

National Competition Policy

FEDERATION FUNDING AGREEMENT – AFFORDABLE HOUSING, COMMUNITY SERVICES AND OTHER

Table 1: Formalities and operation of schedule	
Parties	Commonwealth
Duration	This Schedule is expected to expire on 31 December 2034.
Purpose	This Schedule will support the delivery of the National Competition Policy multilateral Schedule. It contains the Commonwealth’s Jurisdiction-Specific Reform Plan, which details how the Commonwealth will deliver the Objectives and Performance Requirements of the multilateral Schedule.

Table 2: Performance requirements		Delivery Mechanism		
Output	Performance Milestones	Implementation approach	Delivery date	Dependencies
Reform: Lower barriers to the adoption of overseas standards in regulation				
Project 1: Establish and apply the Guidelines for recognising and adopting voluntary standards (including international and overseas voluntary standards) in legislation	1. The Commonwealth develops Guidelines for adopting voluntary standards in legislation in consultation with State and Territory Parties.	The Commonwealth, as the leading Party for Guideline development, will develop draft Guidelines for Adopting Overseas Standards in Regulation in consultation with State and Territory members of the National Competition Policy Oversight Committee.	30 June 2025	
	2. The Commonwealth consults government and industry stakeholders on the draft Guidelines	The Commonwealth will lead a public consultation on the draft Guidelines to gather industry feedback and to inform the identification of potential priority areas for a review/s of references to voluntary standards in legislation.	30 September 2025	
	3. The Commonwealth considers all Parties' consultation outcomes in developing the final Guidelines.	The Commonwealth will consider feedback from all Parties' in developing the final Guidelines for endorsement by the National Competition Policy Oversight Committee.	30 November 2025	
	4. Based on identification of priority areas through	Refer to Annexure A	Refer to Annexure A	

	the Council on Federal Financial Relations, the Commonwealth reviews references to voluntary standards in its legislation and implements measures in its legislation to reduce regulatory compliance costs and improve competition.			
Project 2: Recognise international and overseas standards under the mandatory product safety standards framework in the Australian Consumer Law	1. Subject to relevant amendments to the Australian Consumer Law, the Commonwealth (through its relevant agency) reviews existing mandatory product safety standards and recommends which international standards can be declared by the Commonwealth Minister.	<p>The Commonwealth has already amended the legislative framework for mandatory product safety and information standards (mandatory product standards) (see Attachment A). These amendments are expected to save businesses \$5 billion over 10 years in administrative, testing and compliance costs once fully implemented.</p> <p>Reviewing mandatory product standards made under Australian Consumer Law (ACL) and recommending which international standards (which includes overseas standards) can be referenced through amendments to mandatory product standards by the Commonwealth Minister.</p> <p>To support implementation of the ACL changes, the Australian Government has committed \$4.5 million over three years from 2025-26 for the Australian Competition and Consumer Commission (ACCC) to expedite the review and incorporation of mandatory product safety and information standards where it is safe to do so.</p> <p>The Australian Government, through the ACCC, will have regard for the Competition Reform Guidelines to mandatory product standards once endorsed.</p> <p>The ACCC will conduct an expedited review of existing mandatory product standards by the delivery date. Following the review, the ACCC will advise the Commonwealth Minister on whether to</p>	30 June 2026	

		<p>apply, adopt, or incorporate (in whole or part) international standards in a mandatory product safety standard. The ACCC will continue to review and make recommendations in future years.</p> <p><i>Alignment with objectives of the schedule</i></p> <p>These amendments and their implementation aim to lower barriers to the adoption of international standards in Australian legislation. They will promote a more dynamic business environment by minimizing unnecessary regulatory complexity and compliance costs.</p> <p>Expanding the recognition of a wider range of suitable standards will:</p> <ul style="list-style-type: none"> • speed up imports of products that already meet applicable international standards from a broader spectrum of international markets. • ensure products can comply with the mandated Australian standard by demonstrating adherence to an equivalent referenced overseas or international standard. Additional testing against a referenced voluntary Australian standard will no longer be required. • reduce the costs and time associated with importing certain goods and make the laws simpler and easier to understand - thereby supporting businesses while continuing to ensure consumer safety. <p>Allowing up-to-date referencing of standards will:</p> <ul style="list-style-type: none"> • provide flexibility and continuity for minor updates • remove the need to comply with unnecessary and obsolete requirements in earlier versions of standards. • allow manufacturers to immediately achieve operational efficiencies, utilise new technology, and improve processes in accordance with the updated standards. 		
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Reform: Lower barriers to modern methods of construction				
Project 1: Legislate nationally consistent definitions of prefabricated and modular construction	1. The Commonwealth, through the Australian Building Codes Board, participates in the development of a national definition of prefabricated and modular construction through the National Construction Code.	<p>The delivery of the Performance Requirements is contingent on the committed participation of the Australian Government's member of the Australian Building Codes Board's (ABCB) in the development of a national definition of prefabricated and modular construction alongside States and Territory members.</p> <p>The Australian Government has provided \$4.7 million in funding to the ABCB to support the development of a definition of prefabricated, as well as modular building work and a national voluntary manufactures scheme (refer Project 2).</p>	31 May 2028	<p>The delivery of these Performance Requirements is dependent on collaborative action with State and Territory Parties and State and Territory Party agreement on the publication of the relevant edition of the National Construction Code.</p> <p>The Australian Government is unable to unilaterally deliver these Performance Requirements.</p>

