

Opportunities to improve productivity of the construction industry

The Queensland Government's response to the
Queensland Productivity Commission's final report



Queensland
Government

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Contents

Treasurer's statement	4
Summary of Queensland Productivity Commission's final report	6
Queensland Government actions to boost construction industry productivity	8
Queensland Government response to the recommendations	10

Treasurer's statement



Hon David Janetzki MP

Treasurer, Minister for Energy
and Minister for Home Ownership

Productivity affects every Queenslander, irrespective of what they do for a living and where they live.

Productivity underwrites prosperity. It puts downward pressure on prices, increases wages and supports the growth of our businesses and industries.

Conversely, ignoring declining productivity burns a hole in the hip pocket of every Queenslander.

The Crisafulli Government recognises the critical need to turn around declining productivity to grow a stronger economy and give Queenslanders a better lifestyle and a place to call home.

The first bill I introduced as Treasurer was to re-establish the Queensland Productivity Commission (QPC) to undertake in-depth and transparent analysis of complex economic, social and regulatory issues and provide recommendations to lift productivity, improve living standards and drive economic growth.

The decade of declining construction productivity has reduced housing affordability and increased the cost of vital infrastructure projects, and is why this sector was the subject of our first referral to the QPC.

Queensland's construction industry is worth \$41 billion annually, employs almost 10 per cent of the state's workforce and is a pillar for other sectors.

The QPC's final report shows the cost to Queenslanders of sweetheart union deals, stifling regulation and a stretched labour market which have hampered efforts to boost Queensland's housing supply, infrastructure delivery and economic competitiveness.

"The QPC has identified a marked decline in productivity in the industry, which has seen fewer new homes constructed, higher rents and significant delays and cost blowouts on major projects."

The QPC has identified a marked decline in productivity in the industry, which has seen fewer new homes constructed, higher rents and significant delays and cost blowouts on major projects.

Since 2018, construction productivity has declined by 9 per cent. This means that for something to be built today, it takes 9 per cent more labour than it did eight years ago.

That equates to 77,000 fewer new homes built in Queensland since 2018 — a number which would be sufficient to address the current shortfall in supply.

The QPC's final report confirms what the industry was telling the former government for years.

Complex regulations and suboptimal procurement practices were a millstone to productivity by making construction more difficult and more expensive.

Regional procurement suffered and small businesses were shut out under the former government's Best Practice Industry Conditions (BPIC), which the QPC projected would cost Queenslanders up to \$20.6 billion over the 5 years to 2030, with fewer homes built and entrenched higher rents.

The Crisafulli Government has already implemented a number of important reforms to boost the productivity of Queensland's building and construction sector.

Significantly, this includes the delivery of Recommendation 1 from the QPC's final report —

the permanent removal of BPIC — under the biggest procurement policy shake-up in Queensland in decades.

Since receiving the final report on 24 October 2025, the Government has worked expeditiously to consider the QPC's 64 recommendations.

In this government response to the final report, 51 (80 per cent) of the recommendations are agreed to or agreed in principle.

Work will continue across government to prioritise and coordinate the implementation of recommendations as soon as practicable, including targeted consultation with stakeholders where required.

I thank the QPC and Productivity Commissioner Angela Moody for their tireless and thorough work in delivering this landmark inquiry and report.

I also acknowledge the input of hundreds of stakeholders across our state who contributed through meetings, roundtables and written submissions.

The Crisafulli Government is delivering a fresh start for Queensland, and the release of this report and government response is an important milestone in ensuring we can deliver the new homes, roads, hospitals and other critical infrastructure Queenslanders need and deserve.

Summary of Queensland Productivity Commission's final report

The Queensland Productivity Commission's final report highlights significant challenges facing the construction industry, including rising demand, a tight labour market, ongoing supply chain issues and declining productivity.

Labour productivity in the construction industry is only 5 per cent higher than in 1994–95, compared with a 65 per cent improvement in market sector productivity over the same period. Since 2018, construction industry productivity has declined by around 9 per cent.

The Inquiry's Terms of Reference focused on key systemic policy and regulatory settings that impact construction sector productivity that can be influenced by the Queensland Government. The QPC identifies two main policy and regulatory factors within the responsibility of government driving slow construction productivity growth: growing regulatory burdens and sub-optimal procurement practices.

If Queensland is to meet the needs of its growing population, achieve its infrastructure commitments and deliver the 2032 Olympic and Paralympic Games, productivity across the industry will need to improve.

The QPC presents its findings and recommendations across **five key focus areas**: industry reset, government procurement, land use regulation, regulation of building activities and labour markets.

The QPC made 64 recommendations for government consideration.

The QPC argues an **industry reset** is necessary to restore and increase construction productivity. Best Practice Industry Conditions were found not to have delivered any material improvements to worker safety, while imposing a net cost to the community of up to \$20.6 billion by 2029–30.

Recommendations include the permanent removal of the BPIC policy and prequalification for contractors; ensuring workplace health and safety provisions are correctly understood and appropriately used; enforcing a productivity-centred code of conduct for government projects and moving towards a collaborative, rather than adversarial, worksite culture. These recommendations aim to reset expectations for all stakeholders around productivity on large construction sites.

The QPC highlights three mechanisms by which **government procurement** is likely to affect productivity: directly, by imposing conditions on how work is undertaken and tendered for; indirectly, by influencing standards in the broader industry; and by inflating demand when the sector is at capacity.

The report highlights historic failures in government project selection and sequencing, recommending improvements and a review of the Government's capital program. It also recommends removing the

building prequalification requirement and increasing both the use of standard contracts and administrative simplicity in the tendering process.

The QPC argues **land use regulation** is constraining construction productivity through inconsistent regulation, slow approvals and restrictions on supply and density. As a priority, the report recommends increasing zoning around transport hubs in South East Queensland (SEQ).

Other recommendations focus on consistency and standardisation of regulations, zoning and overlays, streamlining approvals for significant developments and undertaking a review into infrastructure planning funding, charging, coordination and delivery.

The report points to the increasing complexity and volume of **building activity regulation**, contending that recent changes have failed to demonstrate a net benefit to the community. The report also raises concerns that overly prescriptive regulation is stifling innovation and that workplace health and safety provisions are becoming increasingly burdensome, without evidence of improved outcomes.

The QPC recommends opting out of certain National Construction Code 2022 (NCC) standards, subjecting future NCC changes to more stringent impact assessments, conducting a stock review of building regulations, improving Queensland Building and Construction Commission (QBCC) governance, removing regulatory barriers to modern methods of construction (MMC), reviewing and updating financial regulations and bringing the *Work Health and Safety Act 2011* into line with national Model Laws.

The final key area examined in the report is the **labour market**. The report notes that given an ageing population and the industry's reliance on a relatively younger workforce, it is facing a structural labour shortage.

To boost labour supply in the construction sector, the report recommends a review of occupational licensing, additional support for training and apprenticeships, joining the Automatic Mutual Recognition scheme, better utilising skilled migration and reviewing labour hire licensing legislation.

The report concludes that although there are solutions, there are no silver bullets and improving matters will take concerted effort across many fronts to restore confidence and enable investment in housing and the other infrastructure that Queensland needs.

Queensland Government actions to boost construction industry productivity

The Queensland Government has taken early, decisive action to deliver on a number of targeted productivity-boosting reforms, with many of the QPC recommendations already being delivered or underway. This progress and ongoing commitment to support the growth of Queensland's construction industry recognises the sector's importance as a partner in delivering on the Government's plan for Queensland's future.

DELIVERED



Scrappling Best Practice Industry Conditions

The former government's Best Practice Industry Conditions contributed to significant project delays and cost increases, without improving construction safety outcomes. BPIC was paused by the Queensland Government in November 2024 and was permanently abolished through the Queensland Procurement Policy 2026.

DELIVERED



Queensland Procurement Policy 2026

In the biggest overhaul of government procurement in decades, the new policy has slashed red tape, making it simpler, fairer and easier for businesses to bid for the Government's \$35 billion annual spend. Simplified processes, increased supplier engagement and encouraging innovation and market-driven approaches will drive productivity gains.

DELIVERED



Residential Activation Fund

The \$2 billion Residential Activation Fund is helping local councils and developers fast-track critical infrastructure works, such as water, power and transport. Round 1 of this initiative will unlock land supply for more than 98,000 new homes and support the industry in building more homes, faster, right across Queensland.

