SUBMISSION

Housing Supply Regulation

Response to the interim report of the Productivity Commission inquiry, July 2026

> *Seventy eight days of work sat inside 993 days of elapsed time. The capacity to build faster was not absent. It was trapped — and releasing it needed no new law, no new appropriation, no new people and no new factory floor.*

This submission draws on a four-year programme that redesigned how a national housing agency delivers homes, and on the forensic measurement underneath it. It responds to information requests 1.2, 3.1, 3.3 and 3.4, comments on reform directions 3.1, 3.2 and 3.4 and on the prioritisation in chapter 5, and offers two observations on the structure of the reform effort itself.

Submitted by DAUM&CO Pty Ltd

Author Tony Karantonis, Managing Partner

Date September 2026

Contact [Redacted]· +[Redacted]· Melbourne

About this submission

DAUM&CO is a management consulting firm with offices in Melbourne, Sydney, Auckland and London. DAUM&CO support organisations build their smartest future. DAUM&CO has a track record of working with organisations global leaders in marshalling the efforts of humans, ensuring exceptional strategies are matched by exceptional implementation. Our engagements are with boards and chief executives across the globe, and they generally concern performance that has not responded to the obvious remedies.

Between 2020 and 2025 the author led the transformation of the housing delivery system at Kāinga Ora – Homes and Communities, the New Zealand Crown entity responsible for public housing and urban development. The programme was known internally as Project Velocity. It is published as a case study, and this submission draws on that case study and on the underlying programme measurement.

We lodge it following correspondence with the Commission, in which we were encouraged to be as clear as possible about the different interventions. Part Two is structured accordingly. It presents the work at four levels of grain, from the five published aims down to the practices themselves, so that the architecture is legible without the reader having to hold fifteen separate items in mind at once.

Disclosure of interests

DAUM&CO holds no commercial interest in Australian housing regulation. We have no current or prospective engagement with any Australian housing agency, developer, builder or supplier, and no financial interest in any reform direction on which we comment. The author has briefed both federal and state politicians, bureaucrats and officials in the Australian Capital Territory, New South Wales, Western Australia, South Australia, Queensland and Tasmania on this material without charge, and offers this submission on the same basis.

Scope

The terms of reference exclude the National Construction Code, policies affecting construction costs, labour supply in the construction industry, and the demand for housing. We have confined ourselves accordingly, and we have marked the one intervention that falls outside them.

This submission addresses the coordination and sequencing of regulatory approvals, which sits within chapter 3, and the best-practice principles in chapter 1. Cost and duration figures appear as measured consequences of coordination change, not as arguments about construction cost policy. We make no submission on land-use controls, developer contributions or infrastructure charging, where we hold no comparable evidence and defer entirely to the Commission.

Summary of position

1. Australia is buying capacity. The binding constraint is not capacity. In the system we measured, ninety per cent of elapsed time was not work of any kind, and seventy-three per cent of the journey was complete before anyone picked up a tool. Capacity that is already owned cannot be used by a system that cannot absorb it.
2. Sequence is a policy variable. Regulatory approvals that consumed 223 elapsed days on average were reduced to a matter of hours. No requirement was removed, no discretion narrowed, no legislation changed. What changed was who was present, and when.
3. The delay and the permissions problem have different owners, which is good news. Of 993 days, 223 sat inside the permissions system and 770 sat inside the housing agency. They are two

problems with two owners, and they can be fixed independently — which means a jurisdiction can begin on either without waiting for the other.

4. Structure precedes technique. The six strategic moves at Part Two had to come first. Everything below them is a technique, and a technique applied to an unchanged structure changes nothing. We think this is the single most useful thing we can say to an inquiry recommending reform directions.
5. Coordination bodies succeed on seven specific features, set out at Part Three. The one most often absent, and the one that matters most, is that those at the table hold authority to bind their own organisation in the room.
6. Government is not only a regulator. It is the largest single housing client in Australia, and in a public housing programme it holds the client, the land, the funding, the regulator and most of the referral chain at once. That makes public housing the cheapest available place to prove a coordination reform before asking anyone else to adopt it.
7. Speed was the means, not the end. Four of the programme's five published aims were not about speed at all. Speed is what paid for the other four.

