelop degraded urban areas and encourage economic growth (see The Docklands in Melbourne; Barangaroo in Sydney; Honeysuckle Creek in Newcastle);
- the development of new governance arrangements to facilitate the realisation of particular development proposals. One example is the development of the community-owned windfarm in Hepburn which called for a great deal of public and private sector co-ordination and policy support to achieve completion (Morrison, Lane and Hibbard 2015);
- the zoning of significant quantities of land for economic purposes – e.g. commercial or industrial development – to ensure an adequate supply helps keep costs low; and,
- planning for, and the attraction of, key infrastructure to attract businesses to the region or locality.

References

Morrison, T. Lane, M and Hibbard, M. 2015 Planning, Governance and Rural Futures in Australia and the USA, *Journal of Environmental Planning and Management*, 58:9, pp. 1601-16.

Searle, G. 2017 Planning and the Nirvana of Economic Development, pp 35-44 in Sipe, N. and Vella, K. *The Routledge Handbook of Australian Urban and Regional Planning*, Routledge, Abingdon.