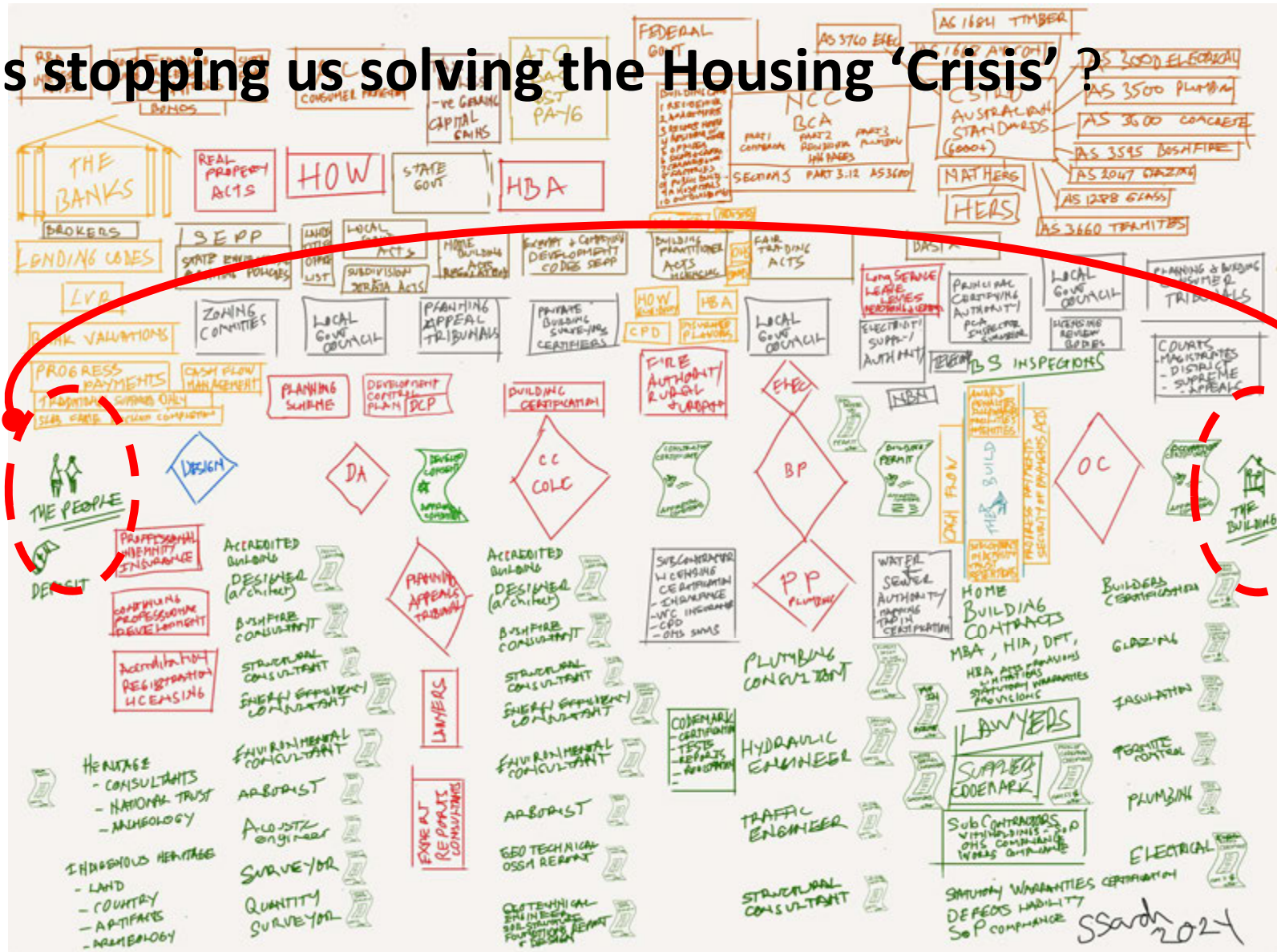


What is stopping us solving the Housing 'Crisis'?



ASPIRATIONS



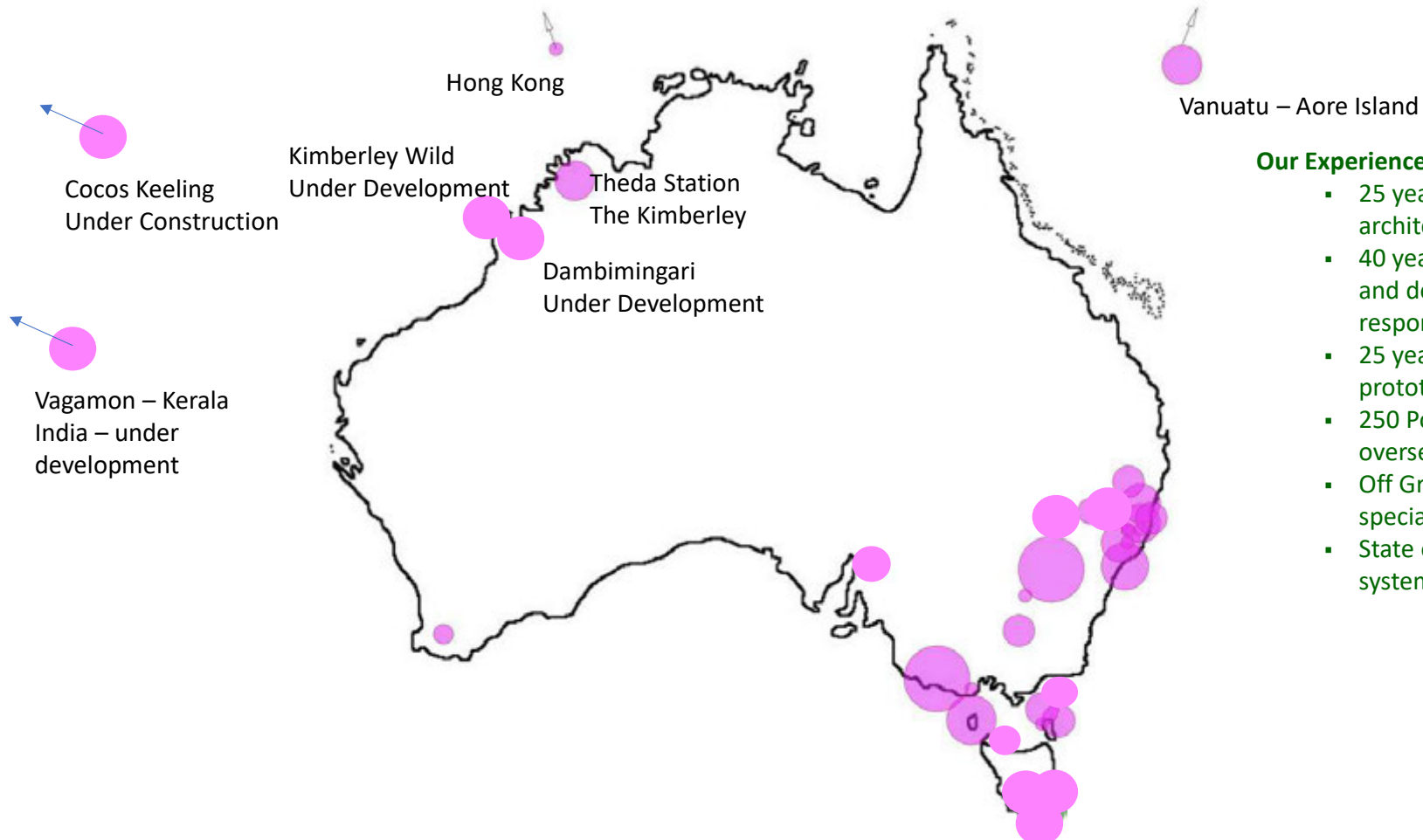
The Affordable Housing Foundation Beautiful Buildings

for people who deserve them, where they need them, when they need them

Touching the Earth Lightly



Where We Work



Our Experience

- 25 years of ecologically responsible architecture
- 40 years of constructing small buildings and developing environmentally responsible systems
- 25 years of PreFab Modular Building prototypes and products
- 250 Pods built around Australia and overseas
- Off Grid, stand alone and remote area specialists
- State of the art Advanced Manufacturing systems for productivity maximisation

The Housing 'Crisis' has happened because not enough houses are being built....

Because there are not enough builders building houses ...

Because building has become too risky and too complex and too bound up in bureaucracy.

And builders are being blamed for this in the Media and politics



“The root of the housing crisis is that dwelling approvals have been declining for 10 years and immigration has been rising for 20 years, with the result that too many people are now chasing not enough houses.

Adding together net migration and natural increase, I calculate that about 57,000 people would have been looking for a place to live in January.

Average occupancy in Australia is 2.5 people per house, so they need about 23,000 homes.

Dwelling approvals in January were 13,104, but it takes about a year to build and furnish a house, so let's go with last January, when approvals were 10,903.

That means the housing shortfall in the month of January 2025 was 12,000 (that is, demand was more than twice supply).

Australian governments have agreed to get 1.2 million houses built over five years, or 240,000 a year, in a National Housing Accord.

The current rate of approvals is about 160,000 a year — 80,000 short.

Housing demand is about 270,000 a year, so even if the target of 240,000 a year was met it would be 30,000 a year short of what's needed ...

The Housing Industry Association estimates that to get housing construction up to the target of 240,000 a year Australia needs another 83,000 trades people.”

ABC - Editorial [Alan Kohler](#) 31-03-25

STRUCTURAL CAUSES of this CRISIS ?

