

Our Reference:
Enquiries to: Megan O'Donnell

15 June 2026

Housing Supply Regulation
Productivity Commission
GPO Box 1428
Canberra ACT 2601

Dear Administrative Officer

Housing supply regulation – call for submissions

Thank you for the opportunity to make a submission to the Productivity Commission's (the Commission's) review of housing supply regulation. The City of Greater Bendigo (the City) as both a planning authority and community service facilitator has a substantial interest in housing supply and homelessness.

This submission responds to the information request: *'Which regulatory reforms should governments prioritise to get more homes built more quickly?'* and *'Which specific zoning and land-use controls most limit the supply of new housing?'*.

In response to *'Which regulatory reforms should governments prioritise to get more homes built more quickly?'*, Greater Bendigo has a large amount of central and urban land in State and Commonwealth (Crown) ownership. Much of this land results from historical decisions and no longer serves the purpose for which it was acquired. Unfortunately, the process for declaring public land as surplus and bringing it to the residential land market is both long and uncertain.

While less than ideal, housing developers could potentially build the time required to release public land into their development pipelines. However, the substantial uncertainty associated with the process means that the private sector is discouraged from seeking to build on underutilised public sites. A simpler and more certain regulatory land disposal pathway would greatly assist in activating key sites within the urban areas in Bendigo. This would deliver well-serviced housing and support densification of urban areas, a key policy priority at all levels of government.

In response to *'Which specific zoning and land-use controls most limit the supply of new housing?'*, Bendigo is proudly a 'city in a forest' surrounded by iconic Iron-Box forests and intersected by numerous creeks. While this landscape gives the city its unique character and appeal, it also presents significant challenges in terms of natural hazard management and land-use controls.



The Victorian State Government is now implementing a rolling series of changes to flood and bushfire guidance and regulations that are rapidly altering the regulatory environment. While these have an appropriate focus on the primacy of human life, the speed and frequency of changes mean that regulations are changing as amendments are processed, resulting in additional costs, delays and regulatory burden on proponents and planning authorities.

Following the Black Saturday 2009 Royal Commission and affirmed again in the management of the Black Summer 2019 fires, early evacuation is a life-saving policy. As a front-line emergency response agency, the City understands the impacts of fires and floods on local populations. As a planning authority, the City also sees the role of more conservative land-use controls in reducing the supply of buildable land in regional areas. The City's experience to date is that inconsistent understanding and application of hazard risk policy is creating significant and important delays in implementing the policy and planning scheme changes that are needed to deliver more housing.

This is a particularly complex area of policy; the Commission may wish to consider the following lines of inquiry:

1. If hazard management and response agencies are adequately resourced to support planning authorities in understanding and designing land-use controls for climate risk. Currently, the Country Fire Authority (CFA) in Victoria has very limited planning capacity but there are requirements on all local governments to consult extensively with the CFA.
2. The interaction between (1) encouraging building of highly-defendable homes at higher build cost, (2) the policy evidence that 'leave early' approaches appear to offer the best chances of survival, and (3) the impact of hazard exposure and build cost on insurability (for example, where homes have a high replacement value because they are built to higher bushfire attack levels).

The City commends the work of the Commission in considering this vital area of regulatory policy and looks forward to the outcomes of this inquiry.

Yours sincerely

Andrew Cooney
Chief Executive Officer