



22 June 2026

Productivity Commission Inquiry – Housing Supply Regulation

South Australian submission to the Productivity Commission Inquiry - Housing Supply Regulation.

Background

The Productivity Commission is undertaking an inquiry in to Housing Supply Regulations. The current call for submission, which this document is responding to, has three focus areas:

- Approval processes (for example, development, building and post-approvals, including any barriers to the uptake of more productive methods of construction).
- Availability and use of land for housing (for example, land release, land-use controls).
- Processes and frameworks to deliver new and utilise existing housing infrastructure (for example, growth infrastructure planning, developer contributions model).

The information request as part of the call for submissions cover the following questions:

1. Which regulatory reforms should governments prioritise to get more homes built more quickly? What evidence (case studies and data) can you provide to support your answer?
2. Which steps of the housing regulatory approvals process are the most onerous, time consuming and costly? Why? How could the burden be reduced without compromising regulatory objectives?
3. Which recent reforms to approvals (for example, fast-track pathways, coordination bodies, AI-assistance) have been the most and least effective in increasing new housing supply?
4. Which specific zoning and land-use controls most limit the supply of new housing? What are the benefits to consider of specific land-use controls? How does this vary across particular, Australian jurisdictions or areas?
5. How important are land release arrangements (including subdivision and titling) in limiting housing supply in an area, relative to other zoning and land-use controls?
6. How do development contributions and contributions frameworks affect project feasibility and new housing supply?



7. What other regulations relating to housing-enabling infrastructure should be a priority for reform to increase new housing supply?

The Productivity Commission is looking for written submissions on

- which regulations most affect housing,
- and what the greatest priorities should be for reform.

They are looking for data, case studies and evidence on which rules cause the biggest problems and costs, and examples of where reform has improved outcomes.

South Australia's Submission

Planning Reforms – Code Amendments, Planning and Building Approvals

Overview of Planning Reforms

South Australia has undergone the biggest modernisation of its planning system in 20 years with the implementation of planning reforms. We are proud to be the only state/territory in Australia with a single statewide, comprehensive planning scheme and one of four that currently offers online lodgement.

The system offers transparency, efficiency and agility – a system that can adapt to future challenges. Built into the system is a mechanism for continuous improvement to ensure it's a system which works for all.

The planning system is underpinned by the *Planning, Development and Infrastructure Act 2016* (PDI Act) which introduced a raft of new tools, including a 24/7 digital ePlanning system.

The Planning and Design Code (the Code) is the cornerstone of South Australia's planning system and has replaced all council development plans to become the single source of planning policy for assessing development applications.

The South Australian planning system is consistently rated number 1 in Australia in independent assessments.

Consistent and streamlined pathways for housing

The Code provides one clear set of planning guidelines for the state, consolidating the 72 complex Development Plans under the former planning system into one set of easy-to-understand planning rules. Delivering the Code electronically provides decision makers with the planning rules they need, saving time and improving consistency.

Introduction of a series of standardised zones and subzones to facilitate new housing has provided opportunities for new streamlined assessment pathways. In former development plans, there were over 450 residential policy variations (85 different residential zones with 411 variations through policy areas and precincts), with complying pathways for new dwellings primarily achieved through legislative intervention.



The Code now provides 21 'neighbourhood-type' zones to cater for the range of primarily residential areas. Most zones provide streamlined 'deemed-to-satisfy' pathways for new dwellings, including residential infill subdivisions providing medium density housing, to provide for guaranteed planning consent within five business days of lodgement. Assessment of these deemed-to-satisfy dwellings can also be undertaken by a range of Accredited Professionals, not just the local council. Additional reforms through regulation changes have provided an 'accepted' development pathway (no planning consent required) for housing in greenfield development areas where prescribed criteria are met. In addition, an accepted pathway is also available for new housing where Building Envelope Plans are created, to avoid the need for planning consent for a range of housing product in master planned communities.

Since 2021, a range of other reforms have occurred to improve the speed of approvals and facilitate housing diversity through the Future Living Code Amendment and the Accommodation Diversity Code Amendment. These are aimed at providing more flexibility in apartment design, enabling 'co-living' and 'co-located' housing and maximising opportunities for aged care, retirement and supported accommodation.

The South Australian Government has recently established the role of the Coordinator-General — to facilitate the delivery of state-significant economic, environmental and social outcomes by improving coordination, collaboration and efficiency across government planning, regulatory and approval systems.

Statistics and Case Study

Development applications are assessed faster following the states planning reforms. The rich data available through PlanSA's Development Application Processing (DAP) system shows how quickly applications are assessed.

