

# TRANSCRIPT

## LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

### **Inquiry into Tackling Climate Change in Victorian Communities**

Melbourne—Wednesday, 26 February 2020

#### **MEMBERS**

Mr Darren Cheeseman—Chair

Mr David Morris—Deputy Chair

Mr Will Fowles

Ms Danielle Green

Mr Paul Hamer

Mr Tim McCurdy

Mr Tim Smith

**WITNESS**

Ms Julia Cambage, Chief Executive Officer, Australian Institute of Architects.

**The CHAIR:** Welcome to the public hearing. Before we begin, there are some important formalities that I must outline.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means that you can speak freely without fear of legal action in relation to the evidence that you give. However, it is important to remember that parliamentary privilege does not apply to comments made outside the hearing, even if you are restating what was said during the hearing.

You will receive a draft transcript of your evidence in the next week or so for you to check and approve. Corrected transcripts are published on the Committee's website and may be quoted from in our final report.

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Thank you for making the time to meet with the Committee today. Could you please state your name and title before you begin your presentation. That is such a mouthful.

**Ms CAMBAGE:** It is. Julia Cambage, CEO of the Australian Institute of Architects.

**The CHAIR:** Thank you. Over to you.

**Ms CAMBAGE:** Thank you very much. Thank you for the opportunity to come and speak today on behalf of the institute, and we value the opportunity. I understand that one of the reasons that we are here today is with regard to our response to the recent devastating bushfires and our activities around Architects Assist and how we can actually work to assist communities to rebuild and build back better ultimately.

The institute is actually operating on a number of levels with regard to climate, so strategic and operational, both domestically and internationally. We have recently had an EOI out with our membership for a climate action and sustainability task force, and that call for expressions of interest resulted in around 80 submissions to that particular committee, which will be ultimately assisting us in developing a road map for how we work with architects and the profession moving forward to ensure that we are working with government at all levels to assist with how we actually deal with what is in front of us.

I will start with our bushfire response, which was Architects Assist, and I think that everybody was in the same boat of feeling quite helpless and not knowing what to do when we all arrived back to work on 6 January having watched the devastation of the fires that had been basically unravelling from September onwards. What we did was that we actually joined forces with a young graduate architect, Jiri Lev, who had put all of his skills together and actually formed a website called Architects Assist. We came in to support Jiri because we knew that it was actually more than a response for New South Wales. We felt that it had a fundamental appeal to not only New South Wales but the rest of the country.

What it did was actually provide our members in the first instance with an opportunity to express their sorrow, their concern and their hope, and I think that that was the thing that motivated us most—the ability to express their hope that there was a solution at hand. And everybody was reaching for that solution. People wanted to get in buses and drive to Murrumbidgee. The fires were still burning, but we knew that that probably was not the right approach at that point in time. So this was an opportunity for them to provide support, to actually provide pro bono assistance and advice, to anybody who reached out and also to become a part of a community that was set to actually provide the build-back opportunities and reach out in that master planning scenario.

What we have done since then is obviously broaden the website to actually have almost Airbnb-like functionalities. So you can put a postcode in and you will actually come up with the architects that are in your region and the design professionals who can actually be there to support and assist you through the situation that you find yourself in. The other part of that as well is that we have actually recently signed MOUs with AILA, which is the Australian Institute of Landscape Architects, and the Planning Institute of Australia as well. Their members will be populating that site as well, and Engineers Australia are actually in the process of doing that as well. That means that we have an ability to provide that master planning suite for local governments, so they can just go to the website and say, 'Aha!'. It is also a very localised response. It is not architects from the city or planners from the city showing up. It is really very much about that grassroots engagement and making sure that local practitioners are able to actually engage in that build-back process as well, which is a really important part of how community rebuilds. I think we have looked at it from a very holistic perspective to look at how community functions and how communities are built, and I think architects are in a unique position, given their six years of education around actual urban design; it allows them to be able to step in and give that support.

