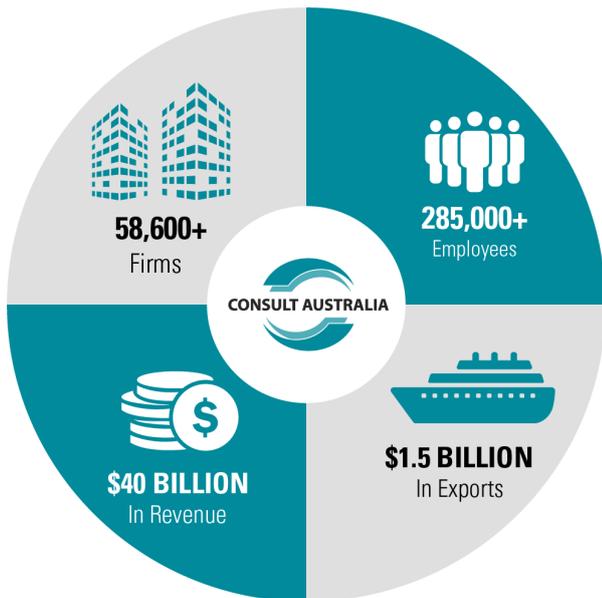




# FEDERAL ELECTION 2025

## ABOUT US



Consult Australia is the industry association representing businesses in design, advisory and engineering consultancy, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia's top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy, the services we provide unlock many more jobs across the construction industry and the broader community.

Consult Australia is a member of leading industry groups:

- Australian Chamber of Commerce and Industry (ACCI)
- Australian Construction Industry Forum (ACIF)
- Australian Sustainable Built Environment Council (ASBEC)
- Council of Small Business Organisations of Australia (COSBOA).

### Our members include:



Consult Australia's members are listed in full [here](#).

*Consult Australia advocates for a healthy and sustainable ecosystem of productive businesses to realise Australia's economic future. The federal government can help achieve this by providing confidence, supporting commercial outcomes, realising occupational mobility, strengthening national coordination, and championing quality standards.*

Our member businesses design the future. With every design, advisory and engineering service provided by our membership, there is a positive impact on job growth, community connectivity, and economic productivity. The productivity of the broader construction industry (of which our members are a vital component) will continue to lag and the ability to innovate will remain stifled if the government does not address barriers to confidence, commerciality, mobility, coordination and quality.

The opportunity for governments to deliver a broader legacy from their investments is substantial and requires better utilisation of the thriving knowledge-led professional services sector which supports the broader construction and infrastructure supply chain.

We call on the incoming federal government to adopt our five key policy priorities set out below. Consult Australia's solutions focus on smart policy that removes barriers, improves efficiency and delivers better value-for-money outcomes.



#### **Provide confidence, for capacity**

Pipeline uncertainty leads to a lack of industry confidence and an inability for businesses to invest in capacity. If the infrastructure pipeline is coordinated and planned with certainty over the long term it will give businesses confidence to invest and build capacity.



#### **Support commercial outcomes**

A thriving business environment is impossible with significant regulatory complexity, impost and inconsistency and when market behaviours that negatively impact competition go unaddressed. Consult Australia suggests refining key regulations to improve market behaviours enabling various leading businesses to participate.



#### **Realise occupational mobility**

Automatic deemed registration under the *Mutual Recognition Act 1992* (Cth) has not realised its purpose. A simple amendment to the definition of 'home State' would better reflect modern work practices and realise occupational mobility for highly skilled registered practitioners. Over \$54 million could be saved on registered engineers alone.



#### **Strengthen national coordination**

Fragmentation between jurisdictions has stifled productivity uplift. The federal government's commitment to nationally coordinated approaches will realise benefits. Consult Australia urges the continued coordination of the National Construction Strategy and the Infrastructure Net Zero work with extension to enable digital by default.



#### **Champion quality standards**

Ensuring building integrity and consumer confidence in buildings involves many parties with access to quality standards. Consult Australia recommends the federal government champion quality standards by supporting regular updates to the National Construction Code and free access to Australian Standards references in legislation and building codes.

