



Australian
Institute of
Architects

NATIONAL CONSTRUCTION CODE MODERNISATION PROJECT – INTERIM REPORT



Additional Evidence from Practitioner Engagement and
Economic Modelling Consultation

ROYAL AUSTRALIAN INSTITUTE OF ARCHITECTS

SUBMISSION DATE: 6 OCTOBER 2026

ABOUT THE INSTITUTE

The Royal Australian Institute of Architects (Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with more than 13,500 members across Australia and overseas.

The Institute exists to advance the interests of members, support professional standards and contemporary practice, and advocate the value of architects and architecture to the sustainable growth of our communities, economy and culture.

The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design.

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- + At the time of this submission the National President is David Wagner FRAIA. Hon. AIA
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The Royal Australian Institute of Architects recognises the unceded sovereign lands and rights of Aboriginal and Torres Strait Islander peoples as the First Peoples of these lands and waters.

This recognition generates acknowledgement and respect for Aboriginal and Torres Strait Islander Countries, Cultures and Communities, and their ways of being, knowing and doing.

Caring for Country practices including architecture and place shaping have existed on this continent since time immemorial.

The Institute recognises a professional commitment to engage and act meaningfully through reciprocal partnership and relationships with Aboriginal and Torres Strait Islander peoples. Together we will support and develop the emergence of new possibilities for our shared future.

1. Introduction

The Australian Institute of Architects (the Institute) welcomes the opportunity to provide supplementary comments on Treasury's National Construction Code (NCC) Modernisation Project Interim Report.

The Institute provided a detailed submission earlier in 2026 and remains supportive of the overall direction of the modernisation program. In particular, we welcome efforts to improve usability, accessibility, consistency, certainty and innovation within Australia's building regulatory framework while maintaining appropriate standards for safety, quality, accessibility, resilience and sustainability.

Since lodging our original submission, the Institute has continued engagement with members, technical experts, industry stakeholders, Treasury, the Australian Building Codes Board (ABCB), and the Centre for International Economics (CIE) as part of Treasury's economic modelling process. This has provided additional insight into the practical productivity impacts of regulatory settings, implementation challenges and opportunities for reform.

This supplementary submission does not seek to repeat the Institute's original recommendations. Rather, it provides additional evidence and observations gathered since release of the Interim Report and highlights several areas the Institute considers particularly important as reform options are developed.

The Institute notes that NCC modernisation is only one component of a broader housing and construction reform agenda. Its success will ultimately depend on complementary reforms across planning systems, infrastructure provision, workforce capability, procurement, financing and project delivery. However, improvements to regulatory certainty, consistency and usability within the NCC can make a meaningful contribution to productivity and housing delivery irrespective of wider reform settings.

2. Key Message

The Institute continues to support NCC modernisation and recognises the significant opportunity to improve productivity across Australia's construction sector.

Importantly, productivity gains should not be viewed as being inherently in tension with quality, safety or innovation. The Institute does not support an approach that assumes productivity gains can be achieved simply by reducing standards. Feedback from industry consistently suggests that uncertainty, duplication, rework and inconsistent interpretation impose greater costs on projects than the underlying requirements themselves. Equally, poor-quality design and construction outcomes can generate significant long-term costs through defects, remediation and reduced building

performance. Modernisation should therefore focus on improving certainty, consistency and efficiency while maintaining confidence in the safety, quality and long-term performance of Australia's building stock.

Feedback received through member engagement consistently indicates that some of the greatest opportunities lie in:

- improving certainty and consistency of interpretation
- reducing duplication and unnecessary rework
- improving accessibility and usability of the NCC and referenced Standards
- supporting innovation through clearer and more efficient pathways
- providing greater implementation support and practical guidance
- ensuring Performance Solutions are reserved for genuinely novel or complex circumstances rather than routinely required for established construction methods
- creating a more nationally consistent regulatory environment that supports housing delivery, modern methods of construction and investment

The Institute considers these reforms can support productivity while maintaining confidence in building outcomes and community expectations.

3.Modernisation Should Improve Usability Without Reducing Flexibility

The Institute supports efforts to improve usability and accessibility of the NCC but cautions against reforms that reduce the flexibility that allows the Code to accommodate innovation, emerging technologies and evolving community expectations.

The strength of the current framework lies in the balance between Deemed-to-Satisfy (DTS) pathways that provide certainty and efficiency, and Performance Solutions that enable innovation and alternative approaches. Modernisation should seek to improve certainty and ease of use while preserving this balance and ensuring the NCC remains responsive to future industry needs.

4.Productivity Through Greater Certainty and Consistency

Consistent themes emerging from member feedback include the cost of uncertainty, inconsistent interpretation and duplicated compliance processes.

The Institute continues to support efforts to reduce unnecessary jurisdictional variation and strengthen the NCC's role as a genuinely national framework.