What we have also done to support that is we made all our professional development that we have on our website available for free to everyone. Anyone who goes to the website can see every document that we have ever had produced around bushfire, wildfire, community building. We also, for example tomorrow, have a seminar in Victoria that we are offering for free, where there are around 200 that will be in our office to talk about rebuilding and how to actually work through the bushfire situation; on Friday in Sydney we have nearly 500 people attending a free event for a full day looking at how to build back better. So we have actually really engaged with our community to make sure that we are providing them with the skills that they need to work in this space.

One of those critical skills is a soft skill: how to work with people who have experienced trauma, how to go into community and actually sit and listen. Culturally we do not come from a place where somebody would actually send you an email and go, 'I need help'. That is not our cultural response to crisis. We are a bit more stiff upper lip, and we know and have learned from events such as Black Saturday that we really need to sit and listen. People need to tell you about their story; people need to engage in order for them to be able to move on through that trauma cycle as well, but it also enables people to actually free them. And I think then it is how the architect or the planner or whoever it is—because we are doing this as a joint piece—then absorbs that and moves on from that as well.

We are also quite conscious that there are a number of people—many people—who are underinsured and not insured. How do we actually assist them? So over the coming weeks we will be running some—what we call—competitions for design, where we will actually offer for free to the public designs that are rating the highest fire ratings, making sure that they are affordable and able to be built. Product is really important. So what we know is that we have an intimate relationship with product and what its uses are, and so we are really looking at how we can reach the highest possible BAL ratings and make sure that people have access to that.

There is a property, for example, in Western Australia, in the Karri forest, that was built for a firefighter with the highest possible BAL rating and it was only \$3000 a square metre—internal build. So when people talk to you about, 'It's going to cost you \$10 000 a square metre, it's going to cost you this, it's going to cost you that', there are methods and ways of actually treating product and working with innovative product to deliver an outcome that is affordable to all. I think that that is a really important part of the conversation that architects can actually inform.

We are looking forward very much to being able to do that, because there is such a lot of innovative product out there that people may never have seen or heard of. Dulux, for example, has a fire-retardant paint. There are a range of things that you can do to make sure that a house is protected to its highest possible rating, and I think there are also those harder conversations in and around that master planning piece that look at: how should we build there? Those are some of those bigger strategic conversations that it would be great to be a part of. I think that if we are able to be a part of that, there are solutions.

We have watched what has happened in other countries around natural disaster. If you look at Christchurch, what happened there, their local government and their state governments, federal government, purchased back those pieces of land. They actually moved people out of those areas that were most at risk. And this is a conversation that people do not really necessarily want to have, but I think it is one that we need to. I think that

from those conversations people will be freed, released in some ways, to actually understand that this is not a safe thing to do. I think that we have been incredible in this last round of events to actually encourage, know how to get people to leave, and I think that that was a fantastic piece of work that has been done over many, many years.

The other thing that we are quite concerned about is the loss of, I guess, infrastructure. From what I know and conversations with the insurance council, we have enough trades pretty much everywhere in the country, apart from Gippsland, to actually rebuild in residential. But that does not include commercial, so it does not include the infrastructure that has been lost by State and local government. So how do we actually deal with that? Then how do we also deal with the fact that if the Federal Government actually funds some of that infrastructure rebuild, federal procurement policies will actually impact on the delivery in a local area? How does that impact local providers, whether they are builders, whether they are architects, whether they are planners? How does that work? So are there ways to actually work through that? The impact of DA—and nobody wants to see regulation go out the window, but I think we need to come to some agreement on what regulation will look like as we move forward to make sure that people are actually safe into the future.

Then the last piece around local government is that most local governments in these areas have lost their rate base, and that means their income stream is now gone to a great extent. How does local government build back better and actually provide—

**Ms GREEN:** With less income.

**Ms CAMBAGE:** With less income and less opportunity to actually be able to engage in that. So those are a few of the critical questions that we are actually asking ourselves and talking about. I was in Canberra this week and I have been having those conversations with people, because they are not necessarily front of mind, but they are going to impact the way in which the community can actually work through the situation that we are in at the moment. The great thing about Architects Assist—and the name of it will change over time to become more about the design environments—

**Ms GREEN:** Yes, AA—I am not sure about the acronym.

**Ms CAMBAGE:** Yes. It is easy to find. No, it was a point in time. So I think that as we actually unite with the other design professionals, what we will do is we will change the name.

