

The Royal Australian Institute of Architects

Application for Substitute Authorisation (Supplement 2)

Submission to the Australian Competition & Consumer Commission in response to the Draft Determination

### SUBMISSION BY

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### **PURPOSE**

This submission is made by The Royal Australian Institute of Architects (RAIA) to the Australian Competition & Consumer Commission to provide further information in support of an application for substitute authorization, in response to the draft determination of the ACCC.

### **ABOUT THE RAIA**

The Royal Australian Institute of Architects (RAIA) is an independent voluntary subscription-based member organization with approximately 9,200 members, of which 5,400 are architect members.

The RAIA, incorporated in 1929, is one of the 96 member associations of the International Union of Architects (UIA).

At the time of this submission the National Executive of the RAIA is:

Robert Nation (National President)

Carey Lyon (President-Elect)

Warren Kerr (Immediate Past President)

Alec Tzannes (Honorary Treasurer)

Catherine Townsend (Honorary Secretary)

The CEO is David Parken.





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# **Executive summary**

### 1. The application

In December 2004, the RAIA lodged an application under section 91C(1) requesting the ACCC to grant substitute authorisation (in substitution for Authorisation A58), because:

- (a) there is no evidence that the arrangements (in Authorisation A58) have had any adverse effect on competition in any market over the past 20 years;
- (b) the arrangements are unlikely to have any adverse effect on competition in any market in the future;
- (c) there nevertheless remains the risk that the arrangements may be challenged in the future notwithstanding the RAIA's view of their competitive effect;
- (d) the arrangements have provided and continue to provide public benefits, and
- (e) those public benefits have, over the past 20 years, significantly outweighed any adverse effect on competition (if any) that might arise from the arrangements, and will continue to do so.

### Draft ACCC determination

- (a) The ACCC draft determination, issued in late July 2005, proposed to deny the application.
- (b) The draft determination stated that there is a 'net public benefit in' much of the material submitted for authorisation, with the exception of four clauses of the proposed RAIA Code of Professional Conduct and the graphs contained in the fee guides.
- (c) RAIA representatives met with ACCC officers and a commissioner, to discuss amendments to the application that in principle should overcome ACCC concerns raised in the draft determination.
- (d) The amendments arising from that meeting were subsequently endorsed by the RAIA National Council prior to the development of this submission.

### 3. RAIA Code of Professional Conduct

(a) The proposed RAIA Code of Professional Conduct submitted with this application is not the current Code. Although the proposed Code was agreed by RAIA National Council in 2000, it has not yet been adopted.

- (b) Given the views expressed in the draft determination RAIA has reviewed the draft Code and proposes a number of amendments, which are detailed in Appendix A, designed to address the concerns raised by ACCC.
- (c) RAIA now seeks authorisation of the Code as amended. As explained in this submission, RAIA also seeks a short term authorisation of the current Code to allow the new Code to be phased in.

### 4. RAIA fee guides

- (a) In considering whether or not to grant the authorisation RAIA sought for providing fee guidance to members, the ACCC focussed on the current fee guide documents (for which re-authorisation was not sought).
- (b) Specifically, the draft determination indicated that the ACCC saw no public benefit in the graphs contained in the fee guides, and that the negative effect (in competition terms) of these graphs outweighed the public benefits generated by the other arrangements.
- (c) RAIA has agreed to withdraw the two fee guide documents and reformulate the authorisation it is seeking, to allow it to give fee guidance advice to members which is less likely to cause competition concerns.

### 5. Transition issues

- (a) Assuming the ACCC were to grant substitute authorisation of the arrangements as amended in consultation with the ACCC and set out in this submission, RAIA will need to replace the current Code of Professional Conduct and the fee guidance arrangements.
- (b) RAIA therefore seeks a reasonable notice period for fairness, equity and the practical concern of advising members.
- (c) ACCC is thus requested to include allowances in its final determination to ensure a smooth transition from the currently authorised arrangements to those applicable under the substitute authorisation.

