



29 September 2026

Housing Supply Regulation Inquiry
Productivity Commission
GPO Box 1428
Canberra ACT 2601

Dear Commissioners

The Eyre Peninsula Local Government Association welcomes the opportunity to respond to the Productivity Commission's interim report on housing supply regulation.

The EPLGA supports the Commission's objective of enabling more homes to be built quickly and its emphasis on coordinating housing with infrastructure.

However, the inquiry's final recommendations must recognise that the principal barriers differ markedly between metropolitan and regional Australia.

On the Eyre Peninsula, the key constraint is often not zoning capacity. Councils may have land identified for residential development, but housing remains unviable because water, power and other enabling infrastructure are unavailable or prohibitively expensive, construction markets are thin, and overlapping environmental requirements delay or prevent development.

This submission recommends a place-based regional approach that combines simpler approvals with upfront infrastructure investment, stronger accountability for utility providers, support for alternative construction methods, and reform of native vegetation requirements affecting residential land within defined township boundaries.

Should you have any questions, please contact the EPLGA's Executive Officer Darren Hunter at [Redacted] or [Redacted].

Yours sincerely

Mayor Dean Johnson
President

Response to the Productivity Commission's interim report on Housing Supply Regulation

Introduction

The EPLGA represents all 11 of the Eyre Peninsula's councils, being:

- City of Port Lincoln;
- City of Whyalla;
- District Council of Ceduna;
- District Council of Cleve;
- District Council of Elliston;
- District Council of Franklin Harbour;
- District Council of Kimba;
- District Council of Streaky Bay;
- District Council of Tumby Bay;
- Lower Eyre Council; and
- Wudinna District Council.

The region has a population of approximately 59,400 people spread across a vast area.

Its economy is underpinned by agriculture, aquaculture, mining, manufacturing, tourism and renewable energy.

The region has a bright economic future, and the *Eyre Peninsula Strategic Regional Plan 2030* identifies 24 major projects with a combined indicative value exceeding \$25 billion and the potential to create more than 26,000 jobs.

That opportunity cannot be realised without housing. Employers are already competing for a limited supply of suitable homes, while shortages make it harder to recruit and retain health professionals, teachers, tradespeople and other essential workers.

The regional plan identifies housing and accommodation as its first priority area and calls for increased supply, mix and choice to support population growth.

Executive Summary

The Eyre Peninsula has an urgent need for more housing, including community and affordable housing, family homes, worker accommodation and executive housing.

Constrained supply is already limiting workforce attraction, business growth and the delivery of health, education and other essential services.

The EPLGA broadly supports the Commission's four principles for a better housing regulatory system: adopt a build mindset, regulate only where necessary, coordinate housing with infrastructure, and keep processes simple.

The interim report correctly identifies infrastructure coordination as a central issue. Its final recommendations should, however, more clearly distinguish regional housing markets from the high-demand metropolitan markets that underpin many of its proposed land-use reforms.

Broad upzoning may increase theoretical development capacity in cities. In many Eyre Peninsula towns, the more immediate challenge is converting already-zoned land into housing-ready land. High headworks and connection costs, workforce and material shortages, access to finance, and environmental approval requirements can make otherwise suitable land commercially unviable.

A regional lens is essential

The interim report is strongest where it recognises that land release only matters if land is ready for development. This distinction is fundamental in regional Australia where a planning scheme may provide ample nominal capacity, yet little of that capacity may be commercially developable within a reasonable timeframe.

On the Eyre Peninsula, demand spans community and affordable housing, one-to-four-bedroom family homes, short-term worker accommodation and executive housing.

Supply is constrained by historic underinvestment, low rental vacancy, high construction and mobilisation costs, labour shortages, limited access to materials and finance, and the cost and availability of water and power infrastructure.

The Commission's proposed broad-based upzoning reforms are principally directed at high-demand metropolitan markets. They may be useful in larger regional centres where demand and infrastructure support greater density, but they will not address the dominant constraint in many smaller towns.

Applying metropolitan density settings without regard to market depth, servicing capacity, local character, hazards and environmental values risks creating more paper capacity without delivering more homes.

Housing-enabling infrastructure

Infrastructure-ready land should be the objective

The EPLGA supports reform directions 4.1 and 4.2, which seek to coordinate strategic infrastructure planning with housing objectives and improve the sequencing of infrastructure with development.

These reforms reflect the experience of Eyre Peninsula councils, some of which have proactively brought residential land forward, invested in enabling works and promoted development opportunities, only to encounter constraints outside their control.

The most significant constraints are frequently water and power, where for a small subdivision, a large upfront connection charge can make the entire project unviable.

