

28 March 2024

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██████████
Director Building Regulation and Reform
Department of Transport and Planning
Level 9, 8 Nicholson Street
Melbourne 3000

By email: ██████████

Dear ██████,

Re: RIS: resetting fees prescribed in the Building Regulations 2018

As the leading voice for Victoria's building and construction industry, Master Builders Victoria (MBV) would like to provide feedback on the proposed fee regulations as part of the Regulatory Impact Statement (RIS). We appreciate the comprehensive analysis conducted and the alignment with the Victorian Government's Pricing for Value guide and its twelve Pricing Principles.

We understand the necessity of reviewing and potentially adjusting fees to ensure they remain appropriate and reflective of current economic conditions. However, we must emphasise the significant pressures currently faced by the construction industry due to rising costs of living and inflation. These economic challenges are affecting all stakeholders within the sector, from developers to homebuyers, and the introduction of unnecessary fees could further exacerbate these financial burdens.

MBV welcomes the increased cost to cover the owner-builder application. It is important that the Victorian Building Authority (VBA) has sufficient resources to oversee and monitor owner-builders effectively. Ensuring proper oversight in this area is critical for maintaining high standards within the industry.

However, the area of most concern from our members is the Building Regulations Advisory Committee (BRAC) fee. A 1077% fee increase is substantial, and we are concerned that such a significant rise could discourage individuals and organisations from applying for product assessments. It is crucial to maintain accessibility for product assessments to encourage innovation and adherence to safety standards within the industry.

Regarding the council fee options, MBV accepts that the targeted fee increase is the preferred option. However, we strongly advocate for a transition period to allow builders to price these adjustments into their contracts accordingly. Implementing a gradual increase will help mitigate the financial impact on builders and consumers while ensuring a smooth adaptation to the new fee structure.

Given these considerations, we advocate for a prudent approach to any fee adjustments. We recommend that any changes to the fee structures be minimal and thoroughly justified to avoid imposing additional



financial strain on the construction industry. It is crucial that fee adjustments are necessary and proportionate, supporting a balanced and sustainable regulatory environment that benefits both industry participants and regulatory bodies.

We welcome the opportunity to discuss these concerns in more detail and to ensure that the final fee regulations account for the current economic challenges facing the construction industry. The best point of contact regarding setting a meeting is [REDACTED]

Thank you for considering our feedback. We look forward to continued collaboration on this important issue.

Yours sincerely

[REDACTED]

Dr Corrie Williams
Executive Director, Collaboration & Innovation

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