



Response to the QPC interim report on opportunities to improve productivity of the construction industry

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Australian Network
for Universal
Housing Design

Contact:

Margaret Ward PhD (Hon)RAIA PSM OAM

Convenor

website: www.anuhd.org

email: anuhd@anuhd.org



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Response to the QPC interim report on opportunities to improve productivity of the construction industry

Background

Since 2003, the Australian Network for Universal Housing Design (ANUHD) has advocated for the regulation of minimum access features in all new housing. In 2023, the Queensland Government amended the Queensland Development Code to implement the NCC Standard for Livable Housing Design (LHDS).

Introduction

We refer to QPC's recommendation 11 *"Unless it is demonstrated through consultation that energy efficiency and accessibility standards [Modern Homes Award] made as part of NCC 2022 provide a net benefit to the Queensland community, the Queensland Government should amend the Queensland Development Code to opt-out of these provisions (that is, make them voluntary)."*

This submission argues that the Modern Homes Award should continue to be implemented in Queensland.

The QPC Interim Report:

1. showed an over-reliance on the CIE's Decision Regulatory Impact Statement¹ (Decision RIS) which was criticised at the time to be incomplete, biased to the housing industry and flawed in its analysis.
2. made the erroneous assumption that a change back to a voluntary approach would not restrict the market from adopting accessibility or energy efficiency standards.
3. by recommending that the accessibility and energy efficiency standards be revoked, has focused on the symptoms rather than the cause for stalled productivity.
4. should further scrutinise the reported costs and difficulties of implementing the LHDS.

1. Over-reliance on the CIE's Decision RIS¹

The QPC's reliance solely on the CIE's Decision RIS for its position is insufficient for the following reasons:

1. the CIE analysis was hotly contested at the time. This was spelt out in a series of reports that span the release of the CIE Draft Report in July 2020, initial and supplementary reports prepared by Dalton & Carter critiquing the CIE economic analysis, and the CIE Final Report in 2021.
2. The submission to the QPC by Professors Bruce Bonyhady and Rob Carter using CIE quantitative data alone amply demonstrates there is a net benefit to the Queensland community.

3. The CIE acknowledged that, without regulation, the situation in 2020 left people with disability and older people in particular in inadequate and unsafe housing, now and in the future (p. 9). This flagged broader policy directions, made more explicit in the five years hence. (See Appendix C).
4. Given the limitations of their study, the CIE concluded that decision-makers (in this case, the Building Ministers) were best placed to weigh up all the factors, such as social justice for people with disability, supporting more inclusive communities and ageing in place, as well as Australia's future progress towards international human rights treaties (p. 20).

The Building Ministers Meeting in 2021 considered not only the Decision RIS but also the significant further information provided by the consultation. They found that regulation would “*result in significant and lasting benefit to Australians who need access to homes with accessible features*”².

The cost-benefit analysis of the LHDS included both quantitative and qualitative analyses and found there was a net benefit to Australians.

The submission by Professors Bonyhady and Carter using CIE data alone amply demonstrates there is a net benefit to the Queensland community.

2. Assumptions that a change back to a voluntary approach would work.

A voluntary approach to provide accessibility in new housing construction has been tried and failed. In 2010, the housing industry, community and government leaders agreed to an aspirational goal of all new housing construction meeting an agreed access standard by 2020³. The strategic plan was abandoned in 2014 due to the likely outcome of less than 5% of the aspirational goal being reached⁴.

The failure of the voluntary approach was not surprising. Previous Australian research had identified the lack of enthusiasm by housing industry stakeholders for changing the status quo. Everyone thought the issue was someone else's problem⁵. The housing industry peaks said they would respond to consumer demand; yet consumer demand was minimal. With most housing designed long before the consumer is identified, and the consumer not knowing what they don't know⁶, the housing industry has little relationship with the buyer, let alone the end user.

The disjuncture between the rhetoric and outcome with regard to the voluntary approach suggests greater influence of housing industry lobbyists over that of the community sector, a misplaced reliance on market forces to address social issues, and entrenched antipathy by the industry to regulatory enforcement *per se*⁷.

In summary, the attempted collaboration between government, the community sector and industry in a voluntary implementation of Livable Housing Design was replaced by the reality that very little change was occurring, and that the construction industry was resisting change rather than embracing it⁸.

Without the history and context of the adoption of Livable Housing Design, the QPC has made the false assumption that the housing industry will adopt the LHDS voluntarily.