In the 2025-26 financial year, 18 per cent of new housing applications are assessed through a streamlined assessment pathway for planning consent. Another 70% of applications are granted planning consent within an average of 15 business days while more complex assessments range between 43 and 67 business days.

The median end to end assessment time for new housing applications (planning consent, building consent and development approval) is 18 business and the 90 per cent percentile timeframe is 49 business days (source: National Planning Reform Blueprint Reporting).



South Australia dwelling approvals

Planning Consents for dwellings:

- Assessment days between lodgement and decision (2024-25 FY)

	 NSW	 Vic	 SA
Decisions within statutory time	59%	69%	89%
Average	101 assessment days (inc weekends)	151 processing days	17 business days
Median	NA	99 processing days	13 business days



1

South Australia dwelling approvals

Planning Consents for dwellings:

- Assessment days between lodgement and decision (2025-26 FYTD)

	 NSW	 Vic	 SA
Decisions within statutory time	71% 	64% 	90% 
Average	83 assessment days (inc weekends) 	165 processing days 	18 business days 
Median	NA	119 processing days 	12 business days 



2

Current planning consent timeframes

Planning Consents 25-26 (FYTD) – Applications for new housing

	Accepted	DTS (5 Days)	PA (20 Days)	PA with Referral (40-60 Days)	PA with Public Notice (70 Days)	Restricted (95 Days)
Number of planning consents	631	1,060	6,644	701	447	7
% by pathway	7%	11%	70%	7%	5%	0%
Average assessment timeframe	0	1 day	15 days	43 days	67 days	254 days



3

Rezoning processes

As a result of the introduction of the *Planning, Development and Infrastructure Act 2016*, a range of entities, including landowners, councils, and state agencies, can now request changes to the Code via the PlanSA portal.

Allowing landowners to lead rezonings unlocks land capable of contributing towards residential and employment land supply. Additionally, it allows councils and other public agencies to focus on strategic initiatives and policy reform or community focused projects.

The new planning system has significantly reduced the timeframe to undertake a rezoning or policy change. From submission to determination, a state-led Code Amendment averages approximately 15 months and a third-party (privately led) Code Amendment averages approximately 24 months (from submission, through the initiation, investigation, engagement to final determination). The fastest Code Amendment was completed in just 23 weeks. The previous average timeframe was 29 to 37 months. Approximately 23 per cent of code amendments have been completed within 12 months.

Longer timeframes are often the result of the availability of infrastructure and the need to negotiate infrastructure provision and funding prior to rezoning land.

Additional Reforms Planned or Underway

Additional Code Amendments are planned or underway to increase the availability of land for housing through state-led Code Amendments. This includes unlocking the potential for tens of thousands of new homes at Roseworthy and preserving corridors for future infrastructure including rail infrastructure. These initiatives are sought to support South Australia's growing communities and housing needs over the coming decades.

Code amendments are recognised as a key component in the delivery of residential land supply. While the State's rezoning process is already fast by National standards, the South Australian Government has implemented several initiatives to deliver faster code amendment processes.

Initiatives include amending statutory instruments to reduce the upfront mandatory requirements, allowing proponents to commit to undertake certain investigations should their proposal be initiated. Further, the Government implemented 'streamline code amendments where a straightforward code amendment proposal will be expedited to the Minister for Planning for initiation decision within 15 business days of verification.

Additional amendments were made to statutory instruments to link the code amendment process with an outline consent for site specific rezoning that facilitates a development outcome. The benefits of concurrently assessing a development application (in the form of an outline consent) and a code amendment are numerous, including helping the community to better understand the development outcome being achieved through the code amendment and accelerating the assessment timeframes of a subsequent planning application.

Building on the e-planning system, the Code Amendment Tracker System (CATS), launched on 1 April 2025, delivers a major digital upgrade to the code amendment system. CATS features a public-facing dashboard that provides real-time status and location information for

all current code amendments, enhancing transparency for communities, councils, and industry stakeholders. Additionally, it offers a secure lodgement and workflow tool for councils, developers, and planning professionals to submit Code Amendments, pay fees, and track progress - streamlining the process and improving accountability across the system.

CATS supports data-driven planning and strengthens confidence in how planning changes are made and tracked, serving as a key enabler for housing delivery and system reform. This advancement builds upon the strong digital foundations established in South Australia allowing a workflow system across the entire development lifecycle.

