

January 2025

SA Building and Construction Industry Review

SUBMISSION TO CONSUMER AND BUSINESS SERVICES

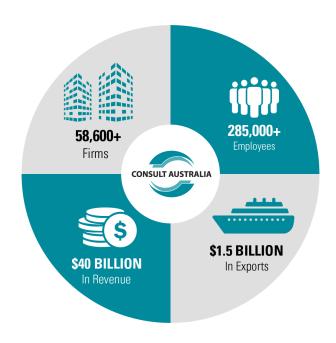
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About us

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, 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.

Our members include:



A full membership list is available on our website.

Executive summary

Consult Australia welcomes the opportunity to submit to the SA Building and Construction Industry Review. The review is timely given recent concerns raised by several of our SA members regarding both quality and accountability of building developers as well as oversight of electrical work in relation to renewable energy.

Consult Australia supports the role of government to address policy problems and market failures and to ensure consumer safeguards are in place and met, and that quality work is undertaken by all in the building and construction sector. Consult Australia agrees with the review's focus on opportunities to enhance industry compliance, protect and inform consumers, and support building practitioners to deliver high quality work.

Consult Australia has identified the following sections of the Discussion Paper that are of most relevance to our members and their work, that we believe require attention:

- Definition of building work
- Dispute resolution
- Regulation of building developers
- Scope of electrical works
- Access to Australian Standards

As always, Consult Australia looks forward to assisting the government develop regulations that address issues of concern identified by our members. The end goal should always be solutions that resolve the core policy problem and only imposes justifiable burdens on businesses to achieve specific goals.

Definition of building work

A key issue for Consult Australia and its members is the clarity of definitions within the proposed regulations, such as 'building work'. The industry needs clarity on the definition of 'building work' before we can comment further. Consult Australia holds that a core policy problem in building and construction industry does not stem from consultancy design and engineering and therefore seeks confirmation from the government that the definition of 'building work' doesn't include design and engineering services, including the production of plans.

If the government has identified an element relevant to consulting designers and engineers, Consult Australia requested focussed consultation to ensure co-design of an appropriate solution.

Dispute resolution

The Discussion Paper proposes that a rectification order scheme be introduced in SA to enhance the dispute resolution process.

Consult Australia recommends that a rectification order scheme not be introduced for all contractual disputes, but it could be used in cases where the Commissioner has identified serious building defects. In that situation, it is less about dispute resolution and more about the government ensuring compliance with required standards.

Regulation of building developers

As Consult Australia stated in our submission in September 2023 to the SA government in relation to the Professional Engineers Scheme, some of our members have experienced issues with builders and developers failing to ensure quality in construction and associated risks for multi-rise

residential. Developers are the biggest beneficiary of the build and have the ultimate sign-off on design and construction work, and therefore Consult Australia supports the proposal to regulate building developers.

Question 31 of the Discussion Paper asks, 'Is there a case for stronger regulation of building developers and, if so, what options should the government consider? For example, introducing a licensing scheme for developers or a developer rating scheme for consumers.'

Ultimately the developer is best placed to ensure proper processes are followed ensuring minimum quality requirements (as outlined in the building code) are met. We contend that it is reasonable for the developer to rely on consultants to fulfil their technical obligation. However, the developer needs to be held to account so that they remain responsible for meeting minimum legislative and referenced code requirements.

For these reasons outlined we strongly support a licensing scheme for developers, in the same way other project professionals are licensed (architects, engineers, builders).

Considering member feedback, Consult Australia supports stronger regulation of building developers. The regulation should ensure that consultants can raise concerns with the government where needed and that any obligation on the developer cannot be delegated or assigned to a consultant on a project.

Scope of electrical works

In considering section 3.10 of the Discussion Paper, Consult Australia members who specialise in renewable energy provided the following comments and observations:

- There is more to installing solar photovoltaic (PV) panels than just wiring them up.
- Off-grid locations tend to be either remote coastal or inland with few trees and usually very short scrub and as a result, the wind loads on the panels are significantly higher than those associated with urban settings.
- For urban setting standard PV panel mounting systems taken from supplier design guides
 will have sufficient robustness to deal with upward and downward loads. In more exposed
 locations it can be necessary to close the spacing of the mounting brackets and in some
 cases introduce additional rails.
- If a PV panel comes adrift from its mountings and the electrical connection is broken the panel does not stop producing electricity and if the roof is of metal sheet, then the roof can become live.
- It is important that PV panel mounting systems are constructed by suitably trained and accredited personnel who can assess wind loads and design an appropriate rail/bracket/clamp configuration.

Some of these points have been incorporated in our response to the questions 35-37 in the Discussion Paper:

• Question 35 'Should people who perform work on 'off-grid' electrical installations that are not connected to a public electricity network require a licence or registration?'

Yes, workers should require a license or registration. PV panel mounting systems should be constructed by suitably trained and accredited personnel who are able to assess wind loads and design an appropriate rail/bracket/clamp configuration. In more exposed locations it can be necessary to close the spacing of the mounting backets and in some cases introduce additional rails. Registration and licensing will assist in ensuring that such work practices will be undertaken.

- Question 36 'What types of 'off-grid' electrical installations should require a registered or licensed electrical worker?
 - Off-grid locations that are either remote coastal or inland with few trees and usually very short scrub that experience wind loads on the panels significantly higher than those associated with urban settings should be included in the scope of 'off-grid'.
- Question 37 'What would be the practical benefits and costs to industry, workers and the community if new licensing requirements were introduced for 'off-grid' electrical work?'
 - Better and safer installation of 'off-grid' electrical work. For example, if a PV panel comes adrift from its mountings, due to poor and inadequate electrical work or inappropriate rail/bracket/clamp configuration and the electrical connection is broken, the panel does not stop producing electricity and if the roof is of metal sheet then the roof can become live. This is a potential fire and community safety issue.

Access to Australian Standards

Question 44 of the Discussion Paper asks how the government can ensure fair and equitable access to the Australian Standards for tradespeople working in SA. Consult Australia advocates for free access to standards directly referenced by the National Construction Code. As an example, the New Zealand government already does this, please see: Building-related standards: Standards New Zealand.

Universal and free access to standards will enhance building quality as tradespeople and contractors will be able to easily reference requirements.

Building Work Supervision Requirements

Our members contend that much of the failures on building sites can be mitigated by a guidance document which outlines minimum supervision requirements. For this reason, we endorse building work supervision.

Suggested next steps

Consult Australia looks forward to engaging with the SA government to ensure that the review achieves the public policy and industry outcome as well as consumer benefit.

Please contact Matthew Williams, Manager SA, for further information and to continue the discussion via: matthew@consultaustralia.com.au

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Thanks to our Industry Champions

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



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