

## Formal Submission:

Housing Affordability, the National Construction Code, and the Burden of Government Overhead

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### Executive Summary

Australia faces a housing affordability crisis. The Federal Government's recent decision to freeze the National Construction Code (NCC) is presented as relief to industry and a pathway to more homes. In truth, it will not deliver affordability.

The NCC sets minimum standards of safety and durability. Weakening or delaying those standards will not reduce costs. Instead, it will lead to substandard housing, higher bills, and more disputes.

The real barrier is government itself. Approximately 40% of the cost of a home in WA is government overhead — taxes, stamp duties, levies, red tape, compliance fees, and procedural duplication. In Singapore, that figure is closer to 20%. The result: Singapore enjoys over 90% home ownership, while in WA a professional couple struggles to secure their first home.

Reducing building standards while maintaining government's 40% cut is not reform; it is a negative return — more costs with less quality.

### 1. Dropping NCC Standards: A False Economy

The NCC is already a minimum code. Lowering it produces only one outcome: poorer housing stock. Retrofitting failures (fire, waterproofing, durability) costs more in the long run. Families bear the burden, not regulators.

Australians spend \$7 billion annually on avoidable disputes. These are not triggered by standards being too high, but by compliance being weaponised after the fact. Builders have been penalised without complaints, without inspections, and without defects identified — outcomes contrary to the Building Act, Australian Constitution, and Rule of Law.

## 2. Government as the Real Overhead

- WA Overhead: ~40% of a new home's cost goes to government imposts (taxes, levies, red tape, bonds, fees).
- Singapore Overhead: ~20%, while still delivering infrastructure projects on a rolling production line.
- Result: A café waitress in Singapore can hold two investment properties in Perth for her son's future education. In contrast, WA professionals struggle to purchase one home.

This disparity is not explained by materials or labour. It is explained by government overhead.

## 3. International Benchmark: Singapore

Singapore demonstrates what is possible when a government commits to performance and accountability instead of prescription and overhead:

- Home ownership rate: ~91%.
- Code model: Performance-based. Outcome-focused, not prescriptive.
- Infrastructure pipeline: Constant — airports, ports, housing, rail. Work flows to local and overseas expertise.
- Global standing: Hosts international events weekly. Perth, by contrast, rarely features despite its natural advantages.

Singapore proves that when government trims its overhead and builds with performance in mind, both housing affordability and economic dynamism follow.

## 4. The WA Experience: Prescriptive, Authoritarian, and Broken

I traded as a builder in WA from 1981 to 2021. My licence was cancelled not due to a complaint, defect, or inspection, but through a tribunal process that invented a new prescriptive rule mid-hearing.

The Building Commission and SAT acted contrary to their own legislation, natural justice, and the Rule of Law. Evidence was ignored; conclusions were predetermined. The message to builders was clear: you are guilty of something, and we will work out what during the hearing.

This authoritarian approach is the antithesis of democracy. It stifles innovation, punishes experience, and erodes confidence in the system.

## 5. The Real Solution: Reduce Government Overhead

Housing affordability will not be restored by reducing standards. It will only be restored by:

1. Reducing government's overhead from 40% to below 20%.
2. Maintaining and enforcing the NCC as the minimum safety standard — not weakening it.
3. Shifting to performance-based regulation, proven internationally, where outcomes are measured, not box-ticking.
4. Restoring democracy and accountability. Tribunals and regulators must apply the law, not invent it.

## Conclusion

Australia cannot afford more political theatre. Dropping the NCC standard while preserving government's 40% cut is a false solution. It delivers poorer homes at higher cost.

The only path forward is to trim the government's overhead, enforce existing standards, and move to an accountable performance-based model.

Democracy, fairness, and affordability demand no less.