3. Misplaced focus on the symptoms rather than the causes of stalled productivity.

The QPC reported that, “*stakeholders stated the rapid pace of change was increasing the rate of building defects and rectification works, sometimes simply because a builder was unaware of a new requirement*”. It is our contention that there was ample time and opportunity for the housing industry to become aware of the LHDS and the energy efficiency changes.

The implementation of the LHDS took six years, from October 2017 to October 2023, in five consultative stages. Both government, industry and community organisations offered information and training (See Appendix B). Nonetheless, we suggest the continued resistance by the housing industry peaks discouraged members to learn.

The QPC acknowledges that stalled productivity has been a long-term problem. Poor quality work resulting in building defects, rectification works, and increased completion times have compromised productivity in the suburban housing industry for decades⁹. The houses over time have become larger, and the designs have made the houses more complex. The reliance of contracted labour and tight scheduling also makes the industry particularly vulnerable to unforeseen costs and time delays.

The implementation of the LHDS, with the energy efficiency standards is a mere diversion from the broader entrenched issues causing stalled productivity. We ask you to focus on the causes of stalled productivity, not the symptoms of a comparatively minor change in practice.

4. The reported difficulties of the LHDS need to be scrutinised

We are concerned that the housing industry peak bodies have misrepresented the challenges for the housing industry of the LHDS in the following ways:

- Inflated overall cost of the Modern Homes Standard
- The difficulties in implementation.

Inflated overall cost

The Queensland Government¹⁰ maintains that the Modern Homes standards in Queensland is approximately 1 to 2 per cent of the total build cost of an average new construction. The NSW Building Commission in 2025 anticipated an additional 1.2 per cent cost for homes and 0.8 per cent for apartment buildings¹¹.

In contrast, the housing industry peaks have consistently quoted the cost of implementing the Modern Homes Standard as \$20,000-\$30,000¹², or \$22,000 and \$44,000¹³—up to five times more. The QPC have not questioned the discrepancies within these claims.

Implementation difficulties

Given that all the features within the LHDS are within established building practice¹⁴, the claims by the housing industry peak bodies about difficulty deserve further scrutiny. The submission by Queensland Shelter provides a voice from those practitioners who have implemented the LHDS or equivalent for decades through social and specialist housing.

Master Builders Queensland has identified ten essential changes which would address the most significant of these challenges for builders. ANUHD has responded to these proposed changes (See Appendix A) and found incorrect information (1, 2, 8), a lack of understanding of the purpose of the Standard (3, 4, 5, 7) and issues not requiring further consideration (4, 6).

In 2025, the Queensland Department of Housing and Public Works investigated these claims through an industry survey. The survey highlighted strong support for the intent of the LHDS, while identifying some practical challenges, particularly around step-free access and weatherproofing. It has also been suggested that more practical guidance and solutions on the application of the standards is required to support professionals, developers and owners.

Other key feedback included:

- a clear need to improve industry awareness and understanding of the requirements
- some suggested technical refinements, such as additional compliance pathways and targeted exemptions for smaller homes
- suggestions for the communication material to be more targeted to the audience, such as diagrams and case studies¹⁵.

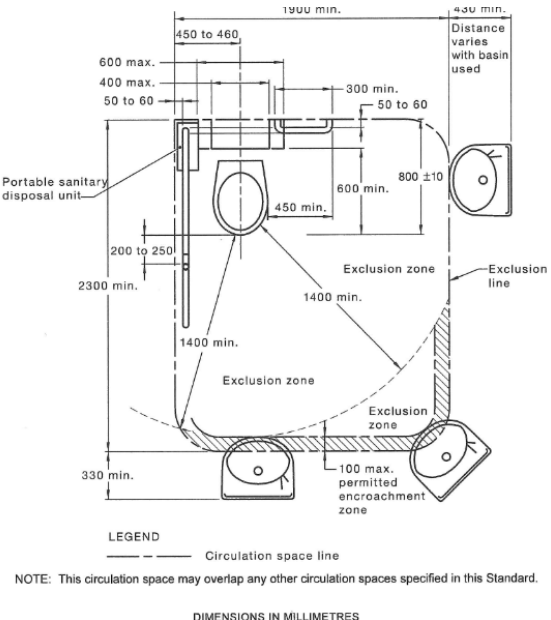
The question for the QPC is how best to support building practitioners to learn, change with the times and be more productive, rather than to opt out from changes, regardless of their purpose or benefit to society.