 DELIVERED <h3 data-bbox="149 545 425 586">Building Reg Reno</h3> <p data-bbox="149 619 516 848">The Building Reg Reno has already delivered 3 of 4 tranches of reforms to boost productivity, reduce regulatory burdens and safeguard investment. Reforms include pausing the rollout of trust accounts, removing annual financial reporting requirements for most small builders, and supporting the QBCC's digitisation initiative.</p>	 DELIVERED <h3 data-bbox="617 512 913 586">Queensland Energy Roadmap</h3> <p data-bbox="617 619 984 871">The Government's Energy Roadmap will deliver affordable, reliable, and sustainable energy for all Queenslanders, and supports improved construction productivity through a new Connections Guarantee for Energy Queensland (EQ) to reduce customer connection timeframes and boost accountability to stakeholders, with clear targets and annual reporting.</p>	 DELIVERED <h3 data-bbox="1086 545 1379 586">New Regional Plans</h3> <p data-bbox="1086 619 1453 822">The Queensland Government has accelerated the delivery of 13 new regional plans in conjunction with infrastructure plans. The plans will focus on addressing local priorities, and supporting new housing supply to meet the Government's target of one million new homes by 2044.</p>
 DELIVERED <h3 data-bbox="149 1066 430 1140">The Right Skills Strategy 2025-2028</h3> <p data-bbox="149 1174 516 1426">To keep pace in a growing economy, boost productivity and meet the needs of an increasing population, Queensland requires more skilled workers. Backed by a \$5 billion investment over 4 years, the Government will collaborate with industry, education providers, and students to deliver the skills and training needed to unlock 430,000 new job opportunities by 2028.</p>	 DELIVERED <h3 data-bbox="617 1066 898 1140">Wood Commission of Inquiry</h3> <p data-bbox="617 1174 981 1426">On 1 August 2025, the Queensland Government commenced a landmark Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry. The Inquiry Terms of Reference include investigation of the impact of misconduct on productivity in the construction industry and the delivery of housing and major public and private infrastructure projects.</p>	 DELIVERED <h3 data-bbox="1086 1066 1343 1140">Tax reforms to boost investment</h3> <p data-bbox="1086 1174 1453 1426">On 15 December 2025, the Government delivered on its commitment to streamline and simplify the relief arrangements for additional foreign acquirer duty and land tax foreign surcharge. The cutting of red tape and expanding relief eligibility will help boost housing supply, support investor certainty and position Queensland favourably for housing investment.</p>
 DELIVERED <h3 data-bbox="149 1619 485 1693">Supporting modern methods of construction</h3> <p data-bbox="149 1729 525 1958">The Transforming Queensland Manufacturing Strategy 2025-30 supports manufacturers in adopting advanced technologies and MMC to boost productivity, attract investment, and create high-skilled jobs. It will support the growth of enhanced MMC capabilities through standardised plans, regulatory reform, and industry development.</p>	<p data-bbox="633 1612 1421 1911">Unlocking greater productivity in the construction sector requires collaborative action beyond government initiatives. The Queensland Government remains committed to working closely with other levels of government and industry partners to identify and pursue further opportunities that drive innovation, investment and efficiency across the construction industry.</p>	

Queensland Government response to the recommendations

The Queensland Government has given consideration to each recommendation put forward by the QPC's *Opportunities to Improve Productivity of the Construction Industry* final report.

As a government priority, this inquiry has provided the critical evidence base for understanding the structural, regulatory and workforce challenges affecting productivity across the industry.

In developing this response, the Queensland Government has examined the QPC's findings and recommendations, assessed their alignment with existing reforms and identified practical pathways to ensure the Queensland Government does its part to drive a more productive construction industry.

Given the breadth and complexity of the recommendations, the Queensland Government will be giving further detailed consideration to determine the scope and timing of actions needed to implement the Government's response.

RECOMMENDATION 1**Best Practice Industry Conditions**

Best Practice Industry Conditions should be permanently removed from the Queensland Government's procurement policy.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Queensland Procurement Policy 2026 (QPP 2026), which commenced on 1 January 2026, permanently removes BPIC after the Government paused them in November 2024 to address rising construction costs and productivity pressures while maintaining safety standards.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 2**Remove prequalification for subcontractors**

The Queensland Government should remove all requirements for subcontractors to be prequalified to work on government construction projects (see Recommendation 16).

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government has permanently removed the requirements for subcontractors to be prequalified to work on government construction projects as part of the QPP 2026.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 3**Greater guidance on health and safety regulation**

The Office of Industrial Relations should work with stakeholders to develop agreed guidance for unions, Person Conducting a Business or Undertaking (PCBU), Health and Safety Representatives (HSR) and construction workers on the interpretation of mechanisms available under the existing legislation to deal with workplace health and safety (WHS) issues.

This guidance should include:

- appropriate and proportionate responses to WHS incidences, including illustrative examples and case studies
- mechanisms for dealing with WHS disputes, including the role of the Queensland Industrial Relations Commission in resolving disputes
- right-of-entry provisions and how they should be used
- mechanisms for dealing with the misuse of HSR powers
- circumstances under which a HSR can be removed.

The training and resourcing of WHS inspectors in the construction industry should also be reviewed, to ensure they are appropriately supported in their compliance, enforcement and educational roles.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government will review existing guidance to target scenarios and experiences in the construction sector, as well as develop new guidance as appropriate. This will include consideration of the outcomes of the Wood Commission of Inquiry. The Government will also explore opportunities for engaging with industry to support this guidance.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 4**Guidance for weather events**

The Office of Industrial Relations should develop guidelines, in consultation with stakeholders, for managing work during adverse weather, including procedures for determining when adverse weather is likely to present a WHS risk and responses to these risks.

Consideration should be given to the inclusion of worked examples and case studies along with how these guidelines can be best distributed to workers, HSR and PCBU.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government will review existing tools and resources to support industry to manage the risks from heat stress and continue the development of a step-by-step framework for businesses to support the management of heat-stress risk.

Following this, the Government will investigate additional guidance to help industry and workers navigate other adverse weather events.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 5**More effective use of existing arbitration and conciliation provisions**

The Office of Industrial Relations, in consultation with stakeholders, should explore additional actions that would encourage more effective use of provisions in the *Work Health and Safety Act 2011*, such as the options for using the Queensland Industrial Relations Commission for resolving WHS disputes in relation to the misuse of PCBU or HSR powers and responsibilities under the Act.

RECOMMENDATION 6**Updated Code of Practice for Queensland Government projects**

The Office of Industrial Relations, in consultation with stakeholders, should update the Building and Construction Code of Practice 2000 or develop a new code to set out the Queensland Government's expectations about productivity performance on Queensland Government projects.

The code should focus on the principles and practices to underpin improved productivity, including requirements that:

- contractors preclude any unnecessary productivity limiting clauses in their enterprise bargaining agreements (EBA)
- contractors do not include EBA provisions that pass-through conditions to subcontractors (that is, jump up clauses)
- right-of-entry provisions prevent misuse of workplace health and safety procedures.

Consideration should be given to whether the code should initially be provided as guidance.

Enforcement of the code could be introduced sometime in early 2027, when most building and construction EBA are due for renegotiation and the outcomes of the Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry are known.

RECOMMENDATION 7**Enforcement of Code of Practice**

If the Code of Practice (Recommendation 6) is made a mandatory requirement for Queensland Government projects, the Office of Industrial Relations should establish a process for identifying breaches and enforcing code requirements.

Any enforcement mechanism should focus on low-cost options, such as use of 'negative licensing' where there is material evidence of non-compliance, rather than requiring all firms to demonstrate compliance through procurement, tendering or prequalification processes.

Consideration could be given to preventing firms found to be non-compliant from working on Queensland Government projects until compliance can be demonstrated.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Office of Industrial Relations will engage with industry and worker representatives to increase awareness and encourage use of arbitration and conciliation options provided by the Queensland Industrial Relations Commission.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government supports in principle the development of a new whole-of-government code, including to make clear processes for notifying if unlawful industrial action is taken. The development of a new whole-of-government code and subsequent enforcement will be subject to the outcomes of the Wood Commission of Inquiry.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government supports effective enforcement of the new code. Development and enforcement of the new code will be subject to the outcomes of the Wood Commission of Inquiry.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 8**Improved dialogue and collaboration**

The Government should find ways and mechanisms to encourage and facilitate greater collaboration between the parties directly engaged on large construction sites.

This collaboration should have a clear purpose and defined outcomes or deliverables, such as:

- advise on development of WHS guidelines and other relevant policy, including those mentioned in Recommendations 3, 4, 5 and 6
- advise on the operation of provisions under the *Work Health and Safety Act 2011*, and the success or otherwise of guidelines and policies to facilitate improved safety and productivity outcomes
- identify challenges and potential solutions to collaboration issues on construction sites
- provide updates on construction-related matters, including but not limited to WHS matters.

The Office of Industrial Relations should provide support, sharing data on WHS outcomes, stoppages and other relevant information where appropriate.

The Government should consider leveraging existing advisory committees and forums, or, if industry sees value in it, support the convening of a new forum to enhance industry collaboration and consultation.

RECOMMENDATION 9**Review of regulator powers**

Subject to the findings and recommendations of the Wood Commission of Inquiry, the Queensland Government should undertake a review of regulator powers with a view to establishing, if required in the future, a construction industry specific regulator with the broader investigative and enforcement powers necessary to maintain and improve safety and productivity on worksites.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government will investigate ways to encourage and facilitate greater collaboration between parties directly engaged on large construction sites.

This includes considering a regular industry forum and collaboration between the Department of State Development, Infrastructure and Planning (DSDIP) and the QBCC, noting existing advisory committees and developments occurring at the Federal Government level.

The new QPP 2026 includes several initiatives to increase collaboration. These include a requirement for agencies to collaborate for more effective outcomes and better engagement with industry, provision of industry perspectives from the Procurement Ministerial Advisory Council and strengthening the role and industry engagement of procurement category councils.

Lead Agencies: Department of State Development, Infrastructure and Planning and Department of Housing and Public Works

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

A review of regulator powers by the Queensland Government will need to be undertaken in conjunction with the Wood Commission of Inquiry and the jurisdiction of other regulators such as the QBCC, Resources Safety and Health Queensland and the Commonwealth's Fair Work Ombudsman.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 10**Better prioritisation and coordination**

Queensland Treasury should work with key procuring agencies to establish an infrastructure body to improve decision-making on the prioritisation and coordination of public infrastructure projects in Queensland.

This infrastructure body should:

- prepare rolling 10-year whole-of-government infrastructure plans outlining the state's public infrastructure needs and priorities
- publish and maintain an annual 4-year whole-of-government infrastructure pipeline (budgeted pipeline)
- conduct market sounding to test the viability of the planned infrastructure program
- provide advice and information to key government decision-makers (cabinet and agencies) from a whole-of-government perspective, including:
 - the potential trade-offs of different infrastructure options, including timing and costs
 - options for better utilising existing infrastructure assets
 - the ability of the market to deliver infrastructure
 - how public projects are likely to affect the private market, including the delivery of housing
 - improving accountability and transparency of infrastructure decisions within government.

While the form of this infrastructure body is a matter for the Queensland Government, consideration should be given to bodies or frameworks used in other jurisdictions such as Infrastructure New South Wales and how such a body could facilitate the delivery of these objectives.

Consideration should also be given to whether this body should also have other functions, including providing leadership and advice on approaches to contracting and risk management.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government supports the outcomes sought through the specific initiatives recommended.

