

**Response to Consultation Regulation Impact Statement
Registration of Building Engineers in Western Australia**

Strata Community Association (WA) Submission

3 December 2020



Introduction

Strata Community Association (WA) welcomes the opportunity to provide feedback to the Department of Mines, Industry Regulation and Safety.

The Strata Titles Institute of WA (STIWA) now known as Strata Community Association WA (SCA WA), was born in 1989 due to some passionate individuals who determined the need for a unified industry body to bring about understanding, awareness and uniformity in the Strata Industry. The 'Industry Body', should also when necessary provide representation to Government on whatever amendments may be required to the Strata Titles Act.

The aim of SCA WA is to:

- provide a structure and forum for better communication between regions
- enhance the responsibilities of industry members in a nationally consistent manner
- enable representation at a national level to the Department of Education, Science and Training and other statutory bodies.

Based on the 2020 Australasian Strata Insights Report, more than 90,000 Western Australian residents live in apartments with 51,798 strata schemes and 251, 425 lots registered. Australia-wide, more than 2.2 million people live in flats and apartments, the vast majority being strata titled.¹ This figure does not include other forms of strata title such as townhouses and community titled developments. Nor does it include businesses operating in strata titled commercial buildings. The estimated value of property under strata title in Australia in 2020 exceeds \$1.3 trillion.²

As the growth of apartment and strata living has intensified over the last decade, the strata management strata services industry has grown in lock step to serve it. Strata managers navigate through a maze of legislation and regulation ranging from actual strata specific legislation, regulation, workplace, health and safety issues and building codes as well as measures applicable to the management of body corporate funds.

¹ Hazel Easthope, Sian Thompson and Alistair Sisson, *Australasian Strata Insights 2020*, City Futures Research Centre, UNSW, Accessed at <https://cityfutures.be.unsw.edu.au/research/projects/2020-australasian-strata-insights/>

² Ibid, p6

SCA's Response to the Consultation Regulation Impact Statement: Registration of Building Engineers in WA

Recognition of the intention for registration of building engineers in WA

SCA (WA) recognises the benefits of registering engineers in the form of improved public safety and consumer protection.

Western Australia is one of the few jurisdictions remaining in Australia that does not contain regulations for building engineers, unlike many other professions such as lawyers, doctors, nurses and accountants.

SCA (WA) supports the implementation of the [Building Confidence Report \(BCR\)](#) and notes that Recommendations 1 – 3 of the BCR has informed this consultation:

- Recommendation 1: Registration of building practitioners
- Recommendation 2: Consistent requirements for registration
- Recommendation 3: Continuing professional development

SCA (WA) recognises that BCR Recommendation 1 proposes the registration of the following categories:

- Civil engineers
- Structural engineers
- Hydraulic engineers
- Mechanical engineers
- Geotechnical engineers
- Fire safety engineers

SCA (WA) recognises that if the model proposed in this consultation is followed that the new regulations will be included in the Building Services (Regulation) Act 2011 and the Building Services Board (BSB) will act as the governing body and include two engineers in its membership.

The definition of building engineer work to be included will be, if unchanged by consultation feedback:

- Building engineering work means engineering work that requires, or is based on, the application of engineering principles and data to a design relating to engineering for a building other than engineering work that is done only in accordance with prescriptive standard.

Background: SCA National Submission to the Australian Building Codes Board (ABCB) on National Registration Framework for Building Practitioners

SCA National provided a detailed submission to the ABCB on the first two recommendations of the BCR in August this year, which can be accessed by visiting the SCA National advocacy page [here](#).

Here is a quick summary of the recommendations from that submission for context of SCA National's position:

- The National Registration Framework (NRF) should explore ways to expand the current licencing to include more fields and professions that carry out maintenance work, to achieve the NRF's stated goals across construction, design *and* maintenance.
- Where a maintenance function is not carried out by a licenced trade, and is within the scope of building legislation, the NRF be expanded to include that trade.
- 'Approved NCC training', as referred to in the NRF Taxonomy Table for each profession, or any other training carried out for registration under the NRF, should include training specifically related to, and case studies specifically detailing defects and non-conforming building products. Training should have a focus on the type of defects that result in the most non-conforming products.
- The Australian Building Codes Board (ABCB) through the NRF should allow adequate timeframes for existing contractors to attain new certifications and, if they have not met them in time, give a short deferral notice period for them to attain the relevant qualifications.
- Strata managers and professionals who engage contractors can easily learn or obtain information about who is registered or who is completing registration for the NRF in fields that have new requirements as a result of the NRF.
- Ensure that proper records are maintained and passed to managers who will be carrying out maintenance by creating regulations for documents to be passed or handed over to the new owners in the form of a building manual or another system that, in consultation with the strata sector, satisfied the needs of future actions such as maintenance works.
- The NRF should make it as easy as possible to ensure that hired professionals comply with the registration framework, and this information is readily accessible.
- Clarify under the NRF specific areas of certification that are not held under a builders' licence.