We recommend that the Queensland Productivity Commission support the implementation of the Modern Homes Award.

Appendix A. ANUHD Response to requested amendment by MBAQ to the LHDS

Requested change	MBA rationale	ANUHD response
1. Exempt dwellings from all the Livable Housing requirements where they are exempt from providing the step-free access path.	<p>Where a person needs to climb a set of stairs to reach the dwelling the additional cost is not offset by the benefit gained. There is a lack of understanding why there are requirements for accessible housing after having to climb stairs – the second storey on a house or a house on a sloping block of land.</p> <p><i>“What is the purpose of worrying about level thresholds between rooms or showers when the person has just had to climb a set of stairs?”</i></p>	<p>The exemption for NCC Vol 2 H8P1(a)¹⁶ does not preclude a future resident needing the LHD features within the home at some time in the future. A common solution to steps is a lift or chair climber installed at a later date.</p> <p>It is estimated that there is a 60% probability that a newly built single-family dwelling will house at least one disabled resident during its expected lifetime^{17,18}</p> <p>Further, the cost to the resident or government programs to retrofit the LHD features at a later date is estimated to be 19-22 times the cost at design stage^{1,19}.</p> <p>Alterations provide a growing income source²⁰ to the housing industry, so it is understandable the MBAQ has little interest in preventing these costs at design stage.</p>
2. Provide an exemption to the accessible entry requirement where it cannot be achieved through the attached parking area for slab on ground construction.	Balancing NCC requirements for termite management and water ingress with the requirement for an accessible entrance has proved challenging from the beginning.	<p>This feature is a requirement for the NCC Access to Premises Code (no lip allowed), all SDA housing²¹, and social housing²². This is therefore established practice for quality builders.</p> <p>This exemption is already provided. See The exemption for NCC H8P1(a) states:</p> <p>H8P1(a) need not be complied with if— step-free access cannot be provided from an appurtenant Class 10a garage or carport or a car parking space (b) provided for the exclusive use of the occupants of the dwelling; and due to site conditions, there is no other suitable location on which to construct the access path.</p>
3. Increase the maximum entry threshold to 8 mm on the shower designated to be hobless and step-free where it is also an enclosed shower.		Max 5mm lip is a requirement for the NCC Access to Premises Code, all SDA housing, and social housing. This is therefore established practice for builders. The max 5mm is a measurement for the safe management of wheeled seating in showers.

Requested change	MBA rationale	ANUHD response
		The only reason for requesting max 8mm is to give greater lenience for poor building work.
4. Where owners undertake to supply and install floor coverings after completion, compliance to the step-free threshold requirements becomes the owner's responsibility.	In these cases, meeting the requirements should be the responsibility of the owner	Correct.
5. Reduce the requirement for the reinforcing behind the toilet to 900 mm wide.	Where the wall adjacent the centre line of the toilet pan is further than 460 mm then Figures 6.2f or 6.2g of the Livable Housing Design Standard require that reinforcing must be installed behind the toilet and extend 500 mm both sides of the centre line to the toilet pan. The consequence of this is that a compliant reinforcement cannot be installed behind the toilet pan when the toilet pan centreline is situated more than 460 mm from the side wall but does not extend a minimum of 500 mm for the centreline of the toilet pan from the side wall.	<p>Some commonsense is required here and understanding of the purpose for this requirement.</p> <p>The requirement for wider reinforcement behind the toilet as outlined in LHD Standard²³ Fig 6.2f or 6.2g is only needed when where a wall described in (c) is not provided or a windowsill or a door encroaches on the area required to be provided with reinforcing or where the toilet pan is not provided in the corner of the bathroom. (See p 16 of the LHD Standard and p. 40 of the LHD Handbook)</p> <p>This extra length of 50mm allows for the installation of a drop-down handrail.</p>
6. Provide an additional option for studs at 300 mm maximum centres around the toilet and shower areas.	Allowing the additional option to provide extra studs positioned more closely together will the increase the flexibility for the placement of grabrails while also providing a reliable option.	<p>This is already in LHD Standard 6.2 (3). See below:</p> <p>Appendix A. Reinforcing required by (1) must be constructed using one of the following materials:</p> <ul style="list-style-type: none"> (a) A minimum of 12 mm thick structural grade plywood, or similar. (b) Timber noggings with a minimum thickness of 25 mm. (c) Light gauge steel framing noggings or metal plate in accordance with the NASH Standard.