### PROVIDE CONFIDENCE FOR CAPACITY

#### Recommendations:

- The federal government should support long-term infrastructure planning including the appropriate evidence base needed to make informed decisions and fully consider options, cost-benefit, community engagement and social outcomes.
- The federal government should support coordination between state and territory governments to plan project releases with an awareness of the impact on the market, including competing project releases. A steady stream of projects supports market sustainability as opposed to a whole sector release at one time.
- The federal government should support state and territory governments to adopt programmatic approaches to mega projects enabling participation by various businesses with varying skills and sizes, where relevant.

Pipeline investment is an economic lever. If that lever is pulled too tightly, or let loose, it has implications on market capacity to deliver, growth, and competition. Pipeline certainty is needed by the industry to give them confidence to invest in the capacity of their business. Consult Australia members cannot afford to have skilled professionals on staff without any projects to work on. As much as possible businesses shift people capacity between sectors and jurisdictions and therefore the coordination piece becomes important.

While many of the historical barriers to talent growth have not been resolved for professional design consultants working across the built and natural environment, the shortages have the potential to increase if capacity and confidence are not prioritised. There needs to be investment in initiatives to tackle capacity concerns for professional services, including designers, engineers, and project managers.

There are four key elements to consider:

- **Shifting focus** – Pipeline uncertainty in one jurisdiction leads businesses operating across multiple jurisdictions to shift focus to secure projects and retain talent. If talent cannot be retained, employees may be forced to seek work in different states and territories or even global jurisdictions.
- **Design domino** – Heavy investment in construction-ready stages over planning and design stages does not equate to work for all. Rather, what we are seeing in many jurisdictions is that design work is drying up or being put on pause with a fast ramp-up to the construction-ready stage. This often leads to later capacity constraints. Businesses are forced to consider reallocating highly skilled resources across sectors during design work pauses leading to pressures where these skills are sought in future.
- **Capacity drought** – When businesses shift talent from one jurisdiction to another to follow projects, the first market may experience a capacity drought for a lengthy time. Further, professionals tired of being redirected across jurisdictions may seek stable employment in countries outside of Australia. These shifts can be particularly acute for smaller jurisdictions.
- **Compounding skills shortages** – There are historical skills shortages prevalent in our industry from before the global pandemic, which have only intensified. Regulatory barriers, including the complexities of registration and accreditation challenge businesses as they seek skilled talent to address capacity constraints quickly.

### SUPPORT COMMERCIAL OUTCOMES

#### Recommendations:

- The federal government should ensure that the National Competition Policy (NCP) deals with regulatory complexity, impost and inconsistency. The NCP should:
  - require all governments to reduce the complexity of regulation across different regulatory instruments and avoid duplication and overlap in regulatory and compliance processes.
  - require all governments to apply more rigour to regulatory market analysis.
  - include an explicit requirement on all governments to consider small business impacts, market conditions and competition impacts when developing regulatory policy.
  - extend the legislation review principle to require competition to be promoted, where it is in the public interest.
- The federal government should deal with market behaviours that negatively impact competition by:
  - refining the Australian Consumer Law (ACL) to ensure the misleading or deceptive conduct provisions protect consumers and small businesses and cannot be misused otherwise.
  - maintaining the explicit exemption for the *'supply of services of a professional nature by a qualified architect or engineer'* from the fit-for-purpose consumer guarantee in the Australian Consumer Law.
  - supporting all state/territory governments except QLD to amend civil liability legislation to explicitly prohibit contracting out of proportionate liability in professional services contracts.
  - disallowing the practice of fee capping by clients and government agencies which overrides market forces.
- The federal government should support innovation and industry involvement by:
  - discouraging the procurement practice of labelling bids as 'non-conforming' which is stifling innovation.
  - encouraging all procuring agencies to engage industry early in the pre-design phase to explore innovation as part of project scoping.
  - ensuring the NCP provides clear direction to all governments to promote and encourage innovation.
  - ensuring the NCP requires all governments to undertake targeted reviews to assess if legislation, government policies or processes are negatively impacting competition in a particular market or creating barriers to entry of new participants and technologies.