### Revised application

- (a) In response to the draft determination of the ACCC (26 July 2005) RAIA now requests that ACCC grant authorisation as follows:
  - (1) Authorisation for RAIA and its current and future members to engage in conduct giving effect to the contracts, arrangements and understandings evidenced by the:
    - (i) RAIA memorandum and articles of association;
    - (ii) RAIA regulations and by-laws;

- (iii) RAIA client and architect agreements and user guides relating to those agreements; and
- (iv) RAIA guidelines for RAIA endorsed architectural competitions

as amended from time-to-time.

- (2) Authorisation, in relation to the RAIA Code of Professional Conduct for the:
  - (i) proposed RAIA Code of Professional Conduct as submitted by RAIA on 9 September 2005; and
  - (ii) current RAIA Code of Professional Conduct (being the code authorised in authorisation A58, until 31 January 2006 to permit the RAIA to bring the new Code into effect.
- (3) Authorisation for RAIA to produce methodologies, filed with and approved by ACCC, to assist architects to develop fee proposals and users of architects' services to negotiate appropriate fee arrangements for architectural services; being methodologies which:
  - (i) provide for architects to input their respective costs and proposed overhead and profit margins rather than containing preset cost and profit figures
  - (ii) include a prominent statement that architects and clients are free to agree conditions of engagement and fees on any basis whatsoever.
- (4) Limited authorisation, extending immunity under authorization A58, for the current fee guides until 31 January 2006 to permit the RAIA to bring the new arrangements into effect.
- (b) All other elements of the application remain as submitted in the original application (6 December 2004) and the supplementary submission (27 May 2005).

# **Draft ACCC determination**

### Draft determination

- (a) RAIA notes that the draft determination indicated that ACCC did see a 'net public benefit in' the:
  - RAIA memorandum and articles of association;
  - RAIA regulations and by-laws;
  - RAIA client and architect agreements and user guides relating to those agreements; and
  - guidelines for RAIA endorsed architectural competitions.
- (b) The RAIA submits that authorisation should be granted in relation to those elements of its application.
- (c) Further, the ACCC indicated general acceptance of the proposed RAIA Code of Professional Conduct, with the exception of four clauses for which it detailed specific concerns. As those clauses have been amended to meet ACCC concerns RAIA submits that the Code should now be authorised.
- (d) As to the RAIA fee guides, as noted earlier, they are not included in this application. Authorisation is sought for RAIA to provide a new type of fee guidance to its members.

# **Code of Professional Conduct**

### 8. Context

- (a) RAIA has taken into account the issues raised in the draft determination in relation to the proposed Code. The possible consequences noted in the draft determination relating to the clauses to which the ACCC has raised objections are unintended.
- (b) Following discussion with ACCC a number of amendments have been made to the proposed Code to address the ACCC concerns.

  They are detailed in Appendix A.
- (c) These amendments were endorsed by RAIA National Council at its meeting in late August 2005.

# 9. Amendments in response to ACCC draft determination

- (a) The following re-wording has been adopted to overcome the cause of ACCC concerns:
  - 2.5 Standard: Members shall <u>must</u> not offer <u>or receive any financial or other any</u> inducements such as secret commissions, or enter into any secret arrangement to procure an appointment <u>or enter into any arrangement</u>, in relation to procuring an appointment, that is not disclosed to the prospective client.
  - **4.3 Standard:** Members must not attempt to supplant another architect, employed or consulting, who has been appointed with a firm commitment for a particular job project.
  - **4.5 Standard:** The Members must shall, on being if approached to undertake a project or other professional work upon which he or she knows or can ascertain by reasonable inquiry that another architect has a current appointment with the same project or professional work for which it is known, or should reasonably be known, that another architect is currently appointed, request the client to notify the other architect.
- (b) The proposed amendment of standard 2.5 makes it clear that the onus of disclosure relates to the prospective client and avoids any interpretation that it might be a breach of the Code to offer discounts or other reasonable competitive incentives to a prospective client.
- (c) Amendments to standard 4.3 simplify and clarify the member's obligations.
- (d) As to Standard 4.5, although it could be argued that it is professional courtesy to tell the other architect, RAIA accepts that the client's right to maintain confidentiality within the bounds of legal contract behaviour should not be undermined by the Code.