Project 2: National voluntary manufacturer certification scheme to verify compliance with the National Construction Code and ensure a chain of responsibility between off-site and on-site construction	1. The Commonwealth, through the Australian Building Codes Board, leads design of a national voluntary manufacturer certification scheme in consultation with state and territory building regulatory agencies.	<p>The delivery of the Performance Requirements is contingent on the committed participation of the Australian Government's member of the Australian Building Codes Board's (ABCB) in the development of a voluntary certification scheme alongside States and Territory members.</p> <p>The Australian Government has provided \$4.7 million in funding to the ABCB to supporting the development of a voluntary certification and ratings schemes for prefabricated and modular housing manufacturers, along with a national definition of prefabricated and modular construction to which it would apply (refer Project 1).</p>	31 May 2028	The delivery of these Performance Requirements is dependent on collaborative action with State and Territory Parties. The Australian Government is unable to unilaterally deliver these Performance Requirements.
	2. Subject to legal advice and scheme design, the Commonwealth enacts legislation to establish and provide oversight of the national voluntary manufacturer certification scheme.	Refer to Annexure A	Refer to Annexure A	
Project 3: Regulatory neutrality between modern and conventional methods of construction in state and territory planning and	1. The Commonwealth, through the Planning Ministers' Meeting, participates in the review of planning systems with respect to off-site construction methods to identify where the regulatory burden	Refer to Annexure A	Refer to Annexure A	

building legislation, including that of Local Government Planning Schemes	materially exceeds that for on-site construction methods and does not appropriately balance this additional burden with the costs (including restrictions to competition).			
	2. The Commonwealth, through the Planning Ministers' Meeting, participates in developing Guidelines that detail reforms required to remove unnecessarily burdensome regulatory requirements for off-site construction based on issues identified in the jurisdictional legislation reviews	Refer to Annexure A	Refer to Annexure A	
Project 4: Regulatory neutrality between modern and conventional methods of construction in house and building consumer protections	1. The Commonwealth, through the Building Ministers' Meeting, participates in a review of house and building consumer protections, in consultation with all Parties' Treasuries, to identify disparities between consumer protections for modern and conventional	Refer to Annexure A	Refer to Annexure A	

	construction methods.			
	2. The Commonwealth participates in developing Guidelines through the Building Ministers' Meeting, in consultation with all Parties' Treasuries, that detail reforms required to establish regulatory neutrality between modern and conventional methods of construction in house and building consumer protections, based on the issues identified in the review.	Refer to Annexure A	Refer to Annexure A	

Reform: Improve labour mobility in human services				
Project 1: National Worker Screening Check	1. Building on existing reform considerations, the Commonwealth, in consultation with states and territories, leads development of a business case to leverage existing Commonwealth and state-owned databases and ICT infrastructure to enhance the safety and efficiency of worker screening in the care and support economy.	<p>The Commonwealth Department of Finance is leading the development of a first pass business case in consultation with States and Territory Parties to explore the feasibility of a national approach to worker screening for the care and support economy.</p> <p>The Commonwealth distributed a consultation paper to States and Territories on 17 March 2025 outlining the policy intent and a high-level model for discussion. The Commonwealth is currently reviewing jurisdictional feedback to inform reform options.</p> <p>The Commonwealth will bring forward a proposal for a first pass business case for consideration by Government as part of NCP.</p> <p>The Commonwealth will update CFFR on next steps following the consideration of the first pass business case by Government.</p>	31 December 2026	
	2. The Commonwealth will report back through the Council on Federal and Financial Relations on next steps.	<p>Following consideration of the first pass business case by the Australian Government, next steps will be reported to State and Territory Parties via the Council on Federal Financial Relations.</p> <p>This may include the development of a second pass business case.</p>	To be confirmed following the delivery of Performance Milestone 1.	

