

Microeconomic Reform: \$1 Billion Priority

- Dr John Nutt, Chairman,
Building Regulation Review.

On a national basis potential savings from building regulatory reform could amount to \$1 billion per year. Reform of building control must now be accorded high priority on the nation's microeconomic reform agenda.

The economic burden of increasing regulation was brought into sharp focus over the past month with release of the Victorian Government Report "Inquiry into Building and Construction Regulations in Victoria". The Report presents the findings of almost three-years' detailed investigation.

The Inquiry concluded that building regulation can be reformed without compromising the protection of the public or the workforce. It proposed a comprehensive strategy for eliminating the unnecessary regulatory impost.

The conclusions of the Victorian Inquiry reinforce the findings of other recent reviews. They are consistent with the broad conclusions reached by the BRR Taskforce after some six months of intensive examination.

A national strategy to achieve building regulatory reform must cover a number of key elements.

Firstly, a framework must be established which clearly sets out the objectives underlying building control both at the community and building functional levels. A clear statement of objectives is required to provide a consistent basis for building regulation.

Secondly, there is need for a system of performance based national codes which translate the objectives into a set of performance requirements. The Building Code of Australia and the Model Residential Development Code represent the initial steps in development of such a system.

Thirdly, the issues of liability, insurance and private certification need to be debated nationally and consensus developed as to the best approaches. Resolution of these issues will clear the way for the necessary reform of building control administration.

Fourthly, fire regulation reform is essential. Development of a building fire safety systems code based on the findings of the Warren Centre Project will provide the spring board to substantial national savings in this area.

Fifthly, the entire suite of Australian building standards needs to be restructured and updated. Standards provide the prescriptive means of compliance with the specified performance requirements. They provide the technical foundations for the overall building control system.

Sixthly, building control requirements must be effectively communicated to users. There is need for consolidated plain english manuals specifically tailored to meet user needs. The proposed national home building manual is a good example.

Finally, there must be genuine consultation and involvement of all relevant parties in each aspect of the reform process. The issues impeding reform must be resolved nationally through a process aimed at achieving consensus.

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