As a further pro-active step, the State Government will complete Structure Plans for all new greenfield growth areas by 2030 to enable clearer planning and certainty in greenfield growth. Structure Plans identify the land uses within a growth area (location and density of housing, employment land, and infrastructure), the future zoning and structure transport and trunk infrastructure requirements to inform rezoning (Code Amendment) and infrastructure funding mechanisms (such as Infrastructure Schemes). This can include social infrastructure requirements and land that needs to be reserved (including for schools, health facilities etc).

Work is also underway to support infill developments, through a range of in train activities including

- City Build Heights Code Amendment – initiated
- Housing Preference Study commenced that will support planned Code Amendments around Strategic Infill and Housing Diversity.
- Implementation of Government Election Commitments around apartment pre-sale fund and fast track land purchase fund.
- Master-planning and project delivery of a range strategic infill sites – Southwark, Keswick, Bowden, Glenside, 275 North Terrace and Franklin St Bus Station.

In 2024, the South Australian Government, launched the Housing Roadmap, bringing together a broad range of across Government strategies, policies and commitment aiming at increasing the supply of housing across the state. To support this work and led by the Department for Housing and Urban Development, the Oversight Committee was established. This Committee includes leaders from across Government and industry to track Roadmap progress and discuss housing issues and solutions.

The Department for Housing and Urban Development (DHUD) has also recently engaged external expertise to examine the South Australian Code Amendment and Land Division processes to look for opportunity to streamline and speed up processes and enable land to be construction ready quicker. As the Productivity Commission progresses this inquiry there will be opportunities for DHUD to discuss progress with this work.

Another election commitment, with implementation currently underway, is the expansion of skills delivery. This commitment includes over 1,000 new university, trade and entry opportunities to study essential skills such as construction management, civil and structural engineering, carpentry, electrical, plumbing and bricklaying.

Legislative Reforms

In 2025, amendments were made to the *Planning, Development and Infrastructure Act 2016* to vary the Environment and Food Production Areas (EFPA) (restricted residential development zone). The variations align with the Greater Adelaide Regional Plan that was released on 17 March 2025 and allow for the potential to accommodate approximately 61,500 new dwellings in greenfield land supply in various areas North and South of Adelaide, as well as in Murray Bridge.

The potential expansions for each area are:

- Roseworthy and Two Wells: 43,800 houses
- Murray Bridge: 10,400 houses
- Victor Harbor and Goolwa: 7,000 houses.

The land removed from the EFPA through the *Planning, Development and Infrastructure (Environment and Food Production Areas) Amendment Act 2025* is subject to a Limited Land Division Overlay, preventing unplanned fragmentation and ensuring rezoning occurs in a staged, infrastructure-ready manner. This will be removed once structure planning, rezoning and infrastructure schemes or agreements are in place.

The *Planning, Development and Infrastructure (General) (Miscellaneous) Amendment Regulations 2025* (commenced in November 2025) halved the assessment timeframe for small land divisions and enabled applications to be lodged to divide proposed allotments (allotments that have land division approval, but for which titles have not yet been issued).

Enabling Infrastructure

Given previous work undertaken relating to planning reforms and system improvement, the State can demonstrate a strong supply of rezoned land.

The Greater Adelaide Region has approximately 175,000 allotments zoned for residential use and in the order of 34,000 lots in proposed land divisions. Many of these areas do not yet have the required essential infrastructure such as reticulated water and sewer to support residential development. Major network upgrades are required to appropriately service these areas and unlock the development potential. The extent of infrastructure required, and the range of locations highlights that Infrastructure coordination, and investment will need to be prioritised to increase the supply of development-ready lots.

In South Australia it is infrastructure shortages, not planning regulation which is the biggest limiting factor to developments progressing. These infrastructure shortages require significant investments to unlock them. This is the key area requiring investment and reform.

The State's Housing Roadmap outlines the complexity in the development ecosystem, with infrastructure responsibilities spread across government, essential service providers, councils and private sector who all play a role in delivering housing outcomes.

The Roadmap made significant investment in enabling infrastructure. Together with other investments included in SA Water's 2024-28 existing delivery program, the State

Government's \$1.5 billion investment in water and wastewater infrastructure will enable delivery of services to new homes across our state, including an extra 17,000 homes in the state's growth areas.

This is serving to unlock housing growth in suburbs across Adelaide's north and south including; Angle Vale, Virginia, Two Wells, Riverlea, Gawler East, Roseworthy, Hackham (Onkaparinga Heights), Eyre and Blakeview, while preparing us for the next stages of development in areas like Concordia. Significantly more capacity and network will be required on infrastructure.

A range of initiatives have been undertaken to improve coordination including the delivery of Regional Plans and the establishment of infrastructure schemes to create a coordination, funding and delivery mechanism for the delivery of growth areas. The Government has also established the Infrastructure Coordination Group (ICG) as a cross-agency coordination group to provide transparency of information in the delivery of new growth fronts.

