POTENTIAL COMMONWEALTH STANDARDS FOR THE CONSTRUCTION INDUSTRY AND DRAFT JOINT CONSTRUCTION INDUSTRY CHARTER



National Construction Industry Forum and the Department of Employment and Workplace Relations

THE ROYAL AUSTRALIAN INSTITUTE OF ARCHITECTS

SUBMISSION DATE: 16 OCTOBER 2026

ABOUT THE INSTITUTE

The Royal Australian Institute of Architects (Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with more than 13,500 members across Australia and overseas.

The Institute exists to advance the interests of members, support professional standards and contemporary practice, and advocate the value of architects and architecture to the sustainable growth of our communities, economy, and culture.

The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible, and environmental design.

+ At the time of this submission the National President is David Wagner FRAIA. Hon. AIA
+ The Chief Executive Officer is Cameron Bruhn Hon. FRAIA.

CONTACT DETAILS

Australian Institute of Architects
ABN 72 000 023 012
policy@architecture.com.au

The Royal Australian Institute of Architects recognises the unceded sovereign lands and rights of Aboriginal and Torres Strait Islander peoples as the First Peoples of these lands and waters.

This recognition generates acknowledgement and respect for Aboriginal and Torres Strait Islander Countries, Cultures and Communities, and their ways of being, knowing and doing.

Caring for Country practices including architecture and place shaping have existed on this continent since time immemorial.

The Institute recognises a professional commitment to engage and act meaningfully through reciprocal partnership and relationships with Aboriginal and Torres Strait Islander peoples. Together we will support and develop the emergence of new possibilities for our shared future.

POTENTIAL COMMONWEALTH STANDARDS FOR THE CONSTRUCTION INDUSTRY AND DRAFT JOINT CONSTRUCTION INDUSTRY CHARTER

Executive summary

The Royal Australian Institute of Architects (the Institute) supports the Australian Government's objective of a construction industry that is lawful, safe, respectful, productive and sustainable.

Architects are involved throughout the project lifecycle and work across clients, procuring agencies, contractors, consultants, specialist trades and communities. This perspective provides insight into how procurement, design, risk allocation, governance and project decision-making influence safety, productivity, quality, workforce outcomes and long-term public value.

The Institute supports the distinct but complementary roles of the proposed Commonwealth standards and the industry-led Charter. The standards can establish clear and enforceable minimum expectations across Commonwealth-supported construction, while the Charter can promote leadership, collaboration and continuous improvement beyond those minimum requirements.

A central theme of this submission is that project outcomes are shaped well before construction begins. Briefing, procurement, early professional involvement, design coordination, risk allocation, resourcing and timely decision-making strongly influence productivity, safety, quality and project performance. A successful framework should therefore address the full project lifecycle rather than focus solely on activity occurring on site.

The Institute considers that any future framework should:

- allocates responsibility according to each participant's role, authority and capacity to manage risk
- recognises the responsibilities of clients and procuring agencies alongside those of contractors, consultants and workers
- promotes fair procurement, whole-of-life value and appropriate remuneration for professional services
- avoids uninsurable obligations and unnecessary compliance burdens
- supports professional capability, workforce development and innovation across the construction industry.

Key recommendations

1. Recognise that productivity begins with good briefing, early professional involvement, quality design, coordinated design development, documentation, delivery and timely client decisions.
2. Embed open, transparent and proportionate procurement that enables genuine competition on capability, quality, risk and whole-of-life value.
3. Distinguish ordinary tender information from substantive professional services requested before appointment and remunerate those services appropriately.
4. Recognise the responsibilities of clients and procuring agencies for briefing, governance, procurement, realistic programs, project resourcing and timely decisions.
5. Reject uninsurable and uncontrollable obligations and allocate responsibility according to each party's role, scope, authority and capacity to manage risk.
6. Recognise professional, technical and trade capability across the full project lifecycle, including appropriate professional oversight of digital technologies and artificial intelligence.
7. Apply any Commonwealth standards proportionately and avoid duplicating requirements or cascading compliance burdens to consultants and smaller businesses.

The Institute supports clear, enforceable, and proportionate minimum expectations for conduct, commercial behaviour and accountability across Commonwealth-supported construction. These expectations should complement existing professional registration, workplace relations, work health and safety, procurement and corporate regulation. The Charter should operate as an industry-led best-practice framework that complements, rather than duplicates or substitutes for, any future Commonwealth standards.