However, members also report that productivity impacts frequently arise from:

- differing interpretations of NCC provisions between certifiers
- inconsistent application of referenced Standards
- unintended economic consequences arising from modified or newly referenced Standards
- varying compliance expectations across jurisdictions
- duplication of assessment processes
- uncertainty throughout design and delivery phases
- difficulty introducing innovative construction solutions

These issues often result in:

- redesign and rework
- additional consultant costs
- delayed decision-making and project delays
- increased project risk
- conservative design responses
- reduced project feasibility

The Institute considers that modernisation should therefore focus not only on harmonisation of regulatory requirements, but also on improving the consistency of interpretation, implementation and compliance outcomes across the broader regulatory system.

The Institute also notes concerns raised by members regarding significant differences in the application of building control, certification and compliance frameworks in remote parts of Australia, particularly in the Northern Territory. While these matters extend beyond NCC modernisation itself, they highlight the importance of ensuring that the benefits of a national code are supported by consistent implementation, oversight and enforcement arrangements. Effective building control systems help deliver confidence in safety, quality, accessibility and amenity outcomes, particularly in communities where occupants may be most vulnerable to the long-term consequences of building failure, deferred maintenance or poor construction quality.

5. Improving Performance Solutions and Deemed-to-Satisfy Pathways

The Institute remains strongly supportive of performance-based pathways.

Performance Solutions play an important role in enabling:

- innovation

- modern methods of construction
- new products and technologies
- housing diversity
- adaptive reuse
- project-specific responses

However, members continue to report that many commonly accepted solutions are repeatedly assessed and documented on a project-by-project basis.

This can result in substantial duplication and unnecessary compliance costs. Feedback received through recent consultation activities suggests that the repeated assessment of commonly accepted solutions may represent a significant, and largely avoidable, source of compliance cost and delay.

Members also report that Performance Solutions are increasingly being required for common, established and well-understood construction methods that have been successfully used across the industry for many years. While Performance Solutions remain an important mechanism for addressing novel, complex or innovative proposals, feedback suggests they are increasingly being applied where a Deemed-to-Satisfy pathway, recognised precedent or professional assessment process may be more appropriate.

This can create unnecessary consultant costs, project delays and administrative burden, particularly for housing and smaller projects. The Institute considers there are opportunities to expand Deemed-to-Satisfy provisions, improve guidance and provide greater confidence in accepted solutions where risks are well understood and routinely managed.

The Institute also notes member concerns that increasing reliance on third-party specialist reports can, in some circumstances, reduce the ability of Relevant Building Surveyors to exercise professional judgement on routine compliance matters.

The Institute reiterates its support for exploring:

- a nationally accessible repository of commonly accepted Performance Solutions
- mechanisms for sharing accepted solutions across jurisdictions
- improved guidance, including graphical illustration of accepted solutions regarding commonly recurring issues
- pathways for mature, proven and commonly accepted solutions to inform future DTS provisions and reduce unnecessary reliance on Performance Solutions
- nationally recognised approaches that reduce unnecessary duplication

Innovation should not need to be repeatedly recreated where accepted knowledge can be shared for broader industry benefit.

6. Digital Transformation and the Future NCC

The Institute supports continued investigation of digital approaches that improve the accessibility and usability of the NCC.

There is considerable potential for:

- digital code navigation tools
- machine-readable code content
- AI-assisted search and interpretation tools
- interactive guidance systems
- project-specific compliance assistance tools

to reduce administrative burden and improve user experience.

The Institute has previously noted that AI and digital tools have the potential to help users identify requirements relevant to particular projects, building classifications, disciplines or compliance pathways, reducing unnecessary search and interpretation effort.

However, these tools should complement rather than replace professional expertise. Such tools will be most effective where the drafting of the Code anticipates machine-based searches, clear and consistent relationships between clauses, and consistent interpretation of terminology and coherent compliance logic.

Appropriate professional oversight, accountability, transparency and governance arrangements will remain essential. Digital tools should support professional judgment, not substitute for it. This is particularly important in life-safety and public-interest decisions where professional accountability and independent verification remain essential.

The Institute considers a more digital, accessible and intelligent NCC represents a significant long-term opportunity for productivity reform.

7. Improving Guidance, Interpretation and Implementation Support

Members consistently identify the need for clearer guidance and interpretation support.

Productivity is frequently lost not because requirements are unreasonable, but because requirements are difficult to interpret, inconsistently applied or poorly understood.

Some larger practices have developed internal interpretation registers to assist project teams in navigating recurring ambiguities, inconsistencies and compliance questions arising from the interaction between the NCC and referenced Standards. While these tools can improve project delivery, they also highlight opportunities to improve clarity, consistency and accessibility within the regulatory framework itself.

Practical implementation tools may therefore provide significant value, including:

- explanatory handbooks
- diagrams and visual guidance
- worked examples
- interpretation resources
- implementation guidance
- nationally consistent explanatory material
- digital support tools

The Institute notes the positive role that practical guidance documents can play in supporting consistent implementation across industry.

There may be opportunities to expand these approaches into other areas where recurring interpretation issues create unnecessary cost, delay or uncertainty.

8. Modern Methods of Construction, Prefabrication and Housing Diversity

The Institute supports continued efforts to ensure the regulatory framework accommodates innovation in housing delivery and building construction.

