

Submission to the Productivity Commission
Housing Supply and Affordability (June 2026)

1. Introduction

A sustainable and inclusive housing future must not be pursued at the expense of economic dynamism, competitive markets, and community resilience. Australia's current housing system is failing on all three fronts.

The evidence suggests that housing supply constraints are not merely technical or capacity-related—they are rooted in systemic regulatory, governance, and institutional failures that distort markets, entrench inequality, and weaken social cohesion.

This submission highlights:

- Structural failures in planning and regulatory systems
- Anti-competitive dynamics in land and housing markets
- Governance, accountability, and integrity issues
- Social and spatial consequences of current policy settings
- A reform agenda grounded in evidence, community participation, and system transparency

2. Core System Failure: Regulatory Distortion and Loss of Dynamism

2.1 Housing regulation is distorting markets and suppressing productivity¹²

Current regulatory processes:

- Are anti-competitive, privileging large developers while constraining small and medium entrants
- Introduce excessive delays and uncertainty, dampening supply responsiveness
- Encourage pricing distortions across land markets, reducing allocative efficiency

¹ Reardon, T. 2025. Competitive economy failures, *Housing Industry Association*, <https://hia.com.au/our-industry/housing/in-focus/2025/08/competitive-economy-failures>

² Weller, G. 2026. Small builders, big contribution, *Housing Industry Association*, <https://hia.com.au/our-industry/housing/in-focus/2026/04/small-builders-big-contribution>

Development rights are unevenly distributed spatially³, by project scale⁴, and by developer entity size/type⁵:

- Housing is not being built to match need and in locations where people want to live^{6,7}
- Large developers face lower relative barriers for complex projects⁸
- Smaller developers and landowners face disproportionately high controls, even for low-risk development⁹, such as complex strata hurdles and steep, upfront local infrastructure contribution charges.

This leads to a lack of diversity in developers, a lack of diversity in housing, and reduced innovation and slower supply.

2.2 Missing Links in Construction Productivity

The supply block is not restricted to planning approvals; it is heavily compounded by a crisis in construction-phase productivity. Traditional building methods face severe capacity constraints that regulatory frameworks fail to mitigate.

- Modern Methods of Construction (MMC): Regulatory frameworks across jurisdictions fail to accommodate modular, off-site, and prefabricated construction techniques, forcing innovative providers to navigate outdated, linear compliance pathways designed for traditional builds.
- National Building Code Fragmentation: Lack of cross-jurisdictional harmonisation in building code amendments creates friction for manufacturing-scale housing providers, preventing the sector from achieving true economies of scale.

³ Coates, B. 2025. Planning better cities, *Grattan Institute*, <https://grattan.edu.au/news/planning-better-cities/>

⁴ Sharam, A., & Bryant, L. (2026). Why Does it Take so Long? Apartment Development Timelines. Evidence from Melbourne, Australia. *Urban Policy and Research*, 44(1), 1–17. <https://doi.org/10.1080/08111146.2026.2648835>

⁵ Spiller, M. (2019). Who owns the development rights in our cities? *SGS Economics & Planning*, <https://sgsep.com.au/publications/insights/who-owns-the-development-rights-in-our-cities>

⁶ YWCA Australia. (2026). Housing that works: economic case for investing in women and families, <https://www.afr.com/companies/infrastructure/housing-that-works-economic-case-for-investing-in-women-and-families-20260501-p5zsq>

⁷ Carter, J. S. and McAloon, C. (2025). In regional Australia, country communities are forced to become developers amid a scarcity of downsize housing. *ABC News*, <https://www.abc.net.au/news/2025-11-09/older-country-australians-dont-have-anywhere-to-downsize-to/105959030>

⁸ Thompson, J. (2026). Contentious developments receiving fast-tracked approval under affordable housing pathway. <https://www.abc.net.au/news/2026-05-20/luxury-apartments-greenlit-under-affordable-housing-scheme/106680592>

⁹ Bryant, L. and Sharam, A. (2025). Achieving the National Housing Accord: Do we have a chance? *QUT Centre for Justice Briefing Papers*. https://eprints.qut.edu.au/258775/1/BP77_BryantSharam_HousingAccord.pdf

A rigorously quality tested producer-to-user approach to MMC is needed to make it functional in Australian jurisdictions. Input materials should be rigorously tested to ensure they meet local consumer health and safety standards.

