



Fab, Fast & Fair Housing | AMPLIFY Submission

*AMPLIFY's Submission to the Victorian Government
Consultation on Enabling Modern Methods of Construction.*

Executive Summary

Thank you for the opportunity to contribute a community perspective to the consultation on Modern Methods of Construction (MMC) in Victoria. The communities' voice is too often missing from policy making but, working together, we can change this.

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. After reviewing 13 expert-led reforms, 96% backed accelerating modern housing.

To better support the uptake of modern housing, AMPLIFY's Fab, Fast & Fair campaign calls on the Victorian Government to:

- Seed the pipeline of modern homes;
- Modernise regulations pertaining to housing, and;
- Mobilise skills for Modern Methods of Construction.

We welcome the opportunity to introduce AMPLIFY and to discuss our submission with the Victorian Government in further detail.

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.

Introduction

Thank you for the opportunity to contribute to this consultation on Enabling Modern Methods of Construction (MMC) in Victoria. We commend the Victorian Government for responding to the calls from the community to take bold action to better support the adoption of MMC.

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 the solutions to our biggest challenges and to campaign for those ideas.

Australia is facing a national housing crisis. The promise of affordable and secure housing has been broken—and it is impacting people across the spectrum, including those experiencing homelessness, renters, and current or hopeful homeowners.

In February 2025, our national AMPLIFICATION on housing brought together a representative group of 100 Australians to assess 13 expert-led housing reforms. The people's message was clear: bold, system-wide action is needed, and boosting housing supply is key.

An overwhelming 96% of participants backed accelerating modern, prefabricated housing, with strong support across all ages, regions, and political views—signalling a broad national appetite for modern building solutions. Following this decisive mandate, AMPLIFY has identified three levers Australian Governments should reform to catalyse the growth of modern housing.

The community backs action to accelerate modern housing

Far too often, leaders make decisions with experts and industry only. The people they need on board to action change and realise outcomes aren't 'at the table'. Levels of trust in government are low. Only 17% of Victorians trust government more than fellow citizens to solve the housing issues, compared to 53% who trust fellow citizens more. AMPLIFY is changing this by amplifying the community's view in public policy discourse.

In February 2025, AMPLIFY convened Australia's first national public deliberation on housing—our AMPLIFICATION. A group of 100 Australians, representative of the population at large, reviewed the evidence and weighed policy options to address the housing crisis. Participants assessed and debated 13 housing reforms, receiving guidance from experts as they deliberated. The most strongly supported reform was to unlock the potential of Modern Methods of Construction to deliver Fab, Fast and Fair Housing.

With 96% backing, the community identified modern housing as a policy priority, capable of improving construction productivity and accelerating housing supply. Participants viewed prefabricated methods as a practical solution—particularly in regional and greenfield contexts—if supported by appropriate procurement, regulatory, and skills settings.



Let's build those homes 30% quicker so people can start to live in them. As long as the building regulations are adhered to, this is a great way to get houses built quicker. Developers can build these as well as Mum and Dad investors. We could also have fab prefab tiny homes for our most vulnerable community members.



– 52-year-old with mortgage; Coalition voter



This is a new form of building homes and is—in my opinion—a natural progression for the construction industry to follow. Due to the increased productivity of homes, it directly addresses the current need for housing supply and quickly. I think this reform is strong, practical, achievable, and evidence clearly shows it works in other countries and has done for a long time.



– 25-year-old renter; Greens voter



[MMC is] already in other countries and already taken place in AUS. More cost effective and more efficient requiring less trades to complete it. We need more houses quicker and with less cost.



– 40-year-old with mortgage; ALP voter

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.

In a recent, nationally representative AMPLIFY poll, conducted in collaboration with YouGov, **over 70% of Victorians supported the use of more prefabricated housing to address Australia's current housing shortage.**

Updating regulations and building codes, using purchasing power to buy at scale, and investing in skills and training were ranked by respondents as some of top actions governments should take to support modern housing. Only 8% of Victorians polled thought the Government should stay out of it.