### 10. Amendments proposed by RAIA

- (a) In the process of scrutinising the proposed Code in relation to the authorisation application, a number of generally minor typographical errors, ambiguous terminology and inconsistencies were also identified. Amendments correcting these are shown in Appendix A.
- (b) Further, one of the four 'standards' identified by ACCC as requiring review was also considered, on reflection, to be excessively difficult to enforce or to comply with. The problematic Standard is:
  - **4.6 Standard:** Members must, when appointed to give an opinion on the work of another architect, notify the other architect, unless it would be prejudicial to prospective or actual litigation to do so.
- (c) It is therefore proposed that this standard be deleted from the proposed Code.

### 11. Proposed wording of the Code

- (a) Appendix A shows the Code as originally submitted for authorisation in December 2004, together with all amendments now proposed, both for wording clarity and to meet the requirements of ACCC authorisation.
- (b) For ease of reading, Appendix B shows a 'clean' version of the proposed Code, incorporating all of the amendments shown in detail in Appendix A.
- (c) ACCC is thus requested to grant the following authorisation in relation to the RAIA Code of Professional Conduct:

'Authorisation is granted:

- (i) to the proposed RAIA Code of Professional Conduct as submitted by RAIA on 9 September 2005; and
- (ii) to the current RAIA Code of Professional Conduct (being the code authorised in authorisation A58, until 31 January 2006 to permit the RAIA to bring the new Code into effect.'

## Fee Guides

### Public benefit

- (a) The RAIA strongly maintains that there is a net public benefit in the production of methodologies that assist architects and clients in identifying costs and negotiating appropriate fees.
- (b) In the absence of such material, which is not available from any other source, the RAIA is certain to receive complaints from members of the public who see such advice as an essential service of a professional institute.

### 13. Application for substitute authorisation

- (a) In the original application for substitute authorisation (December 2004), RAIA sought authorisation, in relation to fee guidance, in the following terms:
  - (2) Authorisation for RAIA to issue, from time to time, guides to assist architects and users of architects' services to negotiate appropriate fee arrangements for architectural services; being guides which:
    - (i) are expressed to be reference guides only;
    - (ii) contain a prominent statement that architects and clients are free to agree conditions of engagement and fees on any basis whatsoever;
    - (iii) are designed to provide guidance on lump sum, percentage-based and/or time-based fees;
    - (iv) are based on historical data provided by architects;
    - (v) provide a range of scenarios in relation to reasonable profit margins an architect might apply; and
    - (vi) provide guidance on possible fee apportionment arrangements for lump sum and/or percentage-based fees.
- (b) The wording of the proposed authorisation relating to fee guidance is forward looking. The application did not seek re-authorisation of the current fee guides incorporating the fee graphs to which the ACCC has taken objection. It was also intended to open up a range of other, more sophisticated approaches that RAIA would develop.
- (c) RAIA took this approach because the old Fee Guides are out of date and there are more acceptable methods of assisting members with approaches to fee calculation:

- (d) RAIA wishes to make it clear that it does not seek authorisation for the current fee guides, other than for a transition period
- (e) Further, in view of the objections expressed in the draft determination RAIA has modified its request for authorisation set out above.
- (f) As it does not contain any material that relates to the quantum of architectural fees, merely providing guidance on fee apportionment where only part of a normal service is provided, the following document remains part of the application:
  - Practice Note Fees for partial services (July 2001)