PART ONE

The problem, as we measured it

Before any intervention was designed, the existing system was measured as it actually behaved rather than as it was described. What that found is the whole of our contribution to this inquiry.

1. The sector is built this way, and nobody designed it

It is worth putting one thing on the table before any evidence. The obvious question about construction is why nobody has fixed it, and the answer is structural rather than a failure of effort or intent.

Three forces reinforce one another. The product is complex, location-bound and built to survive decades. The activity is prototypical — one-off production, with a changing coalition of organisations on every project. The industry is fragmented, under-invested in planning, and works through a casualised labour force under contracts in which claims and risk transfer tend to trump relationships.

Nobody designed this. It accumulated. Its consequence is that an error at one hand-off is not absorbed — it is passed on, and it grows as it travels down the chain. That is why effort inside any single organisation, however competent, has never been enough, and it is why we would gently caution against reforms that assume the parties simply need to try harder or be given more.

2. What the measurement found

The evidence base was deliberately forensic rather than illustrative.

What was examined	Basis
One address, end to end	A single completed state house carried from identified address to keys, pre-construction and construction, consents included.
Over 60 homes	Every step of the journey classified as value-add or non-value-add.
A complete build, by stopwatch	Time and motion across every task of a whole house. To our knowledge the first time this had been done end to end.
Five to six years of consents	Every state house built in that window, read for the permissions analysis. Not a sample — the entire population.
The first 60 pilots	Measured in hours and days and in dollars, in the order they were done, with no selection and no hindsight.
60 addresses	Every address that went through the redesigned flow, with the day count for each.

We present one address here rather than an average, because an average can be argued with and an address cannot. This one was chosen after examining five to six years of completed housing. It was not the worst and it was not the best. It typifies them.

Step in the delivery value chain	Elapsed days	Days worked	Proportion of elapsed time worked
Finding and defining what to build	180	5	3%
Designing, consenting and planning it	**495**	**44**	**9%**
Building it	253	45	18%
Total, address to keys	**928**	**94**	**10%**

Ninety per cent of the time, nothing was happening. Not slowly happening — not happening. The portfolio average was 993 days; this address was 928. Every number in the table can be summed in the room.

> *Seventy-three per cent of the journey was over before anyone picked up a tool. One step — designing, consenting and planning — held 495 elapsed days and 44 worked days: more elapsed time on its own than the entire redesigned journey from end to end.*

The dominant waste was waiting. Information sitting still between people. Not bricks, not timber, not labour, not land — and not, on this evidence, a shortage of any of them.

3. Permissions: 223 days of the 993

We measured the permissions stream the same way, and we draw the Commission's attention to it because it is the part of our evidence that sits most squarely inside these terms of reference.

Reading every state house built over five to six years — the population, not a sample — the average elapsed time a dwelling spent waiting inside the permissions system, covering resource consent, building consent and everything between, was 223 days. By the end of the programme that waiting had been reduced to a matter of hours.

The interventions that achieved it were, in our own description at the time, simple enough to be disappointing. There was no new legislation, no new authority and no new system. Council representatives were brought inside the design team from the first day rather than receiving a completed application at the end of it, requirements were satisfied in parallel rather than in series, and conflicts between them were surfaced while the design was still cheap to change.

Two problems, two owners — and why that matters

Of the 993 days, 223 sat inside the permissions system. The other 770 sat inside the housing agency.

We think this is one of the more useful things in this submission, because it is a hopeful finding rather than a critical one. These are two different problems with two different owners, and they can therefore be fixed independently. The permissions reduction sits entirely inside a planning authority. It needs no construction reform, no builder, no supplier and nobody else's agreement to begin.

A jurisdiction that wants to act does not have to assemble a coalition first. It can start on its own side of the line, with the evidence available that the other side is worth addressing too.

