

Building law 'to save \$1b'

By TED McDONNELL

The proposed National Model Building Bill will save Australia more than \$1 billion a year, according to Mr Kim Lovegrove, of the Melbourne solicitors Home, Wilkinson and Lowry.

Mr Lovegrove, the project director for the Australian Uniform Building Regulations Coordinating Council, is helping prepare the draft building legislation.

He said the bill was arguably the most significant legislation affecting the industry since federation.

"One of the most remarkable features of the legislation is that every sector — government, municipal associations, owners, builders and consumers — are winners," Mr Lovegrove said.

Key features of the legislation include a "one-market — one-nation emphasis", cost savings to industry, national approval of builders, products and systems, professional liability reform, a 10-year liability time cap, legislation written in simple English, swift yet responsible project approvals, and eliminating building type approvals.

"Members of the industry, such as builders, architects and engineers, will benefit from the freeing up of the labor market so that their skills and qualifications will be recognised interstate.

"The legislation has mechanisms to free up and break down antiquated constitutional and administrative barriers that inhibit

interstate versatility," Mr Lovegrove said.

The chairman of the coordinating council's executive and project supervisor, Mr Lyall Dix, said there would be facilities to ensure that recognised skills, construction methods and products get national accreditation and status through the proposed statutory National Building Regulatory Authority.

Mr Lovegrove said the liability proposals, including a cap on liability and reform of joint and sev-

eral associations and local authorities, which were the recipients of "grossly inequitable forms of litigious assault".

Developers, builders and owners would also benefit from more streamlined approval procedures and faster, more cost-effective dispute resolution mechanisms under the bill.

"The dispute resolution system drafted in the legislation has strong similarities with the systems in South Australia, Tasmania and Victoria, and revolves around

building regulatory reform at the World Congress Centre on 16 and 17 October.

"The seminars will be public to ensure that anyone with an interest can attend and contribute," Mr Lovegrove said.

It is expected the resolutions formulated at the conference will be presented to government. The matter is listed for discussion at the November special Premiers' Conference.

The origins of the bill date back to March 1989 at a special Premiers' Conference.

"The aim of the program is to streamline building regulations across Australia — in other words, to effect micro-economic reforms in the industry," said a Northern Territory minister at that conference.

Mr Lovegrove said the collective input of the states, industry, interest groups and local authorities had had a big part in moulding the legislative principles.

"The reform will provide tremendous savings for the states, local government and industry," he added.

"It is difficult to put an accurate figure on the amount, but estimates reveal that if all aspects of the legislation are passed it could save the country more than \$1 billion a year.

"With the advent of uniform approval and dispute resolution procedures, the way will be clear to free up the industry."

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eral liability, would benefit engineers, architects and consumers because they would result in more quantifiable risks for insurers, as well as cheaper insurance.

"This will return to favor professional indemnity cover as contractors will be able to afford it. Consumers will then have the benefit of financially viable defendants as distinct from 'men of straw', which is the case now," he said.

Mr Lovegrove said the liability reforms would also benefit munic-

ipal associations and local authorities, which were the recipients of "grossly inequitable forms of litigious assault".

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