### 14. Future fee guidance

- (a) RAIA recognizes the need to continue to assist architects to develop, from the 'bottom up', a competitive fee proposal for any prospective project.
- (b) This assistance will accord with modern practice by proposing a form of methodology, rather than an outcome, so that good business practice in the context of all relevant market factors can apply.
- (c) It is envisaged that this methodology would be provided in the form of an electronic 'work sheet', into which the architect can enter relevant cost, time and profit information, which the work sheet would then calculate into a fixed or percentage fee.
- (d) The RAIA is concerned to ensure that the considerable investment required to develop this service to architects is not put at risk by any inadvertent breach of the Trade Practices Act.
- (e) RAIA therefore seeks authorisation as follows:
  - Authorisation for RAIA to produce methodologies, filed with and approved by ACCC, to assist architects to develop fee proposals and users of architects' services to negotiate appropriate fee arrangements for architectural services; being methodologies which:
    - (i) provide for architects to input their respective costs and proposed overhead and profit margins rather than contain preset cost and profit figures
    - (ii) contain a prominent statement that architects and clients are free to agree conditions of engagement and fees on any basis whatsoever.

### **Transition issues**

### 15. Effect of amendments to application

- (a) The RAIA has sought throughout the process of this authorisation application to adopt a cooperative and conciliatory approach. In this submission, a number of amendments to the application are put forward, with the sole aim of responding positively to concerns raised by ACCC.
- (b) RAIA trusts it is now possible for ACCC to grant the authorisation.
- (c) Assuming that ACCC does now grant the authorisation on the basis of the amended application, there are transitional implementation issues that need to be considered in relation to the proposed Code of Professional Conduct.
- (d) Authorisation of the RAIA memorandum and articles of association; regulations and by-laws; client and architect agreements and competition guidelines thus involves no particular implementation or transition issues as they are documents currently in use.
- (e) The proposed Code of Conduct is not currently in operation, and a new form of fee guidance is envisaged, requiring consideration of the transition from current to proposed arrangements.

### 16. Code of Professional Conduct

- (a) Technically, on the day authorisation is granted (assuming ACCC determines to do so) the current Code will no longer be authorised and the proposed Code will be. However, it will not be practical or fair to members to bring the new Code into operation without notice.
- (b) It is therefore proposed that, once authorised, the new Code should come into effect after a notice period of approximately 3 months. During this period, all members will be advised of the proposed change (including advice to accompany annual membership renewal invoices) and invited to ask questions or clarify any concerns.
- (c) Assuming that the ACCC determination will be made in September or October, it is appropriate that the operational date for the new Code should be 1 January 2006, to coincide with the beginning of the membership year.
- (d) RAIA recognises that during the period before the new Code becomes operational, the current Code will not technically have the immunity unless authorised.
- (e) For that reason RAIA seeks an authorisation for the current Code until 31 January 2006, allowing a 1 month period for any slippage in introducing the new Code. The proposed terms of the authorisation are set out above.

### 17. Fee guidance

- (a) In a similar way, it will be preferable if RAIA could make operational a new electronic fee guidance system before the current fee guide documents need to be formally withdrawn from publication.
- (b) At the very least, it is desirable that the principles of a new fee guidance regime are agreed with ACCC, and that some basic development of the software application is completed, so that the new service can be announced simultaneously with withdrawal of the current documents.
- (c) For that reason RAIA seeks a limited authorisation, extending immunity for the current fee guides until 31 January 2006.

# Conclusion

### 18. Additional information

- (a) The RAIA notes the assistance provided by ACCC officers and the commissioner in its endeavour to respond cooperatively to various matters raised by ACCC in its draft determination.
- (b) Should any aspect of this application that has been amended from the original application still fail to meet ACCC requirements, this is not the intention of RAIA, and we request the opportunity to address any such concerns.

# Appendix A

# 19. RAIA Code of Professional Conduct (showing final amendments)

### **RAIA Code of Professional Conduct**

#### Introduction

The profession of architecture is a unique discipline, combining elements of art, science, commerce and law. The RAIA and its members are dedicated to the advancement of architecture through involved and innovative practice, with the aim to raise of raising the quality of the environment and, consequently, the quality of life. In this it seeks to improve the standards of health and safety for the protection and welfare of all members of the community.