PART TWO

What was done

Presented at four levels of grain. Every layer covers the whole programme — none is a subset of another. What changes is the resolution.

4. How the work was thought about before anything was chosen

Nobody transfers a result; what transfers is a method. Two things sat underneath ours.

Six questions, asked of every part of the system

These were not a diagnostic run once and filed. They sat under the whole delivery system and were asked again of every part of it, every week, for four years.

1. **Purpose.** What is the purpose of the system, and what does the person who needs a home expect from it?
2. **Demand.** What is the nature of demand — how much is value demand, in line with purpose, and how much is failure demand, caused by something not being done or being done wrongly?
3. **Capability.** What is the system predictably achieving, as distinct from what it is targeted to achieve?
4. **Flow.** How does the work actually move?
5. **System conditions.** Why does the system behave this way?
6. **Thinking.** What assumptions about how work should be managed are producing those conditions?

Demand was separated before supply was touched

This was the first move, and the one most programmes skip. Demand was sorted into four categories before anything was added to the system: work that should not exist at all and could be eliminated; routine, low-judgement transactions that could be migrated and standardised; recurring systemic failures that no individual could fix and that needed a new way of working; and genuine value — the work only this organisation can do, to be protected and leveraged.

Only then was supply addressed, on duration and outcome.

> *Most housing programmes go straight to supply. That is why they buy capacity they already had.*

Three things had to move together

The technical system, the management system, and mindsets and behaviours. Change the technical system alone and it decays within a year. Change behaviour alone and there is nothing for it to attach to. The gains live only in the overlap, and we note this because it bears directly on whether any reform this inquiry recommends will still be working in three years.

5. The architecture, in four layers

The programme is often described as fifteen interventions. That is accurate and, on its own, misleading — it reads as an inventory. The interventions were held together by a structure, and the structure is what transfers.

Layer	Grain	What it holds
Why	**Five aims**	The published objectives of the programme. Every intervention had to earn its place against at least one of them.
Strategic	**Six moves**	Not one is a construction technique. Each changes the structure of the system and who is responsible for what. These had to come first.
Operational	**Four clusters**	Integrated planning, synchronised scheduling, flow, zero defects. The fifteen interventions live here. None was ever run on its own.
Tactical	**The practices**	The specific things people did differently on Monday morning. None of them sounds like a transformation; together they are most of it.

Layer one — the five aims

These are on the public record. They were not written afterwards to explain a result; they were the brief, and every intervention had to earn its place against at least one of them.

Aim	As the programme defined it
Revolutionise delivery speed	From an identified address to keys in a tenant's hand. The measure everything else was tested against.
Enhance quality and liveability	Homes that are better to live in, warmer and cheaper to run — not merely delivered sooner.
Increase access and affordability	More homes, at a cost per dwelling that lets the same budget reach further.
Improve sector resilience	A supply chain that can still deliver after the programme ends, and after any one firm leaves it.
Deliver wider community benefits	Training, employment and local capability that outlast the houses themselves.

> *Four of the five are not about speed. Speed was the means. Quality, affordability, resilience and community benefit were the point — and speed is what paid for them.*

We include this because a submission of this kind can easily read as a case for going faster. It is not. The programme's own objectives treated speed as the mechanism by which the other four became affordable, and we would put the same proposition to the Commission: elapsed time is not merely a delay to be shortened, it is the price paid for everything else.

Layer two — six strategic moves

Not one of these is a construction technique. Each changes the structure of the system and who is responsible for what.

Strategic move	What changed
System integrator	The agency became the focal firm across the whole chain — land development, pre-construction, approvals, construction, handover — steering all of it as one delivery system rather than buying pieces of it.
Relational arrangements	Contracts that specify relationships and mutual goals as well as price, with governance to hold interests together over years. A request for quotation became a request for relationship.
Network collaboration	Partners connected across demand and supply in one end-to-end arrangement, unlocking value no single organisation could reach alone.
Lean systems thinking	Pre-construction, approvals, construction and handover all read through one lens, establishing a moving line of flow, coordination and alignment.
Co-makership	Every team and supplier physically co-located and engaged as one, early and continuously. Daily face-to-face contact instead of correspondence.
Just-in-time logistics	Specialist firms own purchasing and delivery. Every item lands on site within three steps of where it is installed — a plan for every part.

