

The Construction Industry in the Federal Republic of Germany

These notes have been prepared by the Institute's Committee for the Common Market.

Architects and Engineers

The selection of Architects is by open competition. This method is legally binding in a number of States and is obligatory in public schemes.

Several Architects or Engineers may perform one or more separate functions in any contract. The four activity areas are:

1. Architectural Design
2. Structural Design
3. Quantities and Finance
4. Site Supervision.

An Engineer or Architect or a professional site supervisor would undertake site supervision constantly, because many contractors are usually employed on each project.

Registration of Architects is growing, but the employment of any Architect is not compulsory except in the State of Schleswig Holstein.

Technologists

This group includes the Builder in addition to the Architect and Engineer. The Builder (Bauingenieur) may act as architect, structural engineer, surveyor, civil or municipal engineer, building contractor, building materials merchant, site manager or senior municipal clerk of works.

A three year course after attaining a suitable standard of academic education, or completion of craft qualification, leads to a Building (Abitur) certificate.

This is an entry qualification for entry, if desired, to University or College of Advanced Technology for four to seven year's training leading to the graduate qualification of Diplom Ingenieur.

The graduate may go on to take a doctorate.

Quantity Surveyors

The Quantity Surveyor's work is mainly part of the Architect's role. There has been some interest in Quantity Surveyors as specialists, but this has developed only on a very small scale with a few Quantity Surveyors actually gaining employment both independently and with contractors.

Builders

Contractors usually specialise in one or two trades. These specialisations include engineering, substructure, superstructure and road construction, in addition to the more conventional (to us) trades of joinery, plastering, tiling, etc. Each element is contracted to be completed within an agreed time limit.

General contracting in the form usual in Britain is becoming more common, but some consortia, formed on the instigation of clients, between specialist contractors selected by those clients have resulted in friction and resentment.

Sub-contracting does occur occasionally and in such

cases the prime contractors are responsible for the sub-contracted work.

Foreign labour from Italy, Yugoslavia, Turkey and Spain has been employed in large numbers.

In recent years, shortage of labour has resulted in heavy incentive payments. There is one trade union for the construction industry.

Apprentices are usually released for craft courses for 8 to 12 hours per week. There are annual practical and written examinations and a final examination lasting two weeks is taken at the respective craft association's work shop.

Building Laws and Regulations

The Standards Institute have issued a series of standards (VOB). VOB part C consists of standard specifications which are compulsory for public contracts and are normally accepted on other contracts.

Contract Procedures

The Standards Institution (DNA) have issued standards VOB Parts A and B. Part A deals with tendering procedure and Part B with contract procedure. The principal differences from British practice are:

1. Preference is given to materials or components that are of home production over those of foreign origin.
2. Time limits are set down for production of drawings and documents, in addition to the time for construction.
3. Penalties are stipulated for each trade contract.
4. Security for performance must not exceed 5% of the contract sum and is returned on substantial completion.
5. Bidders are present when tenders are opened on the specified date.
6. Variations from tender quantities in excess of 10% are paid for at new rates. The rates for other variations must be agreed before work is put in hand.

Federal turnover tax is applicable to all building (about 8%).

The Client

Apart from the usual Government Departments, Local Authorities and Private Developers, Public Service Housing Societies which are non-profit make a significant contribution to the initiation of housing work.

Public authorities account for nearly 40% of total construction turnover.

Generally

Procedures are not standard throughout the eleven states in the Federal Republic and the foregoing is but a generalisation which should be confirmed for application to any particular State.