Principles have also been developed to create capacity for the regulatory environment that support the provision of wastewater infrastructure by third party providers, whilst at the same time, ensuring consumer protections and long-term security of infrastructure delivery.

The Government also made a recent election commitment around the establishment of the SA Gas and Water Trust to ensure it can better support housing growth and facilitate major economic development projects, across mining, data centres, manufacturing, energy and agriculture in the state's regions.

Infrastructure Schemes

A range of infrastructure is needed to support future communities, such as roads, energy and water supply, sewerage, schools and health facilities. It is important to understand what infrastructure is required, who's responsible, the standard and timing needed early in the growth planning process. This will help determine funding and delivery pathways most effective in unlocking land supply.

Identified through the current infrastructure challenges is the need to provide robust and appropriate financing and funding mechanisms for enabling infrastructure to growth areas, so it can be delivered when needed.

Charges and contributions have traditionally been applied via the use of planning conditions, deeds and bonding arrangements, however these tools as cost-recovery mechanisms are often ad hoc in application and ineffective in delivering the outcomes intended, particularly for large-scale growth areas which may be subject to cost escalation and density increases over time.

Infrastructure delivery schemes under the PDI Act offer another way to facilitate infrastructure coordination and delivery. These are legally binding implementation tools for use between landowners, councils, service providers and developers, setting out infrastructure requirements, timing and delivery frameworks, in addition to identification of contributing parties towards infrastructure cost.

They offer a suite of financial tools and delivery options, including the option for cost recovery over time as land is developed by the beneficiaries of the infrastructure. Infrastructure Schemes are managed by an independent Scheme Coordinator.

Schemes will supplement existing mechanisms, particularly in greenfield growth areas and infill precincts where significant infrastructure is needed, and where coordinated delivery across multiple land holdings is required.

The use of infrastructure schemes as a coordination and funding approach for growth-related infrastructure will continue to evolve and broaden. It is expected that the consistent application of funding mechanisms will support greater equity, certainty and improved planning for long-term investments, and ultimately better outcomes for future communities. Developers are also encouraged to deliver works in kind as infrastructure scheme contributions.

Design Standards

Design standards are a new planning instrument that complement the Planning and Design Code, with a focus on the public realm and infrastructure. Design standards will promote good design in our streets, parks and other public places, and assist to manage the interface between the public and private realm and contribute to efficiencies in the delivery of high-quality infrastructure in conjunction with development.

Design standards are informed by and integrated with the objectives of the other planning instruments that make up the South Australian planning system and seek to promote best-practice design.

The first design standard is intended to standardise civil construction requirements for land divisions within greenfield areas. Currently, standards for infrastructure such as local roads, stormwater management, drainage, gutters and footpaths vary across local councils.

A second round of consultation and engagement has occurred on the design standard to set consistent engineering standards within greenfield and emerging growth areas. This is expected to result in a greater level of consistency and transparency in requirements for developers and the public and will ensure that infrastructure is constructed to the appropriate design requirement. Feedback from consultation is being considered and will be incorporated into an updated final version of the Design Standard.

Housing Accord Distribution and Targets

The allocation of the National Housing Accord target of 1.2 million homes has been based on a per-capita distribution. However, South Australia considers that a distribution that takes account of relative population growth would provide a more appropriate and forward-looking measure, as it better reflects the scale of effort required to meet future housing demand.

This use of a per-capita distribution to apportion the National Housing Accord target has resulted in some states being comparatively advantaged, while others are correspondingly disadvantaged.

Importantly, the methodology does not appear to account for several key considerations, including:

- Demand, both at the time the target was set and forecasts into the future.
- Existing levels of construction and immediately prior to the Accord period (for one state, the Accord target is broadly equivalent to its pre-existing medium-term construction target, meaning that little to no uplift in activity is required).
- Population growth, which will directly influence the scale of new housing required over time and vary significantly between jurisdictions.

The per capita based targets have then resulted in reporting on them that is widely perceived as an assessment of government and industry “effort” to achieve the agreed targets. This perception warrants careful consideration, as the level of additional effort required to meet the targets is not evenly distributed across states. For some jurisdictions, the targets largely reflect a continuation of existing construction levels, while for small, slow-growth jurisdictions they require a substantial and sustained increase in housing delivery. Rather than focusing solely on absolute targets, the reporting framework should more clearly highlight the extent of growth in housing activity being achieved within each state. On this basis—measuring uplift relative to historic performance—South Australia is demonstrably superior increasing housing delivery and is contributing more meaningfully to overall supply growth that reflects the significant effort South Australia is making to housing outcomes.

