



Housing Industry Association plan for  
**2026–2027 Federal Budget**



# Summary of recommendations for HIA 2026/27 pre-budget submission

HIA recommends productivity-boosting measures across 7 core themes to support the delivery of 1.2 million homes by 2029.



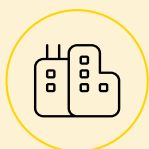
## Taxation and macroprudential settings

- Commit to tax system stability for residential investment during a period of acute undersupply and avoid further tax layering on new housing construction to increase tax revenue.
- Rule out any changes to existing negative gearing or capital gains tax settings for investment in residential property.
- Undertake an independent review of cumulative macroprudential measures introduced since the Global Financial Crisis, focusing on supply effects rather than borrower risk.
  - Appoint an independent oversight board for the APRA/ASIC financial regulatory framework (similar to RBA governance).
  - Introduce a formal requirement for housing supply impact assessment when macroprudential settings are introduced or materially adjusted.
  - Improve transparency of macroprudential decision-making, including publication of aggregate supply impact analysis.



## Housing support and infrastructure

- Establish a national program to underwrite the expansion of state-based pre-sale finance guarantee schemes.
- Boost last mile infrastructure funding to fast track housing delivery (additional \$5 billion).
- Commission a review of infrastructure monopolies. Explore private investment and competition in infrastructure delivery and land development.
- Examine international housing models for potential application in Australia (e.g. build to rent to buy, rent to buy, superannuation-based shared equity and measures to support households re-entering ownership after hardship).



## Planning & Cities

- Improve transparency of housing and land supply data through the ABS, to support fiscal forecasting and early intervention by creating a national land supply dashboard for transparency on approvals and releases (\$4 million).
- Conduct a stocktake of potential Commonwealth land that could be used for housing development, including identifying impediments such as associated infrastructure and local planning requirements.
- Launch a program of early adopter grants for councils to trial AI-based planning solutions.
- Pilot private certification for low-rise housing approvals.
- Fund an industry education program through national associations to support implementation of the new EPBC legislation (\$2 million).



## Construction Skills Shortages

- Commit to long term continuation of financial support including Priority Hiring Incentive for employers and Key Apprenticeship Program (KAP) for apprentices in the construction sector.
- Fund national pre-apprenticeship programs for school leavers (\$10 million).
- Pilot small business trade-specific visa class.
- Establish skills recognition programs for migrants (\$3 million).
- Target programs for mature workers, women, and CALD communities (\$2 million).



## Building Codes & Regulations

- Move NCC to a five-year amendment cycle for stability.
- Fund free entry-level access to Australian Standards.
- Commission an inquiry into the barriers and solutions to repurposing commercial buildings for housing.
- Fund Greener Homes Retrofit Program for eligible energy-efficient upgrades to 8 million existing dwellings (\$10,000 per home).



## Innovation & MMC Uptake

- Fund industry grants and R&D to accelerate MMC adoption.
- Reform codes, planning, and finance for regulatory certainty.
- Create MMC hubs showcasing innovative materials.



## Supporting Businesses

- Continue commitment to the National Construction Industry Forum (NCIF).
- Support the implementation of priority measures from the NCIF's 'Blueprint for the Future'.
- Apply regulatory impact analysis with offsets for small businesses.
- Make instant asset write-off permanent and raise threshold to \$50,000.
- Extend support for Office of the Federal Safety Commissioner (OFSC) and industry bodies to streamline HAFF accreditation.

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## Economic overview

Australia enters the 2026–27 Budget period with economic growth moderating from recent peaks, inflation easing but remaining above target for longer than initially anticipated, and interest rates expected to decline only gradually.

Economic conditions are characterised by:

- resilient employment outcomes;
- subdued productivity growth;
- elevated cost pressures in construction and infrastructure; and
- a prolonged period of restrictive financial conditions.

Against this backdrop, policy settings that improve housing supply responsiveness are increasingly important to macroeconomic stability.