Noting the recommendation states that the form of the proposed infrastructure body is a matter for the Government, implementation of initiatives will be achieved through a strengthened role for Queensland's existing infrastructure department without the need for a separate body.

There are a range of entities across Australian jurisdictions and the Queensland Government does not believe the creation of another government-owned entity, with a board and related costs, is required.

The Government, through DSDIP, has commenced developing a suite of targeted reform initiatives related to this recommendation.

DSDIP, in consultation with Queensland Treasury, will finalise a roadmap for these reforms, drawing on the final QPC findings and recommendations.

Work will be overseen by departmental governance and Executive Government, with targeted reforms contemplated to span the areas of:

- supporting stronger governance and assurance (including advice to decision-makers)
- driving greater coordination and oversight (including 10-year planning, market analysis, improving pipeline visibility)
- enhancing productivity and efficiency (including accelerating adoption of MMC, digital tools and other innovations)
- expanding project facilitation and advice.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 11

Project rationalisation

To reduce pressure on the construction industry and support productivity, as an immediate action, the Queensland Government should undertake a full review of its capital program to:

- ensure the forward work program reflects key priorities, whilst being cognisant of market factors, including impacts on productivity
- ensure the scope of works is necessary to achieve the outcomes being sought; for example, the scope does not include any features that add unnecessary costs
- consider ways of delivering infrastructure outcomes (such as reduced congestion) at lower cost, including through non-infrastructure solutions (such as a greater focus on demand management).

As part of this process, the Queensland Government should consider any long-term commitments to deliver infrastructure and whether these are necessary or should be prioritised given other commitments, including housing targets, the market's capacity to deliver and market sustainability.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

The Government will continue to progressively review its capital program, including the program's sustainability while focusing on growth and 2032 Games priorities, noting market capacity required to deliver a pipeline across both the public and private sectors.

As stated in the 2025–26 State Budget, DSDIP and Queensland Treasury worked closely with agencies on the forward outlook for the capital program. This work focused on improving the program's deliverability and sustainability given ongoing capacity constraints impacting capital programs across the nation.

The 2025–26 State Budget also noted work continues on potential reforms to the governance and co-ordination of the overall capital program to ensure the delivery of critical infrastructure, meet Queensland Government election commitments, address the cost pressures identified through 2024–25 Mid-Year Fiscal and Economic Review and provide for Queensland's future infrastructure needs.

The Government acknowledges the need to continue to improve sustainability of the capital program while also delivering on priorities for a growing and diverse Queensland and has begun developing a suite of targeted reforms which will be progressed as outlined in response to Recommendation 10.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 12

Ensure procurement decisions are focused on value for money

To ensure the best use of taxpayer money and support industry productivity and innovation, the Queensland Government's Procurement Policy should have a single objective of delivering value for money.

Value for money should be defined as how well a proposal will deliver the community's required outcomes (in the case of public construction projects, how well a proposal will deliver the required outcomes from the infrastructure being procured), assessed against:

- the project's expected whole-of-life costs, including acquisition costs, transaction costs, maintenance costs and disposal costs
- supplier capability, capacity, commercial viability and experience
- operational risk.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

The Government is committed to ensuring procurement decisions deliver value-for-money outcomes for taxpayers.

However, the Government's approach to value for money under the new QPP 2026 differs in definition and application from the Queensland Productivity Commission recommendation.

When undertaking procurement activities, value for money includes consideration of purposeful public procurement (PPP) outcomes — i.e. the pursuit of relevant government objectives.

QPP 2026 provides greater fiscal discipline in the evaluation of PPP outcomes, particularly for significant procurements where the evaluation weighting applied to PPP outcomes is limited to a maximum of 20 per cent.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 13

Improving administrative simplicity

To reduce the administrative burden on tenderers and increase competition, particularly in regional areas, the Queensland Government Procurement System should be made simpler to administer for both tenderers and procuring agencies.

To achieve this, the Queensland Government should remove policies that are not directly related to value for money and unnecessarily add to the complexity of the system.

These include the:

- Ethical Supplier Mandate and Ethical Supplier Threshold, including the Tripartite Procurement Advisory Panel
- Supplier Code of Conduct
- Queensland Renewable Energy Procurement Policy.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

The Government is committed to making it easier to do business with us through the streamlined QPP 2026.

QPP 2026 repeals the Queensland Renewable Energy Procurement Policy, Ethical Supplier Mandate and Ethical Supplier Threshold. The Government has already lapsed the Tripartite Procurement Advisory Panel.

The QPP 2026 policy framework includes a Procurement Assurance Model which provides assurance on the delivery of the standards in a refreshed Queensland Government Supplier Code of Conduct 2026.

Maintaining a Supplier Code of Conduct aligns with the Australian Government, interstate jurisdictions and other major corporates, including Australian Securities Exchange-listed companies.

The refreshed Queensland Government Supplier Code of Conduct helps suppliers do business with government by setting out expectations in a simple and concise way.

A strengthened policy impacting procurement gated process in the QPP 2026 will ensure, where agencies seek to pursue policy outcomes through government procurement, the benefits are robust and tested and improve administrative simplicity with the preference for amendment of the QPP rather than the creation of future standalone policies.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 14

Building and construction training policy

Given concerns about the effectiveness and efficiency of the Queensland Government Building and Construction Training Policy, the Queensland Government should repeal the training policy for new projects. Consideration should be given to:

- introducing a less prescriptive and better targeted policy to facilitate training and apprenticeship numbers that is unrelated to procurement (see Recommendation 52)
- the timing and sequencing of any replacement policy
- whether transitional measures are required for apprentices who have commenced an apprenticeship under the existing training policy.

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

When assessed against its stated policy objectives, the existing Queensland Government Building and Construction Training Policy has underperformed. The legacy of the existing training policy is a building and construction industry that is suffering a chronic skills shortage, low completion rates for apprenticeships and high attrition rates.

As such, the Queensland Government agrees to repealing the existing training policy. This will facilitate the development of a new policy focused on upskilling the workers Queensland needs to deliver the volume of construction work projected in the lead up to the 2032 Olympic and Paralympic Games and address the projected skills shortages across the industry.

In contrast to the existing training policy, which mandates how businesses should grow their next generation of workers and upskill their existing workforces, a new policy will allow the Queensland Government to work with industry to deliver a fit-for-purpose framework that increases productivity and reduces red tape and regulation.

The Queensland Government will develop an alternative, streamlined approach that encourages employers to take on apprentices and trainees and re-train their existing employees as appropriate for their business.

The Department of Trade, Employment and Training (DTET) will work with the Department of Housing and Public Works (DHPW) procurement division on practical implementation of a new policy, including transitional arrangements.

Lead Agency: Department of Trade, Employment and Training

RECOMMENDATION 15**Local Benefits Test**

To reduce unnecessary administrative burden, remove barriers to innovation and facilitate competition, the Queensland Government should repeal the Local Benefits Test from the tender process for all construction projects.

To encourage local participation, the Queensland Government should simplify administrative requirements in procurement policies (see Recommendation 13), as these requirements disproportionately hinder small, local firms' ability to tender for government projects.

DHPW should consider if other procurement barriers are preventing small and regional firms from tendering or participating in Queensland Government construction projects.

RECOMMENDATION 16**Building Prequalification (PQC) System**

The Queensland Government should remove the mandatory requirement under the Building Policy Framework (BPF) for agencies to use building consultants and contractors who are prequalified under DHPW's prequalification system for building projects.

The Queensland Government should also permanently remove the requirement for subcontractors to be prequalified under DHPW's prequalification system.

DHPW should review its prequalification system for building work to reduce administrative burdens on building consultants and contractors, including by:

- making Queensland's building prequalification system as close as possible to the National Prequalification System for non-residential buildings, including bringing Queensland's financial requirements in line with other jurisdictions to the extent possible
- improving information sharing between QBCC, DHPW and other agencies to reduce duplication of information requirements
- to the extent possible, ensuring that financial requirements under the prequalification system are consistent with the QBCC's minimum financial requirements to reduce duplication
- to the extent possible, adjusting prequalification thresholds to better match project complexity, scope and risk profile rather than relying solely on contract value
- ensuring contract and commission fee value thresholds reflect market conditions
- introducing greater flexibility on how consultant and contractor thresholds are assessed, including allowing for alternative demonstrations of capability (for example, a track record of on-budget delivery, or a successful partnership with a larger firm)
- introducing scaled compliance requirements, ensuring reporting requirements are proportionate to the role and risk the contractor carries on the project.

Delivery agencies should also consider allowing tenderers to confirm that the information provided on DHPW's Prequalification Portal is up to date, rather than being required to resubmit information during the tender process.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The new QPP 2026 supports local opportunities with a revised definition of local supplier as a Queensland supplier that maintains a local workforce.

While QPP 2026 does not include a Local Benefits Test, it introduces a purposeful public procurement evaluation criterion for significant procurement.

The criteria require the selection of 2-4 purposeful outcomes with a total weighting of 10-20 per cent, including outcomes supporting local opportunities such as local workforces, regional communities and small and family businesses.

Lead Agency: Department of Housing and Public Works

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Queensland Government has permanently removed the requirement for subcontractors to be prequalified as part of QPP 2026.

The BPF is a policy impacting procurement managed by DHPW. A review of the BPF and PQC System, including contract value thresholds, will be undertaken in consultation with the Building Construction and Maintenance (BCM) Category Council, the BCM Industry Reference Group and other industry representatives.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 17**Guidance around risk appetite**

To support better contracting and appropriate collaboration and innovation, guidance should be provided to government agencies on the Government's preferred approach to risk.