Consult Australia supports the removal of barriers or impediments to competition that do not provide a net public benefit or that are unnecessary to achieve the desired public policy outcome. Our proposals draw on thought leadership including our:

- [Uplifting Productivity Report](#)
- [Confidence and Continuity](#) survey findings
- [Enabling Digital by Default White Paper](#)

- Model Client Policy (originally released [in 2018](#) and [re-released in collaboration](#) with the Australian Constructors Association in 2022).

Consult Australia holds that these recommendations support the delivery of improved competition outcomes for government, industry and communities.

### **Ensuring the NCP deals with regulatory complexity, impost and consistency**

The call from industry for less complex and less duplicative regulation is not new.

#### **Developing regulation**

Consult Australia has seen several state governments develop unnecessarily complex regulatory systems in the rush to regulate. To demonstrate action, a government might draft and pass a broad-based act through parliament without detail and follow up with detailed regulations and codes of practice. We are increasingly seeing even less detail in the acts with regulatory requirements being split over the act and regulations (instead of being set out in the act and detailed administration information in the regulations). Over time, acts are becoming too high level and the important details are left to be developed outside of the parliamentary system.

This complex structuring of regulatory requirements through acts, regulations and government documents imposes a burden on business, including an administrative burden. Splitting obligations across different regulatory instruments could create a convoluted approach, making it harder for professionals and the businesses that employ them to understand and comply. This can impact the markets a business is willing/able to participate in, especially smaller businesses without dedicated internal legal and compliance teams.

To improve market participation all governments should reduce the complexity of regulation across different regulatory instruments and aim to include all regulatory requirements in a single instrument, making it easy for professionals and businesses to understand and comply. Reducing the layers of regulation should have a positive impact on compliance costs by making it easier for businesses to understand and comply.

Administrative cost burdens can also be minimised by avoiding duplication and overlap in regulatory and compliance processes. For example, when procuring, government clients often request and validate insurance documentation at the prequalification stage, then again at tender and again at the award stage. Consult Australia understands that assessing the validity of supplier information is an important compliance measure for government procurement. However, duplicative processes result in unnecessary costs and a 'by exception' or 'as required' information update process could be used instead.

#### **Impact assessment**

Consult Australia proposes that more rigour could be applied to regulatory impact analysis by state and territory governments to reduce complexity. For example, at the federal government level the Office of Impact Analysis provides a transparent review process which includes oversight from outside the agency proposing the regulation and brings a level of consistency across the whole of government. Consult Australia would support a similar oversight approach in states and territories.

Complementing this would be increased training of policy officers and advisors within government on 'better regulation' policies and impact analysis. The inclusion of industry perspectives, an understanding of market conditions and a consideration of competition impacts is essential to inform the design of regulatory and compliance processes. These can have a significant impact on small and nascent businesses and can sometimes be overlooked. Therefore, we propose that an explicit requirement is included to consider small business impacts, market conditions and competition impacts when developing regulatory policy.

### Dealing with market behaviours that negatively impact competition

Australia's construction industry has a reputation of adversarial, problematic and uncollaborative contracting, primarily flowing from inappropriate risk allocation. A market with a high likelihood of claims and corresponding high insurance costs does not foster participation and competition. Behaviours contributing to the market conditions include:

- misuse of the ACL's misleading or deceptive conduct provisions
- clients requiring providers of professional services to contract out of proportionate liability
- inappropriate use of fit for purpose clauses in professional services contracts, which is inconsistent with the exclusion in the ACL
- fee capping by clients and government agencies.

The statutory reform recommendations formed part of Consult Australia's 2021 submission to and were quoted in the 2022 final report of, the [Commonwealth inquiry into procurement practices for government-funded infrastructure](#). Positive action is yet to be taken.

The above practices discourage businesses from competing in the market. More detail on these can be found in our [submission to Treasury on the National Competition Policy Review](#).

### Supporting innovation and industry involvement

Government procurement practices that hinder innovation and the long-term competitiveness of markets include the:

- practice of labelling bids as 'non-conforming bids'
- late engagement of industry on project design and scope.

Consult Australia has previously advised that members are dissuaded from providing innovation on government projects when bidding because any deviation has been considered a 'non-conforming bid'.

## REALISE OCCUPATIONAL MOBILITY

### Recommendations:

- The federal government should amend the 'home State' definition in the *Mutual Recognition Act 1992 (Cth)* to remove a barrier to occupational mobility, delivering over \$54 million in savings for businesses with registered professional engineers that work across state borders.