3. Planning System Weaknesses

3.1 Missed opportunities for spatially explicit strategic upzoning and urban renewal¹⁰¹¹¹²

There are persistent failures to upzone high-amenity areas, rezone land in advance of demand, and enable mixed-use, active, and mass mobility transit development in growth corridors. A long legacy of interoperability and market capacity issues has been left unaddressed and underinvested.

Persistent underinvestment and gaps in nationally and jurisdictionally integrated strategic spatial policy and design¹³¹⁴ result in:

- Lost opportunities for supply and reactive rather than proactive planning
- Misalignment between infrastructure investment and housing delivery
- Design and quality shortcuts¹⁵¹⁶

¹⁰ Gallagher, R. (2026). Misaligned Policy and Practice: Does Upzoning's Implicit Reliance on Land Assembly Undermine Densification Goals? *Urban Policy and Research*, 1–19.

<https://doi.org/10.1080/08111146.2026.2656667>

¹¹ The failure of the nation's largest urban renewal project | 7.30, *ABC News in Depth* [Youtube channel], published 3 November 2025, <https://youtu.be/At2kECwK7Tw?si=82uLHAZdkJ4NqUY>

¹² Pinnegar, S., Randolph, B., & Troy, L. (2020). Decoupling Growth from Growth-dependent Planning Paradigms: Contesting Prevailing Urban Renewal Futures in Sydney, Australia. *Urban Policy and Research*, 38(4), 321–337. <https://doi-org.virtual.anu.edu.au/10.1080/08111146.2020.1795636>

¹³ The Urban Developer and Future Urban. (2026). Planning Delays Cost Developers as Infrastructure Falls Behind. *The Urban Developer*, <https://www.theurbandevolver.com/articles/future-urban-planning-approvals-developer-advice>

¹⁴ Young, E. (2024). Experts have said for years we need more social and affordable housing. So where is it? *ABC News*, <https://www.abc.net.au/news/2024-01-28/where-is-the-social-and-affordable-housing/103380050>

¹⁵ Daniel, L., Lang, M., Barlow, C., Phibbs, P., Baker, E., and Hamilton, I. (2024) A national roadmap for improving the building quality of Australian housing stock, AHURI Final Report No. 426, *Australian Housing and Urban Research Institute Limited*, Melbourne, <https://www.ahuri.edu.au/research/final-reports/426>, doi: 10.18408/ahuri3232301

¹⁶ Sharam, A., Bryant, L., & Alves, T. (2015). De-risking development of medium density housing to improve housing affordability and boost supply. *Australian Planner*, 52(3), 210–218. <https://doi.org/10.1080/07293682.2015.1034146>

- Diminished funding, financing, and reinvestment capacity for supporting near-term and future, intergenerationally responsive housing stock¹⁷¹⁸¹⁹

3.2 Inadequate use of targeted planning instruments

There is a strong case for special purpose rezoning mechanisms, particularly around transport nodes, and transit-oriented development (TOD) frameworks with explicit density targets. Best practice would include:

- Region-wide spatial identification of TOD opportunities
- Binding dwelling and density targets at scale, leveraging frameworks like the *South East Queensland (SEQ) Regional Plan* but enforcing them through mandatory, non-discretionary municipal allocations to eliminate local council bottlenecks.
- Alignment with federally funded infrastructure through agglomeration targets
- Leveraging use of modern spatially explicit digital twin and modelling tools to support integrated spatial and urban analysis at national and jurisdictional administrative levels²⁰
- Human (pedestrian) scale mobility and movement design embedding²¹²²²³

3.3 Post-Approval Bottlenecks and "Deemed-to-Comply" Realities

Streamlining planning approvals yields minimal dividend if the pipeline stalls immediately post-approval.

- The Activation Gap: Hundreds of thousands of approved dwellings across Australia sit unbuilt due to financing constraints, labor shortages, and uncoordinated infrastructure rollout.