This guidance should outline the Queensland Government's expectations on:

- minimising risk shifting to contractors and subcontractors where government is better placed to manage this risk
- engaging industry early in the project development phase to inform decisions around project feasibility and design
- adopting performance-based specifications, rather than tight technical specifications, to encourage tenderers to incorporate innovation, such as MMC, where it can improve project outcomes
- allowing tenderers to rely on information about site risks uncovered during the project development phase, as this will reduce the duplication of effort and cost for tenderers to undertake their own investigations
- increasing the usage of digital tools to increase efficiency, including removing the requirement for paper-based plans to be relied upon
- right-sizing projects, to provide opportunities for industry to benefit from economies of scale where appropriate by bundling projects, or, conversely, to separate projects to provide opportunities for smaller contractors to tender for government projects.

The Queensland Government should also consider whether there is a role for an independent body (such as the one outlined in Recommendation 10) or a central agency to provide ongoing guidance and advice to procuring agencies to assist them in managing risk (including contract management).

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

Through the new QPP 2026, agencies are ultimately responsible for their procurement decisions, including risk appetite.

The QPP 2026 requires agency procurement plans to address risk management and accountable officers to foster a risk tolerant, supportive culture to drive better outcomes and value for money. Agencies are responsible for the development of internal guidance and decisions on their risk appetite.

In addition, the QPP 2026 supports early market engagement, use of outcome-based specifications and right-sizing projects as part of developing a flexible procurement strategy.

The QPP 2026 also establishes the role of the procurement category-lead agencies.

DHPW, as the category-lead agency for the Building Construction and Maintenance category, will review and update the Building Policy Framework, ensuring there is clear guidance to procuring agencies on the Government's preferred approach to risk.

DHPW will also review current procurement, tendering and contract guidance in relation to:

- tendering
- quality and suitability of invitation documentation
- use of digital tools, such as Building Information Modelling.

In relation to the creation of an independent body or assigning a central agency to provide ongoing guidance and advice to manage risk, the responsibility for developing guidance and providing advice to procuring agencies on risk and contract management is best delivered by the procurement category-lead agencies.

This will ensure consistency in the guidance and advice made available to procuring agencies and that it is provided by specialists in the category within which the procurement is being undertaken.

Refer to response to Recommendation 20.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 18

Increased use of standard contracts in building works

To reduce the administrative burden on building consultants and contractors and facilitate better allocation of risk, the Queensland Government should task a suitable entity to maintain and update a suite of contracts for building construction and maintenance works, in consultation with industry and procuring agencies.

To the extent possible, these standard contracts should consider:

- standard use contracts in other jurisdictions
- standard contracts used in the private sector
- options for better managing risk and encouraging innovation.

To ensure agencies use these standard contracts, the Queensland Government should reissue guidance to Directors-General on the Building Policy Framework 'policy requirement 3', which requires agencies to use standard contracts for building and maintenance works.

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The QPP 2026 delivers a unified approach to government procurement, ensuring consistency, efficiency, better planning and smarter and fairer decision-making.

The QPP 2026 requires:

- procurement categories — including the BCM category — to develop and maintain standardised template invitation and contract documentation in simple plain language relevant to the category being procured
- agencies to use category templates in their procurement activities.

DHPW, as the BCM category-lead agency, develops and maintains the suite of standard contract templates and associated guidance for government building projects, and is well-placed to continue to drive improvements in procurement and contracting in the BCM category.

The department will review and update the Building Policy Framework and will reissue guidance to Directors-General on the alignment of their department's BCM procurement and contracting activities with the framework and the QPP 2026 to strengthen the use of the BCM standard contract templates.

Publishing streamlined invitation and contract documentation for each procurement category by 31 December 2026 is a QPP 2026 implementation activity.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 19

Increased use of standard contracts for civil engineering works

To reduce the administrative burden on civil engineering consultants and contractors and facilitate better allocation of risk, the Queensland Government should task an entity with developing and maintaining a standard suite of contracts for civil engineering works, in consultation with industry and procuring agencies, including the Department of Transport and Main Roads (TMR).

To the extent possible the entity responsible for managing these standard contracts should consider:

- standard use contracts in other jurisdictions
- standard contracts used in the private sector
- options for better managing risk and encouraging innovation.

The entity should also:

- develop a policy for the use of standard contracts for civil engineering works, including conditions under which procuring bodies may modify standard contracts and who the policy applies to
- issue guidance on the use of standard contracts to all government bodies procuring civil engineering works.

GOVERNMENT RESPONSE

The Government notes this recommendation.

In accordance with the QPP 2026, TMR is responsible for the whole-of-government category — Transport Infrastructure and Services — and understands the importance in reducing the administrative burden on civil engineering consultants and contractors. A suite of standard contracts for civil engineering works is available.

TMR continuously works in close collaboration with industry partners to optimise the benefit of standardised contracts and collaborative ways of working together to deliver the best value-for-money project outcomes and improved confidence in project outturn costs.

Lead Agency: Department of Transport and Main Roads

RECOMMENDATION 20**Governance arrangements for standard contracts**

The Queensland Government should consider whether the responsibility for developing and maintaining the standardised suites of contracts should sit within delivery agencies, such as DHPW and the Department of Transport and Main Roads, a centralised agency, such as Queensland Treasury, or an independent body, such as the one outlined in Recommendation 10.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

Through the QPP 2026, the procurement governance structure includes category councils that, with the support of category-lead agencies, oversee and direct strategic procurement activities for six categories of expenditure.

The roles of category lead agencies include to develop and manage template invitation and contract documentation in simple plain language relevant to the category being procured.

DHPW, as the category-lead agency for the Building Construction and Maintenance category, fulfils the role of managing body for this recommendation. Refer to the responses to Recommendations 17 and 18.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 21**Consistency in design and siting requirements**

To reduce uncertainty, remove unnecessary regulatory impost on building design, improve productivity and facilitate greater innovation, the Queensland Government should:

- only permit variations from design and siting requirements in the Queensland Development Code in local government planning schemes and Priority Development Areas if net benefits to the community can be demonstrated through a cost-benefit assessment
- issue guidance to local governments and relevant state government agencies to this effect
- consider establishing a centralised public register of variations maintained by DSDIP.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Queensland Housing Code (QHC) is a key initiative of tranche 4 of the Government's Building Reg Reno reforms, which will boost productivity, reduce regulatory burden and make it easier to build in Queensland.

The QHC aims to streamline and speed up building approvals for both detached and secondary dwellings and will provide fit-for-purpose standards that reflect the homes industry is currently building.

Informed by significant consultation, the QHC will enable local governments to adopt it and still address local character and amenity by allowing variations of a limited number of provisions that impact the streetscape, such as carports, front boundary fences and building heights. All other elements of the QHC will remain standardised.

This approach aligns with the Equal Partners in Government agreement, by balancing the interests of local governments, industry and the broader community.

Reporting on variations is a matter for future consideration.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 22**Options to further utilise standard codes**

The Queensland Government should continue to progress changes to the Queensland Housing Code (QHC). Following the introduction of the QHC, the Government should:

- consider extending the QHC to secondary dwellings
- ensure that small lot development is permittable.

Consideration should be given to establishing a 'gentle density' code or a set of pattern books — such as the Distinctly Queensland design standards — aimed at developing housing-design standards to expedite the delivery of housing.

These should be developed in consultation with the Office of the Queensland Government Architect and should accommodate regional variation.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government is progressing the QHC to apply to both detached and secondary dwellings.

Initiatives such as those relating to small lot dwellings and achieving gentle density outcomes (such as pattern books) will be considered as part of future stages.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 23

Interaction of planning and building regulation

To reduce uncertainty and unnecessary regulatory impost on building design, the Queensland Government should commission an independent review of the *Planning Act 2016* and the *Building Act 1975* (and associated regulations) that considers:

- the hierarchy of the acts, including enabling the adoption of Recommendations 21 and 22
- the use of consistent terminology across the acts and regulations
- the removal of any ambiguities in the definitions of development, building work and material change of use
- consistency of processes under the two acts
- any other interface issues identified as part of the review.

This review should be led by a suitably qualified expert, undertake targeted consultation with local government, industry, peak bodies and other relevant stakeholders, and be completed by the end of 2026.

RECOMMENDATION 24

Efficient use of zoning and overlays

To ensure the planning system achieves its objectives in the most efficient manner, the Queensland Government should ensure that:

- zoning and overlays in local government plans represent the minimum imposts on new housing and other development necessary to achieve their objectives
- zoning and overlays in local government intended to achieve the same underlying objectives are consistently applied.

To achieve these outcomes, DSDIP should develop policy options in consultation with relevant community and industry stakeholders. At a minimum, the department should consider:

- removing character zoning from the Planning Regulation
- more precisely defining the zones prescribed within the Planning Regulation to promote consistency across regions
- prescribing a state-wide set of overlays for flooding and bushfires, and making the Queensland Government solely responsible for additional requirements related to these overlays
- requiring local government plans to draw from a prescribed list of standardised overlays.

In evaluating those policy options, DSDIP should develop and publish cost-benefit analysis that meets the requirements of the Queensland Government's regulatory policy.

The Queensland Government should also apply these principles to Priority Development Areas.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

Implementing this recommendation is a significant regulatory reform involving two acts, subordinate legislation and statutory instruments.

Given that understanding of the two frameworks is paramount to avoid any unintended consequences, the expert leading the review should work in collaboration with the relevant agencies, rather than independently.

Consideration will also be given to extending the review to include the *Economic Development Act 2012*.

This recommendation should proceed in parallel with Recommendation 36, since both involve the *Building Act 1975* and will involve many of the same stakeholders. Outcomes of the review will also be relevant to delivery of the responses to Recommendations 21, 22, 25, 36 and 44.

Lead Agencies: Department of State Development, Infrastructure and Planning and Department of Housing and Public Works

GOVERNMENT RESPONSE

The Government notes this recommendation.

The Government is reviewing the State Planning Policy and the State Assessment and Referral Agency's role in development assessment to streamline state interests and reduce and clarify assessment requirements to reduce regulatory burden, provide more certainty and timely state assessments of development applications.