This submission reflects this public consensus for **Fab, Fast & Fair Housing** and urges the Victorian Government to take big and bold reform action to unlock the potential of modern construction.

Barriers to Fab, Fast & Fair Housing

Unfit rules drain construction resources and stall trust

Victoria's housing rules aren't keeping up with modern construction. The system is still built around traditional onsite methods, with outdated regulations and inconsistent interpretations blocking homes that otherwise meet safety and amenity standards. Many modern builds are excluded from fast-track approvals due to rigid and outdated design overlays, zoning rules, and Deemed-To-Satisfy criteria—undermining the principle of regulatory neutrality agreed to by all Australian governments and limiting the benefits of modern construction.

Current compliance schemes like CodeMark and WaterMark don't yet support modern products, while finance and insurance systems remain geared to old methods. To unlock the full potential of modern construction, we need updated, nationally consistent regulations that reflect how housing is built today.

Modern construction methods can't scale in a thin market

Numerous, small-scale, fragmented operators, stuck in a cycle of bespoke building, complex approvals, and unpredictable demand lack the capacity (time and capital) and capability to innovate. Without reliable market signals and long-term commitments, industry lacks the certainty needed to invest, grow capacity, and reach the scale needed to unlock cost benefits. Government is best positioned to provide a small and steady pipeline commitment, de-risking innovation for the private sector and stepping back once the pipeline is seeded.

The existing industry isn't skill-ready, and the next generation is curious.

Victoria's construction workforce is not keeping pace with home building demands due to labour shortages, legacy industry practices, and a lack of accessible, targeted training aligned with industry digitisation and other advancements. Misconceptions about the sector and poor visibility of diverse, digital, and design-led career opportunities deter new entrants, especially women and digitally skilled youth. Too few tradies realise they could apply their skills in less physically demanding factory jobs, extending their careers and the workforce. Systemic reform is needed in workforce development, with rapid investment in contemporary training, industry pathways, and a modern industry narrative to mobilise the next generation of skilled workers.

Fab, Fast & Fair Housing means knocking these barriers down.

Policy recommendations

The following reform principles apply to all levers discussed below:

- Reform should enable housing supply, as was the priority of a representative group of informed Australians. More modern homes add to housing supply; they don't replace homes built with traditional methods.
- Reform should be undertaken in coordination with relevant national reform to avoid more friction for industry and duplication of regulatory schemes for governments. National harmonisation of rules and interoperability of processes between States and Territories is key for industry growth.
- Reform should build on learnings from other jurisdictions. There is no time (or policy rationale) for State/Territory parochialism.
- Educating industry and community about changes should be part of each reform. Modernising construction involves system-wide change management.

The Victorian Government's Discussion Paper focusses on modernising regulations. Our submission goes into more detail on this.

1) Modernise regulations to free up resources to build and to improve confidence in modern construction

1a. Standardise definitions for modern homes and explicitly recognise MMC in planning rules and building codes

To enhance clarity for practitioners, regulators, financiers and consumers regarding the often-ambiguous category of 'MMC,' regulatory instruments should be updated with a consistent and comprehensive definition of MMC. This definition should encompass a range of non-traditional construction approaches, including off-site and product-based construction and Design for Manufacturing and Assembly (DfMA). It should also be able to accommodate modern typologies that already exist (e.g. tiny homes, modular units, pods) and those that will arise through further innovation.

AMPLIFY agrees with the importance placed in the Discussion Paper on outlining a comprehensive definition of MMC to be implemented across the Victorian building code and other regulatory instruments. As agreed under the National Competition Policy Federation Funding Agreement, Victoria should adopt the national definition in its relevant legislation.

1b. Streamline existing planning and building legislation, ensuring regulatory neutrality between modern and conventional construction and removing regulatory frictions facing MMC suppliers

Design requirements should be eased to better accommodate modern design. Other State and Local Government rules that generate regulatory frictions for modern construction should be removed to achieve regulatory neutrality.

Regulatory neutrality for rules most relevant to social, affordable, and key worker housing should be prioritised, so these housing types can benefit from fast-tracked approvals processes sooner. 88% of the participants in AMPLIFY's national deliberation on housing supported a 10% increase to social housing stock—an ambition that could be more effectively realised via the implementation of streamlined approval pathways for modern homes.