Architects who are RAIA members commit themselves to the attainment of high standards in architecture, and through its practice to maintain the general wellbeing by upholding commonly agreed values of:

- ethical behaviour;
- · equality of opportunity;
- social justice;
- aspiration to excellence, and
- competent professional performance.

### They are expected to:

- serve and advance the public interest through appropriate involvement in civic activities, as citizens and professionals;
- promote environmental awareness and the appreciation of architecture and urban design;
- encourage informed public debate on architectural and urban design issues:
- respect, conserve, and enhance, the natural and cultural environment;
- encourage and maintain responsible ecologically sustainable and energy efficient design and development, and
- strive to contribute to the development of architectural knowledge, culture, and education.

In their professional and personal lives members of the RAIA are bound by this Code of Conduct to uphold the integrity of the profession and to ensure client and community needs are respected and well served. The Code sets forth establishes principles for the guidance of the members of the profession, and to which they RAIA members are required to conform. The Code defines ethical standards to ensure the upholding of the principles which address the obligations to the public, the client, profession, and colleagues. Violation of any of these standards is grounds for disciplinary action, the potential consequences of which are detailed in Article 84 83 of the RAIA Articles of Association.

The Code of Professional Conduct of the RAIA applies to all activities by its members in which architecture is a component. It is intended to promote committed and responsible performance in architecture, to ensure that the profession will acknowledge and meet the responsibility vested in it by the public.

### Principle 1

### Obligations to the Public

Members have obligations to the public to embrace the spirit and letter of the laws governing their professional affairs, and should thoughtfully consider the social and environmental impact of their professional activities.

- 1.1 Standard: Members shall must respect and help conserve the systems of values and the natural and cultural heritage of the community in which they are creating architecture. They must strive to improve the environment and the quality of the life and habitat within it in a sustainable manner, being fully mindful of the effect of their work on the interests of all those who may reasonably be expected to use or enjoy the product of their work.
- **1.2 Standard**: Members shall <u>must</u> neither communicate nor promote themselves or their professional services in <u>a</u> false, misleading, or deceptive manners.
- 1.3 Standard: An architectural firm shall <u>must</u> not represent itself in a misleading fashion.
- 1.4 Standard: Members shall <u>must</u> uphold the law in the conduct of their professional activities.

1.5 Standard: Members shall must abide by the codes of ethics and conduct of the RAIA and laws in force in the countries and jurisdictions in which they provide or intend to provide professional services.

### Principle 2

### **Obligations to the Client**

Members have obligations to their clients to carry out their professional work faithfully, conscientiously, competently, and in a professional manner, and should exercise judgement with due regard to the relevant technical and professional standards when performing all professional services. Learned and professional judgement should take precedence over any other motive in the pursuit of the art, science, and business of architecture.

- **2.1** Standard: Members shall <u>must</u> perform their professional work with due skill, care and diligence.
- 2.2 Standard: Members shall <u>must</u> carry out their professional work without undue delay and, so far it is within their powers, within an agreed reasonable time limit.
- 2.3 Standard: Members shall must keep their client informed of the progress of work undertaken on the client's behalf and of any issues that may affect its quality or cost.
- 2.4 Standard: Members shall <u>must</u> accept responsibility for the independent advice provided by them to their clients, and undertake to perform professional services only when they, together with those whom they may engage as consultants, are qualified by education, training, or experience in the specific areas involved and have the necessary resources to satisfactorily complete a commission.
- 2.5 Standard: Members shall <u>must</u> not offer <u>or receive any financial or other any</u> inducements such as secret commissions, or enter into any secret arrangement to procure an appointment <u>or enter into any arrangement</u>, in relation to procuring an appointment, which is not disclosed to the prospective client.
- 2.6 Standard: Members shall must observe the confidentiality of their client's affairs and should must not disclose confidential information without the prior consent of

the client or other lawful authority; for example, when disclosure is required by order of a court of law.