Multicultural Australia leads beneficially to increased immigration 1973

- The NSW Public Housing program was annulled 1975
- Home Building Act 1987 and Regs and associated legislation and standards
- Capital Gains Tax changes 1999 - halved the tax rate for residential capital sales
- *“The fundamental problem is that housing has become a product and an investment market” [Kohler 10/2/25]*
- The GFC put us all back a decade
- Covid 19 shuffled everything
- The Iran War has shuffled things again

And legal cases –2741 Construction Cases were lodged in NCAT in 2023-24 in NSW, for approximately 44,800 new dwellings commenced in the same period – **at least 6.1% of all builds end in NCAT** and more in the District Court

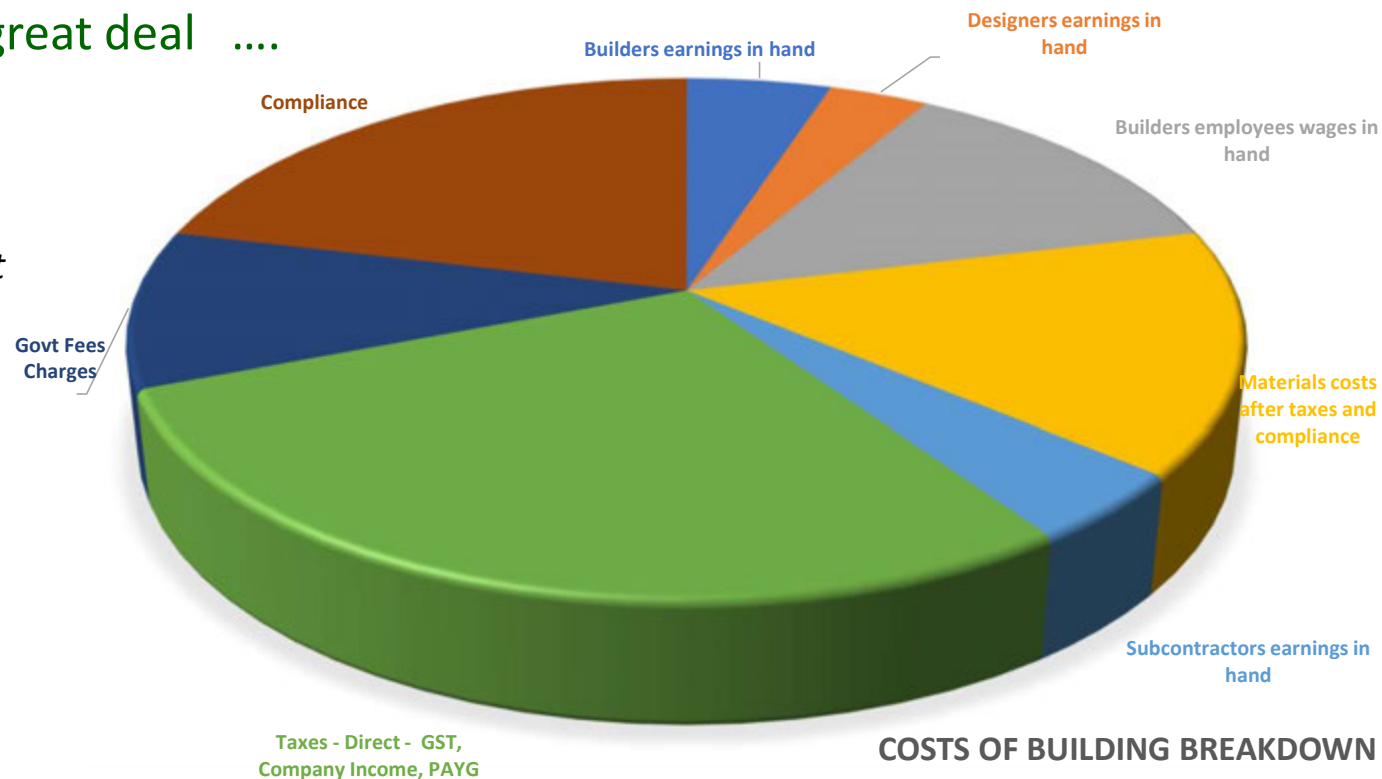


What is stopping us solving the Housing 'Crisis' ?

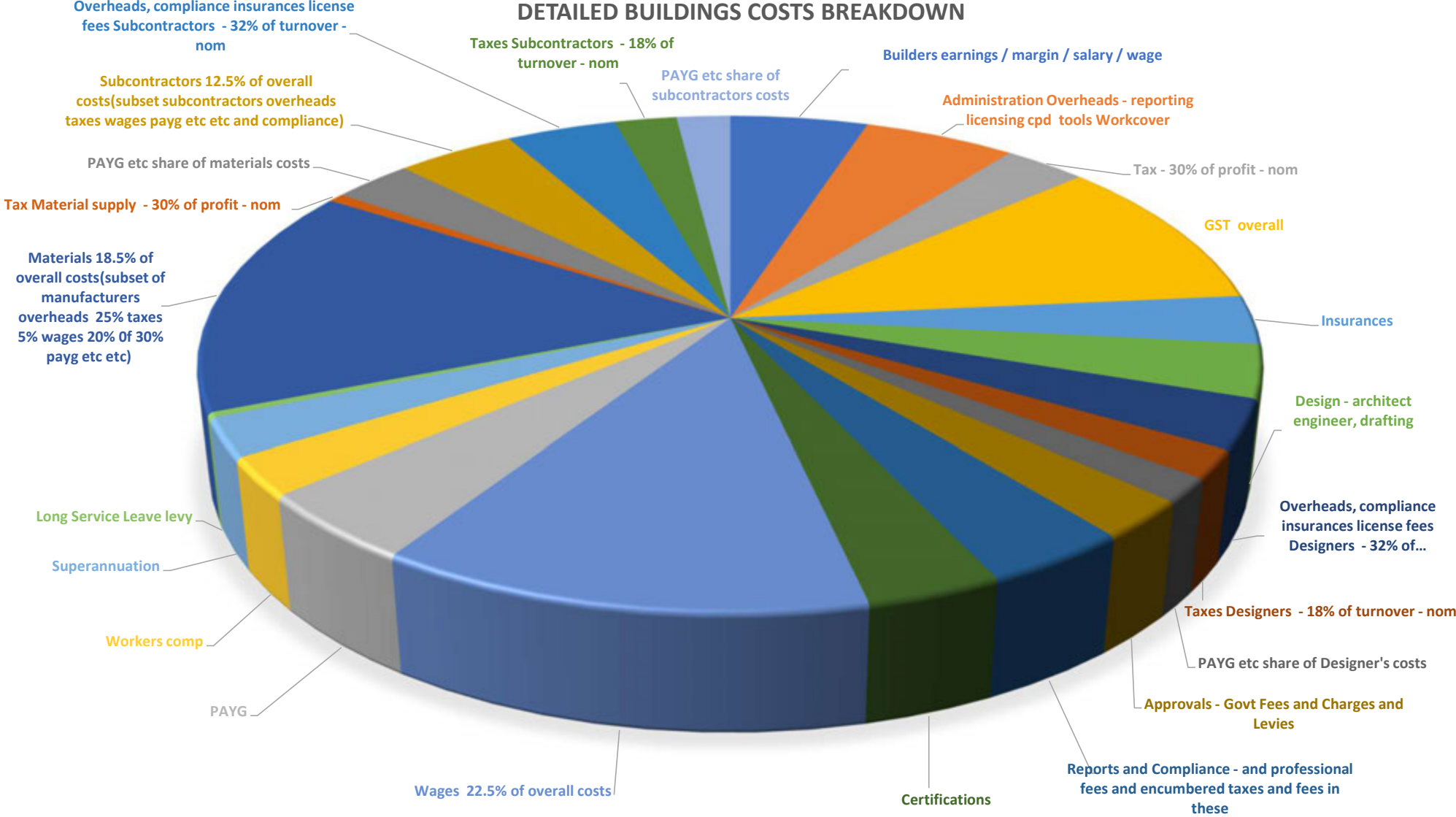
The following is going to sound a bit depressing and jaded. Its really not - Australia has amongst the safest and highest amenity residences on the planet – but it does sound a warning about the direction our culture and the building industry in particular is heading.

I think the chart here says a great deal

And the builder is made out as the one cutting corners and doing dodgy work to quote from the NSW minister as that suits the media and govt and owner narrative. The problem is not going to be solved with more red tape. After the Shergold Weir Building Confidence Report, NSW is about to launch a new Building Bill NSW 2024. One bill to rule them all, one bill to find them, one Bill to bring them all and in the darkness bind them



