



Bigger, Bolder Action on Housing

AMPLIFY's submission to the Productivity Commission

Executive Summary

Thank you for the opportunity to contribute a community perspective to the Productivity Commission's inquiry into creating a more dynamic and resilient economy – feedback on the interim report.

AMPLIFY is a national, non-partisan organisation powered by everyday Australians who are stepping up to find consensus around bold, practical solutions to the country's biggest challenges—starting with housing.

In early 2025, we brought together 100 representative Australians for a national deliberation on housing reform. Over 70% backed all 13 expert-led housing reforms they deliberated. The clear message is that Australians are ready for reform and that includes reform to taxation, spending and regulation

AMPLIFY supports the Productivity Commission's recommendations for regulating to promote business dynamism, with a focus on businesses involved in building homes. We recognize and support the Productivity Commission's call to remove unnecessary regulations and note that our community agrees with this when it comes to housing. We call on the Productivity Commission to put its weight behind efforts to modernise regulations applying to home building covering building, planning and consumer protection regulation.

Introduction

Thank you for the opportunity to contribute to this consultation on creating a more dynamic and resilient economy for Australia. We commend the Productivity Commission for its part in addressing investment and productivity challenges that ultimately worsen outcomes for Australians.

AMPLIFY is a non-partisan, not-for-profit organisation, established in 2024. We are a national community of everyday Australians who are stepping off the sidelines and helping to build a better Australia. AMPLIFY uses the power of community to identify evidence-backed solutions to our biggest challenges and to campaign for those ideas.

The community backs action on housing to address productivity issues, including cutting red tape

With our partners at YouGov, we recently commissioned a number of nationally representative surveys to better understand how the community feels about issues related to productivity. The results showed clearly that a majority of Australians link the housing crisis to productivity issues, and support reforms to address these.

- 71% agree that with the statement that the promise of higher living standards, a fair go and greater opportunities has been broken
- 61% report that their standard of living has declined in the past five years, with 84% reporting that this has been driven by rising cost of living
- Only 39% agreed that Australians have an equal opportunity to improve their standard of living regardless of their initial circumstances, with 47% answering No.
- When asked about things that have held back opportunity and progress in Australia, 62% see affordable housing as the key barrier to progress, with this particularly strongly felt by younger Australians
- When asked what they think the Federal government should do to improve productivity in Australia, the community thought increasing housing supply was the most important factor
- 70% of Australians support the expansion of prefabricated housing as a method to address the housing crisis, with only 15% opposing

Beyond community polling, AMPLIFY has gathered the informed position of the Australian people on housing reform, including tax, spending and regulatory reforms. In February 2025, our national AMPLIFICATION on housing brought together a broadly representative group of 100 Australians to assess 13 expert-led housing reforms. Each reform had a housing expert as a proponent, a housing expert as a challenger and independent experts in economics, planning and housing policy to answer any questions the participants had. In aspects such as age, location, gender, housing status and voting history, the participants were a microcosm of Australia, and spent two days sharing their views and experiences, and working together to deliberate on bold solutions.¹

The people's message was clear: bold, system-wide action is needed, and boosting housing supply is key. An overwhelming **96% of participants backed regulatory reform to**

accelerate modern housing² with strong support across all ages, regions and political views—signalling a broad national appetite to cut red tape and for modern building solutions to the housing crisis.

Fab, Fast, & Fair Housing

The community identified modern housing as a policy priority capable of improving construction productivity and accelerating housing supply. Participants viewed prefabrication methods as a practical solution—particularly in regional and greenfield contexts—if supported by appropriate procurement, regulatory and skills settings. Their views are evident in three supporting quotes below, collected from participants at our National Housing AMPLIFICATION:

- "It will greatly speed up the building of houses so will increase supply and therefore lower prices" - 79 Year Old from NSW
- "Building more houses is needed, and this option has benefits in terms of speed, cost, labour and accessibility." - 45 Year old from WA
- "Boosts the ability to deliver more homes quickly and at cost. This aids the supply of housing and benefit rural and remote areas as well." 27 Year old from NSW

After information and debate, participants identified the following key benefits of modern homes:

- Faster build times enabled by factory-based production;
- Greater consistency and quality assurance;
- Significant reductions in material waste; and
- Safer and more attractive jobs in controlled environments.