2.7 Standard: Members shall <u>must</u> disclose to clients, ewners, or contractors, significant circumstances known to them that could be construed as creating a conflict of interest, and should <u>must</u> ensure that such conflict does not compromise the legitimate interests of such persons or interfere with the architect's duty to render impartial judgement er in relation to contract performance by others.

### Principle 3

### **Obligations to the Profession**

Members have an obligation to uphold the integrity and dignity of the profession, and shall <u>must</u> in every circumstance conduct themselves in a manner that respects the legitimate rights and interests of others.

- 3.1 Standard: Members shall <u>must</u> pursue their professional activities with honesty and fairness.
- 3.2 Standard: A Members shall must not take as a partner and shall must not act as a co-director with an unsuitable person, such as a person whose name has been removed from any register of architects otherwise than at his or her own request or a person disqualified from membership pursuant to the standards and process prescribed in The Royal Australian Institute of Architects' constitution.
- 3.3 Standard: Members shall must not act in any way that brings the profession into disrepute.

### Principle 4

### **Obligations to Colleagues**

Members have an obligation to respect and acknowledge the professional aspirations and contributions of their colleagues and the contribution made to their works by others.

**4.1 Standard**: Members shall must not discriminate on grounds of race, religion, disability, marital status, or gender.

- 4.2 Standard: Members shall must not appropriate the intellectual property of nor unduly take advantage of the ideas of another architect without express authority from the originating architect. Members shall must build their professional reputation on the merits of their own service and performance and should recognize and give credit to others for professional works performed.
- **4.3 Standard:** The Members shall <u>must</u> not attempt to supplant another architect, employed or consulting, who has been appointed with a firm commitment for a particular job-project.
- **4.4 Standard**: Members shall <u>must</u> not maliciously or unfairly criticise or attempt to discredit another architect or their work.
- 4.5 Standard: The Members must shall, on being if approached to undertake a project or other professional work upon which he or she knows or can ascertain by reasonable inquiry that another architect has a current appointment with the same project or professional work for which it is known, or should reasonably be known, that another architect is currently appointed, request the client to notify the other architect.
- 4.6 Standard: Members must, when appointed to give an opinion on the work of another architect, notify the other architect, unless it can be shown to be prejudicial to prospective or actual litigation to do so.
- 4.67 Standard: Members shall must provide their associates and employees with a suitable working environment, compensate them fairly, and facilitate their professional development.

# Appendix B

### 20. RAIA Code of Professional Conduct (clean version)

### **RAIA Code of Professional Conduct**

#### Introduction

The profession of architecture is a unique discipline, combining elements of art, science, commerce and law. The RAIA and its members are dedicated to the advancement of architecture through involved and innovative practice, with the aim of raising the quality of the environment and, consequently, the quality of life. In this it seeks to improve standards of health and safety for the protection and welfare of all members of the community.

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- · equality of opportunity;
- social justice;
- · aspiration to excellence, and
- competent professional performance.

### They are expected to:

- serve and advance the public interest through appropriate involvement in civic activities, as citizens and professionals;
- promote environmental awareness and the appreciation of architecture and urban design;
- encourage informed public debate on architectural and urban design issues;
- respect, conserve, and enhance, the natural and cultural environment;
- encourage and maintain responsible ecologically sustainable and energy efficient design and development, and
- strive to contribute to the development of architectural knowledge, culture, and education.

In their professional and personal lives members of the RAIA are bound by this Code of Conduct to uphold the integrity of the profession and to ensure client and

community needs are respected and well served. The Code establishes principles to which RAIA members are required to conform. The Code defines ethical standards to ensure the upholding of principles which address obligations to the public, the client, profession, and colleagues. Violation of any of these standards is grounds for disciplinary action, the potential consequences of which are detailed in Article 83 of the RAIA Articles of Association.

The Code of Professional Conduct of the RAIA applies to all activities by its members in which architecture is a component. It is intended to promote committed and responsible performance in architecture, to ensure that the profession will acknowledge and meet the responsibility vested in it by the public.

