



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES
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Submission Cover Sheet

Inquiry into Property Developers Bill 2023

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DRAFT LEGISLATION TO REGULATE DEVELOPERS

My name is Mal Wilson and I have been a structural engineer working in Canberra for over 40 years. Most of my career has been spent structurally designing buildings or writing reports on buildings that are leaking, cracking, or threatening to collapse in some way. I am attaching my CV to give some understanding of my level of involvement and depth of interest.

I consider it is unlikely that you will receive a 'candid' submission from many (if any) design professionals as most are reliant on developers for their day-to-day income, and these submissions will no doubt go on the public record. I am in the fortunate position of having more clients than I need, and am in any case reaching the twilight of my career and am simply interested in a better and fairer future for everyone (including my children).

I have worked for a number of large engineering companies with developer clients and am very familiar with how developers can, and often do, influence both design and construction practices in negative ways. Since starting my own company over 20 years ago I have basically avoided clients developing apartment units (or perhaps they have avoided me) because:

- a) I need to be paid enough to thoroughly design all elements of the building and to provide a clear and detailed set of documents. Most developers seem to want the cheapest fee to document the cheapest possible structure and the quality of the design or documents to not appear to enter into their considerations.
- b) I do not like being told which structural systems are to be used by a person who gives no consideration to the long-term consequences of those decisions.

Developers in my experience will often wish to control design decisions like:

- a) The existence or extent of set downs at balconies.
- b) Whether there are weatherproof hobs and how they are formed.
- c) Whether there are falls in the formed concrete surface.
- d) What quality of water proofing membrane is to be used.
- e) What structural framing system is to be used.
- f) What the maximum floor to floor height is to be.
- g) What cladding system is to be used.
- h) The quality of the paint system etc etc.

In many ways this is not surprising as they are simply trying to minimise costs, as the most financially successful developers are the ones that minimise costs the most. Purchasers are unable to see the cost cutting until a few years down the track when the developer has completely vanished. The dishwasher is always a European brand

because the purchaser can see that, but the waterproof membrane is almost invariably of the cheap liquid paint variety because it is hidden.

I remember a conversation with a well-known Canberra developer where he instructed us to document no set downs in internal wet areas. I told him that was a very bad idea because there would be a step-up walking into the bathroom that people would be kicking their toes on. His response was "I know that, you know that, but the average person buying a unit has no idea, and I have just saved \$500 on every unit." That was a long time ago, and I refused to do it, but it was when I first started to understand that there are simply no ramifications for developers. The developer respected my decision, but pointed out that that was the last time he would ever use my company and he was true to his word.

I have been an expert witness on many cases of builders or designers being sued but never a developer being sued. They probably wield the most influence over the quality of buildings in the ACT but are never held to any account for the decisions they make. Many of my body corporate clients consider that developers are morally bankrupt and the lowest of human lifeforms, but they are not. They are just everyday people operating in a regulatory environment where they are never held accountable for their decisions. The more they reduce the cost the more profit they make (it's not brain surgery).

I expect industry bodies will come out suggesting that developers will leave the industry in droves, but the reality is that the very worst will likely go and find other ways to fleece people and that they will be quickly replaced by decent human beings. The vast majority will secretly welcome the change, and when they get home at night will be able to look their children in the eye (some perhaps for the first time).

When we deliver apartment buildings everyone controlling the process needs to give serious consideration to the long-term performance of the building and that includes the developer. I consider that this well overdue legislation will give developers pause to think about the decisions they make and will positively affect the quality of buildings into the future.

If you have any questions on the above, please do not hesitate to contact the undersigned.

Yours faithfully,

ADVANCED STRUCTURAL DESIGNS

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