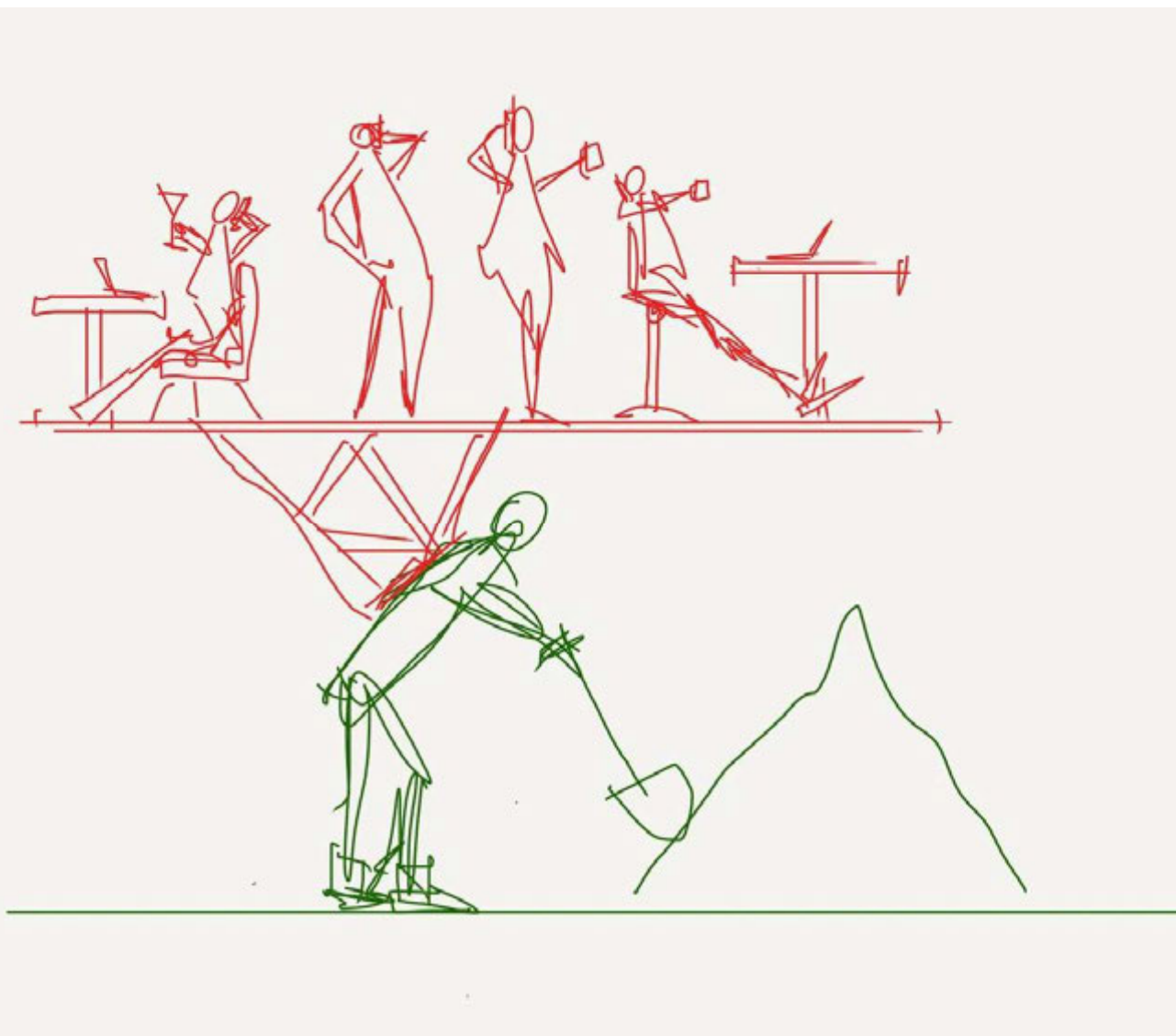
DETAILED BUILDINGS COSTS BREAKDOWN



CULTURAL CAUSES?



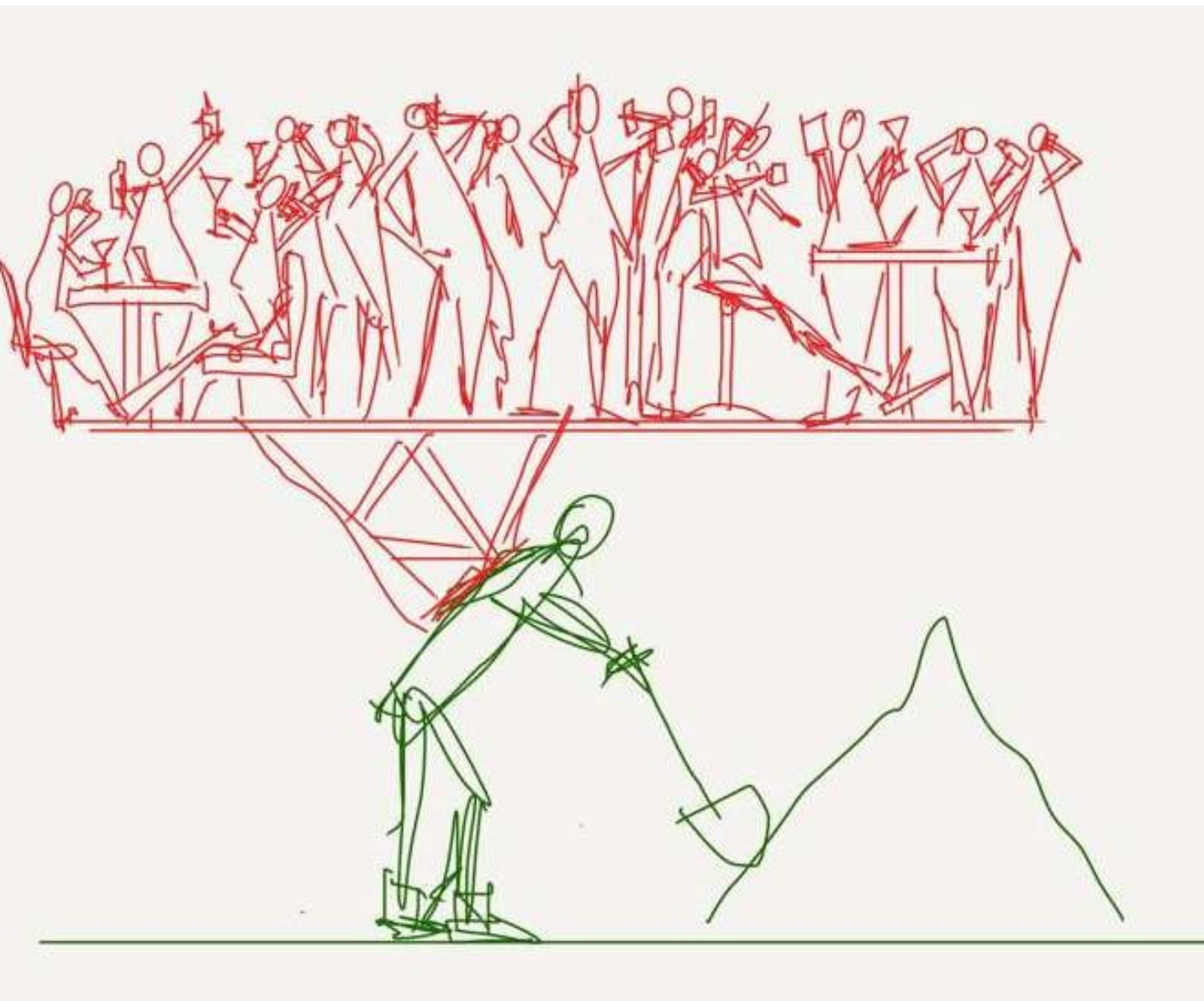
- Building is hard, dirty, draining work out in the rain, sun, heat, cold, on slippery roofs and high walls and everything else. Exposed to the risks that go with making things and doing anything creative and / or new.
- Lots of working people now don't want that and don't see the point. They want a cosy, protected, well paid, air conditioned, sheltered office with no physical or financial risk. Makes sense really.
- So we have an inverted pyramid with the builder in her boots out on site with a mass of 'consultants' all sitting on her back - looking down and watching every move for mistakes or productivity lapses or an opportunity to make more money with another report or inspection or certificate requirement.



Some days it feels like this ...



Other days it feels like this ...



And sometimes like this ...

Compliance complexity

We have seen, in terms of the number of hours worked on a project, the % required for administration and compliance has now exceeded the hours spent actually on site building.

We have gone through the various elements in some detail and our best estimates are that for small cabin projects some 63% of the costs of any building are not to do with the actual building itself.

Design costs; reports and approval fees; development contributions; taxes; compliance certifications and licenses; insurances; product, materials, systems and building certification, endless certifications reports and business paperwork ... all done by well paid professionals making a good steady, no risk income, protected by various professional indemnity schemes - not builders.



The Minister's response to the **Shergold Weir Building Confidence Report 2018**

“People rightfully expect that if there are defects in their building because of dodgy or non-compliant work, the law will protect them” ...

“there is growing evidence that some building practitioners continue to do the wrong thing.” ...

“prevalence of serious compliance failures in recently constructed buildings”

“building practitioners will have a duty of care to homeowners. And NSW will have a Building Commissioner to provide the oversight needed to hold people who do the wrong thing accountable”

Matthew Kean MP

Minister for Innovation and Better Regulation

So ... blame the builder ... more regulation, harsher punishments and a big stick... no actual positive constructive actions ... that is really going to help the industry already drowning in red tape and bureaucracy Not

“This plan will ensure that those who control the risks – building practitioners – are held responsible for them. It is an ambitious plan. It is a plan for the biggest overhaul of NSW building laws in the State’s history. It is a plan to put homeowners first.”

Matthew Kean MP

Minister for Innovation and Better Regulation



It is a plan to put it all on the builder and ignore the nearly insurmountable structural problems the industry faces... how is this going to build more affordable houses ? Or indeed any more homes ?

The new **Building Bill NSW 2024**

One bill to rule the, all, one bill to find them, one Bill to bring them all and in the darkness bind them

From **The 2018 Shergold Weir Building Confidence Report**

Professor Peter Sherwood is English academic specialising in **American politics** and became over time the head of the Australian department of prime minister and cabinet - Australia's most senior bureaucrat.

Bronwyn Weir is a **lawyer**. - Managing Director of Weir Legal & Consulting – advising government regulators with a reputation for expertise in building regulation.

So two deeply entrenched bureaucrats, who are not builders, have not been involved in building and are not qualified to build.