Part A: Potential Commonwealth standards for the construction industry

Overall position

The Institute supports the Australian Government's objective of a high-performing, lawful, safe, respectful and sustainable construction industry. Any Commonwealth standards should be targeted, proportionate and coordinated with existing legal, regulatory, procurement and commercial frameworks.

Standards should recognise that project outcomes are influenced by briefing, procurement, design coordination, client decisions, resourcing and risk allocation. Responsibility should follow scope, authority and capacity to control risk. New requirements should not cascade liability, administrative burdens or compliance costs to parties that cannot reasonably control or insure the relevant risk.

Theme 1: Integrity and lawful conduct

The Institute supports strong, lawful and transparent conduct across construction projects. The standards should address criminality, corruption and other forms of serious misconduct that undermine safety, professional independence, fair competition and public confidence.

Reporting pathways should be clear and confidential and protect workers, professionals and businesses from reprisal when concerns are raised in good faith. Any new requirements should complement existing whistleblower, workplace relations and professional conduct frameworks rather than duplicate them.

Any fit and proper requirements should be clearly defined, evidence-based, procedurally fair and proportionate to the participant's role and level of influence. They should focus on integrity and serious unlawful conduct rather than duplicate assessments of professional competence already addressed through existing registration, accreditation and professional conduct frameworks.

For architects, implementation should recognise existing state and territory registration requirements, competency standards, continuing professional development obligations and applicable codes of conduct and ethics. Existing regulatory findings should be used where relevant, with appropriate safeguards and review rights. Requirements should also recognise the differences between individuals, professional practices and larger construction entities.

The standards should encourage participants to take reasonable and proportionate steps to prevent unlawful, coercive, discriminatory, intimidating and retaliatory conduct, with responsibilities aligned to each participant's role, influence and capacity to manage risk.

Gaps in current arrangements

Existing responsibilities are distributed across workplace relations, work health and safety, professional registration, corporate regulation, procurement, criminal law and

contractual systems. Participants can face uncertainty about where to raise concerns that span more than one system.

Project-based and multi-tier contracting can diffuse responsibility and expose people and small businesses to retaliation or commercial disadvantage when concerns are raised.

Existing frameworks may not consistently address upstream client, procurement and contractual conduct that contributes to coercive, unsafe or professionally compromised project environments.

The Institute recommends that the standards:

- Coordinate reporting and due diligence requirements across agencies.
- Establish transparent criteria, timeframes and review rights for fit and proper decisions.
- Recognise existing professional registration, licensing, accreditation and conduct frameworks.
- Apply integrity requirements across the contractual chain, including to clients and procuring agencies where relevant.

Theme 2: Productivity, fairness and industrial practices

The discussion paper appropriately recognises productivity and fairness are influenced by project design, procurement, risk allocation, commercial decision-making and supply-chain behaviour as well as workplace and industrial arrangements. Commonwealth standards should address the upstream decisions that create the conditions for successful delivery and should therefore reach beyond industrial relations and on-site activity.

The Institute recommends that the standards:

- Require clear briefs, realistic programs, adequate project resourcing, early professional and stakeholder engagement, coordinated design development, documentation, delivery and timely client decisions.
- Promote open, transparent and proportionate procurement that prioritises demonstrated capability, quality, whole-of-life value and fair competition rather than lowest upfront cost.
- Distinguish ordinary tender information from substantive professional services requested before appointment and remunerate those services appropriately.

- Allocate responsibility and risk according to each party's role, authority and capacity to manage it, including by avoiding the routine transfer of uninsurable or uncontrollable risks.
- Recognise the responsibilities of clients and procuring agencies for governance, information, decision-making, fair commercial settings and timely payment throughout the supply chain.

These settings would improve competition and market participation, particularly for small, specialist, emerging and regional practices. They would also reduce the risk that compliance burdens, design responsibility or liability are passed to parties without the authority or resources to manage them.

Flow-down obligations

Compliance should not be achieved through broad flow-down clauses. A head contract obligation should apply to a consultant or subcontractor only where it is relevant to that party's work and accompanied by the authority, information, time, remuneration and capacity needed to comply. Clients and procuring agencies should remain accountable for obligations that only they have the authority or capacity to perform.

