

Inquiry: Opportunities to Improve Productivity in the Construction Sector

Summer Foundation submission

June 2025

Introduction

The Summer Foundation welcomes the opportunity to make this submission to inform the Queensland Productivity Commission inquiry regarding opportunities to improve productivity in the construction sector.

The Summer Foundation strongly supports maintaining the existing commitment to the Livable Housing Design Standards (LHDS) as part of the National Construction Code (NCC) 2022. We support efforts to improve sector productivity to accelerate housing construction and improve housing affordability. This is compatible with continuing to ensure that newly-built housing is built to a suitable minimum standard that supports universal access.

This submission provides a brief general response outlining why the existing LHDS should be maintained.

The Summer Foundation

The Summer Foundation was founded in 2006 to stop younger people with disability being forced to live in residential aged care. The Summer Foundation is now broadening its focus to identifying, designing and scaling up great ideas that deliver better housing and living solutions for Australians with disability who need access to 24/7 support.

The Summer Foundation is the national convener of the *Building Better Homes* campaign, which is a coalition of 70 peak bodies and agencies working to ensure the mandatory accessibility standards, now included in the 2022 NCC, are adopted nationally and implemented well in every state and territory in order to meet the needs of all Australians.

Australia needs a productive construction sector that delivers suitable homes

It is important to improve construction sector productivity while continuing to ensure that newly-built homes are suitable for occupants.

Queensland began phasing in the LHDS from 1 October 2023. Included in the 2022 NCC, this standard requires basic features that make new homes more accessible and easier to retrofit, if need be, for an occupant with accessibility needs. This includes features like at least one step-free entrance, reinforced walls around toilets and showers, and step-free shower access. Queensland's implementation also included certain exemptions in response to feedback from the construction sector.¹

These commitments matter because there is a 60% chance that any home will house someone with a disability during its lifespan.² As the Queensland Government itself notes, the LHDS will improve economic and social participation for people with disability, and will help to reduce demand for care services and for beds in the hospital system.³ A recent discussion paper from the NSW Government estimated the additional cost to implement the LHDS is only 1.2% of total construction cost for detached dwellings and 0.8% for apartment buildings.⁴

Retrofitting a home that does not meet the LHDS is significantly more expensive than retrofitting a home that already meets the standard. Experience from the NSW Department of Communities and Justice and icare suggests cost savings of around \$27,000 per dwelling.⁵ In addition, reducing future demand for major retrofits to homes will free up labour for other construction work, including building new housing in Queensland.

For these reasons, the Summer Foundation strongly supports retaining the commitments the Queensland Government has already made to the LHDS. We encourage the Queensland Productivity Commission to find genuine productivity improvements, rather than pursue a false economy of reducing short-term costs at the margins by building housing that is less suitable for people with disability and an ageing population, and that is likely to need expensive retrofitting work in the future.

¹ Department of Housing and Public Works, "Queensland's Measures to Support Implementation of the Modern Homes Standards," March 7, 2025,

https://www.housing.gld.gov.au/initiatives/modern-homes/transitional-arrangements.

² Stanley K. Smith, Stefan Rayer, and Eleanor A. Smith, "Aging and Disability: Implications for the Housing Industry and Housing Policy in the United States," *Journal of the American Planning Association* 74, no. 3 (July 30, 2008): 289–306, https://doi.org/10.1080/01944360802197132.

³ Department of Housing and Public Works, "Livable Housing Design Standard," March 7, 2025, https://www.housing.qld.gov.au/news-publications/strategies-plans/building-plan/areas-of-reform/livable-housing-design-standard.

⁴ Building Commission NSW, "Livable Housing Requirements in NSW Discussion Paper," January 20, 2025.

⁵ Building Commission NSW.