¹⁷ Infrastructure Australia (2025). Billions injected into national infrastructure pipeline as governments target energy and housing growth, *Infrastructure Australia* [Media Release], <https://www.infrastructureaustralia.gov.au/listing/media-release/billions-injected-national-infrastructure-pipeline-governments-target-energy-and-housing-growth>

¹⁸ Property Council of Australia (2025). Infrastructure capacity key to new housing and industrial land supply, *Property Council of Australia* [Media Release], <https://www.propertycouncil.com.au/media-releases/infrastructure-capacity-key-to-new-housing-and-industrial-land-supply>

¹⁹ Urban Development Institute of Australia – SA Division (2026). UDIA State of the Land reveals why Australia’s housing supply crisis will get worse in 2026, *UDIASA*, <https://www.udiasa.com.au/policy-advocacy/latest-news/udia-state-of-the-land-reveals-why-australias-housing-supply-crisis-will-get-worse-in-2026>

²⁰ Steele, A. (2025). Housing Analytics Lab Opens to Tackle Housing Crisis, *Australian Research Data Commons*, <https://ardc.edu.au/article/housing-analytics-lab-opens-to-tackle-housing-crisis/>

²¹ See New South Wales Government, Transport for NSW ‘[NSW Movement and Place Framework](#)’

²² See Green Building Council Australia ‘Green Star Communities’ precinct scale rating system, <https://new.gbca.org.au/green-star/rating-system/communities/>

²³ WSP (2023). Reimagining movement and place, *WSP* [blog], <https://www.wsp.com/en-au/insights/reimagining-movement-and-place>

- Infrastructure Sequencing: Dwellings are frequently held back because local utilities (water, power, sewerage) are not sequenced concurrently with planning hand-offs, causing extensive post-approval delays.

Urban infrastructure and housing analytics paired with spatial simulation and modelling tools can support coordination and sequencing, streamline and translate interoperability and sustainable development requirements²⁴²⁵. Investing in this capacity now will pay dividends by modelling future housing stock requirements, including along new high frequency, mass mobility transit station nodes and intermodal corridors such as Australia’s future high speed rail network and urban interfacing freight and logistics routes.

4. Governance, Integrity, and Accountability Failures

4.1 Weak governance and lack of independence

Current processes often lack independence, are susceptible to political and private sector influence, and contain risks of conflicts of interest and corruption²⁶²⁷.

A Market Integrity Disconnect: In contrast to financial markets, the housing and residential land stock—despite being Australia's largest asset class—lacks comparable nationally consistent safeguards against insider advantages and access to privileged information²⁸²⁹. Just as corporate and financial markets are protected by independent regulatory oversight to prevent market manipulation, the residential land market requires rigid, independent institutional safeguards to govern rezoning disclosures.

This deficit undermines market integrity, public trust, and the efficient allocation of capital, supply, distribution, and diversity of housing stock.

4.2 Lack of accountability across government systems

²⁴ Aminpour, F. and Soundararaj, B. (2025). Building a national digital platform for planning and housing decision support, *UNSW City Futures* [Blog], <https://blogs.cityfutures.unsw.edu.au/news/building-national-digital-platform-planning-and-housing-decision-support>

²⁵ Foth, M., Choi, J., and Satchell, C. (2011). Urban informatics. In Bardram, J E & Ducheneaut, N (Eds.) *Proceedings of the ACM 2011 Conference on Computer Supported Cooperative Work, CSCW*. Association for Computing Machinery, United States, pp. 1-8. <https://doi.org/10.1145/1958824.1958826>

²⁶ Ng, Y. (2026). Amid an Olympic boom, it’s risky timing to lift a ban on developers’ political donations, *The Conversation*, <https://theconversation.com/amid-an-olympic-boom-its-risky-timing-to-lift-a-ban-on-developers-political-donations-274740>

²⁷ Walsh, L. (2026). Developers with state-tied projects donate to Queensland politicians after ban lifted, <https://www.abc.net.au/news/2026-05-18/developers-donate-thousands-after-qld-ban-life/106683676>

²⁸ Keane, B. (2021). Zones of corruption: how property development inherently challenges democracy, *Crikey*, <https://www.crikey.com.au/2021/03/24/property-zoning-corruption/>

²⁹ Murray, C. K. and Frijters, P. (2016). Clean money, dirty system: Connected landowners capture beneficial land rezoning, *Journal of Urban Economics*, 93, pp. 99-114, <https://doi.org/10.1016/j.jue.2016.04.001>

There is no clear accountability for housing supply outcomes, approval timelines, and spatial equity³⁰³¹. This governance vacuum contributes to persistent under-delivery, crisis-level affordability and accommodation pressures³²³³, and policy inertia.