This recommendation would be a significant overhaul of the planning framework in Queensland, which could be contrary to the Queensland Government's commitment to restore the planning partnership with local government, preserving local autonomy and respecting the diversity of local contexts.

The removal or dilution of character zoning could undermine long-standing planning principles that protect the unique identity and character of the *Queenslander* built form.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 25**Governance of the planning system**

To ensure local plans reflect the intent of Queensland legislation, regulations and planning policies, the Queensland Government should request that DSDIP undertake an internal review of its processes to ensure it has sufficient oversight of local plans, including whether they are consistent with the Planning and Building Acts.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government will implement this recommendation through delivery of Recommendation 23.

Page 209 of the full report indicates this recommendation arose from a singular concern Housing Industry Association raised *“that the State Interest Review process for new planning schemes does not appear to include oversight by any Queensland Government department to prevent unlawful duplication or variation of the Queensland Development Code or NCC through planning schemes”*. Recommendation 23 and Recommendation 21 will both address the core issue at hand.

DSDIP is continuously reviewing processes, including oversight of local planning schemes, to ensure alignment with state legislation and policy. This work may be coordinated with ongoing reviews of Acts, where appropriate.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 26**Streamlined approval process for significant development**

To streamline development assessment pathways, the Queensland Government should improve its state assessment pathways. This should include:

- amending the State Facilitated Development pathway to include other significant developments, including for housing. The pathway should be adjusted to enable a more streamlined, evidence-based process, that includes the use of independent planning professionals. The criteria to access the pathway should include a minimum threshold establishing the definition of a significant development but should avoid mandatory criteria likely to reduce project viability, such as mandatory social or affordable housing targets
- restricting the delegation of development assessment in Priority Development Areas (PDA) from Economic Development Queensland (EDQ) to local councils.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government will continue efforts to improve development assessment pathways, including the State Facilitated Development pathway.

The Government will also support local governments to streamline their processes through improved pathways and will consider new options where they can be demonstrated to genuinely enhance development facilitation.

Economic Development Queensland will continue its review of currently delegated PDAs to determine if they are demonstrating the efficiency and integrity that was intended. For future PDA declarations, EDQ will consider recommending delegating to local councils only where there is a strong and compelling reason.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 27**Planning portal**

To improve administrative efficiency, accuracy and transparency of planning approvals, reduce the burden on applicants and facilitate efficient data collection, the Queensland Government should develop a statewide digital planning portal. This portal should:

- host consistent digital mapping across the state
- provide an efficient and consistent process for applicants to electronically prepare, lodge and track development applications
- provide a standardised process for making applications across all local government areas
- include reporting tools to allow for increased transparency and accountability for all stakeholders.

To develop the portal, DSDIP should:

- consider the design of the planning portals in New South Wales and South Australia
- consult with local governments and industry about their needs and how to make the system user friendly
- provide training for local governments to assist with the uptake of the portal.

RECOMMENDATION 28**Increase zoning around transport hubs in South East Queensland**

As a first step to increase the supply of housing and improve construction productivity, the Queensland Government should use its powers under the *Planning Act 2016* to amend local plans or establish new Priority Development Areas, with the aim of increasing density in well-located areas, where projects are likely to be commercially viable.

Initially the Queensland Government should aim to:

- increase the density of zoning and allow for diverse housing within a walkable distance of train and busway stations within the Brisbane local government area
- identify and increase zoning density around well-located areas near activity centres and surrounding transport hubs in other local government areas in South East Queensland where infrastructure already exists.

GOVERNMENT RESPONSE**The Government does not agree with this recommendation.**

The intent to improve development assessment monitoring, accessibility and consistency of data and reporting is acknowledged. However, this approach would risk duplicating or undermining existing local government systems that are already tailored to community needs and planning contexts.

The Government is committed to pursuing other avenues to collaboratively improve development assessment monitoring, accessibility and consistency of data and reporting.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government supports investigation into increasing zoning around transport hubs in South East Queensland, including identifying opportunities for housing in high-amenity areas, noting that under the *Planning Act 2016* responsibility for preparing and amending planning schemes rests with local governments.

Where appropriate, the State may consider use of Priority Development Areas and Provisional Priority Development Areas to unlock housing potential in strategic locations.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 29**Enable evidence-based planning**

The Queensland Government should improve evidence-based planning by ensuring plan making is independent, consultative and focused on improving the welfare of the whole community, and regional and local plans are aligned.

The Government should establish a process for reviewing plans with independent planning panels, similar to that in New Zealand.

These panels are comprised of independent planning, economic and legal experts, and have the task of producing, commissioning and publishing expert evidence; consulting with the public; and making planning recommendations to governments.

State and local governments should be required to respond to these recommendations, by either agreeing and implementing the recommendations, or disagreeing and explaining why they do not agree.

South East Queensland should be prioritised. Other regional plans should be prioritised based on identified challenges such as housing affordability pressures.

RECOMMENDATION 30**Infrastructure planning, funding and charging review**

To support the efficient and timely delivery of infrastructure needed to support urban development, the Queensland Government should commission an independent review to assess matters such as the process for infrastructure planning, funding, charging, coordination and delivery.

The review should identify reforms that ensure:

- there is an efficient level of funding to support the infrastructure needed to support future housing development
- there are strong incentives for enabling efficient use of existing and planned future infrastructure
- infrastructure is well planned and coordinated with future housing and other needs
- funding is based on long term strategic planning and available to facilitate infill development
- any charges or prices align with long term costs.

The review should consult widely, including with local governments and industry stakeholders.

GOVERNMENT RESPONSE**The Government does not agree with this recommendation.**

The Government is delivering 13 new Regional Plans across Queensland in close consultation with councils, industry and the community to ensure they reflect local needs while supporting broader state objectives.

Queensland's planning framework embeds mechanisms for public consultation, expert input and alignment between state and local planning instruments. This includes ensuring planning schemes balance a range of objectives, including environmental protection, infrastructure coordination, economic development and cultural heritage.

Page 241 of the full report suggests a recommendation such as this would substantially slow the regional planning review program, risking further delays to unlocking new areas for housing supply and that significant funding would be required to resource panels with the recommended diversity of planners, legal experts, economists, architects, geographers and scientists.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

Noting the Red Tape Reduction Taskforce made a similar recommendation, the Queensland Government is planning a review of the policy, process and timing of infrastructure planning through regional plans by State Government, Netserv plans by utilities and local government infrastructure plans by local government.

This work will be progressed in close collaboration with local governments and utility providers to explore the issues in greater detail.

The Government is committed to ensuring that any actions taken do not constrain development feasibility or exacerbate financial sustainability challenges for councils.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 31

Targets and incentives for local government

To ensure local governments have sufficient incentives to deliver new housing supply in well-located areas, the Queensland Government should set annual targets for the supply of construction-ready land, development rights and for the construction of new housing for each local government area and hold local governments accountable for meeting these targets.

To enact this, the Queensland Government should:

- set targets that include desired outcomes for low, medium and high-density housing, and include short- and long-term targets to zoned supply, development rights, approvals and new land and dwelling supply
- require local governments to report on their success in meeting targets in their annual reports and to explain performance if they do not meet targets
- require that the growth monitoring entity (Recommendation 33) monitor local government performance
- consider providing financial incentives or rewards to local governments to incentivise them to meet targets.

This would complement Recommendation 29 by providing accountability for plans, regardless of whether they are supported by independent planning panels or have been recently reviewed.

RECOMMENDATION 32

Community support for housing development and reform

The Queensland Government should help to build the case for reform and better planning. This should include:

- improving consultation approaches to more fully represent the community, so views are better understood and incorporated into plans. For example, utilising citizen panels
- building the case for housing where people want to live and reform through transparent rigorous analysis of policy alternatives and publishing and consulting on the results
- providing public information and engaging with the public on the trade-offs involved from alternative land uses
- exploring opportunities to trial local community-led zoning decision-making, as adopted in some overseas jurisdictions. This could involve, for example, allowing a majority of homeowners in a small area to request changes to local plans to enable greater density in their neighbourhood.

GOVERNMENT RESPONSE

The Government does not agree with this recommendation.

The Government is actively monitoring the supply of construction-ready land and progress against regional plan targets. This work is delivered in close collaboration with local governments and supported by initiatives such as the Residential Activation Fund.

The Scheme Supply Fund provides financial assistance to councils to update their planning schemes to align with regional plans and deliver more housing supply. These efforts are designed to respect and uphold local autonomy while ensuring a coordinated approach to land supply across the state.

In parallel, the Government is supporting the planning workforce through targeted skills and training initiatives. This includes the \$80,000 provided to the Local Government Association of Queensland to refresh its para-planner course, an important step in building capability within councils and enabling more effective and responsive planning outcomes.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE

The Government does not agree with this recommendation.

The *Planning Act 2016* already embeds robust consultation requirements, ensuring community views are considered in plan-making and development assessment processes. Local governments routinely engage with their communities through statutory public consultation, workshops and targeted engagement strategies.

Introducing mechanisms such as citizen panels in Queensland may not yield proportional benefits given the cost to implement and could duplicate existing processes, noting Queensland's specific planning landscape compared to other jurisdictions.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 33**Development monitoring**

The Queensland Government should establish a growth monitoring entity. The entity should:

- have responsibility for the Land Supply and Development Monitoring reporting
- integrate data collection with a state-wide planning portal
- publicly report outcomes and data in a transparent, user-friendly manner on a regular basis
- develop improved indicators on the availability and feasibility of supply at different stages in the development process, supply relative to demand, and development and planning outcomes, in collaboration with experts and industry
- report on development and building approval outcomes, including acceptance/refusal, time taken to complete approvals and outcomes for cases brought to the planning court
- monitor planning and housing performance targets
- make data sets available to facilitate research and evaluation
- analyse and contextualise data, including identifying gaps or bottlenecks.

The Government should carefully consider the administrative form that the entity takes, including whether there is a need for an independent body to aid transparency and accountability.