> *These had to come first. Everything below them is a technique, and a technique applied to the old structure changes nothing.*

We would ask the Commission to hold that sentence against its own reform directions. Several of them — fast-track pathways, coordination bodies, better use of technology — are techniques in this sense. They are sound techniques, and we support them. Our evidence is that their yield depends almost entirely on whether the structure beneath them has changed, and that applying them to an unchanged structure produces disappointment that is then misread as evidence that the technique does not work.

Layer three — four operational clusters

The fifteen interventions live here. They were sequenced deliberately — integrated planning first, because nothing downstream is stable without it, then scheduling, then flow, then the elimination of defects. None was ever run on its own.

Cluster	What it means when the work is running
Integrated planning	All demand and all activity planned as one flow, end to end, rather than project by project. Segmentation decides what gets planned how, and the plan then holds still long enough for everyone else to commit to it.
Synchronised scheduling	Every step moving to the same drumbeat. A takt sets the rhythm, accurately defined activity buckets define the work, and reliability replaces heroics as the way things get finished on time.
Flow	A moving line. Work travels one piece at a time, in one direction, with information and resources aligned to it — and nothing about its state is hard for anyone to see.
Zero defects	Errors, rework and corrections designed out rather than inspected out. Suppliers inside the quality conversation from the start, and the right skills present at the right moment.

One intervention within the fourth cluster — ensuring the right skills are present at the right moment — concerns labour supply in the construction industry, and we understand it to fall outside these terms of reference. We note it for completeness of the record and make no submission on it.

Layer four — the practices

We do not set out the full tactical layer here; it runs to some thirty practices and most of them are internal to a delivery organisation rather than matters of regulation. Six are worth naming because they bear directly on the Commission's reform directions, and because each is available immediately, at almost no cost.

- Segmentation into runners, repeaters and strangers. Stop treating every dwelling as a stranger and most of a portfolio becomes repeatable work. This is the precondition for reform direction 3.2, and we return to it in Part Three.
- A fixed and stable plan. A plan that stops changing beats a better plan that keeps moving. Stability is what allows every other party to commit, and continuous replanning is a significant and largely invisible generator of delay.
- Millimetre-perfect drawings. Documentation accurate enough that nobody checks it, queries it or works around it. Unglamorous, and worth more than almost anything else on the list.
- Integrated teams in one room. Every discipline present full time from the start, including the bodies ordinarily treated as external referral agencies. Communication stops being a process and becomes a conversation.
- A gallery. Every plan, constraint and number on the wall at full size, visible to all parties at once rather than held in a system each must log into separately.
- Simplify before improving. Complexity was taken out of the flow before anything was optimised. Speeding up a complicated process only produces confusion faster — a caution we would extend to the digitisation of approvals.

6. What was achieved

The following are drawn from the published case study. They have been verified and confirmed against validated data reviews.

Measure	2020	2024	Change
Dwellings completed per year	820	4,140	**+405%**
Days from identified address to keys	993	78	**−92%**
All-in build cost per m², foundation up	A$3,100	A$1,080	**−65%**
Delivered on the stated completion date	17%	92%	**+75 points**
Deviation from initial budget estimate	+30–35%	±3%	**Materially narrowed**

Quality was not traded for speed, and the wider sector effects were, on the programme's own account, among the more consequential outcomes. The measures below are reported separately because they are preliminary: they are based on initial reports from participating stakeholders and have not yet undergone standardised or independent audit. They are trending strongly, and a more formal validation process is planned as the later elements of the programme mature.

