

24 March 2020



Australian Institute of Architects

Hon Mark McGowan MLA
Premier
5th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Sir,

CORONVID 19 Stimulus Package

I'm writing on behalf of the Australian Institute of Architects (WA Chapter) to commend you on the leadership your government is providing in this most trying time, and to offer the Institute's support in any way practicable.

As you would be aware, the Western Australian construction industry contributes enormously to our local economy, adding some \$25 billion and directly employing some 125, 000 workers annually (*Department of Jobs, Tourism, Science and Innovation, Western Australian Economic Profile, Sept 2019*), making it the third largest employment sector in the state.

As such, stimulus measures aimed at the built environment are an excellent way to leverage monies into the economy as was seen during the GFC stimulus packages.

The Institute strongly urges the government to bring forwards capital works programs that can feed into the construction industry. In particular, we identify that social housing, NDIS related accommodation, education, health and public transport related projects should be brought forward and accelerated.

A number of import measures should be implemented:

- 1 Construction sites with building classifications 2-9 (*National Construct Code*) should be classified as essential services, as these classifications are all capacity building.
We have discussed site management with a number of major Contractors, who are confident that Construction Management Plans can cater of the proximity issues of that required by recommended distancing. We note that generally, sites already have high levels of mandated protective equipment, and safe work practices generally incorporates some form of distancing.

- 2 The implementation of the 2019 National Construction Code, due for adoption in May 2020 should be delayed for 6 months. Many projects are currently being assessed for Construction Permits prior to the cut-off date of May 1st. With the strain the system is currently under, these approvals are significantly threatened. Re-documenting buildings in line with NCC 2019 will cause significant extra costs and delays to the project. In some cases, some developments, in particular, multi-residential projects will become unviable.
- 3 Clarification of Extension of Time Claims and relaxation of Liquidated Damages within construction contracts. While this is covered under most Force Majeure clauses within contracts, a State Solicitors briefing note will create surety in this regard.
- 4 Implementing Buy Local policies. It is essential, where possible, that local services and products are utilised in the construction process, and this should be advantaged in any bidding procurement process.
- 5 Implementing Panel Contracts. The time currently taken to submit for projects is lengthy and costs all design practices inordinate amounts of time and money. We recommend the government moves to pre-qualify Architectural and Engineering practices to limit this time and cost. This will streamline the delivery of large-scale stimulus.
- 6 Implement agreed fee scales. With WA having experienced a serious downturn for some years, fees have been driven down to unprecedented low rates. Further fee bidding in this fragile economy will only result in poorer outcomes in terms of delivery and quality as practices struggle to stay afloat. It is essential for the government to put a floor under fees that ensures value for money while maintaining quality.
- 7 Improve Local Government Procurement processes. Currently we are aware that many local governments are struggling to appropriately brief and procure projects, as these resources simply are not within the Local Authority. We urge the government to implement standardised Expression of Interest and Request for Tender Documents.
- 8 Government suspends any Design Competitions that unnecessarily burden competing firms.
- 9 Fast tracking Planning Approvals
Many projects are being held up with Design Review Processes. We suggest that these be only be required in sensitive sites or in cases where the project is a clear departure from the intent of the Local Planning Scheme.
- 10 Fast Track Scheme Amendments.
The current time frame of 18 months to affect simple Scheme Amendments needs to be reduced, and the WA Planning Commission should use its powers to unilaterally make amendments in accordance with State Planning Policy.

The Institute is currently working with organisations across the built environment to gain a consensus view as to how to expediate stimulus into the system, and to identify other opportunities to improve efficiency. These conversations are underway at state and at a national level, which will harness an enormous amount of experience, insight and good will.

Please do not hesitate to contact me directly or indirectly for any assistance we can offer.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Peter Hobbs', written in a cursive style.

Peter Hobbs FRAIA
STATE PRESIDENT WESTERN AUSTRALIA

cc. Office of the Government Architect