**The CHAIR:** Rebadge.

**Ms CAMBAGE:** Yes, we will rebadge. The thing about this that is actually really special is that this can be activated for any kind of event into the future. So if there is a flood, if there is a cyclone, it is Australia-wide. It has the potential to be able to be used to mobilise people very quickly because it is a really efficient piece of technology. So we are pretty proud of the fact that we have been able to do it and help people. That is only the first step. Now it is: how do we get it onto the ground and how do we engage in a much more open and frank way and work with community to get great outcomes?

**The CHAIR:** Can I just ask, after the Black Saturday bushfires the Victorian building regulations changed. They required in these more fire-prone areas to build to a higher standard.

**Ms GREEN:** It was national.

**The CHAIR:** National, was it? And I can recall at the time there was a debate that took place that this would obviously add substantially to the cost of building. Over that period of time since then—it has been, what, 20 years; 10 years, sorry—have those higher standards and the expense come down relatively as more products have come online?

**Ms CAMBAGE:** Definitely.

**The CHAIR:** You have used the example of Dulux paint. I suspect that did not exist 10 years ago.

**Ms CAMBAGE:** No, it did not.

**The CHAIR:** Have there been products that have come into the market that have a higher standard from a fire perspective that today are not necessarily any more expensive than the traditionally used product just because that volume has improved?

**Ms CAMBAGE:** Yes. Volume will always bring down price. So I think that where there has been an emphasis on ensuring that the ratings are met then ultimately it does drive price down because there is more product sold, more entrants into the market—competition; it is just the cycle of commerce. So I think that has been seen, but I also think it is about how people have started to view product and innovative use for product. So, for example, the property in Western Australia actually utilises fire retardant material as a lining in the roof space to prevent ember attack. So even if it comes through the roof, it cannot get through the retardant.

**Mr FOWLES:** The ceiling.

**Ms CAMBAGE:** Yes. So it is caught there, and it cannot move any further. That is a really different approach, and it is also not expensive. So it is actually a really interesting and innovative use of product.

The next step that we are actually also going to do is something we have recently done called Architects Donate. We have our own foundation. All of our staff have actually donated a day's wages to that foundation to actually start to not only fund design for people who are most vulnerable but also look at if we can start to fund construction. And so we are actually in discussions with MBA about that and some other funders to look at how we can actually assist and support some of those communities who have really done it tough.

**The CHAIR:** Okay. Just one further question and then I will hand over to my colleagues. Is there a useful building regulation that could be introduced that does not exist at the moment that might achieve a number of things—energy efficiency for a dwelling but also an increased fire rating? Are there any building regs that you think in a Victorian context might be worth implementing now? Is there anything that sort of comes to mind? Did we miss anything from Black Saturday? Were there any regulatory gaps that we missed in terms of building standards?

**Ms CAMBAGE:** From the small amount of information that I have seen about what was lost, it appears that we still lost kind of 1940s, 50s, 60s stock. Whether they were retrofitted, whether or not there needs to be that piece of work around retrofitting, looking at each particular site as a site rather than a community and thinking about whether or not there is a way to assist people to actually address the 1940s, 50s weatherboard house that is probably not going to survive too much of what we saw over Christmas—there are those sorts of matters.

From a building code perspective I think it is about ensuring that what is sitting in the code is actually enforced and that when we actually do build we make sure that we understand what the standards are and that we enforce them.

**The CHAIR:** Okay. Well, I might just ask you a question on enforcement. We have had some evidence that enforcement has been a problem, not just in respect to bushfires but in other parts. Would you like to make a recommendation as to how we might strengthen our enforcement regimes in Victoria? Would you bring it back into government?