Government registration of occupations is not a new thing, however, with the rollout of government engineering registration schemes around the country, Consult Australia has seen unnecessary barriers impacting the operation of businesses of all sizes. Registration is a priority for our member businesses as it is now required in many Australian jurisdictions for professional engineers to practice.

Consult Australia was supportive of the amendments to the *Mutual Recognition Act 1992 (Cth)* in 2022 that facilitated 'automatic deemed registration'. The automatic deemed registration scheme was intended to reduce costs and avoid the often lengthy and administratively burdensome full registration process where a practitioner was seeking registration in a second jurisdiction. Unfortunately, true occupational mobility has not been realised because the legislation (as drafted by the Commonwealth for implementation by states and territories) has a significant barrier - the definition of 'home State'.

### The issue

The definition is too restrictive and does not allow sufficient flexibility in the current environment when it comes to professional engineering registration. Section [42D of the \*Mutual Recognition Act 1992 \(Cth\)\*](#) allows for automatic deemed registration where a person registered in their 'home State' to carry on activities covered by their occupation can carry on those activities in a 'second State' (where the second state also requires registration for their occupation). Section [42A of the \*Mutual Recognition Act 1992 \(Cth\)\*](#) defines 'home State' as meaning:

- (a) the State in which the person has their principal place of residence;
- (b) the State in which the person has their principal place of work for the occupation.

If automatic deemed registration worked effectively, the jurisdiction where the person lives or works would not be relevant so long as they hold a registration that can be recognised. The services provided by professional engineers can be provided remotely, in fact over 90% of Consult Australia members (including sole traders and small businesses with only one office location) provide services in more than one jurisdiction. There are many professional engineers providing services in Australia that hold a registration, that is not for their 'home State'.

### The solution

Consult Australia has identified options to amend the 'home State' definition that would secure savings of over \$54 million in costs to businesses for the registration of engineers already registered in another jurisdiction. The federal government can rectify this oversight by:

1. Removing 'home State' from Part 3A and replacing it with 'first State', OR
2. Modifying section 42A.

Consult Australia can provide further detail on these solutions for legislative amendments. We also support digital implementation to ensure that consumers, regulators and practitioners can all access registration information throughout Australia easily and efficiently.

## STRENGTHEN NATIONAL COORDINATION

### Recommendations:

- The federal government should continue to prioritise coordination on national strategies to realise benefits, including the National Construction Strategy, the roll-out of the Culture Standard with increased involvement and recognition of consultants represented by Consult Australia, and Infrastructure Net Zero strategies in partnership with industry.
- The federal government should continue that coordination approach to enable digital by default.

It is well-known and often cited that Australia's construction industry is lagging other industries productivity-wise. Collaboration and integration of solutions are strategies to realise productivity uplift. As a national association, Consult Australia has seen firsthand where a single jurisdiction implements solutions while other jurisdictions continue to struggle with the same problem but are either unaware or unwilling to take the lead from another jurisdiction. Recent national strategies including the National Construction Strategy, the Construction Industry Culture Standard and work on Infrastructure Net Zero show a positive shift, with the breaking down of jurisdiction silos.

### National Construction Strategy

Consult Australia supports the National Construction Strategy which aims to improve productivity across the sector. The implementation will initially focus on transport infrastructure via the Infrastructure and Transport Senior Officials' Committee (ITSOC) with strong partnerships with industry.

With sustained commitment from government and industry to the strategy, there will be significant benefits for all. Consult Australia looks forward to being involved in all four critical areas of the strategy:

- **Procurement and contracting** – developing national guidance on procurement methods and assessment of non-cost outcomes.
- **Workforce** – investigating culture, flexibility and diversity of the transport infrastructure construction workforce.
- **Data collection and benchmarking** – investigating the viability of establishing national productivity data metrics.
- **New technology and Modern Methods of Construction** – exploring productivity-enhancing tools and methods of construction, and the barriers to adoption.

### Digital by Default

Consult Australia's [Enabling Digital by Default](#) paper presents a practical, industry-informed roadmap to seamlessly integrate digital practices across the built environment sector consistently across Australia. To ensure the roadmap was industry-informed and tested with government stakeholders, Consult Australia initially produced its 2023 [Digital by Default Green Paper](#), exploring how to boost productivity and maximise infrastructure investment outcomes.