Theme 3: Workforce development and job quality

The construction workforce includes professional, technical and trade occupations. Standards should support attraction, retention, development and progression across these pathways while complementing existing education, registration, training and workplace relations frameworks. Standards should recognise apprentices, trainees, graduates, registered professionals, employees, contractors and specialised trades, while preserving appropriate flexibility across different business models and project types.

Adequate fees, realistic scopes, properly sequenced and coordinated design, documentation and construction phase services, and proportionate risk are workforce issues. They influence whether practices can provide supervision, mentoring, training, quality assurance and sustainable working conditions. Workforce development should not be considered separately from the commercial settings that support professional practice and project delivery.

The Institute recommends that the standards:

- Recognise architects, engineers and other built environment professionals within workforce capability planning.
- Support structured graduate development, supervision, mentoring and continuing professional development alongside apprenticeships and traineeships.
- Promote safe, respectful and flexible workplaces and site arrangements, with facilities and work design that improve participation, retention and workforce diversity.
- Recognise that adequate fees, realistic and appropriately coordinated and sequenced scopes, manageable workloads and proportionate risk allocation contribute to workforce sustainability and job quality.
- Support research, innovation and appropriate professional oversight of digital technologies and artificial intelligence where outputs affect design, documentation, safety, compliance or long-term performance.
- Avoid prescriptive employment requirements that do not reflect legitimate differences between project types, business models and regional labour markets.

Theme 4: Scope and application

Coverage should reflect the breadth of Commonwealth-supported construction while remaining proportionate to project value, complexity, risk and each participant's capacity to influence outcomes. Clients, funders and procuring agencies should be included where their decisions shape briefing, procurement, program, budget, contracting and risk.

A proportionate approach should:

- Recognise differences in project value, complexity and risk.
- Align obligations with each participant's role, authority and capacity to influence outcomes.
- Avoid unnecessary burdens on small and regional businesses.
- Maintain accountability for serious misconduct regardless of project size.
- Be tested against real project and contractual scenarios before implementation.

The standards should also:

- Apply through Commonwealth procurement and, where appropriate, funding and financing arrangements.

- Assess regional impacts before implementation.
- Draw on the Charter's principles on fair tendering, fair contracting, whole-of-life value, risk allocation, professionalism and timely payment.

Theme 5: Governance and compliance

The Institute recommends using existing Commonwealth levers and regulators first, supported by clear accountability and coordination. Governance should be transparent, proportionate and focused on outcomes. The standards should address genuine gaps rather than duplicate existing regulatory, accreditation, procurement and contractual requirements.

The Institute recommends that the standards:

- Establish clear responsibility for administration, monitoring and review.
- Use existing regulators, procurement systems and reporting channels where they are fit for purpose.
- Publish practical guidance, model clauses and role-based compliance expectations before commencement.
- Provide education and staged implementation, particularly for small and regional businesses.
- Apply proportionate consequences that reflect the seriousness, frequency and impact of non-compliance.
- Prevent flow-down clauses from transferring head-contract or client obligations to consultants and subcontractors without corresponding authority, information, time, remuneration and capacity.
- Monitor impacts on project quality, productivity, safety, business viability, environmental performance, competition and administrative burden.
- Require post-implementation review to identify and address unintended consequences.

Consequences for serious or repeated non-compliance

The Institute supports proportionate and procedurally fair responses to serious or repeated non-compliance. Any contractual, procurement or administrative consequences should be transparent, reviewable and proportionate to the conduct in question. Consequences should not automatically extend to related entities, consultants or subcontractors that were not responsible for the conduct.

Implementation principles

If the government proceeds, the second-stage design and implementation process should include architects and other professional consultants, head contractors, subcontractors, clients, procuring agencies, unions, insurers and small and regional businesses. Testing should use real project and contract scenarios, not only high-level principles.

The Commonwealth should consult professional bodies and professional indemnity insurers and assess the availability, affordability and scope of insurance before finalising obligations affecting professional services.

The process should test:

- How obligations interact with standard consultancy and construction contracts.
- Whether obligations are insurable and within the relevant party's control.
- The cost and administrative impact on businesses of different sizes.
- Whether procurement thresholds or evidence requirements restrict competition.
- How requirements operate on projects funded indirectly through states, territories or other delivery partners.
- Whether performance measures capture quality, environmental performance and whole-of-life outcomes as well as time and cost.