### Residential building as a stabilising force

Residential construction has historically played a counter cyclical role in the Australian economy. Periods of strong housing delivery have supported employment, domestic demand, and household formation during broader economic transitions.

The current cycle differs from previous downturns. Rather than oversupply or speculative excess, Australia is experiencing a sustained undersupply of housing relative to household formation.

As a result:

- downturns in building activity now risk entrenching shortages rather than correcting imbalances;
- volatility in construction has more pronounced inflationary and social consequences; and
- delayed recovery in building activity amplifies pressures in rental markets.

This represents a structural shift that has implications for fiscal and monetary coordination.



## The residential building outlook

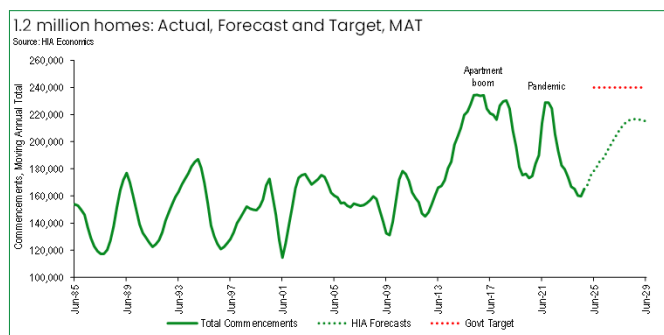
HIA's outlook indicates that residential building activity is likely to recover gradually over the medium term, supported by sustained underlying demand and low unemployment.

However, the pace of recovery is expected to be constrained by:

- rising cost of land;
- rising cost of infrastructure; and
- constraints on access to finance.

Multi-unit construction remains particularly exposed to feasibility pressures, despite being the segment most capable of delivering scale in high demand locations due to punitive taxes designed to restrict investment.

Without improvements in supply side policy settings, the recovery in residential building is likely to be slower and more volatile than required to address Australia's housing shortage.



## Implications for fiscal and macroeconomic policy

Persistent housing undersupply has direct fiscal implications. It increases reliance on housing assistance programs, places upward pressure on infrastructure costs and constrains labour mobility.

From a Treasury perspective, improving housing supply responsiveness:

- supports disinflation without suppressing broader economic activity;
- reduces medium term fiscal pressures; and
- improves labour market efficiency and productivity outcomes.

Housing supply should therefore be viewed not as a sectoral outcome, but as a macroeconomic input.





## Taxation and macroprudential settings

### Taxation on housing in Australia

Australia's housing shortage has become a persistent macroeconomic constraint rather than a cyclical sectoral issue. The scale and duration of undersupply is now contributing to inflation persistence, reducing labour mobility, increasing infrastructure costs, and amplifying volatility in residential construction activity.

Current policy settings are not failing because of a lack of intent. They are failing because responsibility for housing outcomes is fragmented across taxation, financial regulation, infrastructure provision, and planning systems, with no mechanism to assess how Commonwealth settings interact with housing supply conditions.

While land use planning and approvals remain primarily state and local responsibilities, Commonwealth policy settings influence the feasibility, timing and scale of new housing supply. In particular, taxation policy and regulation are exerting first-order effects on housing investment and construction capacity.

HIA submits that improving housing outcomes requires greater stability, coordination and predictability in Australian government policy settings that directly affect housing supply, and notes that:

- Tax system instability and cumulative tax interactions are reducing the viability of new housing supply, particularly in multi-unit and rental markets, at a time when supply needs to expand.
- Restrictions on investment in housing are having a cumulative adverse impact on housing supply.
- Housing supply constraints are now a material contributor to inflation persistence, particularly through rents and construction costs. Addressing supply is therefore complementary to monetary policy rather than in conflict with it.
- Proposals to reduce housing investment incentives – such as changes to negative gearing or capital gains tax – must be resisted.





