



# PRIME MINISTER

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SPEECH BY THE PRIME MINISTER  
LAUNCH OF "BUILDING REGULATIONS AND STANDARDS  
- AN INDUSTRY PERSPECTIVE"  
CANBERRA - 12 SEPTEMBER 1990

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In March last year, an unusual event in Australian politics took place.

A Special Premiers Conference was convened at my request, at which the Commonwealth and States agreed to cooperate in a task of critical importance for Australians. We had come together in response to community concerns about the shortage of housing; and our decision was to do what we could to address the supply side of this problem.

In part, our concern was based on the plethora of regulations and requirements surrounding the building industry; we recognised the need to rationalise that regulatory framework.

Regulation in principle is meant to serve an important and legitimate purpose in protecting community interests.

But uncoordinated regulation has a habit of growing like topsy, and can ultimately serve precisely the opposite purpose.

In Australia at present much of our regulation is too complex, serves a narrow range of interests, stifles initiative and innovation, delivers only a limited range of benefits and creates unnecessary costs.

In short, we have too much red tape.

And in the building industry, you experience some of the more frustrating and costly implications of that.

A standard development design could be submitted to each of the 880 odd local councils in Australia and receive a differing set of requirements from each council.

A proposal to develop a single parcel of land can routinely require a dozen applications to different authorities - each of which can produce different, sometimes conflicting, requirements.

Different interpretations of regulations can come from different authorities - but worse, they can come from within a single authority.

So the problem that the Premiers Conference addressed is a very real one.

As I observe in my introduction to this report, a simple set of well thought out, complementary, clearly presented and cost-effective national building regulations and standards would assist all parts of the industry and bring significant cost savings to the community generally.

This report is a major contribution to our understanding of the problem, and the Master Builders' Construction and Housing Association of Australia is to be congratulated on its initiative in preparing it.

This report represents not only an important step forward in presenting the industry's views on these matters, but serves as a vehicle for focussing the industry's attention on the part it can play in the process of regulatory reform.

Central to the report is the objective of reducing the costs of non-productive processes in building and construction, by the development of a streamlined and more efficient regulatory system.

The Association represents some seventeen thousand firms working across Australia in all sectors of the building industry. So you are well placed to canvass, as you have done, a wide spectrum of industry views on reform of building regulations and standards.

It is essential for Australia's long-term growth and prosperity for us to work continually to improve the efficiency of all sectors of the Australian economy.

But micro-economic reform can only be achieved through cooperation from all sections of the community, both private and public. So contributions such as this, from an industry such as the construction and housing industry - which is so critically involved in the infrastructure of our national economy - are not only welcome, but necessary.

As the "user" of the regulatory system, industry should provide strong inputs into the reform process.

My Government was pleased to be able, through our Australian Building Research Grants Scheme, to help the Association undertake the survey on which this report is based.

This report is but one spin-off of the Special Premiers' Conference on Housing. There has been a real boost in the effort to achieve micro-economic reform in the building and construction industry.

Programs are now in place, and agreements are being translated into action, at the national, state and local levels.

Following the Conference, my Government announced the establishment of the Housing Development Program.

Under this program, \$2 million a year has been made available for further cooperative State and Commonwealth projects aimed at overcoming housing supply constraints, including planning and regulatory processes.

We recognise, however, that regulatory reform is not a one-off exercise. To this end we established a Building Regulation Review Task Force to undertake a fundamental examination of the whole system of building regulation.

Having opened by mentioning one Special Premiers Conference let me close with another.

In Brisbane next month, the Premiers and I will meet once more in a Special Conference to take forward the work of building a new cooperative partnership in our Federal system.

The problems that you experience within your industry are felt more widely throughout the community; the frustrations and inefficiencies of conflicting, unnecessary or outdated Government regulations threaten to retard the progress of the nation as a whole.

As you will all be aware, the members of the European Community are moving towards the creation by 1992 of a single market. Within that market there will be fewer obstacles and impediments to the free movement of goods and services between the nations of the European Community than there is between the States of Australia.

Streamlining regulations, unscrambling unnecessary requirements, lightening administrative burdens, loosening our red tape are necessary reforms not just because of the resulting convenience to individuals and organisations within Australia, and not just because of the resulting cheaper housing and more efficient allocation of the housing dollar within Australia.

They are necessary as integral parts of our fundamentally important task of increasing Australia's international competitiveness.

Within that broad perspective, it is a pleasure to launch this report and to congratulate those responsible for it.

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You can be assured it will be very carefully studied by the Federal Government and relied upon in our continuing program of national economic reform.

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