Monitoring and public reporting

In addition to reporting on complaints, referrals, resolution timeframes, corrective action and indicators of repeat or systemic misconduct, the Institute recommends monitoring:

- Payment performance, dispute trends, tender participation and competition indicators where reliable data is available.
- Impacts on small, regional and specialist businesses, including any unintended administrative burden or flow-down of obligations.
- Project quality, safety, workforce capability, environmental performance and whole-of-life outcomes.

Part B: Draft Joint Construction Industry Charter

Overall position

The Institute supports the Charter's vision and four interdependent themes. We recognise its role as an industry-led best-practice framework that complements any future Commonwealth standards by encouraging behaviours beyond minimum requirements.

Our recommendations retain its structure and propose changes only where they add material value from an architectural and built environment perspective. Decisions made during briefing, procurement and design shape safety, productivity, cost, quality and long-term value well before construction begins.

→Safety	**Vision: A healthy, safe and secure work environment for all** The Institute supports the Safety vision and all three goals. The existing behaviours appropriately recognise shared responsibility, physical and psychosocial safety, speaking up, realistic timeframes, sequencing, procurement and good work design. The Charter could further clarify the connection between procurement decisions, realistic programming, good work design and physical and psychosocial safety outcomes.
→Culture	**Vision: Positive, respectful, inclusive, lawful and cooperative** The Institute supports the Culture vision and all three goals. The existing behaviours address collaboration, inclusion, integrity, accountability and lawful conduct across roles. Consideration could be given to recognising professional respect, respect for lawful professional obligations and the importance of evidence-based advice and challenge in supporting safe, compliant and high-quality project outcomes.

Productivity	**Vision: High quality, on time, on budget, through greater investment and innovation** The Institute supports the Productivity vision with amendments. Productivity is not limited to activity on site. It is shaped by the quality of the brief, early professional and stakeholder engagement, procurement approaches, design, documentation and construction phase coordination, decision-making, resourcing, contractual settings and communication across the project lifecycle.
	Goal 1: Deliver quality outcomes on time and on budget *Recommended addition to Goal 1:* **Recognise the full drivers of productivity**: Improve productivity through effective project planning, clear briefing, early professional and stakeholder engagement, coordinated design development, documentation and construction phase, quality procurement, timely decision-making and collaboration throughout the project lifecycle. Rationale: Clear briefs, early engagement, coordinated design, documentation and construction phase services and timely decisions help identify risks, incorporate relevant knowledge and reduce avoidable rework, delay and uncertainty. Productivity depends on settings established by clients and procuring agencies as well as workforce performance.
	Goal 2: Build capability and improve capacity *Recommend amendment to behaviour 2A* **Invest in capability to improve capacity:** Identify and develop the skills, systems and workforce capabilities needed across professional, technical and trade occupations to lift productivity and support sustainable growth. Rationale: Project outcomes depend on capability across planning, design, procurement, documentation, construction and operation. The Charter should recognise the whole project workforce.

	Recommend amendment to behaviour 2C **Invest in innovation:** Enhance productivity, safety, quality and performance through research and the ethical and responsible adoption of new practices and advanced technologies, including digital design and delivery, information management and artificial intelligence, with appropriate professional oversight. Rationale: Innovation includes research and development as well as technology adoption. Professional oversight remains important where digital tools affect safety, quality, accountability or long-term performance.
	Recommend amendment to behaviour 2E **Promote pipeline transparency to support stability, workforce and capacity planning**: Provide clear, timely and coordinated information on future project pipelines to support realistic workforce planning, skills development, research, technology investment and long-term business capability. Rationale: A visible and reliable pipeline supports sustained investment in people, systems, research and innovation rather than short-term responses to fluctuating demand.
	Goal 3: Invest in relationships to enable efficient and reliable delivery The Institute supports this goal, including its emphasis on constructive relationships, good-faith engagement, open communication and timely dispute resolution. Long-term relationships, early engagement with affected communities and stakeholders, and timely information sharing can identify issues earlier, improve understanding and support more reliable delivery. Companion guidance should also recognise the role of architects and other consultants in integrating information and resolving project risks.