Reform: Remove Barriers to the 'Right to Repair'

Project 1: Review of the existing Motor Vehicle Information Sharing Scheme – Australia's original right to repair	1. The Commonwealth, through its Treasury Department, reviews the Motor Vehicle Information Sharing Scheme to understand significant and complex impacts of the Motor Vehicle Information Sharing Scheme and inform development of an expanded right to repair in other sectors.	<p>The Competition Taskforce in the Commonwealth Treasury will review the Motor Vehicle Service and Repair Information Sharing Scheme. This will include consideration of:</p> <ul style="list-style-type: none"> the economic impact of the Scheme on the market for motor vehicle repairs; the impact of the Scheme on relevant stakeholders, including manufacturers, dealers, independent repairers, registered training organisations and consumers; and the operation of the scheme against its legislated objectives and opportunities for improvement. <p>The Taskforce will release a public discussion paper mid-year to facilitate engagement with stakeholders. A series of targeted roundtables will also be held.</p> <p>The outcomes of the review, including consideration of responses received in response to the consultation, will be provided to Government as a final report. The Government is expected to consider the report at the end of 2025. Publication will be a matter for Government.</p> <p>Any decision made by Government to expand the right to repair in other sectors will be informed by this review.</p>	31 December 2025	
	2. The Commonwealth outlines and implements next steps based on the outcomes of the Commonwealth Treasury review, including leveraging lessons from the review to	Refer to Annexure A	Refer to Annexure A	

	progress reforms to achieve an expanded right to repair in other sectors where monopoly or constrained repair service markets are causing consumer harm.			
National Competition Principles				
Implement the National Competition Principles		Refer to Annexure A	Refer to Annexure A	

The Party has confirmed its commitment to this schedule as follows:

Signed *for and on behalf of the Commonwealth of Australia* by



The Honourable Jim Chalmers MP
Treasurer
27/06/2025

Annexure A:

The Commonwealth intends deliver the following Performance Requirements and will update this JSRP when the implementation approach is determined.

Table 2: Performance requirements		Delivery Mechanism		
Output	Performance Milestones	Implementation approach	Delivery date	Dependencies
Lower barriers to the adoption of overseas standards				
Project 1: Establish and apply the Guidelines for recognising and adopting voluntary standards (including international and overseas voluntary standards) in legislation	4. Based on identification of priority areas through the Council on Federal Financial Relations, the Commonwealth reviews references to voluntary standards in its legislation and implements measures in its legislation to reduce regulatory compliance costs and improve competition.	<p>The Australian Government intends to review references to voluntary standards in its legislation and implement measures in line with the approved Guidelines on Adopting Overseas Standards to deliver these Performance Requirements.</p> <p>The delivery of these Performance Requirements is contingent on identification of priority areas for reform through the Council of Federal Financial Relations (CFFR) that will inform a review of references to voluntary standards in legislation.</p> <p>The Treasurer has commissioned the Productivity Commission to undertake analysis and modelling of adopting international and overseas standards in regulatory frameworks for these priority sectors, detailing implementation options and an assessment of the economic and revenue impacts of these options. An interim report and final report will be provided to Government on 31 July 2025 and 31 October 2025 respectively, and will inform CFFR's decision on priority sectors.</p> <p>The Commonwealth Treasury, in consultation with State and Territory members of the Oversight Committee, will prepare a paper on priority reform areas for consideration by the Council on Federal Financial Relations (CFFR).</p>	30 June 2026	CFFR to identify priority areas for standards review