5. Social and Spatial Inequality

5.1 Systematically unequal impacts

Existing processes disproportionately affect low-income communities, migrant and refugee communities, younger populations, people with disabilities, veterans, and Aboriginal and Torres Strait Islander individuals, families, and their communities³⁴. Housing system failures are widening wealth and disposable income gaps³⁵, health and education inequalities³⁶³⁷, and intergenerational disadvantage³⁸³⁹⁴⁰.

5.2 Structural spatial inequality within and across regions

³⁰ Nice, Kerry A., and Mark Stevenson. 2026. "Urban Density and Equity of Access to Social Services in Australian Urban Areas." *Findings*, May 12. <https://doi.org/10.32866/001c.161504>

³¹ Wiesel, I., & Liu, F. (2021). Conceptualising modes of redistribution in public urban infrastructure. *Urban Studies*, 58(8). <https://doi.org/10.1177/0042098020913188>

³² 'Housing Affordability', *Australian Institute of Health and Welfare (AIHW)*, Australian Government, 16 October 2025, <https://www.aihw.gov.au/reports/australias-welfare/housing-affordability>

³³ 'Homelessness and homelessness services', *AIHW*, Australian Government, 4 December 2025, <https://www.aihw.gov.au/reports/australias-welfare/homelessness-and-homelessness-services>

³⁴ Wheeler, T. (2023). Inequality in housing and community solutions, *Journal & Proceedings of the Royal Society of New South Wales*, 156(1), pp. 110–125, <https://www.royalsoc.org.au/wp-content/uploads/2023/07/156-1-F-15-Wheeler.pdf>

³⁵ 'Income and income inequality', *AIHW*, Australian Government, 16 October 2025, <https://www.aihw.gov.au/reports/australias-welfare/income-and-income-inequality>

³⁶ Li Y, Singh A, Bentley R. Housing Australian Children: A Snapshot of Health Inequities in the First 2000 Days. *J Urban Health*. 2024 Dec;101(6):1259-1269. doi: [10.1007/s11524-024-00925-0](https://doi.org/10.1007/s11524-024-00925-0)

³⁷ 'Social determinants of health', *AIHW*, Australian Government, 2 July 2024, <https://www.aihw.gov.au/reports/australias-health/social-determinants-of-health>

³⁸ Twyford, L. (2026). Select Committee on Intergenerational Housing Inequity in Australia, *Queensland Family and Child Commission*, Queensland Government, <https://www.qfcc.qld.gov.au/sites/default/files/submission-2026-select-committee-on-intergenerational-housing-inequity-in-australia-principal-commissioner.pdf>

³⁹ Ong Viforj, R. and Phelps, C. (2023). Australia's growing intergenerational housing wealth divide: trends and policy implications, *CEDA [Blog]*, <https://www.ceda.com.au/news-and-resources/opinion/built-environment-urban-planning-cities/australia-s-growing-intergenerational-housing-wealth>

⁴⁰ Australian Institute of Health and Welfare (2019). *Australia's welfare 2019 data insights. Australia's welfare series no. 14. Cat. no. AUS 226*. Canberra: AIHW. <https://www.aihw.gov.au/getmedia/37c2c8b7-328c-41e1-bace-87ed7a551777/australias-welfare-chapter-2-summary-18sept2019.pdf.aspx>

Historical and current dynamics contribute to multi-speed housing markets and intra-LGA and cross-LGA inequality^{41,42}. Younger and lower-income populations are being displaced to outer LGAs, leading to an under-utilisation of infrastructure in high-opportunity areas and overburdened services in growth areas. This results in reduced access to jobs and services, lower economic productivity, and entrenched postcode disadvantage⁴³.

5.3 Emergence and growth of informal and poorly regulated submarkets

Due to supply failure, the market is compensating through informal subletting, rooming accommodation conversions, and secondary dwellings (e.g., granny flats) used as quasi-rental stock⁴⁴. These submarkets are poorly regulated, expose tenants to legal and safety risks, and reflect unmet demand in formal markets^{45,46}.