Housing is already one of the largest contributors to government revenue in Australia. Taxes on housing arise across the full lifecycle of development, transaction and ownership, including:

- GST interactions on new construction which is not incurred on established home purchases;
- development charges and infrastructure contributions;
- transaction taxes such as stamp duties;
- ongoing property taxes and land taxes; and
- income and capital gains taxation on housing investment.

From a fiscal perspective, housing performs a dual role. It is both a source of revenue and a key input into broader economic activity, employment, and productivity. This dual role matters when assessing the impact of policy changes on long-term revenue outcomes.

While higher taxes can raise revenue in the short term, particularly from transactions or existing assets, they are also:

- raise the cost of new housing supply;
- reduce project feasibility;
- delay or cancel developments; and
- discourage investment in new dwellings.

When supply is inelastic, additional taxes are capitalised into land prices and housing costs rather than absorbed smoothly. Over time this reduces housing turnover, new construction activity and the size of the tax base itself.

The result is a revenue strategy that is regressive rather than growth oriented. It increases the tax burden on a shrinking base rather than expanding the base through higher levels of activity.

From an economic perspective, the more sustainable path to higher housing-related revenue is not higher rates, but greater activity. Improving the efficiency of the tax and regulatory system increases the elasticity of housing supply, meaning:

- more dwellings are delivered in response to demand;
- construction activity is less volatile; and
- investment responds more predictably to policy settings.

Higher supply elasticity expands the tax base across multiple channels:

- more development activity generates more GST, payroll tax, and income tax;
- higher employment increases personal income tax receipts;
- greater housing turnover supports transaction-based revenue; and
- improved labour mobility lifts productivity and broader tax receipts.

This approach aligns revenue growth with economic growth, rather than relying on higher taxation of a constrained asset.

Regulatory inefficiency also acts as an implicit tax on housing supply. Delays, complexity, and uncertainty increase costs in ways that do not generate revenue but do suppress activity.

Unlike explicit taxes, these costs:

- reduce feasibility without contributing to public revenue;
- increase prices without expanding the tax base; and
- amplify cycle volatility, reducing stable revenue streams.





Improving regulatory efficiency therefore has a double dividend. It lowers costs for households while also supporting higher levels of taxable economic activity.

This is a more durable revenue strategy than incremental tax increases applied to an already constrained sector.

This does not imply foregoing revenue. It implies growing revenue through increased participation, employment and output.

In a context of sustained housing undersupply, policies that improve the efficiency of housing delivery are more likely to support long-term fiscal sustainability than policies that seek to extract additional revenue from an inelastic supply base.

Housing supply constraints are increasingly contributing to inflation persistence in Australia. Rental inflation has remained elevated despite monetary tightening, reflecting structural shortages rather than excess demand alone. Construction costs have also remained high, in part due to constrained capacity and regulatory complexity.

When housing supply is slow to respond, price pressures persist even as broader demand moderates. This complicates the task of macroeconomic management and places greater reliance on interest rates to suppress demand across the economy.

Improving housing supply responsiveness therefore complements monetary policy by addressing a source of inflation that is otherwise resistant to cyclical adjustment.

Housing supply is capital intensive, long dated and sensitive to policy risk. Frequent or poorly sequenced changes to taxation settings increase uncertainty, delay investment decisions, and reduce the willingness of capital to commit to new housing projects, particularly in higher risk segments such as apartments and rental housing.

In the current environment of structural undersupply, tax system instability poses a risk to housing outcomes, along with the level of taxation. Sudden or cumulative changes to investor tax settings during periods of undersupply can result in supply withdrawal, exacerbating affordability pressures rather than alleviating them. This is frequently observed around the time of Federal elections.

From a Treasury perspective, the key issue is not the defence of individual tax concessions, but the interaction between tax settings and housing supply responsiveness.

