

This submission seeks to make three points. The first is that regulating the use of the term architect and its derivatives, is in the public interest.

The second is that State regulation of architectural registration leads to duplication and unnecessary costs to business and the community for registration, and that there should be a single regulatory body covering all of Australia.

The third is that the appropriate regulatory body for such a scheme is government.

Regulation of the Term Architect and its Derivatives is in the Public Interest

Removal of the restrictions on the use of the term architect will reduce the level of information available to the public. It will also result in people with training of a lesser standing than that of a currently registered architect, holding themselves out as an architect. This will lead to confusion in the public's mind as to what standard of training and expertise than can expect from building design professionals. Inevitably, as a result of the removal of the term architect, there will be some level of market failure. This will occur as more consumers will more often, make the wrong decisions on the quality of service that they can expect.

The real test of the value of regulation must be, does the cost of market failure in the absence of such a scheme, exceed the cost of administration.

It has to be assumed, that removal of the current regulatory system would have some effect on the overall quality of the built environment. The capital expenditure on non residential buildings, the market where architects most active, is around \$12 billion pa. Assume the cost to maintain a national system of registration was say \$1m pa, paid for through registration fees. Under such a scenario, the quality of design would only have to fall by say 0.01% for the costs of deregulation to exceed the benefits.

One only has to look at the current debate in Sydney regarding the quality of urban design to see that clearly there are community concerns about the built environment. If in any way, downgrading the use of the word architect contributes to a further deterioration in the built environment, then the cost will be far higher than the say \$1m pa it could cost for government to regulate the use of the term.

The market for building design services is extremely competitive. This competitiveness is achieved through competitive tendering arrangements that exist in both the private and public sectors. Removal of the current regulatory regime will not improve this level of competitiveness, but will require consumers of architectural services to seek more information as a result of loss of the restrictions on the term architects. This in turn may drive up the costs of building design for consumers, rather than reduce costs, as might be thought.

A Single Accreditation Agency is a Cost Effective Solution

A national accreditation agency which administered a single regulation for all of Australia could be set up and maintained for less than \$0.5m pa, assuming a staffing of say 4-5 people. This is in stark contrast to the current system which requires the duplication of boards (all with slightly differing requirements, yet maintaining isolated registers of architects, at say 6 x 0.3m pa, or 2m pa.

A single such board would be responsible for administering the registration of some 6000 architects across Australia, as well as administering requests for architects overseas. With those architects paying fees of say \$100pa for registration, the board would be cost neutral or slightly profitable.

The Accreditation Agency Should be Government

Allowing the RAlA to administer a scheme is self serving and will also lead to confusion in the minds of the community, as any such scheme would have to be seen against a backdrop of myriads of other organisations and individuals also holding themselves out to be architects. It would mean that anyone, even those with no experience at all, could hold themselves out to be architects. The benefit of having government administer the scheme is that it is impartial.