



6 May 2003

Media Release for Immediate Use

Construction Industry Submission on the MED Discussion Document - Better Regulation of the Building Industry in NZ

Background

The NZ Construction Industry Council Inc (NZCIC) has provided substantive support for the changes proposed by the Ministry of Economic Development to reform the Building Act

The NZCIC was established late last year and comprises all the major NZ construction industry associations, which have a national structure and focus.

Chairman of the NZCIC, John Pfahlert says the NZCIC supports the review in principle. CIC members noted the importance of ensuring the previous reviews undertaken by the Department of Internal Affairs are incorporated in any drafting of new legislation.

He said NZCIC members were concerned at the tight time frame for consultation on the Act changes, but has offered officials the availability of an industry task force for further consultation.

John Pfahlert said that the members strongly suggested that the Minister reconsiders the decision to disestablish the Building Industry Authority and move its functions to a government department. He said this would be a retrograde step and that it would be better to improve the governance and capability of the BIA rather than disestablishing it altogether.

There is a necessity for greater guidance and assistance to be given to the industry and to territorial authorities by the BIA, resulting in more consistent interpretation of requirements. The BIA also needs to be more transparently

accessible to industry, and not less, as might be the case if it were housed within a Government agency.

Building Act specific changes

The NZCIC believes that the Building Act is fundamentally sound and may require refining but not conceptual change. To that end CIC members continue to support a performance-based system that encourages and facilitates innovation. They believe equal weighting should be given to the features of durability, amenity, sustainability and whole of life costing in the Act alongside the existing health and safety provisions.

Consumer Protection

While NZCIC members support greater consumer protection, John Pfahlert believes this can be achieved by the consumer's ability to choose from a register of building practitioners who are qualified, along with the public good funding of standards development and research. The Council has recommended that greater public good funding be given to standards development and research in the construction sector. The Council has also lent support to the concept of product certification.

Registration of Building Practitioners

The NZCIC supports accountability and responsibility within the construction sector, and supports registration of building practitioners to the extent that it is an effective mechanism to ensure that they can carry out work they are competent to deliver.

Education and training

The NZCIC recognises the importance of skills / competency (and associated training and qualifications) to improving quality outcomes within the construction industry. John Pfahlert says the Council members support:

- Requiring people in the industry to be competent before undertaking certain work.
- The linking (where appropriate) of industry registration to industry training and qualifications
- Improved levels of funding commensurate with industry requirements, in keeping with the Government's own priorities as set out in the Tertiary Education Strategy.

For more information contact John Pfahlert, Chairman – NZ Construction Industry Council. 04 496 3275