While the growth-monitoring entity is being established, DSDIP should release the most recent Land Supply and Development Monitoring reports.

RECOMMENDATION 34**Impacts arising from National Construction Code 2022**

Independent economic analysis, which was subject to public consultation and assessed as compliant with best practice regulatory principles, concluded NCC standards related to energy efficiency and accessibility would result in a net cost to the community.

To allow consumers to choose the features they value and to reduce the cost of constructing new homes and renovations, the Queensland Government should amend the Queensland Development Code to opt-out of NCC 2022 standards related to energy efficiency and accessibility (that is, make them voluntary for new home construction and relevant renovations).

Should the Government aim to achieve social objectives such as increasing energy efficiency and the stock of accessible housing, consideration should be given to more efficient policy options.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

The Government will monitor growth through a dedicated Growth Monitoring Unit within DSDIP.

From 2026, an expanded Growth Monitoring Report will provide a broader view of growth, encompassing not only land supply and development activity but also housing delivery, infrastructure coordination and planning outcomes.

A South East Queensland Growth Monitoring Report, supported by an interactive dashboard, will be developed in collaboration with SEQ local governments and state agencies.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE

The Government notes this recommendation.

DHPW has completed a comprehensive review of Queensland's implementation of the NCC 2022 Modern Homes Standards.

This review found technical amendments can be made to facilitate more cost-effective housing construction, without compromising high accessibility and energy efficiency standards.

These amendments will be progressed and supported by detailed guidance materials, drawings and communication with industry.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 35

Future regulatory changes to building codes

As part of broader engagement activities, Queensland should advocate for the NCC to be nationally consistent and to focus on the *minimum* required standards to ensure safety, health, amenity and sustainability of buildings and that significant changes to the NCC should only be agreed where net benefits to the community have been demonstrated through a robust process.

In addition, the Queensland Government should ensure future regulatory changes to building codes are appropriately assessed and will generate a net benefit to the community compared with other options (including non-regulatory options). Specifically, this means:

- only adopting future significant NCC changes if they have been assessed through the nationally agreed process as providing the greatest net benefit to the Queensland community
- other changes to building codes and regulations, including Queensland-specific variations to the NCC, are appropriately considered under the Queensland Government Better Regulation Policy. Under the policy, proposals assessed as having significant impacts should have a Full Impact Analysis Statement prepared and released for public consultation.

RECOMMENDATION 36

Stock review of building regulations and standards

Given the accumulation of regulatory burden, the Queensland Government should undertake a targeted, in-depth review of building regulations and standards, including how they are made, implemented and administered.

The following areas have been identified as having the potential to deliver large gains to the community from reform:

- a review of the *Building Act 1975* and subordinate legislation, including a focus on areas of overlapping or inconsistent requirements between the NCC, Australian Standards and the *Planning Act 2016*
- a review of the *Queensland Building and Construction Commission Act 1991* with a view to modernising its functions, streamlining processes and reducing regulatory burden
- working with the Australian Government on the streamlining of the NCC.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

On 22 October 2025, Building Ministers nationally agreed to pause further residential changes to the NCC, except for essential quality and safety measures, until mid-2029.

The Commonwealth also committed to work with states, territories and industry stakeholders to modernise the NCC. The modernisation project will set the foundations for a NCC that is fit-for-purpose, by determining a principles-based approach for future changes to the NCC. It will also assess the cadence of changes and implementation processes, to ensure the NCC is effectively adopted.

The QPC's conclusions and recommendations will be considered as part of Queensland's participation in the Commonwealth Government's modernisation project.

Lead Agency: Department of Housing and Public Works

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government supports a review of the *Building Act 1975*, noting there has not been substantial review in a significant period, and broadly supports a review of the *Queensland Building and Construction Commission Act 1991*. Several reforms are being progressed as part of the Building Reg Reno (tranches 3 and 4) to address matters raised.

DHPW will work closely with the Australian Government on its work on modernising of the NCC.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 37**QBCC governance**

The QBCC should consider and implement outstanding recommendations of the 2022 QBCC governance review that remain relevant.

It should also consider measures to improve performance, including streamlining its licensing processes, improving its responsiveness to stakeholder and customer concerns, ensuring it has sufficient presence in regional areas and continuing to work to reduce compliance burdens on industry.

The QBCC should also be consulted on any review of the *Queensland Building and Construction Act 1991* conducted by the Queensland Government (see Recommendation 36 on stock reviews).

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The QBCC Governance Review implementation period ended 30 June 2025, with 74 of the 77 individual actions fully delivered or closed.

The remaining three actions continue to be progressed. They relate to developing a secure funding model and continuing to implement critical digital reform.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 38**QBCC performance metrics**

The QBCC currently reports quarterly against a range of measures including processing times for renewals, licence applications and defects, movement to online forms and the proportion of QBCC decisions set aside by the Queensland Civil and Administrative Tribunal. It also reports annually under the Queensland Government's Regulator Performance Framework.

The QBCC should develop a new suite of transparent and publicly reported outcome-focused metrics developed in consultation with industry and consumer advocates.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The QBCC has already developed a new suite of outcome-focused metrics following the new Commissioner's 100 days of listening and consultation. These metrics aim to enhance transparency, accountability and consumer protection and were shaped by key feedback from industry and consumer stakeholders.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 39**QBCC Compliance and Enforcement Strategy**

The QBCC should commence consultation with licensees on a draft of a revised Compliance and Enforcement Strategy, which is next due for approval in late 2026.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

In implementing the outcomes of the 2022 QBCC Governance Review, the QBCC undertook consultation with key stakeholders, including Master Builders Queensland, Housing Industry Association, Master Plumbers Queensland and the QBCC Stakeholder Advisory Committee whilst developing the Compliance and Enforcement Strategy 2024–2026.

Further consultation with industry and consumer stakeholders is scheduled to commence in 2026 to inform the development of the revised strategy.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 40**Threshold for insurable works**

The Queensland Government should:

- increase the threshold for insurable works (from the current value of \$3,300) to a value more reflective of the cost of building. This should be subject to actuarial advice on the impact on premiums and scheme viability
- review the threshold at least every 5 years to account for inflation and the cost of building work.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government is progressing this recommendation as part of tranche 4 of the Building Reg Reno.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 41

Deposit caps

The Queensland Government should undertake further analysis into the impacts of any changes to deposit requirements for domestic building contracts. This analysis should take into account:

- upfront costs and other cash flow challenges facing builders/contractors
- potential impacts on consumers and the Queensland Home Warranty Scheme
- impact of any change on prefabricated dwellings and MMC.

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government supports further analysis of maximum deposits, noting reforms are being progressed as part of tranche 4 of the Building Reg Reno to separate the home warranty insurance premium from the maximum deposit amount. This will mean an increase in the deposit amount able to be collected by the contractor.

It is also noted the current requirement is percentage-based and therefore increases proportionately with contract values.

Based on previous analysis, there are other financial and economic implications that would need to be considered. For example, impacts associated with financial institutions and consumers needing to finance a greater percentage of the contract value up front.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 42

Minimum financial requirements

The Queensland Government should:

- remove reporting obligations for all minimum financial requirements (MFR) and reinforce the importance of risk-based monitoring and enforcement
- investigate whether alternative models could achieve similar objectives to those targeted by MFR at a lower cost to the Queensland community.

GOVERNMENT RESPONSE

The Government agrees in principle with this recommendation.

Annual reporting obligations have already been removed for all individual self-certifying (SC1 and SC2) QBCC licensees (around 50,000 or 97 per cent of individual licensees) to reduce regulatory burden and support a risk-based regulatory approach. This occurred as part of tranche 2 of the Building Reg Reno.

An alternative approach to achieving the objectives of the QPC recommendations is proposed, with an independent evaluation of MFR and any alternatives to occur prior to removing the remaining reporting requirements.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 43

Trust account framework

There is little evidence that project trust accounts have been effective in reducing the issue of non-payment in the construction industry. Therefore, the Queensland Government should review the trust account framework to determine whether it is delivering a net benefit to the Queensland community.

If it cannot be demonstrated that the benefits of the framework outweigh its costs, the framework should be removed.

Any assessment undertaken of the framework should:

- assess the impacts, effectiveness and continued relevance of the regulation in its current form
- consider any prospective impacts from expanding the framework to private sector, local government, statutory authorities' and government-owned corporations' contracts below \$10 million, as was previously proposed
- explore the efficiency and effectiveness of alternative options to address the issue of non-payment in the construction industry.

GOVERNMENT RESPONSE

The Government notes this recommendation.

Subcontractors play a crucial role in the building and construction industry, and security of payment protections are important to support the sustainability and productivity of the industry. The security of payment framework provides broad legal obligations for prompt payment and includes a range of measures that collectively respond to systemic and longstanding issues of late and non-payment and insolvency.

Work is currently underway to reduce the regulatory and administrative burdens of the trust account requirements on trustees, with the aim of making it easier to use and more cost effective. These efforts also aim to ensure the framework operates as intended in events of trustee insolvency, allowing subcontractors to access their entitlements (including retentions) that are held in trust, supporting their financial sustainability and profitability.

It is noted there have been previous evaluations of the trust account framework and the further roll out of the framework has been paused. It will be important any future review of the security of payment framework (including payment processes, trust accounts, dispute resolution, and enforcement mechanisms) is holistic and continues to support timely payments to subcontractors, protecting their rights when issues occur.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 44**National Competition Policy commitments**

To remove unnecessary regulatory barriers to the adoption of MMC, the Queensland Government should progress commitments under the revitalised National Competition Policy (NCP) to:

- adopt a nationally consistent definition of MMC and adopt the national definitions in its relevant legislation
- amend building legislation to accept manufacturers' certificates for NCC compliance
- ensure regulatory neutrality in planning schemes and consumer protections for MMC.

To achieve neutrality in planning schemes, the Queensland Government should:

- ensure that where 'gentle density' codes or pattern books are established (see Recommendation 22); these should be technology neutral and compatible with MMC.