Consult Australia held more than 100 engagements on the Green Paper with over 50 organisations, including government agencies and businesses, representing 17,000 digital and delivery professionals. This consultation process revealed the 'perils' of a federated approach to digital by default delivery in projects. The conversations shaped the five Enabling Digital by Default recommendations harnessing best practices to create an enabling environment that catalyses change:

- Build a Digital by Default Community of Practice
- Invest in the business case for digital technology
- Harmonise standards and guidance for data and information management
- Embed requirements through procurement with an outcome-led approach
- Build capability and skills.

Consult Australia is encouraged that 'data connection and benchmarking' is a pillar of the National Construction Strategy, but in addition to that on broader digital by default approaches, the federal government should enable a national coordinated approach to benefit both government and industry.

### Construction Industry Culture Standard

Consult Australia has long supported the development and implementation of a Culture Standard for the Construction Industry and commends the work of the Construction Industry Culture Taskforce (CICT) in being the catalyst for change. The core concern Consult Australia has, and continues to have, with the Culture Standard is that it does not always consider the role of consultants in the construction ecosystem. Implementation of the Culture Standard on projects and pilots are often limited to the constructor/client relationship, missing a valuable piece of the puzzle.

In NSW, Consult Australia has advocated on this point and was pleased to see many positive aspects of the Culture Standard reflected in the NSW government's Principles for Partnership. Similarly, Consult Australia is working with the ACT government to implement the Culture Standard, but with appropriate modifications to also consider consultants working on projects.

The Culture Standard's three pillars are supported – time for life, wellbeing and diversity and inclusion. These align with the strategies Consult Australia has been working on for several years. Consult Australia's members are committed to improving culture not only in their own organisations but across the industry and we are willing and able to share our learnings to support the CICT and contractors. Some of our key initiatives include:

- **Pause for Wellbeing**

This is our annual [tender campaign](#) calling on government clients to prioritise mental health and wellbeing by pausing all live procurement tenders over the end-of-year holiday period. It had been common practice for government clients to release live procurement tenders over December/January. To meet the timelines, industry participants often need to work over the period without a break – despite agencies observing government shut-down periods.

The campaign has grown stronger over time, with other industry colleagues joining Consult Australia in the campaign from 2021 onwards. This includes the Australian Constructors Association, Engineers Australia, Roads Australia, Australasian Railway Association and the Association of Consulting Architects.

- **Champions of Change Group**

Since 2012, our members have tackled the gender disparity in the consulting sector by committing to the [Champions of Change](#) initiative. While the initiative is deliberately focused on gender diversity, members have seen wider positive impacts on cultural behaviour beyond gender. Our latest results are available in the Impact Report [here](#), see pages 66 to 71 for the Consult Australia Group.

- **Mental Health Knowledge Hub**

Consult Australia member businesses have prioritised, progressed, produced and promoted the mental health content available on our [Mental Health Knowledge Hub](#), demonstrating the people-centric ethos at the heart of the consulting industry.

- **Diversity and Inclusion Knowledge Hub**

Consult Australia's [Diversity and Inclusion Knowledge Hub](#), funded by the 2023 NSW Government Women in Construction grant, aims to break down barriers in the industry. The hub provides practical tools, insights, and case studies to promote gender and cultural inclusion in the workplace. It offers best practices for improving diversity, overcoming common challenges faced by women, and actionable steps to create supportive environments.

Consult Australia recommends that the government continues to commit to the Construction Industry Culture Standard and strengthens it by ensuring that Consult Australia and the consultant industry is involved.

### **Infrastructure Net Zero**

The [Infrastructure Net Zero initiative](#) brings together industry and government to accelerate the decarbonisation of Australia's infrastructure through collective action so that it meets or exceeds our national targets of 43% by 2030 and Net Zero by 2050. Consult Australia is proudly a founding member of the initiative and continues to provide support in key projects being delivered by the initiative.

The Infrastructure Net Zero initiative has shown how one jurisdiction can lead the way (NSW in this instance) and those key learnings can be used by other jurisdictions. This integrated approach will help us reach those decarbonisation and Net Zero goals.

