

## **NEWS RELEASE**

7<sup>th</sup> March 2006

## The Competition Authority expresses concerns about proposed changes in how architects are regulated

The Competition Authority today (7<sup>th</sup> March) published its final report on competition issues associated with the architectural profession. Currently competition in the architectural profession seems to be working well for consumers and the economy as a whole. However the Competition Authority is concerned that proposed changes in how the architectural profession is regulated in Ireland will have negative consequences for consumers and for some members of the profession.

The proposed changes to how architects will be regulated in the future are outlined in the Building Control Bill 2005. The Competition Authority is particularly concerned about the level of influence and control given to the Royal Institute of Architects in Ireland (RIAI) over the system that determines who is allowed to use the title "architect". The RIAI represents the vast majority of architects in Ireland. The Competition Authority is also concerned about the composition of the proposed boards and committees which will scrutinise and regulate the architectural profession according to the Building Control Bill; appointments to these decision making bodies should not be made by the RIAI. The Competition Authority is further concerned with safeguards regarding the substance of the proposed Code of Professional Conduct.

In order to avoid any possible conflicts of interest the Competition Authority has proposed the creation of an **Architects Council of Ireland** as an independent, transparent and accountable agency to regulate the architectural profession. The establishment of the Architects Council of Ireland would bring the regulation of architects into line with other professions in Ireland such as doctors and dentists and with other sectors of the economy such as financial services. In countries such as the UK, Australia, Finland and the Netherlands, the registration of architects is controlled by a similar independent body.

According to Declan Purcell, Director of the Competition Authority's Advocacy Division, "The Competition Authority has only a small number of concerns about how the architectural profession operates in Ireland. Unlike some other professions we have reviewed, architects are not restricted by layers of unjustified or disproportionate restrictions on competition.

"However the Competition Authority is concerned about a number of changes which have been proposed in the way that architects are regulated. If these proposals are implemented, in the way they are currently presented, it will establish in law a conflict of interest where the RIAI will represent the interest of its members while at the same time will be responsible for the rules and practices which are designed to protect the public interest."

Additional recommendations relate to the few remaining areas where the Competition Authority's has identified that competition in architectural services is unnecessarily restricted:

• The eligibility of practically-trained architects to enter architectural competitions for public sector projects;

- The limits of the Law Society's list on who can provide Opinions on Compliance with Building Regulations;
- The lack of flexibility in the levels of professional indemnity insurance recommended by the Irish Public Bodies Mutual Insurances Limited; and
- The need for flexibility in architectural education through the provision of part time and modular courses.

A number of the concerns identified by the Competition Authority in its Preliminary Report on the architectural profession have now been addressed.

- The rules of the RIAI which unnecessarily restricted advertising by architects were removed in May 2004;
- The RIAI no longer publishes information showing percentage fees for different project types. The only fee information now published by the RIAI is contained in an independent survey which includes information on percentage, fixed and time based fees.
- There has been a significant increase in the number of architecture training places in Ireland with the opening of new schools of architecture in Waterford and Limerick in 2005. Another new school will open in Cork in 2006.

The Competition Authority's final report on the architectural profession is available from the Authority's website at www.tca.ie/professions.html

## **ENDS**

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