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Australia's property industry

Creating for Generations

Friday 20 April 2018

Mr Neil Savery
Chief Executive Officer
Australian Building Codes Board
GPO Box 2013
Canberra ACT 2601

By email: Neil.Savery@ABCB.gov.au

Property Council submission to NCC 2019 Public Comment Draft

Dear Neil,

The Property Council of Australia welcomes the opportunity comment on the Australian Building Codes Board (ABCB)'s Public Comment Draft of the National Construction Code (NCC) 2019 and provide feedback to the ABCB on how industry is responding to the proposed changes.

The Property Council is the peak body for owners and investors in Australia's \$670 billion property investment industry. We represent owners, fund managers, superannuation trusts developers and investors across all four quadrants of property investments: debt, equity, public and private.

We have worked closely with ABCB via our involvement on the Building Codes Committee and on technical working groups focused on providing industry feedback on much of the technical work underpinning the NCC 2019 Public Comment Draft. We've also gone to extra lengths to educate and involve our members in the process of reviewing the energy efficiency requirements in Section J, which we perceive to be the most significant with respect to broad change in industry practice.

While we have provided some comments in our technical submission on proposed changes in relation to fire safety and accessibility, our members are largely supportive of these changes and we have focused our efforts in responding to changes to Section J for commercial buildings.

We commend the work of ABCB's staff over the last two years for conducting an open and inclusive process of stakeholder engagement throughout the development of draft technical provisions. We also observe that the deep engagement with industry bodies on ABCB's working groups has not always translated to broader awareness among industry, despite best efforts. This means that many industry participants are engaging with the substantial changes proposed for the first time during the public comment period and are unsure of what it means for them in their day-to-day roles.

We strongly believe the ABCB's role must extend beyond the delivery of the NCC itself to a comprehensive education program for key building practitioners including architects, designers, builders, surveyors, and other consultants. There are higher risks with some practitioners in the building supply chain who have shown little interest or engagement around the proposed changes.

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A concerted effort is therefore needed to educate and train practitioners, not only to understand the technical nature of the changes proposed, but to show leadership in providing design solutions. The upskilling of the industry is critical to ensure that the long-term greenhouse gas emissions reductions and cost savings from the proposed changes eventuate, as efforts by market leaders to comply will be undermined by those who are unable or unwilling to adapt.

The Property Council supports the intent of the proposed changes to Section J of the NCC and prefers the option which would see them implemented in NCC 2019. There is broad support from the majority of Property Council's members to increase the energy performance requirements of the Code, in line with their own organisations' emissions reduction goals and the broader shift required to transition to a net zero emissions economy.

While property owners and developers understand the long-term operational cost benefits of resultant higher performance facades implicit in the proposed changes, tenants have been the main drivers for the highly glazed facades and uninterrupted views we see on prime office buildings today. The amenity and desire for connection to the outside will continue to be a very strong driver for development of these buildings, and building owners note this is the most significant challenge in shifting practice.

We believe this will be a significant challenge for building owners in the near term and strongly recommend the ABCB conducts further work on case studies for key sub-sectors, and design competitions to encourage innovative solutions in the lead up to implementation of proposed changes.

Given the final decision on adoption of proposed changes to NCC 2019 will not be made until November 2018, this does not provide much time for the industry to ready itself ahead of 1 May 2019 when the NCC comes into effect. We therefore strongly recommend states and territories agree to a longer lead-in period for Section J of NCC 2019 and delay its adoption by one year, or allow a longer "phase-in" approach of this part of the NCC to provide enough time for industry education and for manufacturers to prepare their pipelines.

Thank you for the opportunity to provide comments on the NCC 2019 Public Comment Draft. We would be very keen to discuss the issues raised in this submission in person and look forward to continued collaboration with the ABCB as your work progresses. Please do not hesitate to contact me at fmuskovic@propertycouncil.com.au to arrange a meeting.

Yours sincerely



Frankie Muskovic

Policy Manager – Sustainability and Regulatory Affairs