Housing is among the most heavily taxed sectors of the Australian economy. Housing is the second most heavily taxed sector in the economy, raising around \$40 billion per year— about 12% of total government revenue. Independent analysis shows tax can account for up to 50% of the cost of a new home, materially damaging affordability.

Taxes are applied at multiple stages of production and transaction, including development charges, GST interactions, stamp duties, and ongoing property taxes. These taxes are ultimately capitalised into land prices and dwelling costs.

The cumulative effect is to raise the feasibility threshold for new projects. When viability margins are compressed, projects are delayed, downsized, or cancelled, particularly in multi-unit developments where upfront costs are high, and delivery timelines are long.

This dynamic is especially problematic during periods when housing supply needs to expand rapidly to meet population growth and ease inflationary pressure.

HIA argues that Commonwealth policy should prioritise stability and predictability in housing taxation, removal of inefficient tax interactions, improved regulatory coordination that lowers delivery costs and measures that improve supply responsiveness rather than suppress activity.



## Macprudential settings

Australia's post-Global Financial Crisis prudential framework has been successful in delivering an "unquestionably strong" financial system. Banks are well capitalised, mortgage arrears and defaults are low by historical and international standards, and the system has demonstrated resilience through multiple economic shocks. These outcomes matter and should not be compromised.

However, financial stability is not the sole objective of economic policy. A well-functioning housing finance system must also be efficient, competitive and capable of supporting broad access to home ownership and new housing delivery. The cumulative tightening of macroprudential and supervisory controls has increasingly constrained these objectives.

Macroprudential restrictions operate primarily by rationing access to mortgage credit. In a housing market with structurally inelastic supply, this does not reduce the underlying need for housing. Instead, it reallocates access toward households with existing wealth, collateral and alternative sources of finance, while excluding liquidity-constrained but serviceable borrowers, particularly first home buyers and younger households.

Investor-focused macroprudential measures further illustrate this misalignment. Higher borrowing costs imposed on investors are passed through to renters in supply-constrained markets,

increasing rental pressure. Investors, who are typically the most financially resilient market participants, are the last to exit when credit tightens.

The result is a double burden for first home buyers: higher rents and greater difficulty accessing mortgage finance. Importantly, investor loans have historically exhibited lower default rates than owner-occupier loans, and no compelling evidence has been presented to demonstrate that investor lending poses greater systemic risk.

The persistence and expansion of borrower-focused macroprudential measures reflects a governance gap. No institution is explicitly responsible for assessing how prudential settings interact with housing supply, competition and access.

While regulators focus appropriately on financial stability, housing policy considerations are institutionally separated from macroprudential decision-making. This has allowed restrictions to accumulate without adequate oversight of their cumulative economic and social costs.

The challenge for policymakers is not to choose between financial stability and housing affordability, but to recognise the limits of macroprudential tools as housing policy instruments. Financial stability should be safeguarded through capital and resilience. Housing affordability must be addressed through genuine supply-side reform and coherent policy coordination.

### Actions needed

- Commit to tax system stability for residential investment during a period of acute undersupply and avoid further tax layering on new housing construction to increase tax revenue.
- Rule out any changes to existing negative gearing or capital gains tax settings for investment in residential property.
- Undertake an independent review of cumulative macroprudential measures introduced since the Global Financial Crisis, focusing on supply effects rather than borrower risk.
- Appoint an independent oversight board for the APRA/ASIC financial regulatory framework (similar to RBA governance).
- Introduce a formal requirement for housing supply impact assessment when macroprudential settings are introduced or materially adjusted.
- Improve transparency of macroprudential decision-making, including publication of aggregate supply impact analysis.





## Housing support and infrastructure

Access to adequate housing is as critical to Australia's social and economic infrastructure as schools, hospitals, roads, and energy. Yet, for more than two decades, housing policy has cycled through well intentioned, short lived programs. As a result, housing supply has not kept pace with demand or the level of investment required to support a growing population.