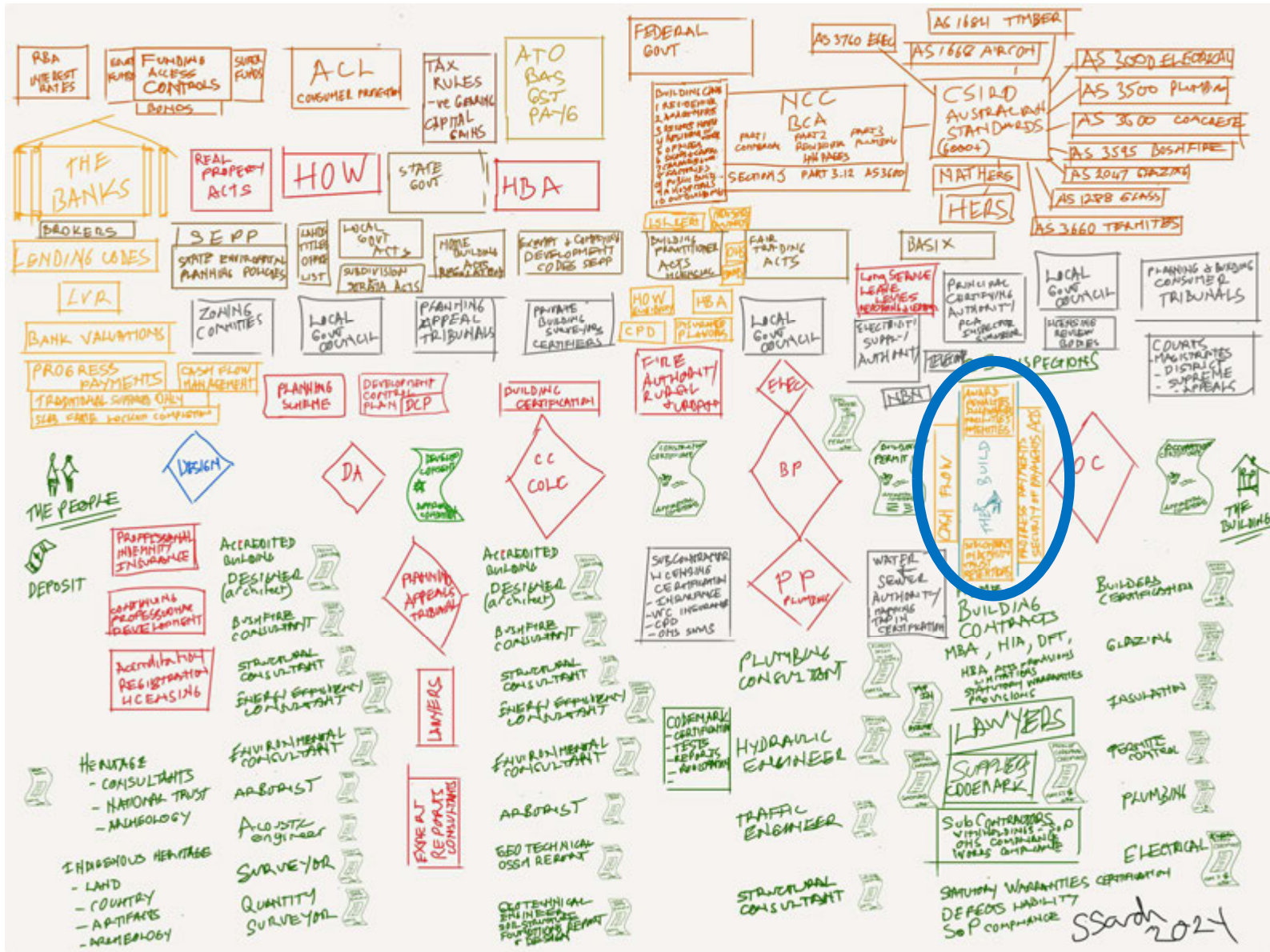
Symptomatic of the system.

This whiteboard brain dump was a quick effort to answer a question about what is required to get a house built in NSW.

Since I started building in the wilds of far southern Tasmania in the early eighties where there were essentially no regulations, starting with the introduction of the BCA in 1988, this has all grown up over the last 40 years.

Ostensibly to protect 'mum and dad' home makers from dodgy shonky builders.

Its frightening



Clearly all this is set up for large scale construction and is less onerous on large scale projects and big companies who can have a specifically designated staff to deal with it all and % of administration costs are significantly amortised over many projects.

But ... in New South Wales (NSW) the construction industry has a vast majority (around 98.7%) of businesses which are small, employing fewer than 20 people [Safe Work NSW], of which 51.9% are sole practitioners [MBA] and they build 75% of all dwellings in NSW.

All this regulation and compliance applies the same for a single small cabin in the bush as for a hundred storey steel glass and concrete tower in the city.



How many builders have left construction in NSW ?

- Very hard to find the data, hidden deep in consultants' reports.
- But – the number of licensed building contractors in NSW (as required for residential construction only) has decreased by 7.5 – 7.7% every year since 2018.
- That's a cumulative 35% - more than one third of all builders have left the industry since 2018.
- That is a number that needs focussing on.
- Why would this be ... ?



In NSW construction;

Employees Large Companies (10.9%)

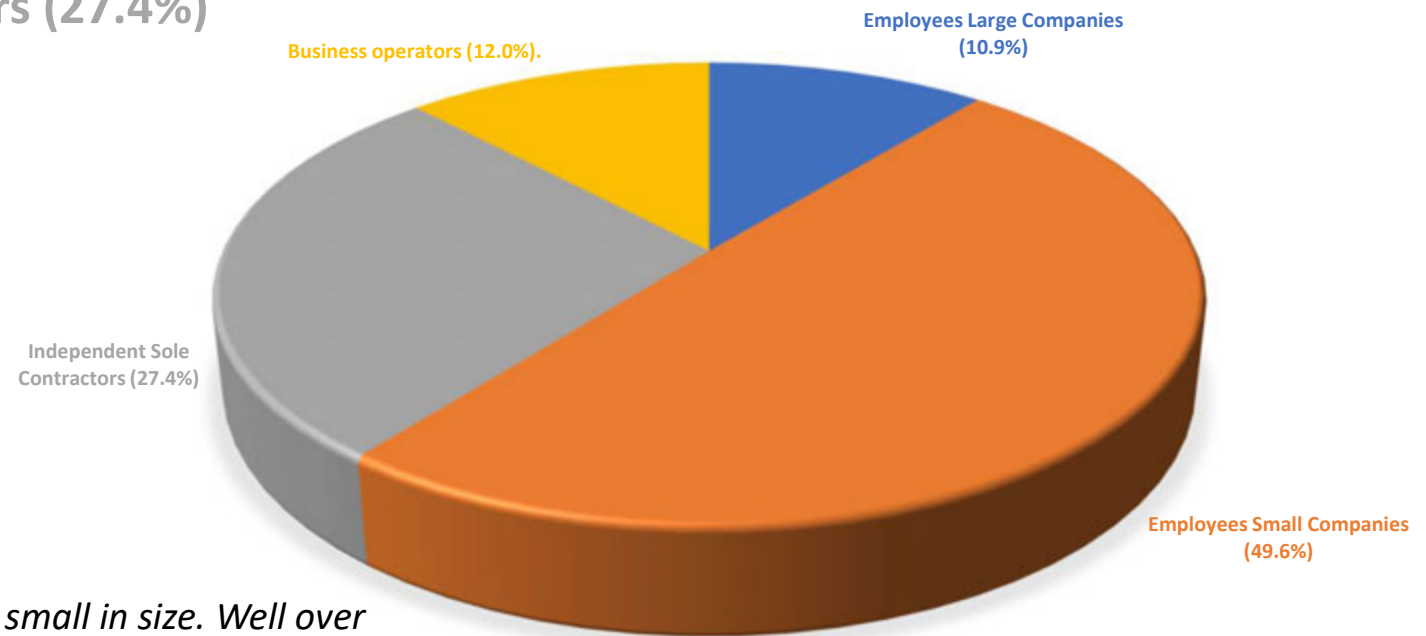
Employees Small Companies (49.6%)

Independent Sole Contractors (27.4%)

Business operators (12.0%)

*258,719 workers are
employed in residential
construction in NSW in May
2024 [MBA from ABS stats]*

NSW CONSTRUCTION EMPLOYMENT BREAKDOWN



The typical construction business is very small in size. Well over one half of construction businesses (59.1%) do not have any employees at all [MBA September 10, 2020]

[Redacted]

**The twenty largest
companies in NSW
construction
produce only 18% of
all dwellings.**

[Redacted]



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[Redacted]

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There is a fundamental lack of understanding by those not physically involved in construction, of the complexity of the building process. Even most architects often have no real understanding of the reality of constructing the things they design.

Defects are a natural, human and probably unavoidable part of complex processes.

Good project management can lessen defects and delays but eliminating them on site construction has proven almost impossible over many centuries due to many issues.

Manufacturing can though, practically eliminate defects or at least reduce them to a minimal status for output elements.

Motor vehicle manufacturing is an exemplar in this and is the model building manufacturing needs to take on, learn from and follow.