Measure	Before	After	Change
Tenant satisfaction, aggregate survey score	—	—	**+22%**
Tenant energy cost per occupant, per year	A$690	A$455	**−34%**
Partners investing in formal up-skilling	25%	40%	**+15 points**

Measure	Before	After	Change
Annual turnover, skilled workforce in partner firms	20%	12%	**−8 points**
Suppliers able to handle concurrent large orders	45%	75%	**+30 points**

We separate the two sets deliberately. The Commission should be able to see which of our figures are audited and which are not, and weigh them accordingly.

PART THREE

Responses to the Commission's information requests

Answering what was asked, in the Commission's own numbering, and drawing only on evidence we hold.

7. Information request 3.1 — the causes of approval delay

Information request 3.1 *What evidence do you have for the main causes of delays in receiving approvals for new housing?*

Three findings, each measured rather than estimated.

Waiting, not working, dominated elapsed time

Part One sets this out in full. The step containing design, consenting and planning held 495 elapsed days and 44 worked days. This is the most consequential thing we can offer the Commission, because it means that any measure counting requirements or assessment durations will systematically understate the delay in the system. The time is not inside the assessments. It is between them.

Delay accumulated at the interfaces, not inside the parties

No individual organisation was performing badly by its own measures. Councils assessed within statutory timeframes; engineers delivered to brief; builders built. The delay lived in the handovers — work arriving incomplete, questions travelling by correspondence, sequential referral where parallel referral was possible, and rework generated when one party's assumption proved incompatible with another's requirement only after both had committed.

Rework from late discovery was the largest recoverable component

Information generated, found defective, corrected and re-circulated, with each cycle consuming calendar time in every organisation it touched. The interim report describes a comparable case at page 10, in which a developer received incompatible instructions from a council and a fire authority and required a non-compliance approval to proceed. In our experience that is not an aberration but the normal consequence of sequential consultation, and it is largely eliminated by simultaneous consultation.

> *The same regulatory requirements, applied in a different order, produce materially different elapsed times. Sequence is a policy variable.*

8. Information request 3.3 — coordination bodies

Information request 3.3 *Is improving the coordination of the approvals process a higher or lower priority than reforms to reduce the amount of approval requirements? Are there any examples of where coordination bodies are or are not working? What are the features of coordination bodies which make them successful?*

On the first question

We answer narrowly, on our own evidence, and acknowledge that reducing unnecessary requirements is worth doing on its own merits.

In the system we measured, coordination was decisively the higher-yielding of the two. The permissions stream fell from 223 elapsed days to a matter of hours with no requirement removed and no regulation changed. We are not aware of any reduction in the volume of approval requirements that could produce a comparable effect, and we would not expect one — because the requirements were never the constraint. They were being satisfied in series rather than in parallel, and discovered late rather than early.

The mechanism

The journey was divided into short periods of equal length. Within each, every party performed interlocked work. At the close of each period all parties met at a single defined event to confirm what was complete, resolve what was in conflict, and commit to the next period. Decision points were identified in advance and taken at those events.

Attendance included the organisations Australian practice ordinarily treats as external referral bodies — council, utility and network providers, environmental, geotechnical, traffic and acoustic specialists, ecologists, arborists and fire engineers — alongside surveyors, planners, architects, engineers and builders. They participated in the design rather than receiving it.

The seven features that made it work

Each was necessary. In our experience the absence of any one causes such a body to degrade into a status meeting.

8. Authority in the room. Every party represented by someone who can bind their organisation to a decision at the table. A coordination body whose members must take matters away for approval reproduces the delay it was created to remove. This is the feature most often missing and the one that matters most.
9. A fixed cadence rather than meetings on demand. The body convenes on a rhythm known months in advance, which changes the behaviour of every party between events.
10. Referral agencies inside the process from the first day — not consulted, not circulated to, but present while decisions remain cheap to change.
11. Deliverables defined before the event rather than discovered during it. Ambiguity about what each party owes the others is the most common cause of a wasted cycle.
12. The work visible to everyone simultaneously. Knowledge work is invisible by default, and what cannot be seen cannot be coordinated.
13. Explicit limits on work in progress. It is always easier to start work than to finish it, and unconstrained starting is a principal cause of waiting.
14. Root-cause discipline rather than attribution. A body that becomes a forum for allocating fault will be attended defensively, and defensive attendance destroys the information the body exists to surface.