**Mr FOWLES:** Would it be easier if we used the word 'compliance' rather than 'enforcement'?

**Ms CAMBAGE:** Well, it is compliance. I think we have been working in a compliance mode of operation for some period of time, and it has led to the fact that we have got the issues that we do at the moment around some buildings. So I think that the enforcement piece is an important piece because it is a regulatory role of government to actually do that. It is actually in the building code. So I think that if it was something, and I mean we do not need to—

**The CHAIR:** It is outsourced though. That is some of the challenge, isn't it?

**Ms CAMBAGE:** Well, then it comes down to who is watching the watchers, I guess. So it really is about: are we on site? Are people seeing what is being built? Are they actually aware of whether or not that product has been substituted? Who is actually being able to manage that? So it becomes problematic, because we do not see enough of that, and there is not enough regulation. If you look at what is happening with the New South Wales inquiry at the moment into building up there, they are clearly stating that building defects are there in

most instances because nobody is actually regulating what is going on. So getting somebody back on site to be able to actually check that that is occurring, I think, would add I guess almost like a line in the sand. We have kind of drifted over the line in the sand, and we need to come back to the other side and ensure that people are doing what they are meant to be doing in accordance with the standards and the building code.

**Mr FOWLES:** Okay, if I could tee off. Just for my interest, there is an AIA, there is an RAI as well. Is that right? Royal Australian Institute of Architects.

**Ms CAMBAGE:** That is us.

**Mr FOWLES:** Is that the same thing? It is all one shop.

**Ms CAMBAGE:** It is us. We just do not use the 'Royal' anymore.

**Mr FOWLES:** Good for you.

**Ms CAMBAGE:** We have moved on.

**Mr FOWLES:** So what relationship do you have with the volume builders, if any? Do the architects within volume builders subscribe or are they members of the AIA?

**Ms CAMBAGE:** No. They are normally members of the MBA—Masters Builders Association—or the Property Council. They would not normally be members of ours. But if they have architects employed there, they would be registered and they would probably be members of ours.

**Mr FOWLES:** And most AIA members—are you the full scope of industrial, commercial, residential?

**Ms CAMBAGE:** Yes, everything. The big end to the small end.

**Mr FOWLES:** Very good. I just have a couple of policy areas to address. The first is: just generally there is real pressure in the environmentally sustainable design space. We have spoken a bit about compliance but also about what standards are in place, where those standards are contained. You have spoken of the national code. In an ideal world what would you like to see government do to improve generally the cost and efficacy of ESD?

**Ms CAMBAGE:** Small question! Okay. I think that ultimately my fundamental belief is that government needs to be the exemplar and that government needs to actually demonstrate the best possible practice when they are procuring buildings for design and construct, and they need to ensure that what they are actually asking for is what they get delivered. So it means a really strong understanding of end-to-end procurement practice and then things like novation, because we know that environmental standards around design are quite often around how the light comes through the window, how the air flows through the building, how it is actually oriented to the site et cetera. Now, if there is nobody ensuring that that gets delivered rather than a time-and-cost approach to actual delivery, then it becomes problematic. In general terms government are very committed to being the exemplars, and then we can actually take that and demonstrate that across a broader spectrum. But I do think that it is really adhering to those sorts of goals around ensuring that their procurement process is the best possible procurement process that we can have.

So at the moment in a lot of instances the tendering system is quite an adversarial system—drive price, 'We'll tick that off' and 'That clause will go in there'. That does not lead to great relationships, and good clients get good buildings. So I think it is about relationships and expectation and making sure that the community and the consumer outcome is always front of mind.

If you look at what was built here recently that won a bunch of awards, we will tell you over and over again that they are the best client that we have worked with. The architects who worked with them consider them to be fantastic clients and customers because they actually knew what they wanted, they knew how to get it and they work closely with the architect and the construction team to ensure that they are actually getting it done. So it is about relationships, it is about communication, it is about taking away that piece around time and cost, because if you actually build in your rectification costs most often you will find that it actually made null and void whatever you saved in the budget long term.

**Mr FOWLES:** So I guess the challenge, and I am thinking about the value management bit, is a builder inherits a beautiful design from an architect. They value manage it and all of a sudden there are not European knobs on the drawers in the kitchen, there are knock-off Chinese ones or whatever. That also happens in the ESD space, but it is harder to check. It is very hard to check insulation without ripping off a freshly painted wall, for example, so you need more touch points in the verification there. How do you see that compliance bit and the cost of it being fairly shared right through the value chain?