Historically, high rates of home ownership and broad access to housing have underpinned a stable, prosperous society. Today, housing affordability consistently ranks among the top three issues for Australians – alongside health and security. A well housed population is more productive, cohesive, and healthy. Home ownership also supports financial stability and confidence throughout working life and retirement.

Despite growing challenges, the aspiration to own a home remains strong. In 1966, home ownership peaked at 71%, supported by federal action and a policy environment that promoted wealth creation through housing. Today, ownership rates are expected to fall to record lows of around 60%, with fewer than half of 30-34 year olds owning a home.

Rising prices and upfront transaction taxes make saving a deposit the biggest barrier. Recent data shows it can take up to 20 years to save for a median house deposit in NSW (without family financial assistance), 9-17 years in Victoria, and 10-20 years in Queensland.

Supply side measures are essential. Equally, policies that help households save deposits and access finance must work hand in glove with supply reforms.





## Targeted Pre-Sales Guarantees as a Temporary Supply Stabilisation Measure

Recent developments in New South Wales highlight the potential role of targeted pre-sales guarantees as a temporary mechanism to stabilise apartment construction during periods of acute undersupply.

In its 2025–26 Budget, the NSW Government announced a program to guarantee up to 50 per cent of pre-sales for apartment projects valued between \$5 million and \$50 million. The objective is to address a specific market failure: the inability of otherwise viable apartment projects to secure finance due to insufficient off-the-plan sales.

Apartment developments typically require very high pre-sale thresholds to obtain construction finance. In current market conditions, elevated construction costs, regulatory burdens, and the withdrawal of foreign capital have made these thresholds increasingly difficult to achieve, even in locations with strong underlying demand. The result has been a sharp contraction in apartment commencements despite ongoing population growth.

Targeted pre-sales guarantees can, in the short term, help overcome this financing constraint by providing lenders with sufficient confidence to release funding. This can unlock stalled projects, preserve construction workforce capacity, and prevent further erosion of industry capability. By supporting additional housing supply, such schemes can also generate offsetting fiscal benefits through higher construction activity, employment, and associated tax revenues.

From a fiscal risk perspective, well-designed guarantees can be structured to minimise exposure. Apartment projects typically have long delivery timelines, and in the event that guaranteed dwellings are not sold prior to completion, governments would acquire new housing assets in established locations. In markets characterised by sustained population growth and tight rental conditions, the likelihood of long-term losses is limited.

However, such schemes should be understood as temporary stabilisation measures, not substitutes for structural reform. Pre-sales guarantees address the symptoms of supply constraints rather than their underlying causes. If relied upon for extended periods, they risk distorting commercial incentives and embedding government more deeply in housing finance.

HIA submits that other jurisdictions facing acute apartment supply shortages may consider similar, tightly targeted schemes as short-term interventions to stabilise construction activity. Any such measures should be accompanied by parallel efforts to address the tax, regulatory and cost drivers that continue to undermine apartment feasibility.

Used judiciously, pre-sales guarantees can help smooth construction cycles and prevent deeper supply shortfalls. They should not, however, replace reforms aimed at improving the efficiency and responsiveness of housing supply over the medium term.





## Lack of Coordination Impacting Supply

Delivering housing at scale and at lower cost requires effective coordination across federal, state, and local governments, as well as industry. Where policy settings are misaligned, planning and regulatory systems become complex and expensive.

Meeting the Government's target of 1.2 million homes will require the majority of new homes will require the majority of new dwellings to be delivered by the private market. Sustained private delivery, not just public housing, is critical to easing pressure on prices and rents and to reducing reliance on housing assistance over time.

Achieving this outcome will require targeted supply activation across a range of housing contexts, including greenfield development, infill and redevelopment, new precincts, transport-oriented development, and regional and remote markets. Social and affordable housing remains essential for households unable to access the private market, and consistent long term policy settings are required to support ongoing delivery in this segment.

