

28 July, 2017



## ***NEWSLETTER***

### **Industry pro-active in pursuing identified issues**

The industry is now pursuing at a high political level long running issues which your Board and members have identified as needing government action to resolve in meeting challenges that have arisen during this period of high demand.

Leadership is being provided by the Construction Strategy Group (CSG) spearheaded by its Chairman Geoff Hunt and Deputy-Chair Gordon Buswell which has now engaged senior Cabinet Ministers in an attempt to have key issues addressed.

CSG position papers on reform in skills training, occupational licensing, product assurance and home warranties are now under consideration by a Cabinet Committee chaired by Finance Minister Steven Joyce, with other members being Ministers Amy Adams, Simon Bridges, Nick Smith and Anne Tolley.

The BIF tiered product assurance scheme is a core element of the product assurance paper, while the views of industry members of licensing bodies form the prime thrust of the occupational licensing paper. In respect of skills training, the perspectives of the BCITO are strongly advanced with an emphasis on a need for standardised training and direct involvement of the BCITO in training and oversight at both the tertiary and on-site levels. In the case of new home warranties no firm concept for how these should operate is advanced but it is made clear that until action is taken to address the other three areas the prospect of introducing a viable scheme attractive to consumers will be extremely difficult.

In each case it has been stressed that reform must involve industry representation from the beginning to ensure that the complexities of the problems industry perceives are fully understood and taken into account. Industry leaders doubt that MBIE has an adequate grasp of the complexities of the industry operationally. This is the key reason for it wanting representation at the decision table in shaping the approach to be taken by the Government in each of the four areas.

The administration of Standards setting for the industry was taken over by MBIE last year despite vigorous opposition from industry participants. Lengthy consultations produced what outsiders would call an overwhelming majority view that this should not be done.

Today industry associations are in dispute with MBIE over shortcomings which they believe are hampering the ability of their members to operate with certainty and assurance that their products and systems are compliant. Specialist trades, wood processors and manufacturers and cement and concrete administrators are voicing concerns. The problems they are encountering are being blamed on an inadequate understanding of the industry's needs within MBIE at the start of the process for change.

A repeat of that process is not wanted in respect of occupational licensing, product assurance and home warranties, all of which Building and Construction Minister Nick Smith has asked MBIE to review.

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**BOINZ initiative:** BOINZ is actively encouraging local government building officials to take up investigative training to sharpen their skills in administering compliance. A three-day course has been developed to demonstrate what is required of a building surveyor to fully support a successful prosecution. The course covers explanations of how evidence should be gathered, how it should be treated and what needs to be done legally and technically to achieve a burden of proof.

**Change-over at BRAC:** BIF has representation on the Building Advisory Research Association (BRAC), an Electoral College and industry advisory body to BRANZ. This week BIF Board member Stephen Walker completed his terms as BIF representative and his place was taken by another of our Board members, John Beveridge. We'd like to place on record our thanks to Stephen for his period of service and welcome John's willingness to take on the role.

**Change at BRANZ:** Richard Merrifield, a six year member of the BRANZ Board, failed yesterday to be re-elected to the Board at a vote within the BRAC. His place will be taken by Pam Bell, CE of Prefab New Zealand. The Chair, Helen Anderson, was re-elected. There were five candidates for the two positions. As Chairman of CBANZ prior to his election to the BRANZ Board, Richard was instrumental in developing a close working relationship between CBANZ and BIF. His depth of industry knowledge and experience as a builder and member of the LBP and Plumbers, Gasfitters and Drainage Boards, and the CSG, will be missed around the BRANZ Board table.

Regards,

**Bruce k**