**Ms CAMBAGE:** Well, for me, it is almost a misconception that actually being able to manage a build effectively and checking what insulation is there before the wall is plastered and painted will actually impact the bottom line cost. I actually think that it will go in the opposite direction, and I think if we do some case study around it I think that we will find that that will be the outcome: simply actually having that person there to make sure that the right insulation went in in the first instance will ultimately add to what the building is at the end of the day and the longevity of it and its ability to actually function as it was designed. There are a lot of architects who do not design with gold knobs from Europe as well.

**Mr FOWLES:** Yes, I am sure. It is not a personal anecdote. Tell me, is any research being done between the theoretical environmental performance as it rolls out of a CAD program versus the lived environment where the software might be predicting a particular outcome—to use our previous people, like a six green star outcome—but actually the lived reality is different? Is there any research you can point us to that speaks to the—

**Ms CAMBAGE:** I will come back to you on that. But the other one is something that can actually inform that as well, a post-occupancy survey, and we do not do it in Australia—actually talk to the people who are actually using the site every day, whether it is an office, whether it is a home, whatever it is, to have those conversations. Post occupancy, I think, is something we need to start building into our design in Australia because ultimately it will provide us with a different view and that will come to support what you do as well. I have been speaking to registrars around the country and I know that they are actually quite interested in actually being engaged in that piece of work as well. Europeans do it quite regularly. It is not something that we do, but I will come back to you on the user experience piece as well.

**Ms GREEN:** Well done on AA. My experience after Black Saturday was that the creative communities were just the ones that provided the up-front support but also the longest, and that is whether it is poets, singers, whatever, and I include architects in that creative as well. I think for your advice to local government it would be really important. Murrindindi shire, for example, lost one in eight rate notices, and they have never been back anywhere near that. I really feel sorry for that council because their own communities kicked the hell out of them and they just do not realise that they actually have done a pretty darn good job after it.

One thing with the various local governments that you are talking to, with Murrindindi's experience—hopefully you have identified the government buildings and others that have gone, because Murrindindi was so comprehensively burnt and VBRRR managed the re-build of a lot of the community buildings and there just was not the diligence that there should have been, and now the poor old shire is managing defects and going, 'Well, who pays for this?'. It is just so, so important to do that so it is not the ratepayer and them ongoing.

Now I was going to say—I was going to actually ask you something and now I cannot remember what it was.

**Ms CAMBAGE:** And wouldn't it be nice if they were built without the defects?

**Mr FOWLES:** Oh, yes.

**Ms GREEN:** But also I think what you said at the outset—and I loved that you had already looked at where the workforce gaps are and that you have identified that it is Gippsland—for Murrindindi, yes, local labour was used, but dongas had to be brought in and builders from all over the place, because a lot of their builders were gone. They had left the district or they had passed on. Fortunately we do not have that as much in these fires, which makes a difference, so you might still have some of the wise community heads to have that community engagement.

**Mr HAMER:** I had a question on ESD. Certainly when you look at media reports the focus from the architect and design and build seems to be much more at a bespoke level, particularly where you are trying to create an environmentally sustainable dwelling or office or whatever it is, whereas for a lot of the larger builds and then maybe the larger developers there does not seem to be as much change culturally and the focus is

really just driven purely by price. To what extent is that actually true in the industry and we are not actually getting the story out? And if it is true, are there ways that that could be changed to encourage more ESD?

**Ms CAMBAGE:** It is the Australian dream, isn't it. Everybody wants to own a home, and if they can own a home and they can own it more cheaply, then that is goal met, and I think that is part of what has driven a lot of development that is simply cost based. We are not going to get away from that, but I think that there are probably some pieces of work that could and should be done around total life cost of that type of building. I think if people understood that they may have paid \$20 000 less than this but the life cycle of it is less and ultimately will cost you more to heat and cool and all of those sorts of things, then they are not up-front. So people do not understand up-front what is the life cycle of that building and also what is the cost life cycle of it. Is it going to be more expensive than one or another?

