

## **PRODUCTIVITY COMMISSION DRAFT REPORT ON STANDARD SETTING AND LABORATORY ACCREDITATION**

The draft recommendations contained in the Productivity Commission's Draft Research Report 'Standard Setting and Laboratory Accreditation' appear well considered and thorough however I have a few comments to make. These are additional to our earlier submission noted as submission 13.

### **Section 5 Overall assessment and status of Standards Australia**

Mention is made of the need to reduce costs of Australian Standards in production however this is perhaps misleading as many of the standards are produced on a voluntary basis so the costs are minimal anyway.

*"Page 59 - addressing declining volunteer participation on standards committees (mainly through measures to reduce the cost of such participation) and the implications this has for balance of representation"*

What effectively happens is standards are produced by volunteers for no recompense. Many volunteer architects are questioning why they should continue to provide a free service when SAI Global benefits financially from the arrangement. SAI Global just announced, 11/8/2006, increasing revenue by 50% from the previous year. This increase in sales and profits is hard to accept for volunteer developers of the standards.

#### Quality

My practice subscribes to the BCA and referenced standards on CD. There is a problem with this computer disk. When I logout of the CD a screen keeps coming up saying that I have to reinsert the disk. I do this and the error message keeps appearing! This is very frustrating and unproductive as I have to reboot my computer each time it happens. When one pays \$1309 per year to use a CD it should work seamlessly.

I have also been advised that printed copies of the standards have printing problems which make writing and tables illegible.

### **Section 7 Assessment: the standards produced and access**

Of particular interest is Section 7 pages 91-118. Page 91 states:

*"Consistent with the fundamental principle of transparency and accessibility of legal requirements, consideration needs to be given to mechanisms for achieving low cost access to standards referenced in regulations. The feasibility of this is complicated by the need to compensate Standards Australia and SAI Global for forgone sales."*

At present the building industry uses very few of the BCA referenced standards because the access to the standards is an expensive yearly fee of \$1309. The lack of Australian Standards use results in buildings being either inadequately built or overbuilt which in both instances can result in: durability problems with building; contractual arguments; cost overruns; non compliance with local authorities; and, poor productivity in the building industry.

#### Compensation to SAI Global

On the issue of compensation for SAI Global it is my belief that the Federal Government will have to subsidize SAI Global until the current agreement expires.

If the cost of the BCA and referenced standards was around \$200-\$300 it is believed there would be greater usage of the standards which would alleviate the current industry problems.

SAI Global in my opinion should also take a wider view. Even at a lower cost of \$200-\$300 SAI Global would sell more of its BCA and referenced standards packages which would go towards increasing its revenue. The production cost of a CD should not be high at around 50c each to buy and the cost of burning the required data and postage is not time consuming. A sale price of \$200-\$300 should provide handsome profit for any business.

At present it is the author's contention that only a handful of those involved in the building industry actually use the BCA and referenced standards let alone have a copy. I would speculate that there would be only about 10-11% (or less) in the industry using the BCA referenced standards. If SAI Global could sell to close to 80-90% of the industry SAI would dramatically increase revenue even at the lower cost. My estimates suggest an increase in revenue by at least 100%.

#### **Recommendation 7.3**

While I think recommendation 7.3 is good I think perhaps it needs to go further. It may be exceeding the scope of the current recommendations however the access to standards should go beyond those referenced in the BCA. Architects use around 1000 Australian Standards in NATSPEC, the national specification preferred by government departments (Department of Commerce, National Parks and Wildlife, etc). The BCA has about 149 referenced standards so there are another 851 Australian Standards that are used in specifications but in reality not owned or used by architects, engineers and contractors. To have a fully

functioning, productive and cost effective building industry access to all Australian Standards should be more inexpensive.

#### **Recommendation 7.4**

I think this is also a very important recommendation. Producing more standards is an obvious way for SAI Global to make more money but a hindrance to the building industry. From an industry perspective it would be much more suitable to have less standards which are at the same time more succinct and concise. This saves money for architects, engineers and builders and also makes it more likely that standards are read. The building consumer also benefits from this approach.

It would be useful in this recommendation to try to limit review periods. Once a standard is changed the Australian Standards consumer then has to buy a new copy even if it is for a minor amendment. The limiting of copies and setting review times would be more productive.

#### **Conclusion**

More inexpensive access to standards will create a better designed environment for all Australians and create a more efficient and productive building industry.

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