Australia would also benefit from a more nuanced approach to housing typologies. Current debate often frames housing choice as a binary between detached dwellings and high-density apartments. In practice, improving supply requires enabling a broader mix of housing forms across different locations, aligned with local demand, infrastructure capacity, and market feasibility.

## Support the Delivery of Infrastructure for Growing Cities

A substantial number of housing projects across Australia are near ready for construction but stalled due to a lack of funding for enabling ('last mile') infrastructure. In many growth areas, state and local governments face increasing difficulty financing the trunk infrastructure required to unlock new housing supply.

Timely provision of enabling infrastructure is critical to making projects shovel ready. While enabling infrastructure is not traditionally an Australian government involvement can play a catalytic role by accelerating housing delivery.

The cost of infrastructure provision, and the mechanisms used to recover those costs, have a direct influence on land prices, development feasibility, and housing affordability. Poorly sequenced or excessively front-loaded charges raise project costs and delay delivery, whereas timely and efficiently financed infrastructure can expand supply and moderate price pressures.

### Actions needed

- Establish a national program to underwrite the expansion of state-based pre-sale finance guarantee schemes.
- Boost last mile infrastructure funding to fast track housing delivery (additional \$5 billion).
- Commission a review of infrastructure monopolies. Explore private investment and competition in infrastructure delivery and land development.
- Examine international housing models for potential application in Australia (e.g. build to rent to buy, rent to buy, superannuation-based shared equity and measures to support households re-entering ownership after hardship).



## Planning & Cities

### Modernising Housing Data

Poor planning for land and housing demand has substantially increased the cost of new homes across all jurisdictions. Accurate, consistent land supply and housing data – in both new and established areas – is essential, yet quality varies widely nationwide.

Federal leadership is required to ensure state and territory governments deliver consistent, accurate, and timely monitoring of land supply and housing. Better data improves decision making across governments and industry, enabling more effective allocation of resources.

Accurate, timely and consistent housing and land supply data is essential for effective fiscal forecasting, infrastructure planning, and early intervention. At present, data quality and transparency vary significantly across jurisdictions and there is no nationally consistent data on future land supply.

This creates blind spots in understanding emerging supply constraints and delays policy response until pressures become acute.

The Commonwealth is well placed to improve transparency without encroaching on state responsibilities by:

- establishing consistent data standards.
- incentivising reporting through funding agreements.
- publishing consolidated national dashboards.

Improved data would support better decision-making across all levels of government and reduce the risk of reactive, high-cost interventions later in the cycle.

This approach could be further underpinned with greater use of private (delegated) planning approvals, AI-based planning solutions and standard pattern book or catalogued housing designs to streamline and fast track planning approvals.

The recently passed Environmental Protection and Biodiversity and Conservation (EPBC) Act provides a significant overhaul of the outdated and cumbersome laws that were holding up significant volumes of new housing and infrastructure projects. The critical task now is implementation and education of the new laws to ensure they meet their desired objectives.

#### Actions Needed

- Improve transparency of housing and land supply data through the ABS, to support fiscal forecasting and early intervention by creating a national land supply dashboard for transparency on approvals and releases (\$4 million).
- Conduct a stocktake of potential Commonwealth land that could be used for housing development, including identifying impediments such as associated infrastructure and local planning requirements.
- Launch a program of early adopter grants for councils to trial AI-based planning solutions.
- Pilot private certification for low-rise housing approvals.
- Fund an industry education program through national associations to support implementation of the new EPBC legislation (\$2 million).





## Address Construction Skills Shortages

Trade shortages pose a major risk to achieving the Housing Accord target of 1.2 million homes over five years. The residential building sector employs approximately 277,827 skilled trades workers across twelve core trades (carpenters, electricians, plumbers, painters, bricklayers, cabinetmakers, plasterers, tilers, concreters, roof tilers, floor finishers, glaziers). This workforce completed around 184,000 homes in 2025, with persistent skill shortages cited in industry surveys.