AS 3959:2018 The Australian Standards (AS) for the Construction of Buildings in Bushfire-Prone Areas has 133 pages

The AS 3600:2018 Concrete Structures standard has 256 pages

The AS 1684 Timber Framing standard has 305 pages
the NatHERS assessor handbook has 178 pages

The AS 1576 Scaffolding has 64 pages

AS 3798-2007, "Guidelines on earthworks for residential developments," has 38 pages

The AS 3660,1 2014
Termite Management
standard has 58 pages

The NCC 2022 is published in three volumes,
Volume 1 Commercial Construction Class 2-9 has 409 pages,
Volume 2 Residential has 475 pages, and Volume 3
Plumbing has 338 pages

The AS 5131 Steel Framing
standard has 196 pages

AS 3727.1:2016, design
and construction of
pavements, is 34 pages

The AS/NZS 3000:2018 Electrical Installations (Wiring Rules)
standard has 574 pages

The AS 1428.1:2021 standard, which outlines general requirements
for access and mobility in buildings, has 115 pages

The AS 4386 : 2018
Joinery standard
has 37 pages

AS 2047:2014, windows and external glazed doors
in buildings, contains 66 pages

The Australian Standard AS 3740:2021, which covers
waterproofing of domestic wet areas, has 67 pages

AS 2870-2011, the Australian Standard for
Residential Slabs and Footings, has 173 pages

The AS 1668
Airconditioning
standard has
134 pages

The AS 3700:2018 standard, which outlines the
design and construction requirements for
masonry structures, has 168 pages

OH&S Policy
documents
commonly run
to 175 pages

AS 1884 Tiling
has 54 pages

AS 1562.1 – Design and Installation of Sheet
Roof and Wall Cladding has 30 pages

The AS 1288 standard, "Glass in buildings—
Selection and installation", has 174 pages

The AS/NZS 3500 set (Parts 0-4) for
Plumbing and Drainage, which is a set of
standards, contains a total of 795 pages

In Sept 2024 — PropCode [<https://propcode.com.au/news/nsw-dcp-league-table>] gathered all of the NSW DCPs and has counted a grand total of *over 75,000 pages* across all NSW DCPs.. With an average of around 260 words per page, PropCode estimates there are nearly **20 million words** in NSW DCPs

The Tweed Council DCP has 3,762 pages — yes really...

The CoS Development Control Plan 2012 is so large sprawling and intertwined it is not known how many pages it contains

The City of Sydney Local Environment Plan LEP 2012 has 419 pages

The 45 previous State Environmental Planning Policies have been consolidated into 11 policies 'to make the system simpler'

The NSW State Environmental Planning Policy (Housing) 2021 has 173 pages

The NSW State Environmental Planning Policy No 65 — Design Quality of Residential Apartment Development has 20 pages

State Environmental Planning Policy (Precincts—Eastern Harbour City) 2021 has 186 pages

State Environmental Planning Policy (Precincts—Regional) 2021 has 274 pages

The NSW State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004 requires 8-32 pages of input

The NSW State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 has 69 Pages

State Environmental Planning Policy (Biodiversity and Conservation) 2021 has 159 pages

State Environmental Planning Policy (Planning Systems) 2021 has 91 pages

The NSW Local Government (General) Regulation 2021 has 111 pages

The NSW Local Government Act 1993 has 227 pages

The NSW Environmental Planning and Assessment Regulation 2021 has 105 pages

The NSW Environmental Planning and Assessment Act 1979 has 174 pages

The NCC is to be amended in 2025 in a complete revision following the 2022 debacle

The NCC as pretty much completely changed in 2022 was made binding in 2023

The NCC was amended in 2022 to bring in the ABCB Housing Provisions

The NCC was amended in 2022 reinstating Wet Area Detailing requirements

The NCC was amended in 2019 twice

The NCC was amended in 2016 - twice

The NCC was amended in 2015

The NCC was amended in 2014

The NCC was amended in 2013

The NCC was amended in 2012 and Wet Areas details removed to AS 3740

The National Construction Code NCC was first issued in 2011 incorporating the Plumbing Code

The BCA was amended in 2010

The BCA was amended in 2009

The BCA was amended in 2008

The BCA was amended in 2007

The BCA was amended in 2006

The BCA was amended in 2005

The BCA was amended in 2004

The BCA was amended in 1996 – 14 times including the new Volume 2 Residential

The BCA was amended in 1990 – 11 times

The Building Code of Australia BCA was first issued in 1988

- Environmental Planning and Assessment Act 1979 and numerous revisions and amendments and associated Acts and Regulations
- Building and Construction Industry Long Service Payments Act 1986
- NSW Fair trading Act 1987 Over 2500 applications - 80% resolved by Fair trading 20% to NCAT
- NSW Home Building Act 1989 and Part 6 - Home Building Regulations 2014.
- Home Building Compensation Fund HOME BUILDING ACT 1989 - SECT 99
- NSW Civil and Administrative Tribunal (NCAT) *[2023-24 - 2741 applications 2964 cases resolved]*
- Building Legislation Amendment Bill 2023 - amendments to the Home Building Act
- Design and Building Practitioners Act 2020 (NSW) (DBPA)
- The Competition & Consumer Act 2010 - Australian Consumer Legislation ACL (TPA)
- Strata Schemes Management Act 2015 (NSW) 'Strata Building Bond and Inspection Scheme'
- National Construction Code NCC
- Building Code of Australia BCA Volume #2
- Australian Standards AS XXXX – so many they cannot all be named
- Work Health and Safety Act 2011 No 10 - CODE OF PRACTICE - CONSTRUCTION WORK 2019



Building Legislation Amendment Act 2023 – 45 pages

Development Certification and Fire Safety Regulation (Environmental Planning and Assessment Regulation 2021) – 14 pages

The Design and Building Practitioners Act 2020 – 28 pages

Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020 – 13 pages

Building and Development Certifiers Act 2018 (NSW) – 22 pages

The NSW Strata Building Bond and Inspections Scheme (SBBIS) 2018 – 48 pages

The NSW Building Products (Safety) Act 2017 – 50 pages

Building and Construction Industry (Improving Productivity) Act 2016 – 38 pages

Strata Schemes Development Act 2015 (NSW) – 142 pages

Strata Schemes Management Act 2015 – 273 pages

Home Building Amendment Act 2014 – 50 pages

Civil and Administrative Tribunal Act 2013 – 37 pages

Plumbing and Drainage Act 2011 – 34 pages

Residential Tenancies Act 2010 (NSW) – 143 pages

Competition and Consumer Act 2010 – 250 pages Incorporating the ACL

Building Professionals Act 2005 – 76 pages

Architects Act 2003 -17 pages

Building and Construction Industry Security of Payment Act NSW 1999 amended 2001 & 2018 – 13 pages

Home Building Act 1989 (NSW) – 100 pages & Regulations 2014 – 37 pages

The Fair Trading Act 1987 - NSW Fair Trading, - 108 pages & Regulations 2019 – 14 pages

Environmental Planning and Assessment Act 1979 (EP&A Act) – 327 pages

The Housing Improvement Act 1936 (NSW) – still current

**Fair Work Amendment
(Paid Family and Domestic
Violence Leave) Act 2022**

**Fair Work Act 2009
& 2015 2017, 2020,
2021, 2022, 2023,
2024 amendment**

**Civil Procedure Act 2005
20 pages**

**Gas & Electricity Act
(Consumer Safety) 2017**

**Work Health and Safety Act 2011 – 177 pages
And 2018, 2022, 2023, 2024 amended acts**

Property and Stock Agents Act 2002

Community Land Management Act 2021

Building Bill 2024 NSW TBA – 113 pages ???



The NSW Home Building Act has been amended more than 55 times since 2000

The NSW Home Building Regulation has been amended more than 65 times since 2000

NSW Government Current Housing Policies:

Low and Mid-Rise Housing Policy

The NSW Government has introduced a Low and Mid-Rise Housing Policy to encourage more dual occupancies, terraces, townhouses, apartments, and shop-top housing in low and mid-rise housing areas across Greater Sydney and the Central Coast.

•Affordable Housing:

The NSW Government has also introduced a new state significant development pathway for residential development with an estimated development cost of over \$75 million in Greater Sydney, and \$30 million outside Greater Sydney, which includes at least 10% affordable housing.

•In-fill Affordable Housing:

The NSW Government amended the State Environmental Planning Policy (Planning Systems) 2021 to temporarily expand the pathway for in-fill affordable housing state significant development (SSD).



**ALL OF THESE HAVE BEEN TAKEN OVER BY PLANNERS AND BUREAUCRACIES AND
TRANSMOGRIFIED INTO YET MORE PLANNING COMPLIANCE CODES**

***“2024 'worst year ever' for builders falling like dominoes.
More builders are set to fold in 2024 than ever before, as
labour shortages, building costs and other factors hamper
the construction sector.” [API 23/7/24]***

[Redacted]

[Redacted]

Record Insolvencies 2024:

The construction sector saw the highest number of insolvencies in a decade, with 2,975 construction companies going into insolvency in the twelve months leading up to June 2024

Dwelling Completions - Australia

6/1/2020

[Redacted]

