

7 September 2026

Housing supply regulation inquiry
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

RE: Productivity Commission: Housing Supply Regulation Interim Report Submission

Gympie Regional Council welcomes the opportunity to provide feedback on the Australian Productivity Commission's Interim Report on Housing Supply Regulation.

Council supports the Commission's objective of improving housing supply and affordability through more efficient planning systems, coordinated infrastructure delivery and streamlined regulatory frameworks. Council agrees with the Commission's assessment that housing affordability is fundamentally linked to increasing housing supply in locations where people want to live and work. The identification of land-use regulation, infrastructure coordination and approval pathways as key reform areas is also broadly supported.

Council particularly supports the Commission's recognition that land-use reform and infrastructure coordination are likely to have a greater impact on housing supply outcomes than approval process reforms alone. The Commission's finding that planning approvals create the enabling conditions for housing but cannot guarantee housing delivery reflects Council's experience in regional Queensland.

While the Council is generally supportive of the proposed reform directions, Gympie Regional Council submits that future reforms must recognise the differences between metropolitan and regional housing markets. Planning regulations are only one component of the housing delivery system. Infrastructure investment, market feasibility, construction costs, labour availability, servicing constraints and broader economic conditions all influence whether approved development translates into completed homes.

Council's principal submission is that housing reform should focus on creating development-ready communities, rather than simply increasing theoretical zoned capacity.



1. Support for Best-Practice Housing Regulation

Council broadly supports the four best-practice principles proposed by the Productivity Commission:

- Adopt a "build" mindset.
- Only regulate where necessary.
- Coordinate housing and infrastructure.
- Keep planning and approval processes simple, predictable and timely.

These principles align with Council's current approach to strategic planning and the preparation of the new Gympie Regional Planning Scheme.

Council agrees that housing regulation should facilitate sufficient housing supply while balancing other legitimate public interests including:

- natural hazard management;
- environmental protection;
- infrastructure efficiency;
- economic development;
- place-making; and
- long-term community wellbeing.

For regional local governments, these objectives should not be viewed as competing outcomes. Well-designed planning systems can support housing delivery while simultaneously protecting environmental, agricultural and community values.

2. Land Use Reform and Housing Diversity

Council supports reforms that improve housing diversity and increase the range of housing products available to meet changing community needs. The Commission's recommendations regarding secondary dwellings, smaller lot housing, townhouses and medium-density housing options are consistent with the need to provide greater housing choice for young people; key workers; downsizers; older residents; and smaller households.

Gympie Regional Council is currently preparing a new Planning Scheme that seeks to balance housing growth with infrastructure capacity, environmental constraints and community expectations. In this regard, Council agrees that planning frameworks should support appropriate housing diversity and density in suitable locations.

However, Council cautions against applying uniform national approaches to housing density and zoning reform.



The Interim Report proposes broad-based upzoning measures, including allowing up to three-storey development across most residential land and increasing opportunities for medium and higher density housing in high-demand locations.

While these approaches may have merit in capital cities and major metropolitan centres, regional housing markets operate differently.

For Gympie, housing supply constraints are not solely related to planning controls but are often associated with:

- infrastructure servicing;
- development economics;
- construction capacity;
- market demand; and
- delivery timing,

Council therefore recommends that implementation of land-use reform continues to occur through locally informed planning processes that properly consider infrastructure availability, community needs and local growth patterns.

3. Infrastructure is the Critical Enabler of Housing

Council strongly supports the Commission's conclusion that infrastructure planning and coordination are among the most significant determinants of housing supply.

This finding is particularly relevant to regional local governments.

The Commission notes that housing cannot be delivered unless land is supported by enabling infrastructure and that the release of land alone does not create housing outcomes. The report correctly identifies situations where housing development is delayed because essential infrastructure is unavailable or delivered out of sequence.

This reflects Council's experience.

Within regional growth areas, housing delivery can be constrained by:

- water infrastructure;
- sewer infrastructure;
- transport connections;
- utility upgrades;
- State infrastructure priorities; and
- funding availability.



Council therefore strongly supports the Commission's proposed reform directions relating to:

- infrastructure planning;
- infrastructure sequencing;
- better coordination between agencies; and
- alignment between housing and infrastructure objectives.

Council submits that future housing reform must be accompanied by increased State and Federal investment in enabling infrastructure if housing targets are to be achieved.

4. Strategic Planning Should Drive Housing Outcomes

Council strongly supports the Commission's recommendation that infrastructure requirements, environmental constraints and development trade-offs should be resolved through strategic planning rather than repeatedly assessed through individual development applications.