Meeting the Accord target requires lifting activity by around 30% from 2025 levels. To enable this, the trades workforce must grow by an equivalent 30%, which equates to over 83,000 additional workers across the top twelve trades.

### Building Our Domestic Workforce

Around 100,000 apprentices are currently in training across the twelve key trades – down from the peak following the Boosting Apprenticeship Commencements program. Expanding training opportunities for Australian residents must remain the preferred strategy – however, doubling apprentice numbers is implausible.

Measures that reduce attrition (e.g. Key Apprenticeship Program) and support employers (e.g. Priority Hiring Incentive and wage subsidies) have proven effective, driving commencements and improving completion prospects. Sustaining employer subsidies long term is critical to easing structural shortages and supporting mentoring through to completion.

### Skilled Migration Has a Key Role

Skilled migration is the other major lever to address shortages. Department of Home Affairs data indicates only 7,360 workers on Skills in Demand Visas are currently in Australia across the key trade occupations – approximately 1.1% of that workforce, with only a portion working in residential building. Current visa categories and pathways are inappropriate, complex, and costly, limiting uptake. Major reform is required.

While local training remains the priority, the migration system must provide greater scope to meet unmet demand – through short and long term pathways. A workforce limited to local supply alone cannot meet national home building needs. A comprehensive set of policy responses is required to lift the skilled trades workforce to the level needed for Australia's housing demands. Governments must act swiftly – business as usual approaches will not suffice.

#### Actions Needed

- Commit to long term continuation of financial support including Priority Hiring Incentive for employers and Keeping Apprenticeship Program (KAP) for apprentices in the construction sector.
- Fund national pre-apprenticeship programs for school leavers (\$10 million).
- Pilot small business trade-specific visa class.
- Establish skills recognition programs for migrants (\$3 million).
- Target programs for mature workers, women, and CALD communities (\$2 million).





## Building Codes & Regulations

The Australian Building Codes Board (ABCB) and the National Construction Code (NCC) have delivered major reforms over the past 30 years, including, publication of a national building code adopted by all states and territories, transition from prescriptive rules to a performance based code and publishing a dedicated code for housing and multi residential/commercial/institutional buildings.

These achievements demonstrate the NCC's capacity to enable reform. However, the NCC and its adopted Standards have grown increasingly complex, now comprising thousands of pages, referencing 150+ Standards, and expanding well beyond minimum necessary regulation to cover fire, structural, and life safety in extensive detail. Development, consultation, and implementation processes have become unwieldy and diffuse in purpose.

The rate, volume, and complexity of change have dampened productivity and added thousands of dollars to the cost of new homes.

The residential building industry – already among the most heavily regulated sectors – has seen affordability fall to decades low levels. Individually well intentioned changes have accumulated, creating conditions that discourage new home buying and building.

Analysis of future code and Standard changes has been insufficient in measuring affordability impacts and cumulative effects.

### A Reset and Recalibration

HIA supports the ongoing role of the ABCB and the NCC. However, this is an important juncture to reset and recalibrate: strengthen governance, enhance consistency, and reform code development processes, goals, and scope. Timing is critical. Moving to a five year amendment cycle would promote stability, better implementation, and clearer understanding across industry.

This change would allow the ABCB to focus on core principles, reduce constant churn and focus on innovative, simplification and education.

By addressing these areas, the NCC and referenced Australian Standards can better meet industry and community needs – ensuring a safe, sustainable, high performing built environment.

### Remove paywall to access Australian Standards

HIA in conjunction with Standards Australia and other industry bodies have united in a call for free access to Australian Standards, aiming to boost productivity, safety, and innovation across the sector.

The current paywall in accessing key Australian Standards that practitioners must follow is acting as a major barrier and negatively affecting compliance, workforce efficiency, and timely housing delivery.

Removing the paywall could play a critical role in lifting construction capability and deliver improved workforce training, and simpler regulatory compliance.