A focus on the quantity of zoned land can therefore misstate real supply. The Commission should recommend national reporting of housing-ready land: land that is appropriately zoned, environmentally assessed, capable of connection to essential utilities at a known and commercially reasonable cost, and supported by a funded delivery pathway.

Clear responsibilities and accountability

Infrastructure plans should identify who is responsible for each enabling investment, the funding source, delivery sequence and timeframe.

Utility providers should be active participants in regional housing planning, with transparent service standards and published network capacity information.

Where a state housing or regional plan identifies land for growth, the relevant agencies and regulated utilities should be required to show how that land will be serviced.

The EPLGA supports the Commission's proposal for accountability frameworks, but these must extend beyond councils.

Councils in the Eyre Peninsula control local roads, stormwater and some community infrastructure, but do not control the water and electricity networks that can determine whether a development proceeds.

Approvals should be simpler and proportionate

Fast-track low-complexity housing

The EPLGA supports reform direction 3.2 and expanded use of deemed-to-comply pathways for straightforward housing. Regional markets could benefit from pattern-book designs, standard documentation and fast-track assessment for low-risk dwellings, ancillary accommodation and small-scale infill.

These pathways should expressly include modular and prefabricated housing that meets applicable standards.

Alternative construction methods can reduce dependence on scarce local trades, shorten on-site construction periods and lower mobilisation costs. The *Eyre Peninsula Regional Strategic Plan 2030* identifies their promotion as a priority response to trade availability and material shortages.

Strategic assessment should replace repeated site-by-site work

The EPLGA supports reform direction 3.1: completing technical work on flooding, bushfire, biodiversity and infrastructure at the strategic planning stage and translating the results into clear rules.

Requiring each small development to commission or repeat specialist studies adds cost, delay and uncertainty without necessarily improving environmental or safety outcomes.

For regional towns, state-led strategic assessment is especially important because small councils and individual proponents may not have access to specialist expertise.

Upfront mapping and agreed development conditions would allow genuine constraints to be protected while giving landowners and builders confidence about what can proceed.

Measure the whole approval pathway

The EPLGA supports transparent performance reporting but cautions against using council assessment time as a proxy for the entire regulatory burden. Applications can depend on state referral agencies, utility providers, and environmental approvals.

Performance measures should record the end-to-end pathway and distinguish time spent with the applicant, council, state agencies, utilities and other decision-makers.

Reporting should also account for application complexity and completeness. This would identify the actual bottlenecks and support targeted reform rather than creating incentives to prioritise speed over sound decisions.

Native vegetation and township housing

Eyre Peninsula councils support the objectives of native vegetation protection.

However, the current South Australian framework can nevertheless operate rigidly when applied to land already zoned for residential use within established township boundaries.

The result can be an unresolved conflict between two government decisions: the planning system identifies land as suitable for housing, while the vegetation framework can make clearance uncertain, slow or prohibitively expensive.

Offset requirements can be particularly difficult where suitable land is unavailable or unaffordable locally. This can sterilise residential land and undermine the certainty that strategic planning is intended to create.

The Commission's reform direction 3.1 provides the right conceptual response. Biodiversity values and trade-offs should be assessed at the strategic stage, not rediscovered parcel by parcel.

The South Australian Government should undertake strategic biodiversity mapping across Eyre Peninsula townships and translate it into clear, codified planning outcomes.

The EPLGA recommends that land within defined Eyre Peninsula township boundaries be exempt from requirements under the Native Vegetation Act, consistent with metropolitan areas.

This should be accompanied by targeted protection for identified high-value ecosystems and by strategic, rather than ad hoc, approaches to offsets and restoration.

The objective is not widespread vegetation clearance; it is to ensure that land which is suitable for housing can be developed with clear and proportionate environmental safeguards.

Recommendations

The EPLGA recommends that the final report:

1. Apply a place-based regional lens to all reform recommendations and avoid treating metropolitan upzoning as a universal solution.
2. Make infrastructure-ready land, rather than zoned land alone, the key measure of effective housing supply.
3. Recommend state governments and regulated utility providers identify, cost, fund and sequence water, power, wastewater and other headworks alongside regional housing plans.
4. Support deemed-to-comply and fast-track pathways for low-complexity housing, including modular and prefabricated designs suited to regional construction markets.
5. Recommend a more strategic approach to environmental regulations, such as exempting land within defined Eyre Peninsula township boundaries from South Australia's Native Vegetation Act.
6. Recommend performance reporting measure the end-to-end approval pathway, including time attributable to referral agencies and utility providers, rather than relying on council assessment times alone.