This approach provides:

- greater certainty for industry;
- improved transparency for the community;
- faster development assessment outcomes;
- reduced planning risk; and
- stronger infrastructure coordination.

Council's current Planning Scheme review reflects this approach through the integration of land-use planning, infrastructure planning and environmental considerations.

The Commission's recommendation that governments undertake upfront technical investigations relating to matters such as flooding, biodiversity and bushfire management is strongly supported, particularly in regional Queensland where natural hazard management is a significant planning consideration.

Council submits that strategic planning capability within local government should be recognised as a critical housing enabling function and supported through ongoing investment and resourcing.

5. Development Assessment Reform

Council supports reforms that improve the efficiency, transparency and predictability of development assessment processes.



The Commission's proposals are generally supported in regard to:

- risk-based assessment pathways;
- code assessment;
- improved referral coordination;
- digital planning systems;
- technology-enabled assessment tools; and
- better reporting of assessment outcomes

However, Council notes the Commission's own conclusion that approval reform alone will not solve Australia's housing supply challenges. The report identifies land-use reform and infrastructure coordination as the reform areas likely to have the greatest impact on housing supply outcomes.

Council agrees with this assessment.

In many cases, development approval has already been granted, yet housing remains undelivered due to infrastructure, finance, market feasibility or construction constraints rather than regulatory barriers. This distinction should remain central to the Commission's final recommendations.

6. Growth Monitoring and Housing Supply Data

Council strongly supports the Commission's focus on improved housing supply monitoring and data transparency.

The Commission seeks feedback on how governments should measure and report housing supply and whether distinctions should be made between zoned land and land that is genuinely capable of development.

Council considers this distinction critical.

Housing supply reporting should differentiate between:

Category	Description
Zoned land	Land with planning approval potential
Approved land	Land with development approval
Serviced land	Land with required infrastructure available
Development-ready land	Land capable of immediate development
Completed dwellings	Actual housing delivered



A national framework focused solely on zoned capacity risks overstating housing supply potential.

For Gympie Regional Council, development-ready land provides a far more meaningful indicator of actual housing delivery potential than zoning alone.

Council supports a nationally consistent methodology for monitoring land supply, infrastructure readiness, approvals and dwelling completions.

7. Local Government Perspective

Council submits that local governments should be viewed as key partners in delivering housing outcomes.

Whilst planning regulation plays an important role, housing outcomes are influenced by a broader set of factors including:

- infrastructure availability;
- State agency requirements;
- utility provider processes;
- land servicing costs;
- labour shortages;
- interest rates;
- material costs; and
- market feasibility.

Effective housing reform requires coordinated action across all levels of government.

Council therefore encourages the Commission to maintain its systems-based approach and avoid an over-emphasis on planning approvals as the primary determinant of housing delivery.

8. Recommendations

Gympie Regional Council recommends that the Productivity Commission:

- Recognise that regional housing markets require different responses from metropolitan housing markets.
- Prioritise infrastructure coordination and funding reform alongside planning reform.
- Develop a nationally consistent framework for monitoring development-ready land supply.
- Support strategic planning as the primary mechanism for integrating housing, infrastructure and environmental considerations.



- Improve coordination between State agencies, infrastructure providers and local governments.
- Provide funding and capability support to local governments for strategic planning, growth monitoring and housing data reporting.
- Maintain opportunities for evidence-based local planning responses where justified by:
 - infrastructure constraints;
 - natural hazards;
 - environmental values;
 - place-making objectives; and
 - regional community needs.
- Recognise that increasing housing supply requires coordinated action across the entire housing delivery pipeline, not simply changes to planning approval processes.

Gympie Regional Council supports the Productivity Commission's objective of increasing housing supply and improving housing affordability. The Interim Report correctly identifies that planning systems should enable housing delivery, infrastructure should be coordinated with growth, and regulatory processes should be proportionate, transparent and efficient.

For regional Queensland, however, future reforms must recognise that housing delivery is ultimately dependent on infrastructure readiness, market feasibility and coordinated investment. Planning approvals alone do not deliver homes.

Council encourages the Commission's Final Report to focus on creating housing-ready communities supported by coordinated infrastructure, effective strategic planning and balanced regulatory reform, while recognising the unique circumstances of regional local governments such as Gympie Regional Council.

Yours sincerely

Patricia Jensen

Manager Planning Strategy and Growth Branch
Gympie Regional Council