#### Actions Needed

- Move NCC to a five-year amendment cycle for stability.
- Fund free entry-level access to Australian Standards.
- Commission an inquiry into the barriers and solutions to repurposing commercial buildings for housing.
- Fund Greener Homes Retrofit Program for eligible energy-efficient upgrades to 8 million existing dwellings (\$10,000 per home).





## Innovation & Increasing Uptake of Modern Methods of Construction (MMC)

Innovation plays a critical role in moving an economy forward and the sustainable development of the construction industry. With appropriate investment and regulatory settings, the industry has the capacity to lead the economy towards better ways of addressing liveable housing and sustainability.

However, often our regulatory requirements are slow to adapt and can present roadblocks to the adoption of new and more innovative forms of construction.

Add to this increasing regulatory obligations on manufacturers and suppliers which are creating an environment that is hindering greater productivity and innovation from this key sector.

The global push towards net zero has inspired Government action focusing on a Future Made in Australia and the decarbonisation of the economy.

The construction industry and the building product manufacturing sector are key players that can be at the forefront of driving this transition.

There is a need to develop targeted strategies to support Australian manufacturing and suppliers to enable them to drive Australia's path forward and be the world leaders in the net zero transition.

### Actions Needed

- Fund industry grants and R&D to accelerate MMC adoption.
- Reform codes, planning, and finance for regulatory certainty.
- Create MMC hubs showcasing innovative materials.





## Supporting Australia's Businesses

The industry is overwhelmed by continual regulatory changes and the increasingly complex rules for building homes and running a business.

More people are looking to leave the industry due to regulatory reform fatigue. While all businesses are feeling this, small businesses in particular bear the brunt of increasing red, white and green tape.

Every day these small businesses are inundated and overwhelmed by regulatory burdens and compliance obligations. Investment in business to 'let business do business' is a key part of reducing the compliance burden, for example, new technologies and plant and equipment can mitigate the impact of regulatory compliance.

The current instant asset write-off should be made permanent. This offers businesses confidence to invest and encourages longer term planning by all business but particularly small businesses supporting continuous and sustainable business growth.

Equally critical is promotion of the construction industry as an attractive industry for all workers by ensuring acceptable, safe and appropriate behaviour on construction sites.

The work of the National Construction Industry Forum including the Blueprint for the Future' provides an important platform to deliver industry cultural change and restore confidence to construction sites to attract the workers the industry desperately needs.

### Actions Needed

- Continue commitment to National Construction Industry Forum (NCIF).
- Support the implementation of priority measures from the NCIF's 'Blueprint for the Future'.
- Apply regulatory impact analysis with offsets for small businesses.
- Make instant asset write-off permanent and raise threshold to \$50,000.
- Extend support for Office of the Federal Safety Commissioner (OFSC) and industry bodies to streamline HAFF accreditation.



## About HIA

**The Housing Industry Association (HIA) is Australia's only national industry association representing the residential building sector.**

As the voice of the industry, with a membership of over 60,000 who collectively deliver more than 180,000 new homes each year – through new housing estates, detached homes, medium-density developments, apartments, and renovations across Australia's 10 million existing homes.

Our membership spans large builders constructing thousands of homes annually, through to small and medium builders delivering custom projects, as well as building product manufacturers, suppliers, and professional service providers.

The residential building industry is one of Australia's most dynamic and innovative sectors, contributing over \$100 billion annually to the economy and accounting for 5.8% of GDP.

It employs more than one million Australians, including tens of thousands of small businesses and over 200,000 subcontractors, and has deep links to manufacturing, supply, and retail industries.

HIA operates offices in 22 locations across the country, providing advocacy and a comprehensive range of member services – legal, technical, planning, workplace health and safety, compliance advice, training, contracts, industry awards, and exclusive discounts.

As the trusted link between the residential building industry, government, and the community, HIA works to ensure the growth, sustainability, and affordability of housing in Australia.





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