On reform direction 3.4

The Commission proposes that coordination bodies manage and sequence referrals and hold decision-making power where advice conflicts. We support this and would put it more strongly. Power to resolve conflicts is necessary but not sufficient. A body that resolves conflicts after they arise is an

improvement on one that cannot; a body convened early enough that most conflicts never arise is a different order of improvement, and our evidence suggests the gap between the two is large.

9. Information request 3.4 — strategic planning and social housing pathways

> **Information request 3.4** *What examples are there of best-practice strategic planning improving the process for housing approval decisions? What evidence is there about the benefits of including social and affordable housing in state-significant, or other streamlined, pathways?*

On the first, the practice we would commend is a single fixed and stable plan, established before work begins and then treated as binding. This aligns with reform direction 3.1. We would add one observation from implementation: the value of upfront determination is realised only if the determination is genuinely binding. Where upfront strategic work can be reopened during assessment, parties rationally decline to rely on it, and the effort is wasted.

On social and affordable housing

We offer evidence on a related proposition which we think more valuable to the Commission than a view on streamlined pathways as such.

Public housing programmes are the ideal proving ground for coordination reform, and governments consistently underuse them for this purpose. The reason is structural: in a public housing programme government is simultaneously the client, the land owner, the funder, the regulator and, through councils and network providers, most of the referral chain. It can reorganise the sequence of work without needing anyone else's permission and without legislating.

That is precisely what occurred. The reform required no bill, no code change and no appropriation, because the party that needed to change its behaviour was the party running the programme. The effect then extended beyond the public programme: suppliers who learned the method inside it applied it in private work, which suggests that using government build programmes as demonstrators may be among the most efficient available routes to lifting delivery practice across the wider market.

If the Commission is seeking quick wins in response to information request 5.1, we would nominate this. It requires no legislation, can be run at the scale of a single programme in a single jurisdiction, and produces measurable evidence within twelve to eighteen months.

10. Information request 1.2 — the best-practice principles

> **Information request 1.2** *Are the best practice principles and overarching objective we have identified appropriate? What are some examples of specific housing supply regulations, in Australia or internationally, that exemplify the features of a best practice system?*

We consider the four principles well chosen. Our comment concerns the first.

A build mindset, as the interim report defines it, is directed at what governments permit. That is the correct question for a regulatory inquiry and we do not suggest otherwise. We would observe only that permission and delivery are different constraints, and that a system can satisfy the first principle completely while still delivering slowly. The programme described here did not change what was

permitted. It changed how permitted work was organised, and reduced permissions elapsed time by more than ninety-nine per cent in the process.

We do not propose a fifth principle, which would sit outside the Commission's terms of reference. We suggest instead that where the report assesses reform directions against principle 1, it may be worth distinguishing between regulations that prevent something being built and regulations that are merely satisfied inefficiently. The second group is far larger, and its remedy is sequence rather than repeal.

11. Reform direction 3.2 — pattern books and demand segmentation

The Commission proposes increasing the use of pattern books, with templates eligible for fast-track approval. We support this and can offer evidence on making it work at scale.

Standardisation delivers its value only where it is applied to the right population, and the right population is defined by predictability rather than by dwelling type.

Category	Definition	Treatment
Runners	High volume, low variability, predictable demand. Approximately 80–90% similar between projects.	Standardised design and standardised process. This is the population for which pattern books and deemed-to-comply pathways are suited.
Repeaters	Intermediate volume and variability, demand harder to predict. Approximately 60–70% similar.	A standard spine with variation at defined points. Deliberately migrated toward runner status over time.
Strangers	Infrequent, high variability, demand hard to predict.	Assessed individually as they arise. Discretionary effort is reserved for this population rather than spread across all three.