The Australian Building Codes Board has begun developing a voluntary certification scheme. The Queensland Government should engage with this process, advocating for:

- a nationally harmonised scheme to establish a national market, enhancing competition and scale
- consultation with the finance and insurance industry, providing greater certainty to those firms when providing services to MMC projects certified under the scheme.

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

Queensland has been an active participant in the revitalisation of NCP. This is reflected in the Treasurer, Minister for Energy and Minister for Home Ownership being signatory to the Intergovernmental Agreement on National Competition Policy and the associated Federation Funding Agreement Schedule.

'Lower barriers to MMC' is one of the reforms included in the 2024 schedule.

Queensland has been an active participant in the ongoing development of this reform, noting it is not yet sufficiently developed for the State to consider implementation at this stage.

Queensland will remain closely engaged in the future development of this national reform until such time as it is suitably defined for Cabinet consideration.

Lead Agency: Queensland Treasury

RECOMMENDATION 45**NCC performance-based provisions**

The Queensland Government should advocate for NCC performance-based provisions to be production-neutral.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

Queensland is already strongly advocating for production-neutral provisions through its participation in the voluntary manufacturers certification scheme led by the Australian Building Codes Board, expected to be delivered in 2028, as well as its participation in the NCP commitments.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 46**Government procurement**

Procurement policies should be production-neutral to ensure they do not disqualify innovative solutions such as MMC. To this end, the Queensland Government should:

- avoid contracting terms or policies that favour traditional in-situ designs
- ensure payment structures do not unnecessarily disadvantage innovative approaches
- utilise performance-based specifications in procurement to enable innovative approaches and solutions.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

Through the new QPP 2026, the Government's intent to encourage innovation in procurement is supported by Pillar 4: Open to new ideas.

This outlines the State's aim to move beyond traditional procurement methods into a more collaborative approach, by actively seeking innovative solutions, emerging technologies and fresh approaches that can offer greater efficiency, cost-effectiveness, and performance improvements.

The QPP 2026 supports:

- the pursuit of innovative supply solutions using outcome-based specifications, trials and/or pilots
- innovative solutions through exemptions from competitive process
- that specifications should not restrict innovative solutions and invitation documentation should not restrict innovation or require a conforming bid alongside an alternative offer.

The suite of standard contracts for building construction maintained by DHPW do not include terms which disqualify, restrict or disadvantage innovative solutions, including MMC.

The standard contracts are suitable for use with performance-based specifications.

Additional guidance is being developed by DHPW to support improved project-specific tender documentation which aligns with the standard contracts and encourages the use of performance-based specifications.

Refer to the response to Recommendation 20.

Lead Agency: Department of Housing and Public Works

RECOMMENDATION 47**Skills and training**

To address the shortage of MMC skills and training in the construction workforce, TAFE Queensland should review relevant vocational education and training courses to ensure MMC is appropriately represented.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

TAFE Queensland, in partnership with DTET, will undertake a training product review to map the current course and skills gap for the MMC workforce.

MMC represents an opportunity to improve the speed and cost of housing to market and open an alternative construction industry pathway that may be more attractive to under-represented cohorts, including women.

The review will consider alignment with regulatory requirements, quality assurance and opportunities for curriculum enhancement.

As part of the review, industry sector panels will bring together employers, professional associations, teachers and practitioners to provide feedback on skills gaps, technology trends and delivery models.

The review will inform future government consideration on skills, training and workforce investments, programs and initiatives to ensure appropriate MMC representation.

Lead Agency: Department of Trade, Employment and Training

RECOMMENDATION 48**Workplace health and safety Compliance Monitoring and Enforcement Policy**

The Office of Industrial Relations should review the Compliance Monitoring and Enforcement Policy. The review should focus on ensuring the policy provides adequate guidance and direction on how to ensure that compliance monitoring and enforcement activities appropriately manage risk while minimising unnecessary costs to businesses and society.

RECOMMENDATION 49**Workplace health and safety incident reporting framework**

The Queensland Government should expedite the development and rollout of a single, harmonised incident reporting framework, with the ability for single-point digital reporting.

RECOMMENDATION 50**Workplace health and safety Model Codes of Practice**

The Queensland Government should consider removing section 26A of the *Work Health and Safety Act 2011* to bring it in line with the Model Laws. To achieve greater consistency with national codes, the Queensland Government should also review Queensland Codes of Practice to determine whether they can be replaced with the national Model Codes of Practice.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Office of Industrial Relations has been conducting an evaluation of the Queensland Compliance Monitoring and Enforcement Policy that is focused on proportionate compliance and enforcement responses and supporting appropriate flexibility.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government will work to remove duplication in notification requirements, including through the *Queensland Building and Construction Commission and Other Legislation Amendment Act 2025*.

Lead Agency: Department of State Development, Infrastructure and Planning

GOVERNMENT RESPONSE**The Government agrees in principle with this recommendation.**

The Government will consider removal of section 26A of the *Work Health and Safety Act 2011*, noting that Codes of Practice support the *Work Health and Safety Act 2011* and Work Health and Safety Regulation 2011.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 51

Training and apprenticeships

The Queensland Government should establish a collaborative process with industry and relevant government organisations and agencies to identify problems, reform opportunities and priorities to improve the training and apprenticeship system for the construction industry in Queensland.

Issues that should be considered include:

- the attraction and retention of prospective students and apprentices, including the efficacy of pre-apprenticeship and mentoring programs
- the design, capacity and quality of the training system, and how these can be improved to meet the needs of industry and prospective and existing workers
- financial considerations for employers, apprentices and students, including whether the efficacy of apprenticeship subsidies can be improved
- development pathways to encourage a career in construction.

In considering these issues, attention should be given to:

- any legal or institutional barriers to reform in this area
- the appropriate sharing of funding among government, students and apprentices, individual businesses and industry generally, considering the incidence of benefits from training
- the design of measures to minimise market distortions to the construction industry and the broader economy
- broader reforms of the education and training systems, and how these interact with reforms proposed under this process
- addressing barriers to the broadening of the pool of prospective apprentices
- the requirements of regional and remote areas.

RECOMMENDATION 52

Support for apprenticeship pipeline

If the Queensland Government Building and Construction Training Policy is removed (Recommendation 14), to the extent additional support for the attraction and retention of apprenticeships is warranted, it would be best supported through better targeting of existing industry and government schemes.

Consideration should be given to leveraging the industry-funded Building and Construction Industry Training Fund administered by Construction Skills Queensland (CSQ) by tasking DTET to work with Queensland Treasury and CSQ to determine the appropriate policy settings to sustain a pipeline of apprentices.

Determination of these policy settings should consider:

- approaches for determining the need for apprentices and the skills required for a future workforce
- efficient mechanisms for incentivising industry to take up apprentices
- options for broadening the candidate pool for apprenticeships
- whether the existing training levy rate is appropriate, and mechanisms for reviewing the training levies imposed on industry.

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government is committed to collaborating with the Australian Government, industry and other stakeholders to deliver improved outcomes across the training and apprenticeship system for the construction industry.

The Queensland Government's Right Skills Strategy 2025–2028 and the annual Training Priorities Plan will focus Queensland's training investment in priority industries and skillsets to ensure this investment meets the needs of industry, and prospective and existing workers.

Under the National Skills Agreement Improving Completions initiative, DTET will implement further initiatives across 2025–2028 to support more apprentices to complete their training, including:

- supporting students to make an informed training choice through new career tasters and promoting training available for skilled careers through a new skills website
- supporting retention through piloting flexible learning models, new student support services, targeted outreach to part-completers and enhanced apprentice engagement.

Additionally, industry stakeholders contribute to the ongoing reform of the training system by identifying how the right training strategies, combined with appropriate government support, will enhance the options available to Queenslanders to develop in-demand skills and better job outcomes.

Lead Agency: Department of Trade, Employment and Training

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government is committed to reviewing and better targeting existing industry and government schemes to support the attraction and retention of apprentices in the construction industry.

This will include reviewing the purpose, operation and deliverables of CSQ, which has existed in its current form for 20 years, to help deliver a modern, fit-for-purpose and attractive apprenticeship pathway for Queensland's construction industry.

DTET will work with Queensland Treasury to review the appropriate policy settings to develop an increased pipeline of construction apprentices to inform future government consideration, including:

- how priority training needs are determined and how the success of CSQ's delivery of actions and investment under Annual Training Plans are measured, including consideration of enhanced CSQ reporting mechanisms and KPIs
- the function of existing funding pools within CSQ and their contribution to the industry.

Lead Agency: Department of Trade, Employment and Training

RECOMMENDATION 53

Review of occupational licensing

To ensure occupational licensing requirements are fit for purpose and do not impose unnecessary barriers on those seeking to enter the workforce, Queensland's construction-related occupational licensing requirements should all be reviewed through a multi-year coordinated program of stock reviews.

Each review should follow the guidelines for regulatory impact assessment in the Queensland Government's Better Regulation Policy.

There may also be opportunities to more fully recognise prior learning and experience in assessing whether licensing requirements have been met.

While all construction-related occupational licences should be reviewed, prioritisation of reviews should be considered against criteria, including:

- the projected level of demand for the occupation in the construction industry and whether shortages are projected
- the stringency of licensing in Queensland compared to other jurisdictions
- the level of risk associated with the occupation, both in terms of worker and consumer harm, and the opportunity to identify and rectify defects associated with the work
- stakeholder input and feedback, including to this and other inquiries.

Based on their alignment with one or more of these criteria, occupations that should be considered for a first tranche of reviews include painting and decorating, plastering, glazing, plumbing and fire protection.

RECOMMENDATION 54

Removing barriers to labour mobility

To remove barriers to the mobility of the national construction workforce to support Queensland's pipeline of construction work, the Queensland Government should:

- actively participate in future interstate reform efforts for harmonisation or mutual recognition of construction-related occupational licensing
- join other jurisdictions in the Automatic Mutual Recognition scheme, at least as it relates to the construction industry
- resolve any regulatory, institutional and enforcement issues to adopting Automatic Mutual Recognition in the construction industry.

