

Treasury
NCCmodernisation@treasury.gov.au

27 February 2026

To whom it may concern,

Re: Streamlining and Modernising the National Construction Code

Thank you for the opportunity to provide feedback on the *Streamlining and Modernising the National Construction Code* consultation.

The EEC is the peak body for energy management and energy efficiency in Australia. Our members include technology suppliers, energy service providers, major energy users, governments, education providers and NGOs. Energy efficient products and services are essential for a cost-effective, equitable, and orderly transition to net zero.

We welcome your consideration of opportunities to streamline the National Construction Code (NCC). This process should ensure existing energy performance standards are maintained; updates and performance improvements continue in line with existing policy commitments, the requirements of the energy transition and climate adaptation; and adequately resource government agencies to ensure the effectiveness of the Code.

A regularly updated National Construction Code is critical to the performance of Australia's buildings.

The NCC is an important national process that provides consistent standards and a clear framework for the construction industry.

The development of a national code was a critical productivity measure introduced to reduce the costs faced by industry of compliance with multiple and divergent building standards managed by state and territory jurisdictions. A regular review cycle provides a clear and predictable process for additions or amendments to the NCC, allowing industry to engage and plan accordingly while achieving nationally consistent building standards.

Standards in the NCC have demonstrably improved the energy performance of Australian homes. Homes built before the introduction of minimum energy efficiency standards in 2003 are estimated to have an average NatHERS energy efficiency rating of under 2 Stars, well below the minimum 7 stars required by the NCC today. Improved home energy performance delivers a wide range of benefits: lower household energy bills; improved comfort and resilience to extreme weather conditions; lower greenhouse gas emissions; and reduced costs of energy systems due to reduced energy demand at peak times.

The speed of the energy transition from fossil fuels to renewables means that regular updates to construction standards are an important tool for managing and optimising energy use in households and the built environment sector, including thermal efficiency, fixed appliances, and integration of consumer energy resources (CER).

Existing government commitments to building performance must not be weakened.

Any measures to make the Code easier to use for industry should be developed alongside the regular update cycle and must not compromise the NCC's role as a core measure for meeting Australia's emissions reduction and climate resilience goals.

State, territory and Commonwealth governments have recently agreed to an update to the *Trajectory for Low Energy Buildings*, which highlights the role of further updates to the NCC to support the delivery of 2030 targets through a least-cost pathway to zero carbon ready residential buildings, while Ministers have also agreed to include climate resilience in the remit of the Australian Building Codes Board.

We welcome the commitment of the Australian government to adopted policy settings, as restated in the consultation paper. We urge the government to ensure that the proposed 2029 NCC update continues to deliver performance improvements and that any appropriate changes to the NCC process to streamline or modernise the Code are complementary to these existing policy commitments.

We welcome measures to make the Code easier to use, more accessible, and to facilitate modern methods of construction.

Making the NCC as easy as possible to use for industry is a welcome proposal. This may include measures to digitise content in accessible formats; provide clear guidance and training; improve access to related standards; or revise content to make underlying standards easier to use and understand.

Modern methods of construction such as prefabricated and modular housing offer opportunities to reduce the cost of building while maintaining high standards for comfort and energy performance. The NCC should enable these methods and any identified barriers to modern methods of construction in existing compliance pathways should be reviewed.

Streamlined pathways to continue improving energy performance standards in line with the broader energy transition should be a focus for future Code updates. The 2022 NCC embedded dual energy performance requirements of thermal shell efficiency alongside a new 'whole of home' energy budget, incorporating thermal efficiency alongside fixed appliances and onsite energy resources such as solar and batteries. This framework is aligned with the expansion of NatHERS to include

existing homes and the national framework on home energy ratings disclosure. Leveraging the existing whole of home energy budget offers a simple and easy to use framework for further improvements to the energy performance standards of new homes at least cost.

To be effective the National Construction Code must be resourced.

No effective review or streamlining of the NCC will improve construction sector productivity or the performance of Australia's buildings if the development and maintenance of the Code is not funded effectively.

Limited resourcing has placed strain on the capacity of government agencies to maintain the NCC, engage with industry and undertake the technical work required to deliver on government commitments.

The Australian government should increase funding to the Australian Building Codes Board to ensure it has internal capacity to effectively maintain the NCC and deliver updates on a timely schedule. Updates to standards in the 2029 NCC in line with policy commitments in the *Trajectory for Low Energy Buildings* including zero carbon ready homes, climate resilience and the embedding of future climate scenarios require detailed technical work; delays in the implementation of these commitments as a result of inadequate funding will lead to industry uncertainty and reduced capacity to deliver at least cost.

The adoption of any additional streamlining measures following this consultation process is also likely to require appropriate resourcing to be successful. This should be undertaken with additional funding rather than at the expense of necessary ongoing or existing work. Additionally, the review should consider what role government agencies may have in supporting industry readiness for timely updates to the NCC and resource this work accordingly.

Thank you for your consideration of our comments. This submission considers selected elements of the consultation; a lack of comment on any issue does not indicate an EEC position. For further information or to discuss any issues referred to above, please email Jeremy.Sung@eec.org.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jeremy Sung', with a stylized flourish at the end.

Jeremy Sung
Head of Policy
Energy Efficiency Council