### Principle 1

### Obligations to the Public

Members have obligations to the public to embrace the spirit and letter of the laws governing their professional affairs, and should thoughtfully consider the social and environmental impact of their professional activities.

- 1.1 Standard: Members must respect and help conserve the systems of values and the natural and cultural heritage of the community in which they are creating architecture. They must strive to improve the environment and the quality of life and habitat within it in a sustainable manner, being fully mindful of the effect of their work on the interests of all those who may reasonably be expected to use or enjoy the product of their work.
- **1.2 Standard**: Members must neither communicate nor promote themselves or their professional services in a false, misleading, or deceptive manner.
- 1.3 Standard: An architectural firm must not represent itself in a misleading fashion.
- **1.4 Standard**: Members must uphold the law in the conduct of their professional activities.
- 1.5 Standard: Members must abide by the codes of ethics and conduct of the RAIA and laws in force in the countries and jurisdictions in which they provide or intend to provide professional services.

### Principle 2

### **Obligations to the Client**

Members have obligations to their clients to carry out their professional work faithfully, conscientiously, competently, and in a professional manner, and should exercise judgement with due regard to relevant technical and professional standards when performing all professional services. Learned and professional judgement should take precedence over any other motive in the pursuit of the art, science, and business of architecture.

- 2.1 Standard: Members must perform their professional work with due skill, care and diligence.
- 2.2 Standard: Members must carry out their professional work without undue delay and, so far it is within their powers, within an agreed reasonable time limit.
- 2.3 Standard: Members must keep their client informed of the progress of work undertaken on the client's behalf and of any issues that may affect its quality or cost.
- 2.4 Standard: Members must accept responsibility for the independent advice provided by them to their clients, and undertake to perform professional services only when they, together with those whom they may engage as consultants, are qualified by education, training, or experience in the specific areas involved and have the necessary resources to satisfactorily complete a commission.
- 2.5 Standard: Members must not offer or receive any financial or other inducement or enter into any arrangement, in relation to procuring an appointment, which is not disclosed to the prospective client.
- 2.6 Standard: Members must observe the confidentiality of their client's affairs and must not disclose confidential information without the prior consent of the client or other lawful authority; for example, when disclosure is required by order of a court of law.
- 2.7 Standard: Members must disclose to clients or contractors, significant circumstances known to them that could be construed as creating a conflict of interest, and must ensure that such conflict does not compromise the legitimate

interests of such persons or interfere with the architect's duty to render impartial judgement in relation to contract performance by others.

### Principle 3

### **Obligations to the Profession**

Members have an obligation to uphold the integrity and dignity of the profession, and must in every circumstance conduct themselves in a manner that respects the legitimate rights and interests of others.

- 3.1 Standard: Members must pursue their professional activities with honesty and fairness.
- 3.2 Standard: Members must not take as a partner and must not act as a co-director with an unsuitable person, such as a person whose name has been removed from any register of architects otherwise than at his or her own request or a person disqualified from membership pursuant to the standards and process prescribed in The Royal Australian Institute of Architects' constitution.
- 3.3 Standard: Members must not act in any way that brings the profession into disrepute.

### Principle 4

### **Obligations to Colleagues**

Members have an obligation to respect and acknowledge the professional aspirations and contributions of their colleagues and the contribution made to their works by others.

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- 4.2 Standard: Members must not appropriate the intellectual property of nor unduly take advantage of the ideas of another architect without express authority from the originating architect. Members must build their professional reputation on the merits of their own service and performance and should recognize and give credit to others for professional work performed.

- **4.3 Standard:** Members must not attempt to supplant another architect, who has been appointed for a particular project.
- **4.4 Standard**: Members must not maliciously or unfairly criticise or attempt to discredit another architect or their work.
- 4.5 Standard: Members must, if approached to undertake a project for which it is known, or should reasonably be known, that another architect is currently appointed, request the client to notify the other architect.
- 4.6 Standard: Members must provide their associates and employees with a suitable working environment, compensate them fairly, and facilitate their professional development.