		This JSRP will be updated once CFFR has agreed the priority reform areas and the implementation approach has been determined.		
Reform: Lower barriers to modern methods of construction				
Project 2: National voluntary manufacturer certification scheme to verify compliance with the National Construction Code and ensure a chain of responsibility between off-site and on-site construction	2. Subject to legal advice and scheme design, the Commonwealth enacts legislation to establish and provide oversight of the national voluntary manufacturer certification scheme.	<p>Reform action to deliver these Performance Requirements is contingent on the finalisation of the design of the voluntary manufacturer certification scheme (Performance Milestone 1).</p> <p>This JSRP will updated once next steps have been determined following the delivery of Performance Milestone 1.</p>	To be confirmed following the delivery of Performance Milestone 1.	The delivery of these Performance Requirements is dependent on the delivery of Performance Milestone 1, which is being progressed collaboratively with State and Territory Parties.
Project 3: Regulatory neutrality between modern and conventional methods of construction in state and territory planning and building legislation, including that of	1. The Commonwealth, through the Planning Ministers' Meeting, participates in the review of planning systems with respect to off-site construction methods to identify where the regulatory burden materially exceeds that for on-site construction methods and does not appropriately balance	<p>The Australian Government intends to implement reform actions to deliver these Performance Requirements.</p> <p>The delivery of the Performance Requirements is contingent on the committed participation of Australian Government Ministers, alongside State and Territory Ministers, in the Planning Ministers Meeting to review planning systems with respect to off-site construction methods to identify where the regulatory burden materially exceeds that for on-site construction methods and does not appropriately balance this burden with additional costs (including restrictions on competition).</p> <p>This JSRP will be updated once the implementation approach has been determined.</p>	To be confirmed.	The delivery of these Performance Requirements is dependent on collaborative action with State and Territory Parties. The Australian Government is unable to unilaterally deliver these Performance Requirements.

Local Government Planning Schemes	this additional burden with the costs (including restrictions to competition).			
	2. The Commonwealth, through the Planning Ministers' Meeting, participates in developing Guidelines that detail reforms required to remove unnecessarily burdensome regulatory requirements for off-site construction based on issues identified in the jurisdictional legislation reviews.	<p>Reform action to deliver these Performance Requirements is contingent on the finalisation of the review of planning systems (Performance Milestone 1).</p> <p>This JSRP will be updated once the implementation approach has been determined.</p>	To be confirmed following the delivery of Performance Milestone 1.	The delivery of these Performance Requirements is dependent on the delivery of Performance Milestone 1, which is being progressed collaboratively with States and Territory Parties.
Project 4: Regulatory neutrality between modern and conventional methods of construction in house and building consumer protections	1. The Commonwealth, through the Building Ministers' Meeting, participates in a review of house and building consumer protections, in consultation with all Parties' Treasuries, to identify disparities between consumer protections for modern and conventional construction methods.	<p>The Australian Government intends to implement reform actions to deliver these Performance Requirements.</p> <p>The delivery of the Performance Requirements is contingent on the committed participation of the Australian Government Ministers, alongside State and Territory Ministers, in the Building Ministers Meeting to review house and building consumer protections, in consultation with all Parties' Treasuries, to identify disparities between consumer protections for modern and conventional construction methods.</p> <p>This JSRP will be updated once the implementation approach has been determined.</p>	To be confirmed.	The delivery of these Performance Requirements is dependent on collaborative action with State and Territory Parties. The Australian Government is unable to unilaterally deliver these Performance Requirements.
	2. The Commonwealth	Reform action to deliver these Performance Requirements is contingent on the finalisation of the review of planning systems (Performance	To be confirmed	The delivery of

	<p>participates in developing Guidelines through the Building Ministers' Meeting, in consultation with all Parties' Treasuries, that detail reforms required to establish regulatory neutrality between modern and conventional methods of construction in house and building consumer protections, based on the issues identified in the review.</p>	<p>Milestone 1).</p> <p>This JSRP will be updated once next steps have been determined following the delivery of Performance Milestone 1.</p>	<p>following the delivery of Performance Milestone 1.</p>	<p>these Performance Requirements is dependent on the delivery of Performance Milestone 1, which is being progressed collaboratively with State and Territory Parties.</p>
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Reform: Remove Barriers to the 'Right to Repair'				
Project 1: Review of the existing Motor Vehicle Information Sharing Scheme – Australia's original right to repair	2. The Commonwealth outlines and implements next steps based on the outcomes of the Commonwealth Treasury review, including leveraging lessons from the review to progress reforms to achieve an expanded right to repair in other sectors where monopoly or constrained repair service markets are causing consumer harm.	<p>Reform action is contingent on the finalisation of the MVIS review and the final report, which will be provided to Government at end-2025.</p> <p>This JSRP will be updated once next steps have been determined.</p>	To be confirmed following the delivery of Performance Milestone 1.	
Principles				
Implement the National Competition Principles	The Australian Government will publish a timetable by end-2025 that will identify how the revitalised National Competition Principles will be implemented.		31 December 2025	

Attachment A:

Project 2, Performance Milestone 1 - Past progress made toward the Performance Requirements prior to the Commonwealth Treasurer signing the FFA schedule.

