



Embargoed until 6am Monday 11 November

Industry and built environment stakeholders call on Building Ministers to stay the course on the National Construction Code

As Australia's Building Ministers meet with industry today, our organisations call on the Building Ministers Meeting to reaffirm its commitment to the regular three yearly review and update of the National Construction Code (NCC), to implement the next revision of the NCC in 2025 as planned and to increase the resourcing of the code administrative body, the Australian Building Codes Board (ABCB), to anticipate the rate of future change.

The NCC sets the national standard for how we build in Australia. It covers matters such as fire safety, structural integrity, health, amenity, accessibility and sustainability considerations, including emerging issues like embodied carbon, resilience to our changing climate, and increased frequency and intensity of natural disasters.

A national productivity project

Since the early 1990s, the adoption of a single building code by state and territory governments has been a national project grounded in productivity and efficiency, to save businesses money from unnecessary and confusing duplication between states and territories and undue regulation, focusing on reforms that have a net benefit to society.

The NCC also ensures an appropriate safety net for quality, comfort and cost to all Australians, the people who ultimately own, work and live in the buildings we construct.

Evolving to focus on emerging risks

Over time, the issues addressed in the design, construction and refurbishment of buildings have changed and evolved in response to the risks faced. From ensuring personal safety in case of fires and structural failures, to addressing systemic defects in quality like waterproofing and condensation, there is a strong need to consider emerging challenges.

Constructing buildings and homes that will still be here in 40 and 50 years' time requires taking a long-term view on what appropriate minimum standards need to be achieved.

Climate action in the critical decade

Improving the energy performance of new homes and buildings will benefit Australians for decades to come and make the transition to renewable energy faster and cheaper.

The energy performance requirements for homes introduced in NCC 2022 will lead to significant and ongoing energy bill savings for households, better health outcomes, better resilience to worsening extreme weather events and heatwaves,¹ cuts to our emissions and less need for expensive generation and network augmentation.

According to CSIRO research, over 75% of new homes in NSW achieving NatHERS ratings since July 2024 are now rated above 7 stars², highlighting the positive impact of these new standards. The Australian Glass and Window Association (AGWA) reports that implementing the new energy efficiency standards has conservatively raised costs by an average of just \$4,300 per home³. These costs will be offset by homeowners saving at least \$326 in energy bills per year⁴, every year, and improved health outcomes thanks to the improved energy efficiency of their homes.

Similarly, provisions in NCC 2025, due to be published next year, stand to increase the energy performance of commercial buildings significantly through increased efficiency of the building envelope, its services and the provisioning for onsite solar PV and EV charging.

All governments have committed to a Trajectory for Low Energy Buildings and further progress in the next revision of the NCC is necessary to ensure our buildings are climate resilient, zero-carbon-ready and aligned with our 2030 and 2050 emissions reduction commitments.

Failure to continue to improve energy performance of homes will disproportionately disadvantage occupants on low incomes and renters who already have limited options for housing. These people will be further disadvantaged by the poor performance of these homes, which will cost more to power, and to maintain health and safety, leading to increased illness and inequality.

Keeping pace with building innovation and new technology

Failure to adapt our standards and approaches in line with cost-saving technology and productivity advancements risks worsening affordability. Governments' ambitious commitment to deliver 1.2 million homes over the next decade demands a focus on innovative ways to deliver homes for our growing population, including prefabricated and modular construction.

Resilience into the future

Building Ministers recently agreed to add resilience as an objective of the Australian Building Codes Board (ABCB) from 2025. This was a welcome move and gives the ABCB a clear mandate to explore how

¹ Heatwaves are responsible for more deaths than all other extreme weather events combined, with an estimated 36,000 deaths associated with the heat between 2006 and 2017, ANU Institute for Climate, Energy & Disaster Solutions, '[We know that heat kills: accurately measuring these deaths will help us assess the impacts of climate change](#)', February 2021

² CSIRO Energy Rating Dashboards for States and Territories, <https://ahd.csiro.au/dashboards/energy-rating/states/>, accessed 29 October 2024

³ Australian Glass and Window Association, 7.0 Star Cost Upgrade Analysis, September 2024

⁴ ACIL ALLEN for ABCB, [National Construction Code 2022: Decision Regulation Impact Statement for a proposal to increase residential building energy efficiency requirements NCC 2022](#), August 2022

the NCC can reduce the impact of climate change and natural disasters on housing and other critical community facilities.

This is necessary work to make Australia's buildings more resilient to extreme heat and weather events driven by climate change. With extreme weather already more frequent and intense than historical averages and 2023 the hottest year on record⁵, we need to adapt our buildings for the future climate.

No time to pause

It is therefore ill advised for governments to 'press pause' on the standards that govern the safety and wellbeing of Australians. Breaking this convention could result in state and territory governments adopting their own approach to NCC amendments, increasing compliance costs for industry and leading to further fragmentation of building standards across the country.

There should continue to be an opportunity to review whether changes that have been made in the NCC over time are working as intended. We have a three-yearly review cycle for that reason. The ABCB needs to be supported and resourced to do this work effectively.

We call on Building Ministers to reaffirm their commitment to this important national project.

⁵ European Union Copernicus Climate Change Service, [Media Release](#), January 2024