Sustainability	**Vision: Optimal economic, social and workplace outcomes** The Institute supports the Sustainability vision with amendments. This theme should recognise the commercial, professional and environmental conditions required for a capable and sustainable industry. These include fair procurement, whole-of-life value, insurable risk allocation, properly remunerated professional services and climate-responsive outcomes.
	Goal 1: Build financial strength and market confidence *Recommend amendment to behaviour 1A* **Ensure ethical, transparent and fair tendering:** Respect and protect intellectual property, provide participants with a fair opportunity to compete and ensure tender requirements are proportionate to the value, complexity and risk of the opportunity. Distinguish normal tender information from design and other substantive professional services that would ordinarily form part of an appointed scope of services. Remunerate those services where they are required before appointment. Rationale: Capability statements, methodologies and fees are normal tender information. Design work and other substantive professional services incur real costs and should not routinely be required without payment. Unpaid professional work can discourage participation by small, emerging and regional practices, reduce market diversity and affect productivity because those costs must be absorbed or recovered through other commissions.
	Recommend amendment to behaviour 1B **Ensure fair and ethical contracting**: Contract in good faith and ensure contracts reflect the true scope, program, site conditions and known risks. Avoid obligations that are disproportionate, uninsurable or outside a party's reasonable control. Select contractors, consultants and subcontractors using transparent, fair and appropriate criteria. Rationale: The Institute is unwavering on uninsurable risk. Contract conditions should not impose unlimited liability, consequential

	loss or other obligations that cannot reasonably be controlled or insured. Such terms can delay contracting, restrict competition and undermine business sustainability.
	Recommend amendment to behaviour 1C **Prioritise value over lowest cost:** Make procurement and investment decisions that prioritise demonstrated capability, quality, safety, reliable delivery and whole-of-life social, environmental and economic value rather than lowest upfront cost. Rationale: Open, transparent and proportionate procurement should enable genuine competition on capability, quality, risk and value. Lowest upfront price does not capture the long-term consequences of design, materials, operation, maintenance, adaptation and resilience. This approach is consistent with existing Commonwealth procurement requirements, which recognise whole-of-life costs and environmental sustainability as elements of value for money.
	Recommend amendment to behaviour 1E **Allocate and price risk fairly:** Allocate risk across the contractual chain to the party with the scope, authority and capacity to manage it, using the best available evidence. Price risk transparently and use shared mechanisms and fair relief where risks cannot be quantified, controlled or insured. Do not cascade liability to consultants, subcontractors or smaller businesses that lack the authority or capacity to manage the risk. Rationale: Responsibility should follow scope, authority and capacity to control risk. Risk transfer does not remove risk from a project. It can increase price, delay, disputes and market withdrawal.
	Goal 2: Invest in the workforce of today and tomorrow *Recommend amendment to behaviour 2C* **Invest in early career training and development:** Build a skilled and confident workforce through structured education, practical

	learning, supervision, mentoring and pastoral care across professional, technical and trade pathways, particularly for apprentices, trainees and graduates. Rationale: The Charter should recognise graduate pathways and professional development as well as apprenticeships and traineeships. Adequate fees, realistic scopes, appropriate project resourcing and fair risk allocation support investment in training, salaries and workforce capability.
	Goal 3: Shape a construction industry that is trusted, respected and regarded for excellence *Recommend amendment to behaviour 3C* **Uphold high standards of professionalism:** Uphold high standards of professional practice, competence, accountability and continuous improvement across all disciplines and throughout the project lifecycle. Support appropriate professional oversight of design, documentation and digital technologies where these affect safety, quality and long-term performance. Rationale: Professional capability and accountability should be explicit across the project lifecycle, particularly as digital delivery models and artificial intelligence change how information is created, coordinated and relied upon.

Conclusion

The potential Commonwealth standards and industry-led Charter have distinct but complementary roles. The standards can establish clear minimum expectations across Commonwealth-supported construction, while the Charter can encourage leadership, collaboration and best-practice behaviour beyond those minimum expectations.

Together, they provide an opportunity to improve how construction projects are planned, procured and delivered. Success will depend on whether the framework addresses the full project lifecycle and the decisions and commercial settings that shape project outcomes.

The Institute supports a nationally coherent, practical and proportionate framework that protects workers and professionals, improves project delivery, promotes fair competition and recognises architecture, design services and sound professional practice as drivers of productivity, safety, sustainability and long-term public value.

Fair procurement, properly remunerated professional services, whole-of-life value and risk allocation based on scope, authority and capacity to control risk will support a more competitive and capable industry.