We are actually working on a piece of work at the moment with a whole group of us—that I cannot really talk about—that will actually start to highlight that, and that is pretty much everyone in the built environment engaged in this project. So people can actually see an app, for example, and go: 'Okay, this building is here. What are its ratings around environmental? How will I live there?', and all those sorts of things. So it will start to give the consumer more information. In order for that change to occur, consumers need to be better informed about what is in front of them and how they can make a decision, and I think that will assist with that.

We have also got how banks fund that kind of building, and not every single architect piece has to be expensive, because really good architecture should be great value, because the skill that they have is in actually providing a house that can have a small footprint but it has got great storage because it has actually been really well thought out. It does not have to be enormous in order for it to be beautiful, and I think we have moved away from that concept of understanding how to live somewhere. We do not even have a big backyard anymore. When I was a kid, everybody played cricket. We would do all those sorts of things. You cannot actually put your bat out the window anymore. The world is changing in what people want as well, and we need to be able to respond to that. But I think we have kind of lost the aesthetic of how to live.

**Ms GREEN:** My question was related to that. You talked about the competitiveness of design and construct contracts, say, for government buildings and going for cost all the time too, and then relating it to individual consumers and their knowledge and what they should ask for. I have had suppliers say to me, and they have got some really, really good environmentally sound products, 'God, it's the Victorian School Building Authority', or whoever else it is. They will say, 'They'll have this specification, Danielle, and my product's three times better than that', and I cannot explain it to them. They will go, 'No, no, no, we want you to supply this'. So do you have any ideas of how—is it you guys leading that sort of stuff?—so that we can raise the awareness? You talked about consumers, but what about the procurers? Government makes the decision and we want to build these great schools.

**Ms CAMBAGE:** We would love to work with the procurers. My door is always open. I actually come from a procurement background, so I get what is actually driving some of this stuff. I fundamentally understand where they are coming from. But they are a fairly conservative mob, and I think that if we provided them with experience to actually feel, taste, see different product, maybe there could be a lot more field days that we could actually expose them to. Maybe it is a conversation with Treasury.

**Ms GREEN:** I was kind of thinking that too. Well, you have got the procurers, the capital side, but then you have also got the recurrent side, who are going, 'Hey, we don't want these big energy bills in our schools'. So it is bringing those two sides together.

**Ms CAMBAGE:** Yes, exactly. What would be really great is if departments across government actually had the same procurement practice, and ultimately that will take time and cost out of your budgets because you actually are adhering to the same policy platform and procedures.

**Ms GREEN:** We do have guidelines, though.

**Ms CAMBAGE:** Yes. But if you are adhering to the same policies and practices across the organisation—because I know that if health is building something and education is building something they are two very different experiences—it is about how you actually bring that together.

**Ms GREEN:** Then there is the emergency services building authority.

**Ms CAMBAGE:** Yes. So it is about: how do we actually start to maybe get that group of bodies working together to actually define what good looks like and then work towards it as well? For me it is about: how do we collaborate across one budget to actually deliver in a way that is fundamentally aligned with your values?

**Ms GREEN:** Maybe we could have a recommendation from this Committee that says, ‘We have a standardised procurement that builds in climate resilience, ESD, and that it needs to be updated and referenced for new products and innovation frequently’. But maybe we could even extend it into the point of assisting various bodies, whether it is portfolios, local government regions, to have a certain number of buildings that are resilient for community, for relief centres—those sorts of things. Because when we were in the north-east only two weeks ago and we had a round table with the local governments from up there, I asked them the question how many of their relief centres—so not places of last resort but their relief centres—actually had off-grid power. None. And even Indigo, the home of Yackandandah, even they did not have one building. So maybe it is something that we need to be saying.

**Ms CAMBAGE:** And a way to, I guess, introduce new product and things like that is potentially to have an advisory group that are working with some of those procurement teams that engage with people all across that built environment, who are able to come together and maybe talk about innovation with them—and I am not saying that procurement people are not innovative, but I am suggesting that they are kind of in their space. If you want a different outcome, you have to do something differently. You cannot keep doing the same thing over again and expecting a different result—I believe that is called insanity.

**The CHAIR:** Terrific. Thanks, Julia. I very much appreciate it. Thanks for your evidence.

**Ms CAMBAGE:** Pleasure. Thank you.

**Committee adjourned.**