1/1/2020

1/1/2020

1/1/2020

1/1/2020

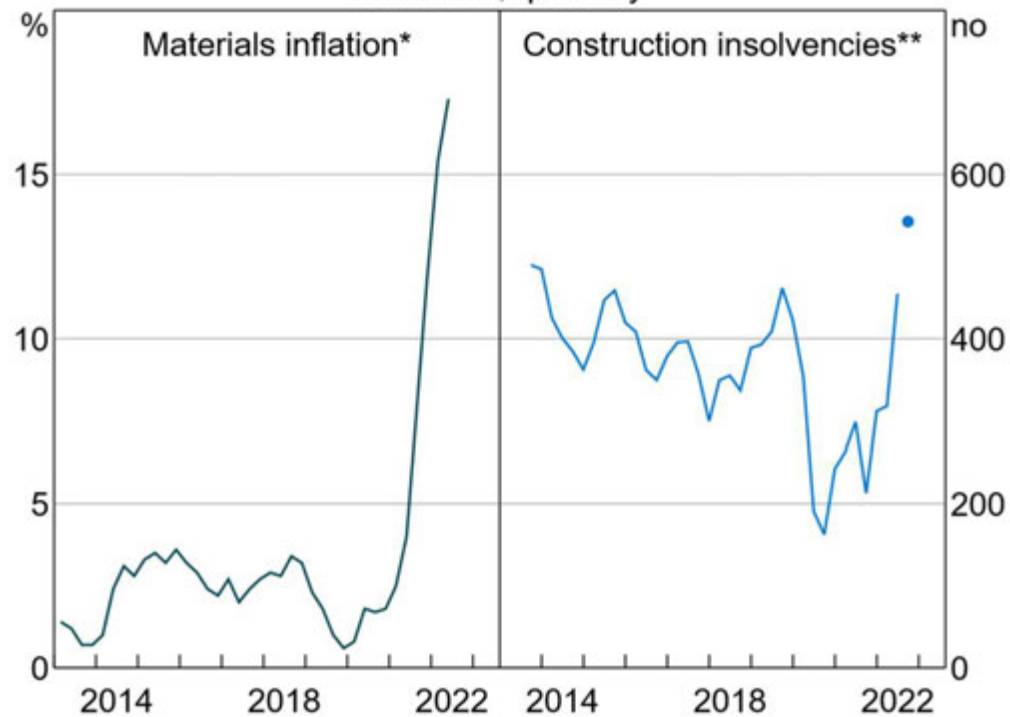
RESI CONSTRUCTION COSTS

(2018 = 100)

[Redacted]

Residential Construction Stress

Indicators, quarterly



* Year-ended growth in the input to house construction producer price index; weighted average of six capital cities.

** New external administrations and controller appointments for construction companies. The dot is a September quarter estimate based on monthly observations for July and August 2022.

Sources: ABS; ASIC; RBA

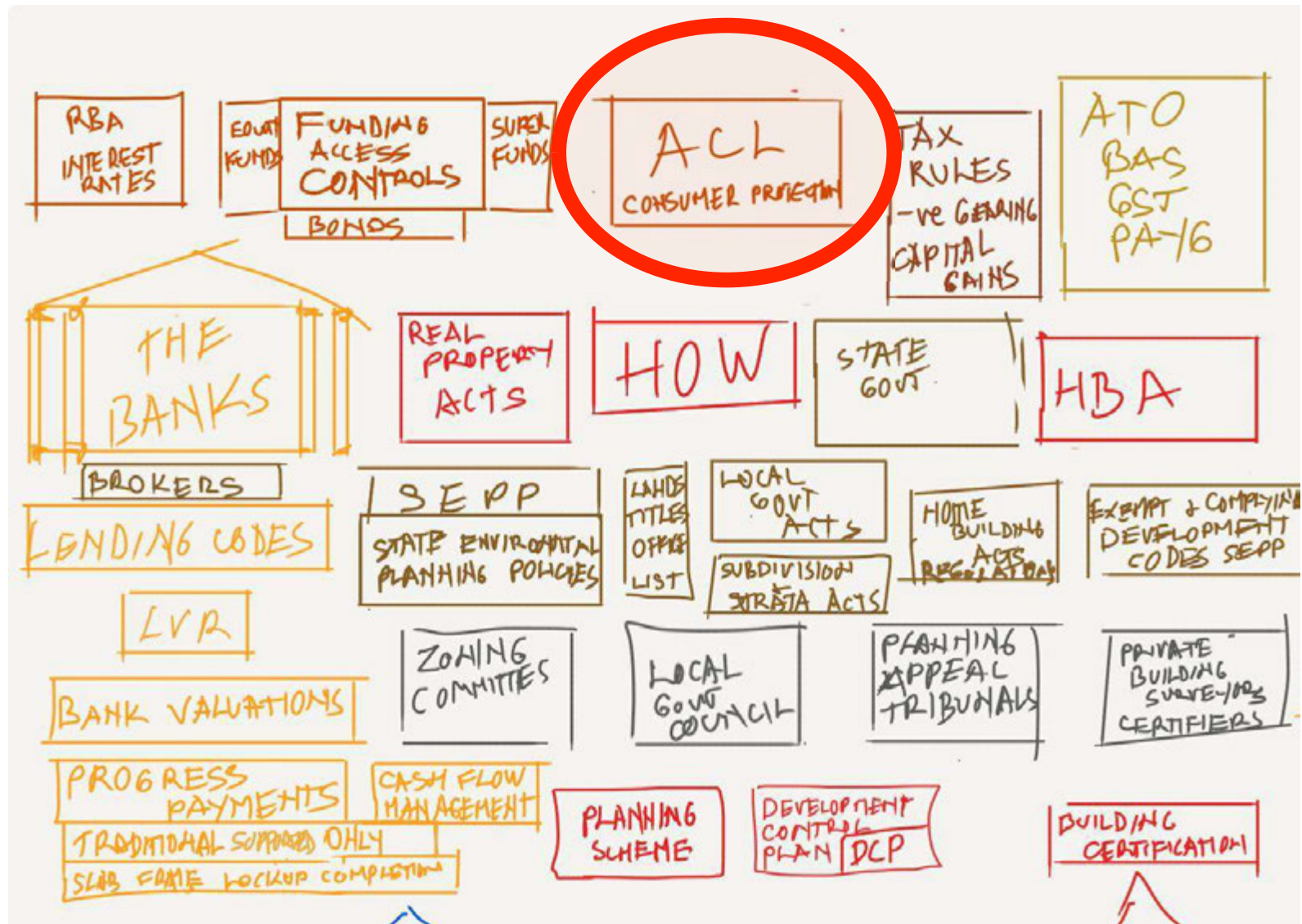
This little previously insignificant one here – the ACL - It has just become possibly the most frightening thing to hit the home building industry.

A recent NSW Supreme Court Appeal ruling now makes it possible for any owner to claim that a builder misled them and be successful in the courts because they say they were misled. And to seek damages based on that claim under the Act.

Even if the owner was found to be lying.

Even if the builder took steps to clarify the situation and explain the statements made in context.

Look it up...



ACL Australian Consumer Legislation

The full text of the Australian Consumer Law (ACL) is set out in Schedule 2 of the [Competition and Consumer Act 2010](#) (previously known as the *Trade Practices Act 1974*(TPA))

Regulations made under the ACL are set out in Parts 6 and 7 of the [Competition and Consumer Regulations 2010](#).

“The aim of these legislative changes certainly put more accountability on those involved in construction work, which hopefully will result in better quality of work to avoid defects in the first place. However, while these legislative requirements are designed to protect consumers, they also increase pressure on the construction sector, which can be unsustainable for many in the industry. Consequently, developers and contractors in New South Wales now potentially face significantly increased exposure to risks, costs, and higher insurance premiums related to construction work.”

[CHLOE ELLIS, HICKSONS LAWYERS 3/3/25](#)



DA processes have become multi staged nightmares

- **Pre-Lodgement:** Preparation phase meeting with council officers to discuss project. For understanding the requirements and flag potential roadblocks.
- **Lodgement:** Application formally submitted to the council with plans and documentation.
- **Assessment:** The council reviews your DA to ensure it meets zoning, environmental, heritage, bushfire, and planning controls.
- **Revisions:** Planners advise of revisions & extra reports for re-assessment
- **Determination:** Council either approves (with Conditions) or refuses application – sometimes deliberately kicking it down the road to an appeal to meet internal League Table KPIs for planners.
- **APPEAL s 8.2/8.3 internal** review becoming a common place point to review council's planner's decisions when things don't go the way the applicant wants. Outside planners KPI and the league table but still withing the council's planning control, so very little negative for planners.
- **APPEAL s.8.7 – to s.34** Conciliation Conference – the new resolution point for more challenging DA proposals. Council planners tend to refuse those applications outright and allow them to be taken to s.34 conferences where they



COUNCIL PLANNING DA Timings

The average local council **DA assessment times in NSW** have increased from 83 days in 2021-22 to 106 days in 2022-23.

The ten councils with the longest average assessment times in 2022-23 take **between 172 and 281 days**. Most of these councils are in Greater Sydney where the volume and complexity of DAs is typically higher.

