



12 September 2013

Major Project Development Assessment Processes
Productivity Commission
Locked Bag 2, Collins St East
Melbourne Vic 8003

Attention: Jonathan Coppell

Dear Commissioner

Major Project Development Assessment Process - Productivity Commission Draft Report August 2013

Brisbane Airport Corporation (BAC) congratulates the Productivity Commission (PC) on the quality and detail contained in the draft report. The report demonstrates the complexity of controls which apply at all levels of government and the range of challenges faced by government and industry alike if and when Federal, State and local government approvals are required on major projects.

As a Federally regulated airport, Brisbane Airport recognises the requirements to engage with the State and local government when major projects are in their design and delivery phases. Your reference in the draft report as to what defines a major project under the Airports Act (Cwth) is a demonstration of the challenges faced by airports in determining projects as being major or not.

In reference to the draft report, we provide the following as feedback.

- BAC believes that the Major Project definition under the Airports Act should adopt an alternate and potentially more acceptable approach which could include applying a National average building cost escalation percentage to the \$20m figure commencing in 1997 at time of privatisation. This would mean that the development being triggered was potentially consistent with a development that would have been captured at day one of privatisation;
- The National Airports Safeguarding Framework (NASAF) remains silent throughout the report. As this is an initiative which involves all levels of government, we recommend that the case for adoption of NASAF principles should be very strongly presented to ensure long-term sustainability of Airport infrastructure and protection of airport operations are at the forefront of government's minds when planning for off airport developments.

We thank the commission for the opportunity to respond and being part of this important study.

Yours sincerely

Koel Hellemons
General Manager
Strategic Planning and Development