General Feedback to the CRIS

- SCA (WA) and strata managers throughout strata companies in WA use engineers extensively through maintenance works, especially on larger buildings. The work most often performed includes carrying out activities such as treating water ingress, fire services and sometimes in court providing expert testimony and advice in legal disputes.
- Consumer confidence is incredibly important and building engineers are critical to the construction process, so a registration program should have the effect of improving consumer confidence in building products.
- A dedicated Building Engineers Act should be a goal for the industry in the long term, however the proposed model laid out in the CRIS gives speed to implementation and if it can be adjusted correctly can work well in the short to medium term.

Licensing and registration fees

SCA (WA) is in favour of the registration of building engineers in Western Australia in line with the proposal laid out in the Consultation Regulatory Impact Statement (CRIS).

In addition to our broad support, we note the following recommendations and comments that could improve the licensing and registration section.

Adequate scheme funding

The funds needed to run the licensing scheme, as outlined on page 6 of the CRIS, may be inadequate at only \$770,000 per year.

Recommendation: If there is a good buy-in to the scheme and it is run well, increasing the amount paid by engineers (licensing fee) should not be an issue to cover the potential shortfall.

Registration costs and flow on

The costs of the registration will flow on to the builder and then to the consumer for each of the engineer's registrations listed. This has the potential consequence of improving the viability or competitiveness of multi-engineer firms who are tendering for work.

Professional organisation memberships and fees

Many, or most, building engineers are members of professional organisations including the Institute of Engineers and understand the value of confidence and recognition in their work.

Recommendation: The industry should try to avoid building engineers having to pay fees more than once when there is not an additional purpose e.g. one or more membership organisations and a licensing body. Current registrations held and fees should be considered when calculating and applying licensing fees and requirements.

Feedback by CRIS question:

Question 1: Do you support registration of the proposed categories of building-related engineers?

As above, overall, SCA's position is in favour of the registration of building engineers and in line with the proposal laid out in the Consultation Regulatory Impact Statement (CRIS).

Question 2: Do you think people doing civil engineering work for building should be required to be registered?

Yes. For more information about our position nationally, please read the recommendations included above from the submission to ABCB for the National Registration Framework (NRF).

Question 3: Are there any other categories of building engineer work you think should be added?

Yes. Acoustic Engineers and Electrical Engineers should be added.

Question 4: Do you support the proposed definition of 'building engineering work' for the purposes of registration?

Yes, we broadly support the definition.

Question 6: Do you support the pathways to registration in Table 3?

Yes

Question 7: Do you support using industry accreditation schemes e.g. professional NER, CPEng, RPEng and CEng to assess qualifications and experience, and manage CPD requirements of registered engineers?

While we broadly support this, we note that not all membership bodies are created equally. We need to avoid a situation where engineers access the cheapest or easiest ways to fulfil their CPD requirements.

Recommendation: The requirements to be registered, and to obtain CPD, must be similar across organisations and regulated by government or relevant body for quality.

Question 9: Do you support the proposed minimum financial requirements for engineering contractors? Why, or why not?

SCA (WA) broadly supports minimum financial requirements for engineering contractors, as they often correlate positively to quality, safety and experience. A building engineer undertaking a project must be able to cover their costs as they work through the project and avoid cutting any costs on the way, so solvency is very important by that measure. Choosing one financial figure is difficult though, as engineers act at different scales on different sized projects and with different business models. Recommendation: Any implemented financial requirement should allow for different project sizes and business models, potentially using a tiered system.

Question 10: Do you think there should be mandatory minimum professional indemnity insurance requirements for engineering contractors? Why, or why not? And, if so, what do you think the minimum amount should be?

The nominated amount of \$1 million is very low. This needs to be tiered and increase with the size and scope of the project.

Question 11: Do you support the proposed minimum CPD requirements for registered engineering practitioners? Why, or why not?

Yes, SCA (WA) supports this.

Questions 16-18: Do you support the adoption of a code of conduct for registered engineers? Why, or why not?

Yes.

Recommendation: There are existing codes of conduct from the professional member organisations that can be used as guidance for the final code of conduct, and as they have been in practice for some time, they should be assessed thoroughly for guidance, in consultation with those organisations.

Questions 19-20: All registered building service providers must work within their area of competence.

Yes, SCA (WA) supports this.

Question 22: Do you think a 24-month transition period is sufficient to allow industry participants to meet the proposed registration requirements?

Yes, with proper advertisement of the new body, licensing and compliance this timeline should be adequate.

To contact SCA (WA) about any aspect of our submission, please contact SCA WA President Catherine Lezer Catherine_Lezer@strata.community or Shaun Brockman, National Policy Manager, shaun.brockman@strata.community.