

Guideline Terms of Engagement & Professional Charges

AIB INFORMATION PUBLICATION No. 9
Edition 9A — 2005 [ISSN 1326-2467]

Ninth Edition 2005 (Replacing The Eighth Edition)

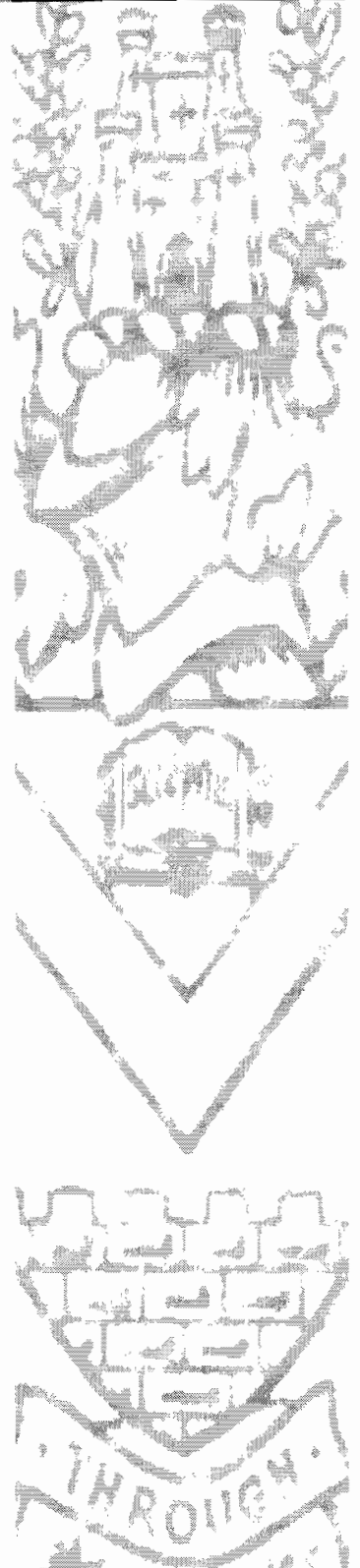
Edition 9A includes minor corrections to Edition 9 that do not affect
the terms of engagement nor recommended professional charges

© The Australian Institute of Building — Incorporated by Royal Charter

This work is copyright. Apart from any use permitted by the Copyright Act 1968, no part may be reproduced by any process without the prior written permission of The Australian Institute of Building. Requests and inquiries concerning reproduction should be addressed to:

The Australian Institute of Building
GPO Box 1467, Canberra, ACT, 2601

E-mail: ausbuild@aib.org.au
Telephone: 02 6247 7433



Annex A — Guideline Scale of Fees

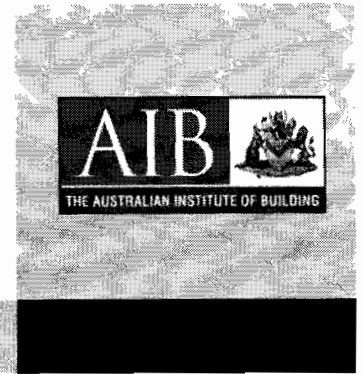
All time spent on behalf of a client (e.g. meeting attendances, telephone calls, document and correspondence preparation, liaison and consultation, document perusal, travel and the like) will be charged at the hourly rate.

Schedule

Hourly rate: \$180 (professional staff), \$100 (technical staff). Rates exclude GST.

| Service | Base Fee | Additional Items |
|--|---|--|
| Litigation & arbitration ¹ | \$960 | \$240 per hour for time in excess of 4 hours; \$150 per hour for 'stand by' |
| Adjudication | \$960 | \$240 per hour for time in excess of 4 hours |
| Inspections, & surveys and assessments | \$360 | Hourly rate for time in excess of 2 hours |
| Estimates and cost assessments | \$540 | Hourly rate for time in excess of 3 hours |
| Property purchase | \$360 | Hourly rate for time in excess of 2 hours |
| Planning and scheduling contracts | \$360 | Hourly rate for time in excess of 2 hours |
| Project management | Hourly rate | Fees for project management may be expressed as a percentage of the construction cost. Dependent on the size of the project, the degree of difficulty and scope of services provided, fees may be in the range 1.5% to 6% or more. |
| Other services | Hourly rate | |
| Travelling time | Hourly rate | |
| Travelling expenses | Motor vehicle | <ul style="list-style-type: none"> ■ At the appropriate rates as set from time to time by the Australian Taxation Office; ■ Parking fees at cost plus administration fee |
| | Interstate travel | <ul style="list-style-type: none"> ■ Air fares, accommodation and travel expenses at cost plus administration fee. |
| Disbursements | The hourly rate includes reasonable documentation costs and telephone charges but does not include voluminous documentation, photocopying, plan printing costs, mobile, STD, IDD telephone calls or the like. | |

¹ Includes expert witness, expert determination, mediation and the like



Annex A — Guideline Scale of Fees

- A.1 The practice of the Institute in publishing the guidelines is done under the authorisation *Trade Practices Commission* (now Australian Competition and Consumer Commission — ACCC) *Determination A75/228* of 23 October 1987. However, the specific provisions have not been the subject of any authorisation or approval by the Australian Competition and Consumer Commission.
- A.2 The rates contained in the schedule are for guidance only, and consultants (whether members of The Australian Institute of Building or not) and prospective clients are free to negotiate fees on any basis whatsoever.
- A.3 The schedule shown below was approved by the Executive Board of Management of The Australian Institute of Building (AIB) and is in force from 13 October 2005 until replaced.
- A.4 The listed guideline hourly rates and charges may be varied.
- A.5 Guideline rates are exclusive of GST.

Guideline Terms of Engagement & Professional Charges

Introduction

1. This document is produced under *Trade Practices Commission* (now Australian Competition and Consumer Commission — ACCC) *Determination A75/228* of 23 October 1987 and authorised by the Council of the Australian Institute of Building (AIB), which will review the guideline scale of fees in June each year. It is for the guidance of Institute members when acting in their professional capacity.
2. Members of the Australian Institute of Building are governed by the provisions of the Royal Charter of the Institute, the By Laws and Regulations made thereunder, Rules of Professional Conduct related to the practice of Building, and the Guidelines for Advisory Services.
3. The terms of engagement and fee scales contained herein are guidelines terms of engagement and fee scales only. Consultants (whether corporate members of the Australian Institute of Building or not) and prospective clients are free to negotiate terms and fees, including in matters of arbitration and litigation, on any basis whatsoever, some of which may not be related to the terms or scales of fees herein.
4. Although the practice of the Institute in publishing guideline terms of engagement and scales of fees has been authorised by the Trade Practices Commission, persons consulting these terms of engagement and scales of fees should understand that the specific provisions have not been the subject of any authorisation or approval by the Australian Competition and Consumer Commission.
5. In matters of arbitration and litigation (see paragraph 3), Court recognition of the scale for professional charges is essential. Therefore, Chapter secretaries are to forward to courts in their areas copies of this document whenever it is reviewed, and are to bring the guidelines scale of fees to the notice of Taxing Masters. Existence of court recognition should not be used to enforce the guideline fees.