



News release

Insurance Council
of Australia

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ICA submits recommendations to Qld Productivity Commission

The Insurance Council of Australia (ICA) has put forward six recommendations to the Queensland Productivity Commission's latest inquiry into the construction industry, highlighting the need to improve land use planning, undertake tax reform, improve building regulation and enhance labour market operations.

In a submission to the Queensland Productivity Commission's draft report [Opportunities to Improve the Productivity of the Construction Industry](#), the ICA provided the following feedback:

1. **Abolish the nine per cent stamp duty tax on general insurance premiums.** In 2024-25, Queenslanders paid \$1.66 billion to the state government in stamp duty on insurance products, which is the equivalent of \$265 for every resident on average.
2. **Review land use planning arrangements** to take into account current and projected extreme weather events and ensure areas of zero-risk and low-risk are prioritised for future development. Any potential housing development in areas prone to extreme weather events, particularly flood, should not be permitted.
3. **Examine practical measures to enhance the resilience of Queensland's future housing stock** by engaging with industry groups including the insurance industry. The construction of new homes needs to strike a balance to ensure future builds aren't locking in future risk, with current disasters already costing Australians an average of \$1,500 a year.
4. **Improve the safety and quality of buildings and repair works** through pursuing remaining recommendations from the 2018 Building Confidence Report and surge projects to support the rectification of serious defects. Building defects that are not rectified in a timely manner or left entirely unaddressed can leave communities vulnerable at times of crisis, but concern also exists that it may lead to insurance challenges in the future.
5. **Support combustible cladding rectification work**, similar to programs established in New South Wales and Victoria.
6. **Support automatic recognition of interstate trades** to deliver a more responsive workforce after an extreme weather event. As extreme weather events increase in scale and impact, it is vital to ensure we have a sufficiently skilled workforce who can be deployed in the aftermath of disasters. The industry requires flexible and efficient deployment of workers to undertake necessary repairs and help people get back into their homes quickly.

More information on policy recommendations the insurance industry has put to the Queensland Government can be found in the ICA's recent report [A Stronger Queensland – Policy Recommendations for the next Queensland Government](#).

Quotes attributable to ICA CEO Andrew Hall:

As the most disaster-prone state in Australia, it's essential the Queensland Government take the severity and frequency of natural disasters into account when undertaking its inquiry into the productivity of the construction industry.

Insurance prices risk, and to lower the risk we need stronger homes that are out of harm's way.

The Insurance Council and its members look forward to ongoing engagement with the Queensland Government and welcomes its review to support a more prosperous and productive building industry in Queensland.