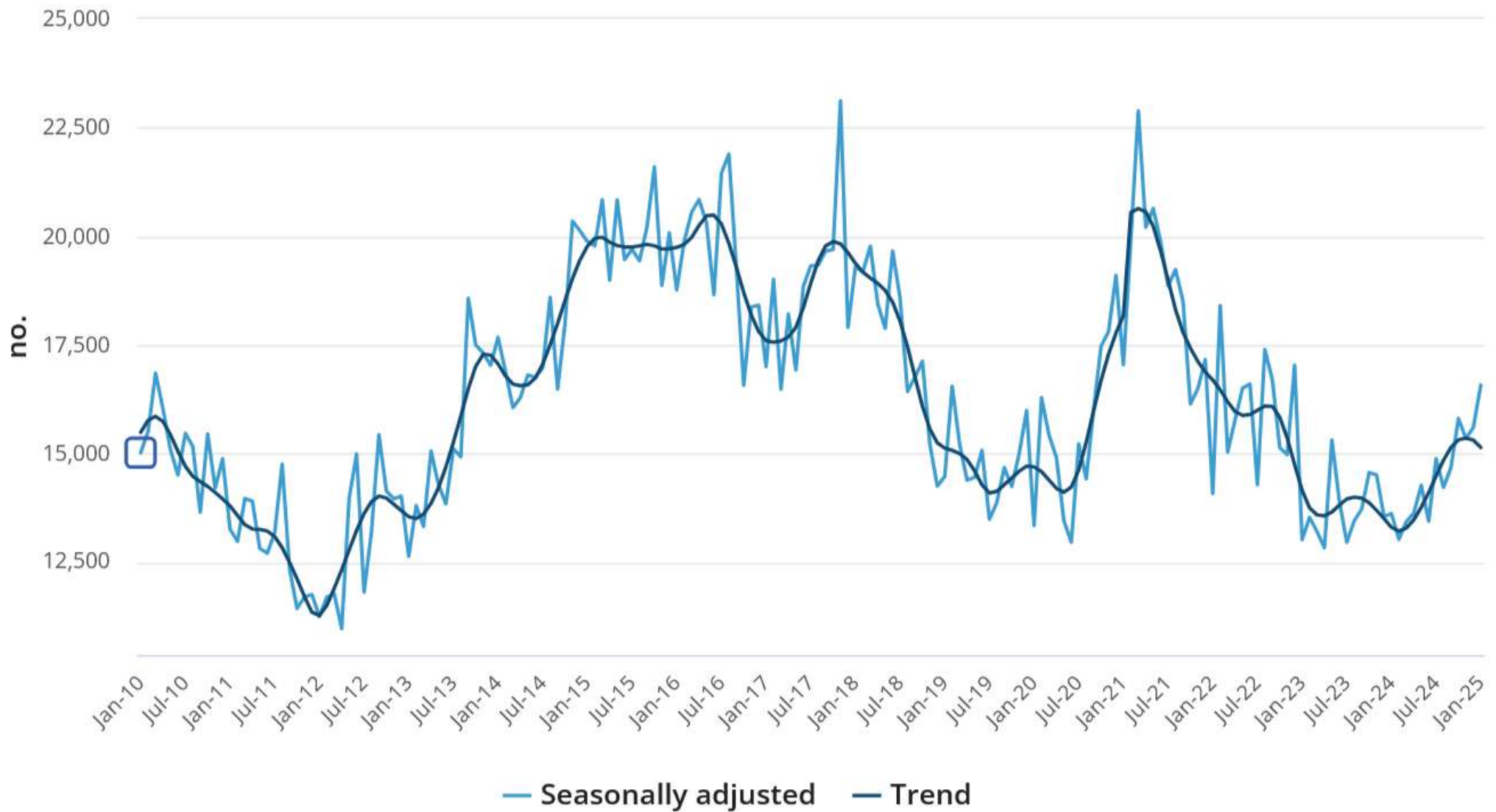
In comparison, the ten councils with the fastest DA timeframes were all in rural NSW. Average assessment timeframes for the fastest councils in NSW ranged between 27 days and 34 days.



Under the **Environmental Planning and Assessment Act 1979 Part 8.11** if a Council fails to determine within **42 days** of receiving a validly lodged development application then the application will be deemed to have been refused and can be appealed.

January 2025 seasonally adjusted estimates:

- Total dwellings approved rose 6.3%, to 16,579.
- Total dwellings completed in FY2023, 173,970 - 66,000 short of target requirements.
- Annually that's 6.5 approvals per 1000 people.
- France heads this list with 6.8 permit approvals per 1,000 Norway at 6.5 and the UK 6.2 US 4.1
- Private sector houses rose 1.1%, to 9,042, while private sector dwellings excluding houses rose 12.7%, to 7,213.
- The value of total residential building rose 4.5%, to \$9.04b.



Source: ABS

House sizes across Australia

The average floor area of new homes in Australia hit a record 214.6 square metres in the 2008 financial year.

The average floor area of new free-standing houses was also at a record high of 245.3 square metres, up 4.4 per cent over the past five years.

In the mid-1950s, the average size of new houses was around 115 square metres – half the size of an average new house in 2009.

greenlivingpedia.org

[Redacted]

CORESIDENCE

Comparison of new house sizes across the world

House size (m²)

[Redacted]

[Redacted]

In 2024, NSW councils are expected to determine development applications (DAs) within an average of 115 days, with this target reducing to 105 days in 2025, 95 days in 2026, and 85 days in 2027

Some Lists to Consider



Licensing

- **Contracting License**
 - Experience certification
 - capital reserve
 - Cash flow reserve
 - Programming
- **Nominated Building Supervisor**
 - Qualifications
 - Certification
 - CPD
 - HBCF eligibility
- **Quality assurance for Govt works**
 - ISO 9001 (Quality Management Systems)
 - ISO 14001 (Environmental Management Systems)
 - ISO 45001 (Occupational Health and Safety Management Systems)



OH&S Work Cover

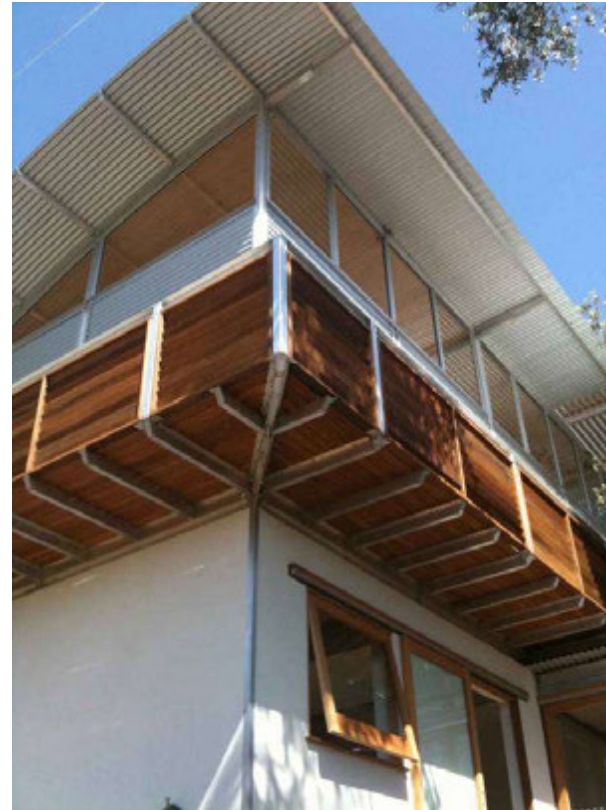
The WHS Act and Regulations, along with Codes of Practice, form the foundation of WHS in construction in NSW

- Site safety
- Signage
- Fencing
- Test and tag
- Inductions
- SWMS
- MSDS
- Asbestos
- Silica / engineered stone
- Wood dust
- Weather
- Heat
- Rain
- WHS protocols, policies & compliance documentation and records



Staff Payroll

- Wages
- Timesheets
- One Touch Payroll ATO Reporting
- PAYG
- Training – TAFE, OH&S, Plant, Etc
- Leave
 - Annual leave
 - Sick leave
 - Domestic Violence leave
 - Personal leave
 - Carers leave
 - Wet Weather
 - Hot Days
 - RDOs
- Superannuation
 - Super Guarantee reporting
 - BCI LSL Building and Construction Industry long Service Leave Levy reporting



Accounting Reporting

- IAS
- BAS
- GST
- PAYG
- ITR
- Auditing
- HBCF
- WCI - Workers Compensation
- SBSCH SG Superannuation Guarantee
- LSL - Long Service Leave Levy



Insurances

- Home Building Compensation Fund - HOW
- Professional Indemnity
- Public Liability
- Tax Audit
- Works - project specific
- Tools of Trade
- Workers Compensation
- Premises Property and Contents
- Vehicles comprehensive
- Vehicle registration CTP Green slip
- Principal's Income and injury



Required Acronym Registrations Numbers

Contracting License (NSW)

Nominated Supervisor License (NSW)

Company registration (ASIC) ACN

Business Registration ABN

Taxation registration ATO - TFN

IAS / BAS

GST

PAYG

ITR Annual Company Income Tax Return

LSL L Building and Construction Industry Long Service Leave Levy



All this applies the same for a sole practitioner builder making a single small cabin in the bush as for the largest corporation in the country constructing a hundred storey steel glass and concrete tower in the city.

Why Prefab

- Australia needs at least 340,000 new residences creating a massive demand.
- Traditional building systems are unable to respond adequately to this demand.
- Australia lags well behind leading countries for manufactured buildings
- 82% of new Scandinavian dwellings are prefabricated manufactured buildings.
- Manufactured buildings can respond effectively to compliance requirements by quality control and repetition of elements and systems and precertification by CODEMARK type systems.
- Advanced materials such as Aluminium alloys, Composite materials, SIPS Panels, Polymer sheets and planks, trusses and space frames are all still rare in the industry and shunned by mainstream builders.



Why Not PreFab:

- Most builders have their developed systems they feel safe and secure with, relying on centuries of traditions and well known with capable cost effective trades available.
- The risk of trying anything new or innovative is unsustainable... unworkable even.
- Australia has lost over a third of its builders over the last 5 years at a rate of 7.7% decrease per year. Builders have simply left the industry either voluntarily or by insolvency, particularly new innovators.



[Redacted]



Building and trade general and specialist work

- [Air conditioning and refrigeration](#)
- [Bricklaying](#)
- [Building work - general](#)
- [Carpentry](#)
- [Decorating](#)
- [Disconnection and reconnection of fixed electrical equipment](#)
- [Dry plastering](#)
- [Electrical](#)
- [Erection of prefabricated metal framed home additions](#)
- [Excavating](#)
- [Fencing](#)
- [General concreting](#)
- [Glazing](#)
- [Installation of security grilles and equipment](#)
- [Joinery](#)
- [Kitchen, bathroom and laundry renovation](#)
- [Medical gas and mechanical services](#)
- [Metal fabrication](#)
- [Minor maintenance and cleaning](#)
- [Minor trade work](#)
- [Painting](#)
- [Plumbing, draining and gasfitting](#)
- [Roof plumbing](#)
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Design and building practitioners

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[Company and partnership licences](#)

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Margins

What can be said.