Consult Australia supports continued investment in the coordination efforts, including the Infrastructure Net Zero initiative.

## CHAMPION QUALITY STANDARDS

### Recommendations:

- The federal government should confirm its commitment to the regular three-yearly review and update of the National Construction Code.
- The federal government should ensure free access to Australian Standards that are referenced in legislation and codes.

Building integrity is a key concern around the country. To achieve and maintain building integrity, industry participants need access to quality standards and codes. Where standards are required by law, these standards should be freely accessible.

### Maintaining quality

Quality standards are those that are up-to-date and which, when followed, help achieve a quality design and build. Consult Australia therefore sees significant value to the industry and the community in the regular three yearly reviews and updates of the National Construction Code (NCC), and the implementation of each revision. In November 2024, Consult Australia co-signed a letter to the Australian Building Ministers setting out the importance of the NCC:

- The NCC sets the national standard for how we build in Australia. It covers matters from fire safety, structural integrity, health and amenity, accessibility to sustainability considerations including emerging issues like embodied carbon, resilience to our changing climate, and increased frequency and intensity of natural disasters.
- Since the early 1990s, the adoption of a single building code by state and territory governments has been a national project grounded in productivity and efficiency, to save businesses money from unnecessary and confusing duplication between states and territories and undue regulation, focusing on reforms that have a net benefit to society. The NCC also ensures an appropriate safety net for quality, comfort and cost to all Australians, the people who ultimately own, work and live in the buildings we construct.
- Over time, the issues addressed in the design, construction and refurbishment of buildings have changed and evolved in response to the risks faced. From ensuring personal safety in case of fires and structural failures to addressing systemic defects in quality like waterproofing and condensation, there is a strong need to consider emerging challenges.
- Constructing buildings and homes that will still be here in 40 and 50 years' time requires taking a long-term view of what appropriate minimum standards need to be achieved. Improving the energy performance of new homes and buildings will benefit Australians for decades to come and make the transition to renewable energy faster and cheaper. The energy performance requirements for homes introduced in NCC 2022 will lead to significant and ongoing energy bill savings for households, better health outcomes, better resilience to worsening extreme weather events and heatwaves, cuts to our emissions and less need for expensive generation and network augmentation.

Industry would benefit from certainty on implementation – therefore it is recommended that there be a set date by which reviewed NCC editions are implemented by states, say one year. This would give industry time to get up to speed on the changes that impact their work before implementation. Arguably there is a stronger role for the Australian Building Codes Board and state regulators in more education for industry to also ease transition.

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### Ensuring access

Consult Australia, as a member of ACIF agrees that Australian Standards referenced in the NCC must be freely available. Just as the NCC is made freely available, so should the standards referenced in the NCC.

Lack of free access to these standards has serious implications for the safety and quality of buildings. In the last few years building integrity and confidence has been a major concern for the community, governments and industry. Enabling better access to Australian Standards is a practical way to address this issue and directly assist industry participants to understand and apply the standard requirements to deliver higher quality and safer buildings.

While a smartphone app was created by Standards Australia to provide sets of standards for around \$100, this is of little or no use to professionals, who often need access to many more standards referenced in the NCC.

Better access to standards is both readily solvable and relatively inexpensive. Accessibility improvements extend beyond affordability and must include better digital usability, searchability, and interactive functionality.

# FEDERAL ELECTION 2025

## CONSULT AUSTRALIA'S POLICY PRIORITIES



### CONTACT

We would welcome any opportunity to further discuss the issues raised in this paper.

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### THANKS TO OUR INDUSTRY CHAMPIONS

For their outstanding leadership and engagement on behalf of the industry.

A circular logo with a red top half and a blue bottom half. The word "INDUSTRY" is written in white on the red background, and "CHAMPION" is written in white on the blue background. In the center, there is a teal circular graphic with a white swoosh, and the text "CONSULT AUSTRALIA" is written in white across the center.

**AECOM**    **aurecon**    **smec**  
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**Jacobs**    **GHD**    **Stantec**

COLLABORATIVE LEADERSHIP COMMITTED TO THE SUCCESS OF OUR INDUSTRY