Our own research supports the productivity benefits of prefabricated housing and other forms of modern housing. Construction using prefabricated components enables construction to happen at up to a 50% quicker rate than traditional "onsite" construction.³ Cost reductions are also possible in certain situations, particularly if modern housing projects are delivered at scale. Modern housing is not impacted by adverse weather conditions, meaning that a 10% buffer in budgeting for bad weather is no longer required.⁴ The greatest savings occur in repeatable, labour-intensive projects such as social housing, student accommodation, healthcare and hotels, ensuring that more dwellings are built for sections of the housing market that are drastically in need of additional supply. Additionally, productivity will grow through standardization of products and design, and repetition in a

factory environment, allowing the construction industry to more effectively create key components.⁵

Whilst the direct productivity benefits of Fab, Fast and Fair Housing are evident, there are some more subtle, secondary benefits to increasing this industry. An increase in modern housing will enable the country to meet one of the PC's other goals, Delivering quality care more efficiently. A modern housing builder that we have worked with built exclusively for the non-private market sector. They are able to build compliment homes for NDIS participants in four weeks, ensuring that those who need around-the-clock care get the help they need. Additionally, this modern housing provider built dwellings for fly-in doctors, nurses, and other medical professionals in a rural Victorian town with a housing shortage, nullifying the need for hotels. These dwellings not only enabled the medical workforce to live close to where they worked, but, according to the housing manufacturer, saved the hospital system an estimated \$2.5 million dollars a year, money that was put back into the care of sick Australians.

Policy recommendations

Updating regulations and building codes, using purchasing power to buy at scale, and investing in skills and training were ranked by respondents of our recent YouGov poll as some of the top actions governments should take to support modern housing. Only 9% of Australians polled thought Governments should take no action in relation to enabling modern construction.

This submission reflects this public consensus for **Fab, Fast & Fair Housing**. Specifically, a consensus for reform that:

- seeds the pipeline of modern homes;
- mobilises skills for modern methods of construction; and
- modernises regulations pertaining to housing.

In respect of modernising regulation to support home building businesses, AMPLIFY recommends a 'regulatory taskforce' to join up regulatory reform processes underway and planned at Federal and State/Territory levels and to remove gaps and duplication of effort between them. Specifically, unlocking growth in the modern housing industry requires:

- Defining modern construction consistently across national, state and local government planning and building regulatory arrangements, harmonising nationally.

- Streamlining planning, building and consumer protections to achieve regulatory neutrality between modern and conventional methods of construction and to remove inconsistencies and duplication between governments' layers of regulation.
- Streamlining certification and compliance pathways for modern construction building design, systems and products so approved products and systems can be accepted and used elsewhere.
- A communications and engagement programme with industry running in parallel with the regulatory reform process.

Conclusion

Although there are no silver bullets to Australia's productivity and housing challenges, modernising regulation for modern construction is a no-regrets policy change. The community supports removing unnecessary regulatory barriers that stand in the way of increased housing supply, and we welcome a wider move by the Productivity Commission to remove those unnecessary barriers across the economy

Modern housing offers a credible, scalable contributions to improved productivity, faster housing delivery, and new workforce pathways. Support from the public is clear. Realising this potential depends on a nationally coordinated policy response.

We welcome the opportunity to provide further community insights and perspectives and to support the Productivity Commission in consensus building activities for much-needed reform.

Sources

¹ To read the full results report on our National Housing AMPLIFICATION, click this link: <https://heyzine.com/flip-book/e192b366ce.html#page/1>¹

² *Terminology: AMPLIFY refers to 'modern housing' and 'modern construction'—language that invites trust and avoids framing these homes as 'other'. When we say 'modern housing', we are referring to the spectrum of modern construction approaches and the modern housing types they produce, including prefabricated and modular homes, as well as process innovations such as Design for Manufacture and Assembly (DfMA) and digital design integration.*

³ <https://www.mckinsey.com/capabilities/operations/our-insights/modular-construction-from-projects-to-products>

⁴ <https://www.propertycouncil.com.au/property-australia/wet-weather-is-the-real-killer-construction-delays-ballooning-thanks-to-wet-weather-not-covid>

⁵ These views were put forward to AMPLIFY staff by industry experts at the prefabAUS Offsite 25 conference.