

Building shake-up could reap a billion-dollar saving

Industry's new foundation

By DAVID SOLOMON

THE building industry, State and local governments, product manufacturers and consumers could be a billion dollars a year better off as a result of legislation being developed under the auspices of the Australian Uniform Building Regulations Co-ordinating Council.

The plan is to implement legislative reform to provide uniform building laws throughout Australia.

Uniformity and a more deregulated approach would provide extraordinary savings, according to the industry. While quantification of the amount is impossible until the new scheme is agreed and implemented, there have been estimates that over-regulation of the building industry in Victoria adds \$470 million a year to costs, and that national savings of \$1 billion could result.

The reform process, under AUBRCC's rubric, has the support of Commonwealth, State and local governments, as well as leading sections of the building industry.

AUBRCC reports directly to the Local Government Ministers Conference; according to its deputy chairman, Mr Lyall Dix, who is Victoria's director of building control, the chances of success for the project are high because the ministers most responsible for building regulation are the ones sponsoring it.

It also has the imprimatur of the Prime Minister and the premiers as part of the micro-economic reform process associated with the special premiers conference programs.

Last October's conference specifically recognised the need to move towards uniformity in the building code area, and the project is already on the agenda for the November meeting.

By that time there should be in existence a draft model Building Act, which will have been considered not only by local government ministers but also by the Standing Committee of Attorneys-General.

The draft legislation is evolving through a consultative process that includes all levels of government and building trade associations and other industry and interest groups.

Among the material being considered in the process are four reports prepared by the Melbourne firm of Mills Oakley & McKay, which won a tender from AUBRCC to prepare the policy papers that would lead to the drafting of the model legislation.

Mr Kim Lovegrove, who heads the construction law division at the firm, says it has been a fascinating project and the first time that project management of a legislative drafting exercise has gone to a private firm.

He says a totally open agenda approach to reform has been adopted, with consultation kept as extensive as possible.



Building a better future . . . Kim Lovegrove (left) and Lyall Dix

Although he identifies five separate "constitutional options" for the adoption of uniform legislation, the most favoured are the adoption of uniform State and territory legislation, in much the same way as the old companies codes were enacted, or the application by the States and territories of a model Commonwealth Act, in the way that the new corporations legislation has been adopted.

Then there are a series of options about the structure of the legislation. These range from including guiding principles, administrative provisions and procedural requirements all in a single Act, with technical requirements separated out as the Building Code of Australia (which is in the process of adoption by various States), to splitting the legislation between an Act and various schedules and subordinate legislation. The recommended option is the third.

A key reform that the uniform legislation would bring about would be the breaking down of barriers between the States and the freeing up of the Australian market.

Mr Dix says there would be real benefits for the building industry, which would have to observe only the one set of standards nationwide, for product manufacturers, the design profession, anybody with interstate operations and the consumer, who would have the benefit of obtainable, plain-English legislation setting out the rules. State and local governments would benefit from being able to share resources, while local government would be able to leave technical issues to those with the proper technical qualifications.

There would also be uniform standards established for the recognition of building inspectors and surveyors.