Standalone houses, duplexes, terraces and retrofits were treated as runners and placed on a standardised stream. Walk-up developments were repeaters. Apartments were strangers. The deliberate strategy was then to migrate work from the harder categories toward the easier one over time, by removing the sources of variation that made a repeater a repeater.

The implication is that a pattern book without a segmentation logic tends to be applied to whatever is easiest to standardise rather than to whatever is most numerous, and captures a fraction of the available benefit. We would encourage the Commission to consider recommending that jurisdictions segment their pipeline by predictability before designing the pathway, and that fast-track eligibility be defined by that segmentation.

One caution from experience. Standardisation was one intervention among fifteen. On its own it delivers a modest fraction of the result, because a standard product moving through an unchanged process is still delivered slowly.

PART FOUR

Two observations on the reform effort itself

Offered because the terms of reference ask how regulation across all levels of government can speed up delivery, and we take the words across all levels seriously.

12. A fragmented response to a fragmented problem

Housing supply regulation in Australia is administered by three tiers of government. It is currently being reformed by three tiers, largely in parallel and largely independently. Planning systems are being reformed at state level, approval pathways at local level, national frameworks and incentives at Commonwealth level.

Each is a reasonable response to a real problem and we criticise none of them. Our observation concerns what none of them does. Every reform we are aware of changes what happens inside a tier. We are not aware of one that changes how work moves between tiers.

This has the same shape as the pathology we measured inside the delivery system. There, no organisation was performing badly by its own measures and the delay lived in the handovers, invisible in everyone's performance data because nobody owned it. Here, each tier is improving what it controls and measuring itself on that improvement, while the elapsed time between tiers is owned by nobody, measured by nobody and reported in no performance framework. A proponent satisfying a local approval, a state referral and a Commonwealth condition in sequence experiences the sum of three improved processes and may still wait as long as before.

> *A fragmented industry is being addressed with a fragmented response — and the fragmentation of the response is not visible from inside any one tier.*

A test the Commission might apply

A jurisdiction could implement every reform direction in the interim report and still deliver slowly, if the three tiers' processes remain sequentially coupled. That would be an unfortunate outcome, because it would be read as evidence that regulatory reform does not work, when what had been tested was reform of the parts rather than of the whole.

We therefore offer, for the Commission's consideration, a single question that might usefully be put to each reform direction before it is finalised:

> *Does this reform change what happens within one tier, or does it change how work moves between tiers? If the former, what is the mechanism by which the gain survives contact with the other two?*

This is consistent with the Commission's fourth principle and with reform direction 3.4. It also suggests that coordination bodies may need to be constituted across tiers rather than within one — a materially harder institutional task, and one worth naming as such.

13. Shared infrastructure for cross-tier coordination

The previous section identifies a problem and proposes a test. This one proposes a mechanism. We offer it tentatively, as a direction rather than a design, and we recognise it may sit at the edge of the terms of reference. We include it because the observation would otherwise stand without a remedy.

Coordination across three tiers presently depends on relationships and correspondence. Each tier holds its own requirements, in its own systems, in its own terms, on its own timetable. A proponent reconciles them manually, discovers conflicts late, and absorbs the elapsed time that results. Nobody holds a single view of what all three tiers require for a given dwelling type in a given location, in what order, and by when.

What is absent is shared infrastructure: a common place in which the existing requirements of all three tiers are expressed in a common form, sequenced, and visible to every party at once. It would hold planning requirements, construction tolerances, quality standards, referral triggers and their sequence, and the status of work in train. It would not be a new regulator, a new approval or a new requirement — it would be a common expression of requirements that already exist and which, at present, only the proponent can assemble, one enquiry at a time.

This is one of the few instruments that sits naturally with the Commonwealth. It is national infrastructure that no single state can build for the others and from which every state benefits, and it coordinates without overriding: each jurisdiction continues to set its own requirements, and the platform makes them legible and sequenced alongside everyone else's.

