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Director
National Competition Policy Reforms
The Treasury
Australian Government

Submitted via online portal: <https://consult.treasury.gov.au/c2025-673090/consultation?page=1>

Via email: NationalCompetitionPolicy@treasury.gov.au

Dear Director

RE: Reforms to improve use and recognition of standards in regulation

The Green Building Council of Australia (GBCA) welcomes the opportunity to provide input to the consultation on reforms to improve use and recognition of standards in regulation. We recognise the importance of holding a national discussion about how reforms could lower barriers to the adoption of international and overseas standards in regulation, and how harmonisation of regulated standards across Australian jurisdictions could be improved. However, we note that there are a range of critical considerations to ensure that accountability, transparency and trust in regulatory setting is not eroded and opportunities for increased productivity and efficiency are optimised.

GBCA's purpose is to lead the sustainable transformation of the built environment. We do this primarily through our core functions:

- We rate the sustainability of buildings, fitouts and communities through Australia's largest national, voluntary, holistic rating system – Green Star.
- We educate industry, government practitioners and decision-makers, and promote green building programs, technologies, design practices and operations.
- We advocate policies and programs that support our vision and purpose.
- We collaborate with our members and other stakeholders to achieve our mission and strategic objectives.

Green Star is Australia's most widely used sustainability rating system for the design, construction and performance of buildings – including social infrastructure – fitouts and communities. Green Star aims to transform the built environment by:

- reducing the impact of climate change
- enhancing our health and quality of life
- restoring and protecting our planet's biodiversity and ecosystems
- driving resilient outcomes for buildings, fitouts, and communities
- supporting and rewarding the development and use of sustainable products and materials
- contributing to market transformation and a sustainable economy.

GBCA does not provide specific responses to the consultation questions, but makes the following comments regarding key issues raised in the consultation paper:

The readiness and ability of regulators to adopt suitable international and overseas standards, and recognise relevant assessment processes

GBCA urges careful consideration of any proposed changes to adoption of overseas standards. It is critical that standardisation in Australia remains robust, accountable and transparent. We must ensure that regulations applied in Australia remain fit for purpose, suitable to the Australian context and maintain appropriate levels of quality and safety. There is a growing need to expand our capacity to assess and adopt overseas standards and we urge the Australian Government to meet this with increased investment in enhancing, expanding and continuously improving Australia's existing internal systems and adoption capabilities.

GBCA would be concerned with any approach that proposed to lower barriers to overseas standards through automatic adoption of standards approved by international standards development bodies without Australia's own rigorous processes being applied. We note the example of the US-based International Code Council which is a source of model codes and standards and building safety solutions. However, these are not uniformly adopted across the US, which is a worthwhile reason to continue investing in the robust Australian approach (which must still meet its obligations under the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT Agreement) and Australian Standards are obligated to be based on International Standards unless there is a justifiable reason not to do so).

As an example of best practice voluntary standards, GBCA's rating system, Green Star has been applied to the new Australian Embassy in Washington DC. This project earned both a 4 Star Green Star certification and a LEED Gold certification with the recognition that elements of the rating tool need to be harmonised with local standards when being applied outside of its usual, local context.

Regulatory harmonisation across jurisdictions and improved access to standards

The most immediate and achievable lever for improving national efficiency and productivity is to prioritise domestic harmonisation of regulated standards.

GBCA also notes that access to standards for the building and construction sector is a critical issue impacting safety, productivity, workforce capability, and the delivery of housing and buildings that can meet or exceed the minimum requirements in the National Construction Code (NCC).

GBCA highlights industry advocacy, led by Standards Australia, for the creation of a national standards access model for the construction sector. This would seek to:

- Eliminate the costs and barriers to accessing standards mandated by law, particularly for those designing, building, and certifying homes and buildings
- Support the shared ambition of industry and government to lift housing supply, improve construction quality and safety, guide the transition to net zero and drive national productivity gains.

Priority reform sectors

- **Building and construction sector** – GBCA supports the building and construction sector as a priority area of focus. We note that the NCC already provides excellent examples of referenced standards in regulation. However, as noted above, improving access to standards for the building and construction sector, will only enhance effectiveness and sector productivity.

Undoubtedly, there is room for improvement when considering the regulatory environment of the building and construction sector. GBCA points to recent reports released by the Australian Government Productivity Commission, [Housing construction productivity: Can we fix it?](#), and the Queensland Productivity Commission's [Opportunities to improve productivity of the construction industry: Interim report](#). Both reports highlight complexity and inconsistency of standards in regulation, and costs and availability of materials and products as contributing factors to poor productivity gains and rising costs in the construction sector.

Harmonising domestic regulated standards must remain a priority. GBCA also emphasises that a nationally harmonised approach to implementation the NCC itself remains a critical element in ensuring a productive and competitive building and construction sector across Australia.

- **Circular and waste markets** – The GBCA supports the inclusion of circular economy and waste markets as a sector for priority focus. Demand for circular, low-carbon building materials and practices is accelerating, both in Australia and globally. To ensure a productive, future-ready construction industry, Australia must have access to an innovative, resilient and competitive supply chain underpinned by standards that support circular outcomes.

Achieving this will require strategic investment in domestically developed circular and low-carbon products, alongside the evolution of voluntary and mandatory standards that accelerate the transition to a circular, decarbonised economy. At the same time, we must consider how access to high-quality international products could be expanded by enhancing Australia's existing capacity for assessment of international standards of safety and quality.

To arrange further discussion or for further information, please do not hesitate to contact Katy Dean, Senior Policy Adviser, via email at katy.dean@gbca.org.au.

Yours sincerely



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