Requested change	MBA rationale	ANUHD response
7. Remove the requirement that the toilet be exactly in the centre of the circulation space.	This requires a level of detailing that is not possible to achieve in practice. Requiring a minimum clearance of 450 mm from the wall is workable.	This seems sensible except in the situation where a wall is not provided or a windowsill or a door encroaches on the area required to be provided with reinforcing or where the toilet pan is not provided in the corner of the bathroom. (See p 16 of the LHD Standard and p. 40 of the LHD Handbook)
8. Allow the swing of the door to overlap with the circulation space as is permitted under AS1428	Not allowing the swing of the door to encroach in the circulation space where the door needs to swing inwards results in an excessively large space in front of the toilet. It is a level of stringency not required under the specialist standard for access and mobility - AS1428.	<p>This is incorrect. AS1428 does not allow the swing of the door to overlap with the circulation space. See Figures 43 and 52 in AS1428.1 (2009)²⁴</p>  <p>LEGEND — — — Circulation space line . . . Exclusion zone — — — Exclusion line</p> <p>NOTE: This circulation space may overlap any other circulation spaces specified in this Standard.</p> <p>DIMENSIONS IN MILLIMETRES</p> <p>FIGURE 43 CIRCULATION SPACE FOR WC PAN—RIGHT-HAND TRANSFER (LEFT-HAND TRANSFER IS MIRROR REVERSED)</p>

Appendix B. List of information and training opportunities for the housing industry

The Australian Building Codes Board has prepared:

- Australian Building Codes Board (ABCB) Livable Housing Design Handbook
- ABCB NCC 2022 Webinar Series: livable housing
- ABCB Livable housing design webinar questions and answers

Centre for Universal Design Australia: Livable Housing Design course

HIA Guide to NCC Livable Housing Provisions

The Queensland Government has prepared:

- ABCB Livable Housing Design Standard: Implementation of step-free entry provisions (PDF, 2534.69 KB)
- Case Studies (PDF, 5878.66 KB) demonstrating practical implementation of the National Construction Code 2022 provisions and exemptions
- QDC 4.1 (PDF, 371.03 KB) and QDC 4.5 (PDF, 1135.29 KB) to tailor adoption of the Modern Homes standards for Queensland
- Building and plumbing newsflashes addressing:
 - 621 - QDC 4.1 - Sustainable buildings and QDC 4.5 Livable dwellings and grading to floor wastes (PDF, 107.05 KB)
 - 622 - requirements for grading floors to floor wastes (PDF, 100.09 KB)
 - 628 - Energy assessments for new residential dwellings and use of accredited software (PDF, 353.22 KB)
- a new guideline (PDF, 241.36 KB) to assist building certifiers in applying transitional provisions under section 37 of the Building Act 1975
- a new Form 77 Variation to building assessment provisions (PDF, 114.92 KB) to assist building certifiers to document decisions made under section 37 of the Building Act 1975.
- a webinar on the Modern Homes standards under the NCC 2022.

Appendix C. Broader policy directions relying on the implementation of the LHDS

Noted above, The Decision RIS¹ acknowledged that, without regulation, the current situation (in 2020) left people with disability and older people in particular in inadequate and unsafe housing, now and in the future (p. 9). The following reports indicate a broader productivity issue for Australia, which can be addressed in part by the National implementation of the LHDS:

1. In 2021 the Royal Commission into Aged Care Quality and Safety²⁵ found there was a clear link between the quality of housing and premature entry to aged care. Safe and accessible housing allowed people to remain at home longer.
2. In 2023, the Australian Intergenerational Report predicts that, by 2063, the number of people aged 65 and over will more than double and the number aged 85 and over will more than triple. Population ageing will be an ongoing economic and fiscal challenge for the health, community and aged care responsibilities of all Governments²⁶.
3. In 2023, the Royal Commission into violence, abuse, neglect and exploitation of people with disability urged State and Territory governments to implement the Standard for all new dwellings if they have not done so already²⁷.
4. In 2024, the Review of the National Disability Insurance Scheme (the Review) identified a critical shortage of affordable and accessible housing in Australia, which simply cannot be met through the costly Special Disability Accommodation program or social housing programs. To address this, the Review recommended that all States and Territories to implement the Standard²⁸.

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