A caution we would put strongly, about our own proposal

A platform built on top of an unreformed process digitises the fragmentation rather than removing it. The requirements remain in the same order, discovered at the same point, with the same conflicts — now rendered on a screen. This is a common and expensive error, and we would encourage the Commission to guard against it.

> *Simplify before improving. Sequence first, then encode — a digital solution applied to a sequencing problem produces a faster description of the same delay.*

We make the point about our own suggestion deliberately. Nothing in Part Two required new technology, and we would not want a platform read as a qualification of that. What produced the result was organisational. Shared infrastructure is not what creates the gain; it is what allows a gain already proven to be held across three tiers of government and many programmes at once — the same function the physical gallery performed inside a single programme, at a scale where a wall will not do.

14. Comment on the prioritisation in chapter 5

The interim report concludes that reforming land-use controls is likely to have the greatest impact on supply, and that reducing regulatory burden through improved approval timeframes is likely to have less effect. We do not contest the first proposition, on which we hold no evidence and defer entirely to the Commission's modelling.

On the second, we ask the Commission to consider whether the available evidence base measures the full effect. If the literature estimates the gain from approvals reform by reference to assessment durations, it will find modest gains — because assessment duration is a small component of elapsed time. Our measurement of the same problem, conducted at the level of the work rather than the process documentation, found the recoverable time to be several multiples larger and to sit in the interfaces between assessing parties rather than inside any of them.

We note the report's own observation that making approvals more efficient will not be sufficient on its own, and we agree. Our submission is narrower: that the prize from coordination reform may be materially larger than the literature suggests, and that it is unusually cheap to obtain, because it requires no legislation and no appropriation.

We recognise that a single programme in a comparable jurisdiction is not a basis for national policy and we do not present it as one. We offer it as an existence proof, and as a source of implementation detail should the Commission want it.

15. Offer of assistance

We would welcome the opportunity to assist the inquiry team further. We can provide the underlying process analysis, the permissions dataset, the full intervention sequence with implementation timelines, and the measurement methodology. We are based in Melbourne, as is the Commission, and the author is available to brief the team in person at any time, or to take part in any roundtable or consultation the Commission considers useful.

We do this work without charge and hold no commercial interest in the outcome of this inquiry.

Annex — measures and definitions

Set out in full so that the Commission can assess comparability. Figures are drawn from the published case study and from Project Velocity programme measurement.

Measure	Definition and basis
Dwellings per year	New state housing units completed per year, programme-wide. Baseline 2020; endpoint 2024.
Days, address to keys	Average elapsed calendar days from an address being identified to keys handed to the tenant, for a typical three-bedroom single or double-storey home of up to 190m². Comprises pre-construction and construction, consents included. Not land acquisition to completion.
Build cost per m²	Average all-in build cost from foundation up, per square metre, Australian dollars. Excludes land.
On-time delivery	Percentage of projects completed on the stated completion date, including those delivered early.
Cost variance	Percentage deviation from initial budget estimates.
Elapsed and worked days	Elapsed days are calendar days between the start and end of a step. Worked days are days on which value-adding work was actually performed on that dwelling, established by classifying every step of the journey as value-add or non-value-add.
Permissions elapsed time	Average elapsed time a state house spent waiting inside the permissions system — resource consent, building consent and everything between.

Baseline figures describe the delivery system as it operated in 2020; endpoint figures as it operated in 2024. Duration figures are elapsed calendar days, not working days and not effort. Cost figures are Australian dollars and exclude land.

Measures reported in the second table at section 6 are preliminary, based on initial reports from participating stakeholders, and have not undergone standardised or independent audit. All other figures have been verified and confirmed against validated data reviews.

The single-address analysis at section 2 is one dwelling, selected after a forensic review of five to six years of completed housing as typical rather than best or worst. The portfolio average for the same measure was 993 days.

Tony Karantonis
Managing Partner, DAUM&CO
[Redacted] · [Redacted]· [Redacted]