

SUBMISSION TO PRODUCTIVITY COMMISSION INQUIRY INTO HOUSING SUPPLY REGULATION.**RAY TONKIN****SEPTEMBER 2026**

I have read and considered your findings and recommendations with respect to heritage protection of properties and places and its impact on the supply of housing in your interim report.

I am a former long term staff member and Executive Director of Heritage Victoria (30 years), a former member of Planning Panels Victoria (10 years), a member of the Royal Historical Society of Victoria's Heritage Committee and a member of the Yarra Planning Coalition (representing East Clifton Hill Residents Inc.). As well, I am a member of the National Trust of Australia (Vic) and Australia ICOMOS. I also maintain a private practice providing heritage advice to the Cities of Stonnington and Whittlesea along with advice to private developers and landholders.

I find your findings and recommendations with respect to heritage places ill-founded and unrealistic.

Throughout my career I have participated and followed changes in planning systems and regulation that have moved Victoria from a jurisdiction where planning systems gave scant recognition to the heritage value of the existing environment to a jurisdiction which is seen to be a leader in protecting that environment.

This change has been the result of significant community concern about the earlier loss of not only important buildings but whole historic environments. The development of heritage overlays in planning schemes has been supported by extensive strategic planning work, public consultation, exhibited amendments to planning schemes and the independent review of those amendments before final approval by the Minister for Planning of the day.

As indicated above as a member of Planning Panels Victoria I sat on the independent review of at least 22 planning scheme amendments involving the application of heritage controls. These reviews took written and oral submissions from affected parties.

Despite covering thousands of properties there were minimal oppositional submissions. By and large, affected landholders were happy with the application of controls over their properties and those of their neighbours. Heritage area or precinct controls are effective in protecting the value of their property and enable them to seek development permits should they desire to do so.

Any thought that such controls prevent development of significant or contributory properties or set out to deny the development of land supporting non-significant properties is a complete misrepresentation of reality. The controls ensure that development on any property retains important features of that property or the precinct and doesn't overwhelm the significance of the place. In my work at Stonnington I am faced, on a regular basis, with proposals for multi-level housing developments in and adjacent to heritage precincts. If the provisions of the planning policy and guidelines are met a permit will issue, and many do.

Unfortunately, and far too often these permits are not acted upon. In recent times it has become apparent that some developers are seeking and gaining permits simply to sell the property with a permit. The result is that land remains undeveloped for a long time, doing nothing for the delivery of housing. I would recommend that the Inquiry seek information from inner and middle-ring Melbourne municipalities on how many permits they have issued and haven't been acted on within a reasonable time.

Your interim proposals

1. State and territory governments should allow up to 3-storey developments across all residential land, with exceptions made for areas with environmental protection, hazard-related overlays or heritage listed buildings only where the benefits of exceptions outweigh the costs.
2. Replace broad heritage protections with more targeted heritage listings with cost-benefit analysis and review processes. Blanket heritage areas should be replaced by heritage listings for specific buildings or small areas. Targeted heritage listings should be justified by cost-benefit analysis and there should be more robust mechanisms to review and delist buildings.

make little sense.

First, our built heritage is more than a few single buildings. In Victoria it is the nineteenth and twentieth century fabric that has sustained communities for decades. Whole neighborhoods that have made sound contributions to Melbourne's international reputation for livability. People want to live in such an environment not in a series of hurriedly erected 3-storey developments. It was such an approach in the 1960s and 70s that led to the upsurge of protests and the introduction of heritage and neighbourhood character controls.

The notion that somehow proposed heritage controls have to be assessed on a cost-benefit basis is irrational. Places have significance or they don't. Any economic analysis must be undertaken at a time when development is proposed. And that is just what occurs under the provisions of the Victorian Planning Schemes. On that I can point to the planning decisions of the Cities of Yarra and Stonnington, along with the review mechanisms of the Victorian Civil and Administrative Tribunal (VCAT).

They have encouraged and permitted housing development throughout their jurisdictions. These developments have been strategically focused on particular areas and have avoided a patchy approach throughout the municipalities. Through this approach they have generally met housing targets set by the Victorian Government.

In doing so they effectively address the Victorian Planning Provisions which make the following statements upfront in every planning scheme.

PURPOSES OF THIS PLANNING SCHEME

- *To provide a clear and consistent framework within which decisions about the use and development of land can be made.*
- ***To express state, regional, local and community expectations for areas and land uses.***
- ***To provide for the implementation of State, regional and local policies affecting land use and development.***
- *To support responses to climate change.*

To suggest that these planning scheme provisions are inadequate or inappropriate is not supported by decades of effective application of the provisions.

Unfortunately, most of these residential developments do little for the supply of affordable or social housing because the development industry is more focused on developments for the “cashed up” investor and once they have approval for and constructed (if they get that far) their housing developments they walk away and leave the future to the market. Disposing of heritage controls will not change that. It may simply exacerbate it.

Finally, I must make comment about the consultation that underpins this Interim Report.

Many of my colleagues were stunned by the recommendations relating to heritage controls, especially since they were barely aware that the Inquiry was afoot. I can only recommend that local governments be approached to provide advice. They are the managers of the planning system and are experts in doing so. They are also on the ground and have a formidable understanding of the way in which the development industry works. I also note that none of the State and Territory Heritage Councils have been consulted. They, along with their staff and advisory bodies, are also well equipped to provide practical advice on the workings of the heritage protection system/s.

As Executive Director, Heritage I was intimately involved in the preparation and responses to the Productivity Commission Report, *Conservation of Australia's Historic Heritage Places, 2006*. That report dealt in detail with listing and approval processes and made recommendations about the value of heritage areas and precincts over single

listings. The report's findings were not universally applauded but provided a well-researched understanding of the system/s and their value to the community.

I must also point you to *The Allen Consulting Group Valuing the Priceless: The Value of Historic Heritage in Australia; report prepared for Heritage Chairs and Officials of Australia and New Zealand, 2006* in response to the above Inquiry.

In conclusion I must reiterate that before you finalise your report it is critical that you:

- Engage with local government and gauge a better understanding of how it sees the operation of the planning system
- Engage with State and Territory heritage Councils to ascertain their views on your interim findings.
- Consider the extensive submissions that I understand are being prepared by heritage organisations such as Australia ICOMOS, the National Trusts, the Royal Historical Society of Victoria and various community organisations with an interest in planning and heritage protection.

Most of these parties will support the general effort to address the housing supply issue but like me reject that your Inquiry should become a vehicle for undermining well founded planning mechanisms and enabling local councils and communities to determine how they develop.