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8 June 2000

Productivity Commission
Locked Bag 8
Collins Street East
Melbourne Vic 8003

Dear Commissioners

Submission - Review of Legislation Regulating the Architectural Profession

As a multidisciplinary design firm, which includes architects and other design professionals, we support the need for regulatory reform relating to the regulation of architects and design professionals. However we submit that a form of universal regulation is required primarily to provide consumer confidence, client protection, to protect the built environment and to support the export of Australian Design Services.

There is presently a huge groundswell reacting against poor building design outcomes which has arisen in the present environment where there is total and complete freedom to compete and where many designs are undertaken by unqualified or insufficiently qualified persons. Examples of this groundswell include the NSW Premiers Flat Design Forum and new design processes introduced by Sydney Council. The present Architects Act in NSW does not prevent any other person from undertaking any form of design service. It is therefore impossible to conclude that abolition of the NSW Architects Act will impact or increase competition.

Competition for design services is presently extremely strong and fee margins remain extremely tight. The CSIRO report on the Design and Documentation Quality Survey supports the view that architectural and design fees have significantly reduced, standards of documentation have declined and resulting risks and construction costs for clients have significantly increased.

We contend that regulation is necessary to protect consumers and the built environment and that the present form of regulation should be revised and improved including:-

- Creation of a National regulation scheme to remove State anomalies to improve efficiencies and mobility which could include a register of all building consultants which is made available to all statutory bodies.



- Recognition of the competencies of design professionals who must
 - Establish their initial competencies
 - Are subject to disciplinary review through a credible system
 - And must maintain professional competencies through CPE.
- Limiting the design role to recognised qualified persons according to the scale of project complexity (eg size of building or development)
- Including Independent or lay personnel on any regulatory board.
- Requiring adequate PI insurance is maintained.

We reject the view that competition between regulatory bodies is desirable and suggest this creates unnecessary confusion and complexity. It is important to distinguish between desirable competition between competent suppliers and competition relating to the regulation under which they operate. Varying regulatory schemes (whether statutory or self regulation) create an uneven playing field which prevents fair competition. For example, whilst separate accounting bodies may exist they have agreed to work together to promulgate a single set of accounting standards.

We note particularly that deregulation in the UK has not been successful and that Australia's international professional standing will be seriously damaged by total deregulation. We are presently opening a number of overseas offices and deregulation is likely to undermine such investment. As a leading design firm it is critical that we can make future investment in confidence to support increased innovation and productivity.

As a member of the ACA we also support their submissions to the Productivity Commission.

Yours faithfully

David Slinn
Chief Executive Officer