

RICS is the world's leading professional qualification for professionals in land, property and construction.

The designation "RICS" stands for professional excellence and integrity and it is why over 100 000 property professionals have recognised the importance of securing RICS status by becoming members.

RICS, as a global organization, has established offices in:

- Sydney
- London
- Hong Kong
- Dubai
- Delhi
- New York
- Brussels

Within Oceania RICS is an established body for professionals across the built environment with over 2800 Chartered members across Australia and New Zealand.

As one of the few professions to have established arm's length self- regulation of members, RICS aims to set and maintain the highest standards for its members, whilst operating as an independent organisation in the public interest.

Established in 1868 and receiving a Royal Charter in 1881 RICS has been committed to setting and upholding the highest standards of excellence and integrity – providing impartial, authoritative advice on key issues affecting businesses and society.

The Royal Charter states that RICS and its Members must:

"... maintain and promote the usefulness of the profession for the public advantage..."

This public interest mandate is fundamental to RICS and its operations globally which in turn determines RICS' aims.

Our key roles are:

- Advancing the highest ethical and technical standards for professionals in land, property and the built environment
- Protecting and benefiting consumers by setting high standards and codes of practice
- Providing expert impartial advice to governments , business and the public

- Equipping members with leading edge advice, market insight and professional training
- Promoting standards in key markets.

RICS regulates individual members through a principles and risk-based regulatory regime. This approach is overseen by the Regulatory Board which has a majority of independent members, and provides assurance of the highest levels of integrity, ethic and competence among members.

Submission

Infrastructure is an investment in economic competitiveness. The combined construction-led growth it ignites has the power to drive social change, create jobs, support businesses, improve the environment and create a better world in which to live. The view of RICS members and wider business groups, infrastructure experts and developers, has been that we must see further investment in infrastructure in order to maintain the competitive edge.

Economic growth will stagnate if infrastructure is not placed, in its entirety, at the centre of a coherent and financed plan which links investment to improved capacity and connectivity across all infrastructure systems. As property professionals RICS members are integral throughout the whole lifecycle of infrastructure projects.

Our infrastructure network must be seen as a whole and more than a sum of its individual parts. Whether it is transport, energy or communications there must be a concerted effort by industry and policymakers to view these holistically and ensure better integration. It is imperative that certain projects are prioritised by Ministers and given unequivocal backing from start to finish, enabling economic activity and creating better connectivity between our cities.

RICS Infrastructure Policy 2013

Building Value

The Department of Education, (formerly known as the Department of Education, Employment and Workplace Relations (DEEWR)) is currently supporting and funding the development of a database and related construction cost analysis and reporting tools, to assist in the benchmarking of educational and wider construction industry projects, under the overall project heading of “Building Value”.

This \$3m, 4 year project, which is at present entering its third year, addresses many of the headline issues raised in the Productivity Commission’s Draft Report on Public Infrastructure and is being developed by RICS Building Cost Information Service (RICS BCIS)

The RICS BCIS project has the support of the Australian Construction Industry Forum (ACIF) an independent forum including the Property Council of Australia, Consult Australia and Engineers Australia.

An adjunct of RICS, BCIS is an independent body working in the public interest, which stands separate from government, consulting and contracting, providing impartial service to participants and parties in the construction industry.

The long-term vision for the RICS BCIS project is to effect change in the business processes of the construction industry in general. Early budget and tendering decisions for building and construction projects will be adapted to include an essential assessment of the value proposition, leading to increased accountability and industry transparency. Further, the concept of Value will take into account a range of factors, including level of defects in building, procurement methods, contract periods and contractual solutions, time and delays in construction, user satisfaction, operational costs and energy consumption.

The above criteria are in significant alignment with key facets of the Productivity Commission’s Draft Report, which focus on increased value-for-money, increased accountability and industry transparency. The database of construction costs and the related tools and report facilities currently being developed under Building Value have the facility to be readily expanded and developed to capture infrastructure project costs and to permit analysis of public and private sector infrastructure spending across States and Territories.

The RICS BCIS systems capture project analysis data on procurement, general project and site conditions, as well as detailed elemental breakdown of construction costs. In doing so, they generate large amounts of information on each project. That information is then pooled to enable users to define benchmarking sets of projects, Reference Sets,

against which to compare economy of proposed projects. Projects' Elemental Costs and features can be compared against each other, and profiles established for expectations of costs and procurement scenarios for differing project types.

Currently, the principal analysis schema focusses on building projects, but the system has been designed to be able to capture multiple schemas.

Infrastructure project schemas are more complex and diverse in nature than are building forms, but the existing RICS BCIS system would utilise for infrastructure, the same principles currently embedded in BCIS, and thus provide the basis for seamless and (potentially) relatively low-cost integration – avoiding the need for time-consuming and costly design from afresh.

BCIS has access to world's-best-practice, via expertise acquired over 50 years of work in this field of building and construction cost analysis, for RICS. As of May 2014, RICS will feature an Infrastructure Cost Information Service, having carried out industry consultation on Standard Forms of Cost Analysis for Infrastructure projects. The essence of the creation of a set of standard forms of infrastructure project analysis is to establish structured criteria for analysis of infrastructure projects, acknowledging the requirement for the existence of differing schemas for different project types.

RICS BCIS could be adapted to encompass the requirements of infrastructure and the conclusions of the Draft Report. To bring together analysis of infrastructure and building projects would be to create a powerful mechanism for understanding the drivers of construction economy across all spheres and would provide the basis for real inter-state and international comparison and Benchmarking.

RICS agrees with the PC Draft Finding 13.1 inasmuch as it relates to labour mobility and reduction of red tape for licensing.

An occupational licensing scheme would allow professionals the ability to freely move between jurisdictions, and allow for companies to have the ability to have a more mobile labour market which will reduce end costs.

Peak bodies, especially those with strong membership entry requirements, codes of ethics, mandated CPD requirements and enforceable disciplinary standards can provide entry levels that are in line with the public's expectations. Peak bodies that can take action against recalcitrant members of that body can ensure the public is protected.

Fundamentally an occupational licensing scheme that is designed by industry in collaboration with government can achieve a more mobile workforce and reduce costs for both the public and private sector.

It should be noted in this submission the ongoing issue of a lack of professional Chartered Quantity Surveyors in Australia.

The draft report states that skilled professionals are vital to the delivery of infrastructure projects, and notes that this relationship to engineers.

Australia continues to face a shortfall in the number of Quantity Surveyors entering the market place. This lack of skilled professionals with knowledge of construction costing will have, in the view of RICS, a long term effect on the proficiency of infrastructure projects.

Barriers through red tape in the migration process is hampering the international mobility of skilled Quantity Surveyors, lifting some of the over burdensome barriers to entry will assist in increasing the workforce and benefiting the sector.

RICS, as the global peak body for Quantity Surveyors, is acutely aware of the necessary role that Qs play in infrastructure delivery. RICS has increased its delivery of training in BIM, and RICS has globally introduced an Infrastructure Pathway which will allow professionals to gain the additional training that they require to work in the infrastructure arena.

RICS sees these international best practice initiatives in the infrastructure space as providing highly skilled Quantity Surveyors with intricate knowledge of infrastructure who in turn will drive value for money to projects through better cost estimations, contract administration and construction costs.

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