The Australian Government legislated changes to the Australian Consumer Law (ACL) to enable greater recognition of international and overseas standards in line with the Guidelines. In November 2024, the Treasury Laws Amendment (Fairer for Families and Farmers and Other Measures) Bill 2024 passed the Australian Parliament. Schedule 2 of this Bill amends the ACL to enable the Minister to make mandatory product safety standards and information standards that apply, adopt, or incorporate (in whole or part) standards issued by any Australian, overseas, or international standards-making body. This amendment grants the Minister the flexibility to make or amend mandatory standards that reference the most appropriate voluntary standard or set of standards worldwide to achieve the regulatory objectives. These amendments give the Minister the power to fully or partly adopt all appropriate Australian international and overseas standards that could meet the regulatory objective.

Allowing up-to-date referencing of standards

Mandatory product standards and information standards under the previous regime could incorporate matters in an instrument or writing in accordance with section 14 of the [Legislation Act 2003](#). This meant they could only recognise whole or part of a specific version of a voluntary standard (e.g. AS/NZS 2063:2008 – the 2008 version of Standards Australia’s bicycle helmet voluntary standard).

The Australian Government has amended the ACL, to allow the Minister to incorporate matters in an instrument or writing as in force or existing from time to time or at a particular time. This will allow mandatory standards made by the Minister to recognise the most up to date version of a voluntary standard without having to update the legislative instrument. These amendments give the Minister the power to use ambulatory (undated) references to any standards in legislation

Further details about the reforms:

- [explanatory memorandum: Treasury Laws Amendment \(Fairer for Families and Farmers and Other Measures\) Bill 2024](#)
- [Decision regulation impact statement](#)

Table of relevant changes to the ACL

New law	Old law
The Commonwealth Minister’s ability to make a safety standard or information standard is broadened and replaces the Commonwealth Minister’s ability to declare a standard or part of a standard prepared or approved by Standards Australia Limited or an association prescribed in regulations to be a safety standard or information standard.	The Commonwealth Minister may make a safety standard or information standard, or declare a standard, or part of a standard prepared or approved by Standards Australia Limited or an association prescribed in regulations to be a safety standard or information standard.

New law	Old law
Safety standards and information standards may incorporate matters in an instrument or writing as in force or existing from time to time or at a particular time and make provision in relation to any matter dealt with in that instrument or writing.	Safety standards and information standards may incorporate matters in an instrument or writing in accordance with section 14 of the <i>Legislation Act 2003</i> (but not an instrument or writing as in force or existing from time to time).
The Commonwealth Minister may prescribe a civil penalty of up to \$50,000 for a body corporate and \$10,000 for a person that is not a body corporate for breach of a requirement in an information standard, in certain circumstances. If prescribed, civil penalties under sections 136 and 137 will generally not apply.	No comparison. This will complement existing civil penalties in relation to breach of information standards under sections 136 and 137.
<p>If a safety standard specifies alternative methods of compliance for consumer goods or product related service of a particular kind, and a person:</p> <ul style="list-style-type: none"> - has supplied or offered for supply goods or services of that kind; or - is supplying or offering for supply goods or services of that kind; or - intends to supply or offer for supply goods or services of that kind: <p>the regulator may give the person a written request to nominate the set of requirements with which the goods or services of that kind has complied, is complying with or intends to comply with, within a specified time.</p> <p>A civil penalty of up to \$50,000 for a body corporate and \$10,000 for a person that is not a body corporate applies for breach of the requirement to nominate a set of requirements.</p> <p>A person continues to be subject to a criminal offence for failure to comply with the request.</p>	<p>If a safety standard specifies alternative methods of compliance for consumer goods of a particular kind, the regulator may give the supplier of goods of that kind a written request to nominate which set of requirements they intend to comply with. The supplier is required to give the regulator written notice (within the time specified) specifying the requirements the supplier intends to comply with.</p> <p>No civil penalty applies for failure to comply. A person is liable to a criminal offence for failure to comply with the request.</p>
A civil penalty of up to \$250,000 for a body corporate and \$50,000 for a person that is not a body corporate applies if a person nominates a set of requirements and the person has supplied, is supplying, has offered for supply or is offering for supply consumer goods or product related services and those goods or services did not or do not comply with that set of requirements.	No comparison.
<p>The regulator can request, in writing, information or documents from a person to determine whether the person has complied, is complying, or will comply with a safety standard or an information standard.</p> <p>A civil penalty of up to \$50,000 for a body corporate and \$10,000 for a person that is not a body corporate applies if a person does not give the regulator the requested information and documents within the time period specified in the request.</p>	No comparison.