6. Infrastructure and Community Capacity Constraints

⁴¹ 'Regional growth exposes need for a dedicated national housing plan', *Housing Industry Association* [Media Release], 7 April 2026, https://hia.com.au/our-industry/newsroom/industry-policy/2026/04/regional-growth-exposes-need-for-a-dedicated-national-housing-plan?srsId=AfmBOoqjw_A7aqpWd0ZtnBxf-aqfalIS0-y3pak0C8SOftaqzwAaHLif

⁴² Yates, J. (2002). A spatial analysis of trends in housing markets and changing patterns of household structure and income, AHURI Positioning Paper No. 30, *Australian Housing and Urban Research Institute Limited*, https://www.ahuri.edu.au/sites/default/files/documents/2021-09/AHURI_Positioning_Paper_No30_A_spatial_analysis_of_trends_in_housing_markets_and_changing_patterns_of_household.pdf

⁴³ Sarkar, S., Shrivastava, R., Gurrán, N. and Chapple, K. (2021). Spatial segregation and neighbourhood change, AHURI Final Report No. 414, *Australian Housing and Urban Research Institute Limited*, Melbourne, <https://www.ahuri.edu.au/research/final-reports/414>, doi: 10.18408/ahuri7323601.

⁴⁴ Van Onselen, L. (2025). Rental crisis drives Aussies into share housing, *Macrobusiness*, <https://www.macrobusiness.com.au/2025/12/rental-crisis-drives-aussies-into-share-housing/>

⁴⁵ Huda, F. Y., Kamruzzaman, L. (MD), Nikfalazar, S., Koh, S. Y., Arunachalam, D., & Lukose, D. (2024). The Trends and Patterns of Informal Housing Practices in Australia. *Urban Policy and Research*, 42(4), 445–462. <https://doi.org/10.1080/08111146.2024.2399031>

⁴⁶ Shrestha, P., & Gurrán, N. (2024). Breaking the rules? Informal housing, urban deregulation and secondary dwellings in Australia. *European Urban and Regional Studies*, 31(4), 394–410. <https://doi.org/10.1177/09697764221145436>

Housing growth is not matched with health services, emergency services, transport, and public realm and safety infrastructure⁴⁷⁴⁸⁴⁹. This reflects poor integration of planning and infrastructure funding, alongside a lack of forward capacity-building.

Without investment in wrap-around systems, rapid densification and outer-urban growth risk increased community vulnerability⁵⁰, community resistance⁵¹⁵², declining social cohesion⁵³, and geographic isolation⁵⁴.

7. Community Participation and Social Cohesion

7.1 Need for meaningful community engagement

Current engagement is often reactive, tokenistic, and poorly accessible⁵⁵. Best practice models, such as the *Western Sydney Airport* consultation frameworks, demonstrate the profound value of accessible, multilingual, and transparent engagement⁵⁶. Early and continuous involvement builds

⁴⁷ 'Infrastructure remains the barrier to increased housing supply', *Housing Industry Association* [Media Release], 11 June 2026, <https://hia.com.au/our-industry/newsroom/economic-research-and-forecasting/2026/06/infrastructure-remains-the-barrier-to-increased-housing-supply?srsId=AfmBOoooZxWbgKn6N1xOFTTrQ7espuh6IWYZrgoVkBhV2yApCNwKbGH>

⁴⁸ Equity Economics and Australian Local Government Association. (2025). Addressing the housing crisis: unlocking local government's contribution, *Australian Local Government Association*, <https://alga.com.au/wp-content/uploads/2025/04/Addressing-the-Housing-Crisis-report.pdf>

⁴⁹ 'Infrastructure and services failing to keep pace with new housing growth', *Infrastructure Australia* [Media Release], 11 December 2018, <https://www.infrastructureaustralia.gov.au/listing/media-release/infrastructure-and-services-failing-keep-pace-new-housing-growth>

⁵⁰ Foster et al. (2013). Metropolitan Melbourne in 2021: changes and implications for the emergency management sector, *Victorian Fire Services Commissioner 2021 research program strategic issues series*, <https://knowledge.aidr.org.au/media/2255/ajem-28-04-03.pdf>

⁵¹ Davison, G., Legacy, C., Liu, E., Han, H., Phibbs, P., Nouwelant, R., Darcy, M. and Piracha, A. (2013) Understanding and addressing community opposition to affordable housing development, *AHURI Final Report No.211*. Melbourne: Australian Housing and Urban Research Institute. https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI_Final_Report_No211_Understanding-and-addressing-community-opposition-to-affordable-housing-development.pdf