Has any builder achieved a consistent per project profit in the last five years ?

Any profit in margins have been eroded to almost non existence by approvals delays; compliance complexities; unpredictable materials costs, escalating subcontractor and wages costs and entitlements; supply delays and increasingly volatile weather events.

But still the vision doggedly persists in media and public that developers and builders are ripping everyone off and there is a dark movement amongst owners who build to ensure they don't pay the last invoice, once they are in the house its known that the builder is powerless to insist on the final payment – and the security of payments acts back that up.



BUILDING HOUSES FOR PROFIT (This is contentious and a personal opinion only!)

Houses have become a huge profit making commodity, but not for builders. They are a path to wealth and economic security for owners, protected by federal and state legislation and deliberately encouraged by tax regimes.

That investment development is protected by the various aspects of the Home Building Act, the ATO and now the ACL. Most houses are now built for profit or resale - even when claimed as forever homes, it seems no one is building the family homestead anymore.



Building purchasers are becoming increasingly dissatisfied with builders. They are getting more wily and strategic as developers and are 'margin conscious' about their investment and looking for any edge over a builder to increase their profit share.

In our experience we are coming to distrust and dislike the home building developers masquerading as mum and dad owners building their forever home - that is becoming a fairyland fiction exploited for sympathy and financial gain.

Ok so enough grizzling and whinging - **what can be done....**

Having given this some thought over the last decade or so , here is “a suggestion”

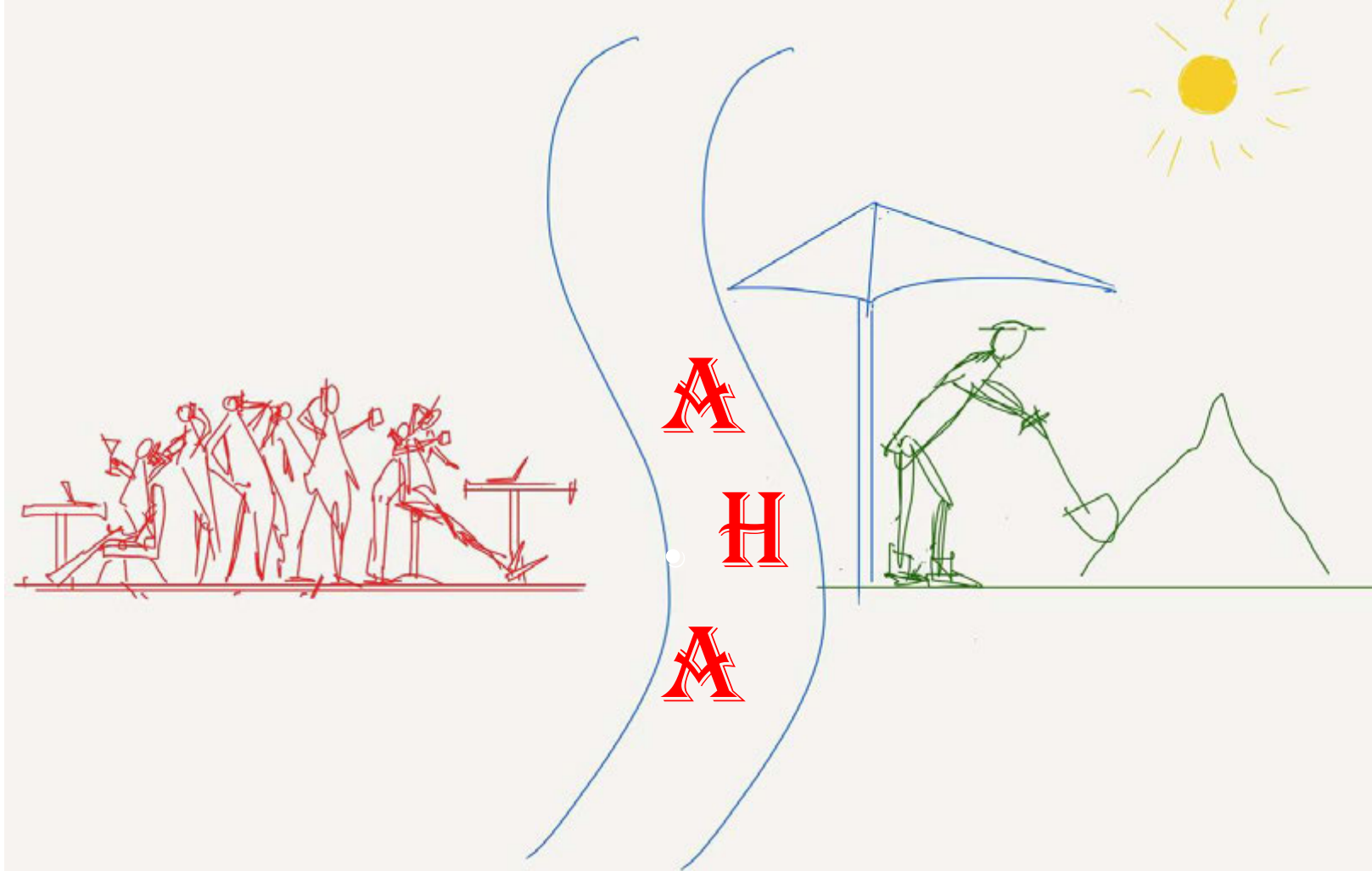
Much as we loathe all forms of established bureaucratic monoliths, we believe it will take a Thief to Catch a Thief and we need FFS to Fight Fire with Fire.

So form an entity, an **Affordable Housing Authority** whose role it is to deal with all the plethora of bureaucratic hurdles that have been set up - put it back on the bureaucrats to move a project through their own systems. Maybe this is part of the proposed new Building Commissioner under the building Bill 2024.

A state run project management system where a new home buyer goes to, to get a house built. Either with or without plans and with or without land. The AHA sorts the design with the owners and obtains all approvals, funding, contract and appoints a builder at a set cost and manages the projects.

On completion the house is sold to the new owner. Contactless.





The Shergold Weir report suggested the reintroduction of the position of "clerk of works" on significant projects. [Recommendation 18].

But this recommendation was never even considered - as that would mean the govt have to take on responsibility.

All projects should have a clerk of works. Paid for by the owner. Run by an Independent and government authority - with suitable authority and powers. And employing only trade qualified experienced builders who know what they are looking at and looking for. No pointy shoes.

Not council - too small and liable to corruption and under resourced - a state or better still a federal authority, well resourced and respected. A proper ' Build Police'

Government taking responsibility for its own industry regulation.



The industry turns over hundreds of billions of dollars and likely pays tax in the eight figure bracket, legal issues tie up the courts and expend billions in fees and losses.

If it costs a bit to run an authority and employ and train a few thousand Clerk of Works then that is a fair and reasonable cost of business for construction.

The reduction in defects and costly litigation and court costs would probably cover the expense anyway.

If a defect gets through, then fair cop, the warranty insurance kicks in and pays for remediation and the builder is sanctioned, Fines and license points etc.

Clerk of Works come around pretty much daily on larger projects and regularly for smaller builds. Their ever presence keeps things on their toes. They are knowledgeable and experienced and can give advice and directions and issue notices if needed.

And it's a great thing for retired builders to do - with respect value and integrity. Get rid of private building surveyors - that system has failed and they have become unworkable insurance wise in any case.

Not an isolated bureaucratic Building Commissioner full of academics and inexperienced desk jockeys.

AHA PROCESS

An area based Authority project manager is assigned to obtain any necessary reports and approvals and insurances and certifications

The project manager ensures warranty insurance, workers compensation, OH&S leave and long service leave and so on and so forth are all in place and properly functional

A single form of contract between AHA and Builder and a separate one between AHA and owner, with clear and concise known and agreed terms and a prohibition on legal action.

And appropriate finance arrangements managed by AHA

A builder is assigned by tender or local knowledge

- the scope of works is severely curtailed by the contract
- just building - no bureacracy.
- variations to the issued build scope are not permitted.



THE BUILD

The build is carried out and supervised day to day by a knowledgeable, experienced building supervisor - ex licensed trades persons only -

The build is certified by a pointy shoe, paper shuffling, building surveyor with documentation supplied by the Clerk of Works - not the builder.

Progress payments are authorised by the project manager at the contract agreed points. Appropriate Builder's Cash Flow support is guaranteed.

The cost of the Authority is charged to the buyer.

If the buyer doesn't want or cannot afford the home on completion it goes on the open market for sale.



The Affordable Housing Foundation

A Change to the Way we think about Affordable Housing

- ⌘ For Affordable Housing we currently look to typical suburban houses or apartments built cheaply with low quality fitouts... to get higher buildings and FSR for luxury housing*
- ⌘ There is another way*
- ⌘ Smaller, High Quality , higher density living spaces, in left over spaces, to suit many different lifestyles*
- ⌘ Made, assembled and maintained by the owner occupants*
- ⌘ Unskilled assembly systems*
- ⌘ Compliance by product not by construction*
- ⌘ Local Micro Factories*
- ⌘ Central Major Facilities.*



An aerial photograph of a coastal landscape. The terrain is covered in dense, low-lying green vegetation, likely coastal scrub or dune plants. Interspersed among the greenery are patches of light-colored sand and rocky outcrops. A narrow, winding sandy path or track runs through the middle of the landscape. In the lower right quadrant, a small, rectangular, light-colored building with a dark roof is situated near a sandy area. The bottom left corner of the image shows a sandy beach meeting the calm, light-colored water of the ocean.

STAGE ONE PRESENTATION ENDS HERE