The Government should have regard to lessons learned from any evaluations of the Automatic Mutual Recognition scheme, such as the independent 5-year evaluation called for in the Intergovernmental Agreement on the Automatic Mutual Recognition of Occupational Registration that has yet to be undertaken.

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government will consider construction-related occupational licences to ensure they remain fit for purpose and that licensing requirements are commensurate with risks to worker and community safety associated with each occupation.

This will involve an extensive multi-year program of reviews. However, opportunities to better recognise prior learning and experience could potentially be investigated as an immediate priority, with a view to applying any changes to all licensees.

High Risk Work licences in the construction sector (including scaffolding, rigging and crane operation) are nationally recognised and subject to review and decision-making processes through Safe Work Australia (SWA).

Any proposed multi-year review approach involving nationally recognised licences would need to align with SWA and other jurisdictions' processes to avoid inconsistencies.

Lead Agencies: Department of State Development, Infrastructure and Planning and Department of Housing and Public Works

GOVERNMENT RESPONSE

The Government agrees with this recommendation.

The Government is committed to helping businesses access the skilled workers they need to invest and grow.

This is critical to the construction of new houses and delivery of the State's capital pipeline.

Reducing barriers to labour mobility will support Queensland businesses to attract skilled labour and fill workforce shortages.

The Government agrees to progressing participation in Automatic Mutual Recognition. Adoption of Automatic Mutual Recognition would be informed by the experiences of stakeholders and other states and territories, as well as careful consideration of occupations that may warrant being exempted.

In addition, the Government is committed to the revitalisation of NCP, which includes consideration of reforms supporting a single national market for workers.

Queensland will continue to work collaboratively with the Australian Government and other states and territories to progress reforms that align with the Queensland Government's priorities.

Lead Agency: Queensland Treasury

RECOMMENDATION 55**Opportunities to better utilise skilled overseas migration**

To better utilise skilled overseas migration to support the Queensland construction industry, the Queensland Government should:

- advocate for an increased allocation of state-nominated migrants
- assign more of its allocated subclass 190 or 491 visas to construction trades workers
- reduce duplicative skills assessments and recognise equivalent overseas qualifications of potential immigrants.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The State has strongly and consistently advocated for an increased allocation of skilled overseas migration places through the State Nominated Migration Program (SNMP). This would support Queensland's growing construction sector to deliver the significant capital pipeline required in the lead up to the 2032 Olympic and Paralympic Games.

The Government has publicly released the 2025–26 Occupations Skills List which prioritises construction, trades and building occupations under both subclass 190 and subclass 491 visas, applicable across all of Queensland.

While the Government can endorse an applicant under the SNMP, it is ultimately the Australian Department of Home Affairs which processes and grants visas.

The Queensland Government is in discussions with the Commonwealth for tailored local approaches to visas that will support the state's workforce growth in construction and engineering over the next decade.

DTET will also work with relevant government and industry stakeholders to streamline the Queensland licensing process for migrants who have previously successfully undergone equivalent skills assessment as part of their visa application.

Lead Agency: Department of Trade, Employment and Training

RECOMMENDATION 56**Labour hire licensing**

Given the potential impacts of labour hire licensing and noting the sunset review of the Labour Hire Licensing Regulation 2018 is required before it is due to expire in 2028, the Queensland Government should consider expanding the sunset review to assess the effectiveness and efficiency of the *Labour Hire Licensing Act 2017*, and outcomes from the national process relating to harmonisation of the regulatory system.

GOVERNMENT RESPONSE**The Government does not agree with this recommendation.**

The Government will continue to monitor national developments in relation to labour hire licensing in consultation with other jurisdictions, along with consideration of the outcomes from the Wood Commission of Inquiry.

Lead Agency: Department of State Development, Infrastructure and Planning

RECOMMENDATION 57**Taxes on foreign investment**

Given their likely impact on housing construction and innovation, Queensland Treasury should undertake a review of the:

- Foreign Land Tax Surcharge
- Additional Foreign Acquirer Duty.

The review should consider the suggestions raised in stakeholder submissions to this inquiry, the effect of the Queensland Government's recent changes to streamline the granting of ex gratia relief and include modelling of the potential long-term impacts of these taxes on the housing market and broader economy.

GOVERNMENT RESPONSE**The Government notes this recommendation.**

The Government recognises the importance of investment — including foreign investment — in driving housing supply and economic development and is committed to fostering taxation and regulatory settings that provide stability and certainty, with the 2025–26 State Budget including no new or increased taxes.

The Government has taken active steps to position Queensland as a welcoming destination for investment, including through streamlining and simplifying foreign surcharge relief settings as committed to in the 2025–26 State Budget.

A range of enhancements developed in consultation with industry through the Property Consultative Committee were implemented as part of the 2025–26 Mid-Year Fiscal and Economic Review.

Providing broader relief to support more investment and delivering greater certainty on eligibility with faster assessment timeframes will reduce the cost of doing business and encourage further investment in Queensland — particularly in housing.

Lead Agency: Queensland Treasury

RECOMMENDATION 58**Utility standards**

Utility providers should ensure that any requirements or conditions they apply align, as far as practicable, with existing agreed standards and are readily available to the public.

Where their requirements or conditions do not align with agreed standards, the utility provider should provide advance notice of any proposed changes and offer a clear, transparent and evidence-based justification for any differing requirements imposed.

Retrospective changes to standards, after agreements have already been made, should be limited.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

While there is existing alignment with some standards, the Government will investigate opportunities to ensure any requirements or conditions applied by utility providers align, as far as practicable, with existing agreed standards.

The Government will work with utility providers to explore opportunities to improve transparency, provide advance notice of changes, and minimise retrospective adjustments.

Lead Agencies: Department of Local Government, Water and Volunteers and Queensland Treasury

RECOMMENDATION 59**Improved performance indicators and complaints procedures for utility providers**

The Queensland Government should investigate opportunities for improving performance indicators and complaints procedures associated with utility connections.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government will continue to work with electricity utility providers to improve performance monitoring and engagement for utility connections, including through the Connections Guarantee in the electricity sector.

Further work will consider this in the context of water utility providers — including consultation with providers and key stakeholders — to better understand the implications of this recommendation and identify opportunities for establishing meaningful KPIs and improving complaints procedures.

Lead Agencies: Department of Local Government, Water and Volunteers and Queensland Treasury

RECOMMENDATION 60**Improved coordination and consultation**

Utility providers should, in consultation with local governments and the development industry, establish clear frameworks for engagement and coordination to ensure utility connection milestones align with development approvals and construction sequencing.

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

The Government acknowledges established processes to improve engagement with local governments and development stakeholders to support utility connections. This includes the development of EQL's Developer Charter and Local Government Charter to improve outcomes for customers and stakeholders.

Enhancing other existing frameworks with clearer guidelines, improved coordination and earlier engagement across utility providers could deliver better outcomes for all stakeholders.

Lead Agencies: Department of Local Government, Water and Volunteers and Queensland Treasury

RECOMMENDATION 61**Avoid EQL EBA rates of pay requirements on contractors and subcontractors**

To avoid restrictions on competition, the EQL Union Collective Agreement rates of pay and conditions should not be imposed on:

- contractors and subcontractors, except where required under law
- developers and others involved with assets that will become part of the EQL network, including work in subdivisions, public lighting work and major customer work.

The Queensland Government should consider options to facilitate or support this change as soon as practicable.

GOVERNMENT RESPONSE**The Government notes this recommendation.**

Queensland Treasury will investigate options for pay requirements on contractors and subcontractors, noting these requirements are part of the current Enterprise Agreement which does not expire until February 2028.

Lead Agency: Queensland Treasury

RECOMMENDATION 62**Clarify what is considered 'core works' on EQL network**

The scope of 'core works' should be clearly defined to exclude civil engineering works, such as installing conduits and pits prior to the installation of cables, to remove the requirements for construction firms to:

- become accredited service providers to deliver these civil engineering works
- provide their staff with the EQL Union Collective Agreement's rates of pay and conditions to deliver these civil engineering works.

The Queensland Government should consider options to facilitate or support this change as soon as practicable.

RECOMMENDATION 63**Changes to the Queensland Electricity Connection Manual**

The Queensland Government should consider whether future amendments to the Queensland Electricity Connection Manual, currently made by Energex and Ergon, should be overseen by an advisory panel, including representatives of industry and the Electrical Safety Office.

RECOMMENDATION 64**Managing the accredited service provider framework**

The Queensland Government should consider whether an entity other than EQL, should take responsibility for setting and managing requirements under the accredited service provider framework, including whether current arrangements are a breach of NCP or should be considered under competitive neutrality principles.

This would address the concern that EQL has an incentive to set these requirements unnecessarily high to limit competition.

GOVERNMENT RESPONSE**The Government notes this recommendation.**

Queensland Treasury will investigate options for clarifying 'core works' on the EQL network, noting these requirements are part of the current Enterprise Agreement which does not expire until February 2028.

Lead Agency: Queensland Treasury

GOVERNMENT RESPONSE**The Government agrees with this recommendation.**

Queensland Treasury will consider options for oversight of amendments to the Queensland Electricity Connection Manual.

Lead Agency: Queensland Treasury

GOVERNMENT RESPONSE**The Government notes this recommendation.**

Queensland Treasury will investigate options for managing the Accredited Service Provider framework, noting these requirements are part of the current Enterprise Agreement which does not expire until February 2028.

Lead Agency: Queensland Treasury

ACKNOWLEDGEMENT

Queensland Treasury acknowledges Aboriginal peoples and Torres Strait Islander peoples as the Traditional Owners and custodians of the land. We recognise their connection to land, sea and community and pay our respects to Elders past, present and emerging.

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