

QUEENSLAND

MASTER BUILDERS

ASSOCIATION

2 August 1999

Mr J Latham

Administrative Manager

Building Performance Study

Productivity Commission

Locked Bag 2 Collins Street East

MELBOURNE VICTORIA 8003

By Facsimile: (03) 9653 2305

Dear James

Re Improving The Future Performance of Buildings

I refer to the Commissions Issue Paper for June 1999 relating to the performance of commercial buildings and the proposed research study. The Association has considered the issues raised in the paper and would like to participate in the research study.

To support this, our submission is outlined below for your consideration based on the sections in the Issue Paper:

- **Environmental Aspects of Building Performance**

Commercial building owners, managers, developers and tenants in most major construction projects specify or request design criteria, costings, life cycle assessments to identify the future maintenance and operational costs. However in smaller regional retail complexes, small industrial buildings and refurbishment works environmental performance is not considered unless specified by the client. All large commercial government projects require the designer, project manager or construction management company to assess and advise on environmental performance issues the Association can not provide comment on whether owners/managers or tenants assessing energy consumption, water consumption and waste disposal during operational periods.

- **Life Cycle Costing**

Construction and project management contractors rely on the advice given by specialist consultants relating to life cycle costing techniques for commercial buildings. Many firms implement these techniques as a marketing service for clients, or as the result of specific contract or specification conditions. The impediments or constraints to life cycle costing are the actual cost of engaging consultants and the timing associated with the process.

- **Input Saving Technologies**

Clients have an expectation that design and construction processes will provide an energy efficient building to meet their budget constraints. Some construction contractors consider IST in the re-development of production or processing facilities - (eg. length of product lines, re-design of ovens, upgrading to cleaner, (cheaper more efficient systems) either as a marketing tool or as part of the client design brief. Pricing of energy costs is integral with energy efficient design-taking advantage of lower tariffs, off peak services etc. reduces overall operating costs. However the use of these lower tariffs are generally not considered as an option during the construction of the building.

- **Demand For Energy Efficient Buildings**

There is a demand for energy efficient buildings in the commercial market for multi story offices, hotels, retail shopping complexes, government buildings and larger industrial buildings. However for smaller commercial structures development is generally undertaken to a budget cost. The Association can not provide comment on the marketing and sale of energy efficient buildings and the actions of building owners or managers. The Association is not aware of information on IST's for design, construction and operation of commercial buildings. The issues of risk and uncertainty with IST's use in buildings, risks assessment, selection of designers, leasing arrangements, budgets and taxation aspects relating to IST's are outside of the Associations scope.

- **Facilitating The Adoption of IST's**

The major issues that impede the adoption of IST's are..

- *lack of information on the types of products and services available - accurate details on "costings" of IST's*
- *the lack of information for clients, designers, cost planners and building contractors that is simple to read and comprehend*
- *a lack of knowledge amongst architects, designers and clients on the benefits of IST's restricted budgets that prevent the use of high cost solutions*
- *a lack of promotion of the building energy rating schemes and "best practice" options and successes*

The Association is aware of several initiatives to promote IST's..

- *the Brisbane City Council Draft Town Plan specifies mandatory criteria for energy efficiency in building design*
- *the Environmental Protection Agency has established grants and funding for "Cleaner Production Partnerships" with industry.*
- *Private clients and government bodies are including briefs or specifications that include energy performance requirements for the project*

The Association considers the role of Government is to liaise with industry, fund research and development into IST's technology, provide incentives for implementing and maintaining energy efficient buildings, promote best practice and if necessary set performance measures for commercial buildings. At this stage the Association is unable to provide reports, studies, data or other material to assist the Commissions research study.

It may be possible for the Association to assist the Commission during its study and you are advised to contact the Association's Environment Manager, Frank Welch, telephone (07) 3404 6410 if you require further information.

Yours sincerely
Reg Quinn
Executive Director