Housing Typologies Counted under the National Accord

Another area for reform, is improving the definition of the types of housing counted towards the 1.2 million homes National Housing Accord target.

At present student accommodation, aged care/senior living and boarding house type accommodation are not counted towards the National Housing Accord.

These accommodation types provide homes for thousands of Australians and play an important role in meeting housing demand. They support students, seniors and other residents who would otherwise seek accommodation within the private rental or ownership market, thereby reducing pressure on broader housing supply.

Despite this contribution, these developments are currently excluded from National Housing Accord reporting because they are classified by the Australian Bureau of Statistics (ABS) as communal or institutional accommodation and commercial developments rather than private dwellings.

As a result, a significant and growing component of residential housing supply is not recognised when measuring progress towards housing delivery and national housing targets.

Importantly, the ABS has already demonstrated that purpose-built student accommodation can be identified and measured through national statistical collections, publishing dedicated analysis of student accommodation approvals in 2025. This demonstrates the issue is not one of data availability, but rather how these forms of accommodation are recognised within national housing supply reporting and the National Housing Accord framework.

Given the Commonwealth Government’s objective of increasing housing supply and improving housing affordability, accommodation which provides long-term housing outcomes and reduces pressure on the private rental market should be recognised as contributing to these objectives.

A more comprehensive measure of housing supply would provide a clearer picture of the contribution being made by all jurisdictions towards meeting Australia's housing needs and would better reflect the range of accommodation being delivered across the country.

Housing Australia and Commonwealth Funding

The Australian Government established the \$10 billion Housing Australia Future Fund (HAFF) in November 2023 to provide a secure, ongoing funding stream for social and affordable housing, including supporting delivery of the Commonwealth commitment to 30,000 new social and affordable homes over five years. Disbursements are set at a minimum of \$500 million per year (indexed to inflation from 2029–30) and paid through grants, concessional loans, and availability payments to approved project proponents.

The fund is managed by Housing Australia under an Investment Mandate (IM), a legislative instrument that provides the policy and operational framework for HAFF disbursements, including key requirements such as value for money and the amount of housing delivered, which guide project assessment and funding eligibility. Eligible entities under the IM include state and territory governments, local governing bodies, government-owned corporations (excluding utility providers), registered community housing providers (CHP), Indigenous housing organisations, entities focused on housing for Australian Defence Force members, and Special Purpose Vehicles (SPV) with at least one eligible member.

Based on Housing Australia advice, two funding rounds have occurred over 2024 and 2025 which will support a total of 18,650 new social and affordable homes. Round One was a competitive, market-based process. Funding was allocated predominantly to CHP projects. Projects contracted under Round One support 4,283 social and 9,366 affordable homes, with wide variation in outcomes supported across states and territories. Round Two introduced direct allocations to states and territories based on population and homelessness data. Projects contracted under Round Two support 5,001 social homes. Round 3 is currently underway.

Accelerating the allocation process and ensuring decision making, financing and contractual arrangements are finalised in an expeditious manner, will ensure social and affordable homes can be delivered as quickly as possible. Options that support this include direct allocation to States.

States and territories play a stewardship role over their housing systems, with responsibility for the funding, development and operation of social housing systems, and growth of affordable housing.

Without direct alignment between Commonwealth-funded outputs and state investments and strategies, opportunities for value, efficiency, and sustainable system outcomes are reduced.

Successive short-term funding rounds have required proponents to navigate multiple, duplicative streams, increasing the administrative work and bid costs for uncertain outcomes. A lack of long-term pipeline visibility has limited the ability of jurisdictions and delivery partners to effectively plan and coordinate strategic investment across the housing system.



Decision making and contract finalisation through Housing Australia has been slow and delayed construction and delivery of projects. This is even more problematic in an environment of construction cost escalation.

The HAFF has supported proliferation of Special Purpose Vehicles which is posing challenges for state and territory regulatory approaches including duplicative National Regulatory System for Community Housing or state-based registration.

The HAFF provides a fixed subsidy regardless of project location, resulting in larger financing gaps for projects in higher cost locations, including for jurisdictions with higher construction costs. In some jurisdictions, HAFF contributions average about one-third of project costs, placing significant pressure on state and territory investment capacity. Competitive market approaches and value for money considerations also require scale, which doesn't benefit some regional areas which lack CHP presence.

A priority for more streamlined, efficient and outcome focussed Housing Australia decision making would be beneficial.