This includes ongoing consideration of:

- prefabrication
- manufacturing-based construction
- modular and volumetric construction, including offshore manufacturing and large-scale modular assembly
- emerging housing typologies
- adaptive reuse across a range of building types
- housing diversity
- alternative delivery models
- offshore certification requirements

National consistency is particularly important for modern methods of construction, which often rely on repeatability, scalability and certainty across jurisdictions.

The Institute supports efforts to reduce circumstances where equivalent solutions require repeated assessment or approval between projects or jurisdictions.

Greater certainty and nationally recognised pathways can help facilitate innovation while maintaining confidence in performance outcomes.

The Institute welcomes the ABCB's ongoing work relating to prefabricated construction and has contributed to consultation on the National Voluntary Certification Scheme for Manufacturers of Prefabricated Construction.

9. Standards and Regulatory Accessibility

Members continue to raise concerns regarding the complexity and accessibility of referenced Standards.

Issues identified include:

- interactions between multiple referenced documents
- inconsistent drafting approaches
- conflicting provisions
- challenges understanding relationships between Standards and NCC requirements
- the practical difficulty of navigating a complex and interconnected Standards environment

The Institute welcomes the Australian Government's commitment to provide free, read-only access to Standards referenced in Australian legislation and recognises the potential benefits this reform will deliver for industry accessibility, compliance and productivity.

As implementation progresses, the Institute encourages continued collaboration between government, the ABCB and Standards Australia to ensure practitioners can readily access, navigate and apply referenced Standards in practice.

Improving accessibility should support:

- more consistent compliance outcomes
- improved understanding of regulatory requirements
- greater participation by smaller practices and regional practitioners
- reduced administration and search costs
- broader adoption of good practice across the industry

Members have also raised concerns regarding the interaction between the NCC and some referenced Standards, particularly where revised Standards can introduce

significant design, cost or feasibility implications that may not be immediately apparent through the NCC amendment process. The Institute encourages continued coordination between the ABCB, Standards Australia and industry to ensure that the productivity, cost and implementation impacts of revised Standards are fully understood as part of ongoing Code development.

The Institute considers that improving accessibility, clarity and usability across the broader Standards ecosystem should form part of the modernisation agenda. Users experience the NCC, referenced Standards and supporting documentation as a single regulatory system rather than as separate instruments, and reforms should reflect that reality.

10. Economic Modelling and Practical Productivity Evidence

The Institute participated in a consultation session convened by the Centre for International Economics (CIE) on 20 August 2026 as part of Treasury's economic modelling process.

The discussion explored how regulatory settings influence project delivery, risk, cost and productivity in practice. Feedback from participants consistently highlighted the cumulative impacts of regulatory uncertainty, inconsistent interpretation, duplicated compliance processes and project-specific assessments.

Members provided examples where uncertainty regarding compliance pathways resulted in additional design work, consultant costs, project delays and conservative responses adopted to manage regulatory risk. Participants also identified instances where similar Performance Solutions were repeatedly assessed and documented across multiple projects, creating avoidable duplication and compliance costs.

A recurring theme was that productivity impacts often arise not from the underlying requirements themselves, but from uncertainty regarding how compliance is demonstrated, assessed and interpreted in practice. Members also reported increasing reliance on specialist reports, additional documentation and project-specific assessments as a means of managing regulatory risk, which can add cost and delay without necessarily improving project outcomes.

Members highlighted examples where compliance pathways can be difficult to verify consistently, potentially requiring project-specific methodologies or additional specialist input. For example, concerns were raised regarding implementation of Specification 43 relating to bushfire compliance for Class 9a buildings, where project-specific methodologies may be required to demonstrate compliance and responsibility for assessment can be unclear.

The Institute subsequently provided additional practitioner evidence to support Treasury's economic modelling process. This material reinforced the importance of improving certainty, consistency and implementation support as mechanisms for reducing unnecessary costs and improving productivity outcomes.

The Institute encourages Treasury to consider both direct and indirect productivity impacts when modelling reform options, including the effects of uncertainty, delay, redesign, duplicated compliance activities, risk allocation and reduced project feasibility.

11. Implementation and Next Steps

The Institute recognises that several reform areas will require further development as the modernisation program progresses.

As implementation pathways are developed, the Institute encourages continued attention to:

- sequencing and transition arrangements
- differential adoption dates between States, insofar as Treasury can mitigate this
- capability within regulatory systems
- implementation support for industry, including reducing unnecessary reliance on project-specific assessments for routine compliance matters
- practical guidance materials
- national consistency
- innovation pathways
- opportunities for continued practitioner engagement

The Institute would welcome ongoing opportunities to contribute technical expertise and practitioner insight as reforms move from strategic direction into detailed design and implementation.

12. Conclusion

The Institute remains supportive of the NCC Modernisation Project and welcomes the reform directions outlined in the Interim Report.

We consider there is significant opportunity to improve productivity through greater certainty, consistency, accessibility and usability while preserving the flexibility that allows the NCC to support innovation and respond to emerging technologies, construction methods and community expectations.

Maintaining public confidence in the safety, quality and long-term performance of Australia's buildings should remain a central objective of the modernisation process.

The Institute looks forward to continued engagement with Treasury, the ABCB and Building Ministers as reform options are developed and assessed.