⁵² Newton, P.W., Newman, P.W.G., Glackin, S., Thomson, G. (2022). The Greyfield Challenge to Australian Governments. In: *Greening the Greyfields*. Palgrave Macmillan, Singapore. https://doi.org/10.1007/978-981-16-6238-6_2

⁵³ 'Social cohesion and social connection', *AiHW*, Australian Government, 16 October 2025, <https://www.aihw.gov.au/reports/australias-welfare/social-cohesion-and-social-connection>

⁵⁴ Khan, M.A., Adegboye, O., Lyu, S. et al. Spatial Disparities in Emergency Service Accessibility for Vulnerable Populations in Melbourne: A Voronoi Tessellation Study. *Spat Demogr* **14**, 6 (2026). <https://doi.org/10.1007/s40980-026-00159-5>

⁵⁵ Kuestenmacher, S. (2026). The Stats Guy: Why modern Australia is less socially cohesive and how to fix this, *IndailyQld*, <https://www.indailyqld.com.au/news/contributor/simon-kuestenmacher>

⁵⁶ See Western Sydney International (Nancy-Bird Walton) Airport – Airspace and flight path design Environmental Impact Statement, 2024, Chapter 9 'Community and Stakeholder Engagement', https://www.wsiflightpaths.gov.au/pdf-documents/eis-documents/WSI_EIS_Chapter_9_-_Community_and_stakeholder_engagement.pdf

a comprehensive understanding of community impacts, creating an "Infrastructure and Housing Social Licence" that minimizes litigious and localized nimbyism.

7.2 Co-designing housing futures

Communities should be involved in setting housing targets, designing neighbourhood visions, and identifying local priorities. Approaches such as design charrettes can improve social licence, support better planning outcomes, and strengthen community cohesion.

8. Rethinking Urban Models: From Efficiency to Human Outcomes

Current housing and land planning models remain based on politically expedient, linear, efficiency-driven assumptions, which fail to reflect real social and cultural dynamics⁵⁷. A shift is needed toward:

- Housing diversity to reflect community-centered and multigenerational models of urban living⁵⁸
- Housing for healthy living and improved health and social well-being⁵⁹⁶⁰
- Supporting ageing in place and independent living⁶¹
- Culturally sensitive and culturally adequate housing⁶²⁶³

⁵⁷ Wheeler, T. (2026). Housing Australia: Why we need better planning for housing, *Architecture and Design*, <https://www.architectureanddesign.com.au/editorial/opinion/housing-australia-why-we-need-better-planning-for-housing>

⁵⁸ Slade, L. (2026). 'Everyone's happy': Why multigenerational living is on the rise, *Australian Financial Review*, <https://www.afr.com/property/residential/everyone-s-happy-why-multigenerational-living-is-on-the-rise-20260324-p5u8rs>

⁵⁹ AIHW. (2024). Australian Burden of Disease Study 2024, *AIHW*, <https://www.aihw.gov.au/reports/burden-of-disease/australian-burden-of-disease-study-2024/contents/key-findings>

⁶⁰ Phibbs, P. and Thompson, S. (2011) The health impacts of housing: toward a policy-relevant research agenda, *AHURI Final Report No. 173*. Melbourne: Australian Housing and Urban Research Institute. https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI_Final_Report_No173_The_health_impacts_of_housing_toward_a_policy-relevant_research_agenda.pdf

⁶¹ E, J., Xia, B., Chen, Q., Buys, L., Susilawati, C., & Drogemuller, R. (2024). Impact of the Built Environment on Ageing in Place: A Systematic Overview of Reviews. *Buildings*, 14(8), 2355. <https://doi.org/10.3390/buildings14082355>

⁶² Greenop, K. (2025). Fit for purpose: Culturally adequate housing, <https://architectureau.com/articles/fit-for-purpose-culturally-adequate-housing/>

⁶³ Milligan, V., Phillips, R., Easthope, H., Liu, E., and Memmott, P. (2011) *Urban social housing for Aboriginal people and Torres Strait Islanders: respecting culture and adapting services*, AHURI Final Report No. 172, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/172>

- Reducing local youth and older adult unemployment through social procurement policies and local economic activation throughout housing development and construction phases⁶⁴⁶⁵

Metrics such as burden of disease by location should be institutionalised to directly assess spatial inequality, guide investment decisions, and fundamentally link housing density policy to long-term health outcomes⁶⁶.

