

30 May 2025

Angela Moody Productivity Commissioner and Chair Queensland Productivity Commission

By email: enquiry@qpc.qld.gov.au

Dear Commissioner,

RE: Queensland Productivity Commission Construction Productivity Inquiry

The Local Government Association of Queensland (LGAQ) welcomes the opportunity to provide feedback to the Queensland Productivity Commission (QPC) on issues identified in the Terms of Reference for QPC's inquiry into construction productivity (the inquiry).

The chronic housing crisis gripping many parts of Australia is inflicting worsening human and economic tolls. Urgent action is needed, and local governments are not standing still on this issue.

Despite being the most financially constrained level of government, Queensland councils have and continue to invest considerable time and resourcing in facilitating development outcomes, supporting local communities and developing innovative partnerships to respond to the housing crisis.

The LGAQ and Queensland councils remain committed to working in partnership with other levels of government, industry and the community, to effectively address housing affordability challenges.

Importantly, it is critical to recognise that Queensland councils have gone above and beyond to zone and approve swathes of new housing supply, which are yet to be delivered by industry.

Queensland councils have already zoned enough broadhectare land for ~580,000 new homes according to the QGSO¹, as well as hundreds of thousands of apartments and townhouses, according to the Department of State Development, Infrastructure and Planning².

With the knowledge that councils have already zoned for ~580,000 new broadhectare homes in Queensland, and for ~474,000 infill or 'consolidation' homes in South East Queensland alone³, it is clear that councils are poised to support the State Government's target of delivering one million new homes by 2044.

¹ QGSO, 2024

² 2021 LSDM Report

³ 2021 LSDM Report



In addition to *zoning* for swathes of new housing, councils have also *approved* extensive housing supplies – including approximately 100,000 residential lots as at December 2024⁴.

The supply of lots approved by Queensland councils and not yet delivered by industry has been steadily growing from approximately 90,000 lots in December 2020 – suggesting councils are approving new supplies faster than industry can deliver. For this reason, the LGAQ and Queensland councils have been calling for initiatives to activate approved housing supply since 2021.

In undertaking the inquiry, the LGAQ encourages the QPC to be guided by *data* (such as the State Government sources cited herein), rather than *narratives* which may be presented by industry groups in the commercial interests of their members.

As the local government sector has already zoned for more than one million new homes, and given that local government housing approvals are out-pacing industry's capacity to deliver housing on the ground, the LGAQ welcomes the QPC's inquiry, and trusts it will identify opportunities to activate the swathes of housing which councils have already zoned for and approved.

In particular, in undertaking the inquiry, the LGAQ would welcome consideration of:

- 1. Actions identified in the LGAQ's housing roadmap⁵, particularly actions identified to activate approved housing;
- 2. Opportunities to harmonise the relationship between the *Planning Act 2016* and *Building Act 1975* which may be delaying delivery of housing with planning approval;
- 3. Options to permanently fix Queensland's trunk infrastructure funding framework, in accordance with independent research undertaken for the LGAQ⁶; and
- 4. Opportunities to reduce red tape which is currently constraining or frustrating councils' ability to further support housing, such as the State Government's prescribed processes for local government infrastructure planning and planning scheme amendments.

Should you wish to discuss the above further, or any other aspect of this submission, please do not hesitate to contact Matthew Leman, Lead – Planning and Development via

Yours sincerely,

Alison Smith
CHIEF EXECUTIVE OFFICER

⁵ LGAQ Housing Roadmap, 2024

⁴ QGSO, 2024

⁶ LGAQ Trunk Infrastructure Funding Research, 2024