1c. Streamline certification and compliance pathways for modern construction building design, systems and products

We support the Discussion Paper's call for a streamlined process for off-site inspections. Harmonisation at a national level will be critical to avoiding fragmentation and inefficiencies.

The Victorian Government should help to fast-track the ABCB-led establishment of the National Voluntary Certification Scheme for Manufacturers of Modern Methods of Construction. Its planned operationalisation from mid-2028 loses valuable time to build more homes more quickly. As part of this, a traceability approach is necessary to support the quality, transparency, accountability, and compliance of modern homes in a light-tough and efficient way. Standardised testing for key building performance measures, such as waterproofing, fire resistance, and acoustic performance, is also important to enabling a one-time-only product certification. Any learnings from its experience of agile and robust certification should be shared by the Victorian Government with other States and Territories.

Finally, education and training for both MMC practitioners and local councils will be essential to the effective implementation and ongoing success of any new certification and compliance pathways. Building knowledge and capability across the sector must be a key focus of reform efforts.

1d. Reduce contractual, financial and consumer protection-related barriers facing modern construction

We agree with the Discussion Paper that risks associated with pursuing rectification of defective work should also be tackled. This includes clarifying supply-chain roles in contracts, so responsibilities are fairly apportioned.

As agreed under the National Competition Policy Federation Funding Agreement, Victoria should remove disparities between consumer protections for modern and conventional methods of construction to ensure regulatory neutrality. This means setting statutory warranty levels appropriate to modern construction methods and its quality measures and defect risk levels.

The Victorian Government should lead financial institutions by example by easing limitations on advance payments when procuring social and affordable housing, to reduce excessive front-loaded costs on suppliers and ultimately consumers.

Finally, the Victorian Government should consider de-risking private financing of modern construction by providing government backed guarantees. This would be a short-term measure while market confidence builds.

2) Seed the pipeline to provide certainty for investment to innovate and scale modern housing.

Productivity needs innovation; innovation needs investment; and investment needs a pipeline. Leading by example and investing small and steady amounts in the procurement of modern, prefabricated housing, governments can build confidence in modern construction and give industry the opportunity to scale.

Key levers include:

- Giving pipeline certainty by procuring social, affordable, and build-to-rent modern dwellings and bundling procurement across government agencies;
- Leveraging available Commonwealth funding (such as the \$49.3m Modern Manufacturing Initiative) to seed local prototypes and act as industry aggregators;
- Applying strategic procurement principles in major projects, including use of Building Information Modelling and assessing whole-of-life costs rather than construction cost on completion, and;
- Showcasing exemplar prototype homes in central locations.

3) Mobilise skills to transition the existing workforce and to attract the next generation

Unlocking Modern Methods of Construction provides opportunities to upskill and reskill the existing workforce, and to harness new and emerging skills and career opportunities.

Key levers include:

- Turbocharging access to MMC micro-skills and micro-credentials in construction, manufacturing and design, including digital skills; contract administration; project management; surveying skills for factory-build work; and 'Design for Manufacturing and Assembly', and connecting TAFEs with the Melbourne Polytechnic Future of Housing Construction Centre of Excellence;
- Leveraging latent manufacturing talent for cross-training between traditional trades and offsite manufacturing, aimed at enhancing the capacity of workers, not replacing them, and;
- Marketing the new breadth of construction careers to attract and retain new talent, highlighting that contemporary construction is not just about drills and hammers—it can be a career in digital technologies, gamification, creative design, and sustainability.

Conclusion

Modern housing is not a complete solution, but it offers 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.

AMPLIFY urges the Victorian Government to move at pace to modernise regulation, consistent with national regulatory change.

Our proven methods of deliberation can support the Victorian Government in building consensus across industry and the community. AMPLIFY has developed a tested, scalable approach to consensus-building and has a toolkit of deliberative and participatory processes.

We welcome the opportunity to present further evidence or work with the Government to inform and engage the broader Victorian community.

Sources

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