9. Design Quality, Sustainability, and Resilience

Poor design and spatial placement of new housing stock bears significant economic and social costs⁶⁷⁶⁸⁶⁹⁷⁰⁷¹, including legal disputes (e.g., building defects, strata, and body corporate disputes), safety risks, reduced insurability, long-term remediation costs, financial stress, and time lost from work or study.

Good design should be climate-resilient and low emissions, operate across multiple scales (building, landscape, metropolitan, and bioregional), and support shared, networked community

⁶⁴ Woolcott, G., Loosemore, M., Keast, R., & Chamberlain, D. (2023). Addressing youth un/underemployment through construction social procurement: an ecological systems theory perspective. *Construction Management and Economics*, 41(11–12), 942–960. <https://doi.org/10.1080/01446193.2023.2219351>

⁶⁵ Strawa, C. (2022). Supporting young people experiencing disadvantage to secure work, *Australian Institute of Family Studies*, Australian Government, <https://aifs.gov.au/resources/short-articles/supporting-young-people-experiencing-disadvantage-secure-work>

⁶⁶ AIHW (2021). Australian Burden of Disease Study 2018: Interactive data on disease burden, *AIHW*, Australian Government, <https://www.aihw.gov.au/reports/burden-of-disease/abds-2018-interactive-data-disease-burden/contents/remoteness-areas>

⁶⁷ Johnston, S. (2025). Why climate change will put your insurance premiums underwater, <https://www.afr.com/policy/energy-and-climate/why-climate-change-will-put-your-insurance-premiums-underwater-20251105-p5n7yp>

⁶⁸ Colvin, A. (2024). Independent Review of Commonwealth Disaster Funding. Final Report. <https://www.nema.gov.au/sites/default/files/2024-10/Independent%20Review%20of%20Commonwealth%20Disaster%20Funding%20-%20Final%20report%20-%20Medium%20Res.PDF>

⁶⁹ Groenendaal, B., Miller, D., & Talebian, N. (2025). A review of structural health challenges in community title schemes above three storeys in Queensland. *Australian Planner*, 61(1), 15–28. <https://doi.org/10.1080/07293682.2025.2478956>

⁷⁰ Equity Economics. (2018). The cost of building defects: Economic modeling of the cost of building defects in apartments across Australia, *Equity Economics*, https://www.equityeconomics.com.au/s/APARTMENTDEFECTS_EquityEconomicsModelingofCost.pdf

⁷¹ Plass, J. and Zinn, J. O. (2025). The Australian housing affordability trap – How environmental, institutional, and structural factors can immobilize Australian households in the face of extreme weather events – A case study on flooding, *Climate Risk Management*, 48, 100713, <https://doi.org/10.1016/j.crm.2025.100713>

infrastructure. It should be directly rewarded with access to green mortgages and construction finance, and must remain insurable⁷².

Examples of good practice include:

- Government and city architect appointments to oversee planning and design innovation, standards, and practice guidelines⁷³.
- Pattern-Based Design Pathways⁷⁴: Standardised, high-quality architectural "pattern books" should be legally tied to fast-tracked, "deemed-to-comply" approval pathways. This would dramatically lower regulatory costs and design barriers for small and medium-sized (SME) developers.
- First Nations-led, Country-centred design frameworks that incorporate Indigenous knowledge and perspectives for the design and governance of housing policy^{75/76}.

10. First Nations and Care for Country

Housing policy must incorporate Care for Country principles, place-based, culturally informed design, and Closing the Gap objectives⁷⁷. This is both a matter of equity and restorative justice, and a pathway to better long-term outcomes for all communities.

