

Question on Notice

No. 718

Asked on Tuesday, 11 June 2024

MS S BOLTON ASKED THE MINISTER FOR HOUSING, LOCAL GOVERNMENT AND PLANNING AND MINISTER FOR PUBLIC WORKS (HON M SCANLON)—

QUESTION:

With reference to the REIQ reporting overall building approvals, dwelling commencements and completions remaining below 35,000 new dwellings each year—

Will the Minister commit to a whole-of-government approach to reduce construction costs and other issues impacting the industry including components of the best practice construction guidelines that have been identified as contributing to this?

ANSWER:

The Miles Government supports the regular release of Building Activity data from the Australian Bureau of Statistics (ABS) and recognises the ABS as a critical source of information that provides important insights into broad movements in the industry. The ABS leverages several direct and indirect data sources to form building activity data. Further statistics regarding approved builds, including commencements and completions, are obtained from surveyed responses from builders and other individuals and organisations. However the dwelling commencements and completions data, while beneficial for broad industry analysis, does not provide a complete picture nor reflect the full effort being made to generate additional supply opportunities into the market.

The latest ABS data confirms that on average, since 2015, this Government has:

- approved more homes per month;
- commenced more homes per quarter; and
- delivered more homes per quarter,

compared to the Government between 2012 and 2014.

This is despite the building industry across Australia experiencing extensive challenges with labour and material supply in recent years. The Miles Government continues to support and improve opportunities for the industry including:

- The **Big Build** provides \$107.262 billion in opportunities with a significant number of projects in the building construction sector.
- The **Queensland Procurement Policy** has over many years generated significant opportunity for the market through the promotion of engaging local suppliers, supporting small-medium sized enterprises, and simplifying tendering and other procurement processes for industry.
- The **Building Policy Framework** - has simplified four existing frameworks and extensive guidance material into one streamlined policy and guideline for Departments promoting a range of initiatives to support industry, including ongoing development of standardised contracts, consistent due diligence, project pipeline visibility and other initiatives aimed at simplifying the process of doing business with government.

- The **Prequalification (PQC)** system houses a comprehensive register of prequalified consultants and contractors, aimed at covering key information like licences, insurances, policies, and other associated information to reduce the burden on industry at tender while ensuring strong due diligence processes remain at the forefront of industry engagement.
- **Best Practice Principles (BPP)** is focused on ensuring quality, safe workplaces through the highest possible standards of work health and safety, engaging appropriate numbers of trainees and apprentices, and best practice industrial relations to support the delivery of projects. Further, Best Practice Industry Conditions (BPICs), which only apply to Government projects valued \$100 Million or more cover a range of minimum standards including mental health training and support, work life balance, encouraging a permanent rather than casual workforce, supporting women in the industry and providing training and apprenticeship pathways for a sustainable industry.

Beyond levers to Queensland Government projects, there is ongoing funding support through initiatives such as Skilling Queenslanders for Work, free apprenticeships across a range of construction-related fields for under 25s and free construction apprenticeships for all Queenslanders, Free Tools for First Years apprenticeships and other initiatives aimed at enhancing labour supply across the industry to support ongoing growth and deliverability of public and private sector programs into the future.