⁷² Noroozinejad, E. and Morrison, N. (2024). Cheaper housing and better transport? What you need to know about Australia's new National Urban Policy, *The Conversation*, <https://theconversation.com/cheaper-housing-and-better-transport-what-you-need-to-know-about-australias-new-national-urban-policy-244947>

⁷³ 'COX VOX: Architecture's Role in Affordable Housing with Paul Focic', *Cox Architecture*, 2 December 2019, <https://www.coxarchitecture.com.au/perspective/cox-vox-architectures-role-in-affordable-housing-with-paul-focic/>

⁷⁴ Burke, K. (2025). Australia has a \$1 solution for the global housing crisis: a pattern book of architecturally designed homes, *The Guardian*, <https://www.theguardian.com/artanddesign/2025/sep/27/australia-housing-pattern-book-architecturally-designed-homes-exports-solution-global-housing-crisis>

⁷⁵ AHURI. (2020). Incorporating Indigenous knowledge and perspectives into the development of Australian cities, *AHURI*, <https://www.ahuri.edu.au/analysis/brief/incorporating-indigenous-knowledge-and-perspectives-development-australian-cities>

⁷⁶ Hromek et al. (2024). A Country-centred approach to civic biodiversity, *Architecture, Au*, <https://architectureau.com/articles/a-country-centred-approach-to-civic-biodiversity/#>

⁷⁷ National Indigenous Australians Agency (2026) *Measure 2.01 Housing*, Aboriginal and Torres Strait Islander Health Performance Framework website, AIHW, Australian Government, accessed 12 June 2026.

Planning and housing systems should recognise Country as foundational to place⁷⁸, embed First Nations perspectives in governance and design⁷⁹, and incorporate culturally safe truth-telling and truth-listening practice^{80,81}.

11. Reform Priorities

11.1 Planning, Regulatory, and Construction Reform

- Introduce targeted rezoning/upzoning mechanisms, especially around transport nodes.
- Establish "deemed-to-comply" approval pipelines for pattern-book designs to empower SME developers.
- Harmonise building regulations and consumer protections nationally to remove barriers to Modern Methods of Construction (MMC), such as prefabricated and modular builds.

11.2 Governance and Accountability

- Establish independent oversight mechanisms at a national level to protect the residential land asset class from insider speculation and political influence.
- Strengthen transparency and anti-corruption safeguards.
- Introduce system-wide performance monitoring that tracks the timeline from planning approval to construction commencement, uncovering post-approval bottlenecks.

11.3 Market Reform

- Address anti-competitive dynamics and level the playing field for small and medium developers.
- Improve regulation and safety standards of informal housing submarkets.

11.4 Infrastructure and Social Investment

⁷⁸ Kerlake, C. (2025). Country-Centric Design and Technology, *Australian Institute of Architects*, <https://www.architecture.com.au/archives/reading-architecture/country-centric-design-and-technology>

⁷⁹ Moskos, M., Milligan, V., Benedict, R., Phillips, R., Dockery, M., Isherwood, L., Grealy, L., Habibis, D., Murray, G., and van den Nouwelant, R. (2026). A framework for the future of Aboriginal and Torres Strait Islander housing in Australia, AHURI Final Report No. 457, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/457>, doi: 10.18408/ahuri3132001

⁸⁰ 'From knowing to listening: Responsibility in reconciliation', *University of Technology Sydney*, 4 June 2026, <https://www.uts.edu.au/news/2026/06/recording-truth-listening-readying-australia-for-truth>

⁸¹ Payne, A. M., & Norman, H. (2025). 'From The heart': strengthening community-based truth-telling practice in Australia. *Australian Journal of Human Rights*, 31(1), 42–62. <https://doi.org/10.1080/1323238X.2025.2533541>

- Align housing growth with infrastructure capacity by mandating concurrent utility and services sequencing.
- Invest in community services alongside densification.

11.5 Evidence and Data Systems

- Develop spatially explicit, real-time data systems and create a shared “source of truth” accessible to governments and industry.
- Use spatial intelligence, digital twin simulation tools, and housing and urban analytics to guide decisions.
- Integrate health metrics, including burden of disease data, into spatial planning models.

11.6 Community-Centred Approaches

- Institutionalise co-design processes.
- Improve accessibility, language integration, and inclusiveness of engagement to secure robust social licence.

12. Conclusion

Australia’s housing crisis is the outcome of a disempowered, fragmented, and distorted system, where markets are constrained rather than enabled, communities are excluded rather than engaged, and accountability is diffuse rather than enforced.

“We all have a stake” in the housing system—but that stake is currently concentrated and controlled by a narrow set of actors with vested personal and political interests.

Reform must restore:

- Fairness and contestability
- Transparency and integrity
- Community voice and trust
- Economic dynamism, building sector productivity, and long-term systemic resilience