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IN OTHER NEWS

Letters to the Editor
Plumbers Journal

A couple of points for you.

I see that Plumbers Merchants didn't get any applications for positions on their Board and that the Plumbers Journal couldn't even scrape together a letter to the editor. Is this a sign of the times that people are losing interest?

Or perhaps they are sick of being up against the "Old boy's network". I think these types of organisations need to wake up before it's too late. They all say a lot but do bugger all for the industry. The power of the dollar has taken over and logical thinking has been abandoned.

Keep up your good work at looking at past mistakes to ensure the same mistakes aren't made again.

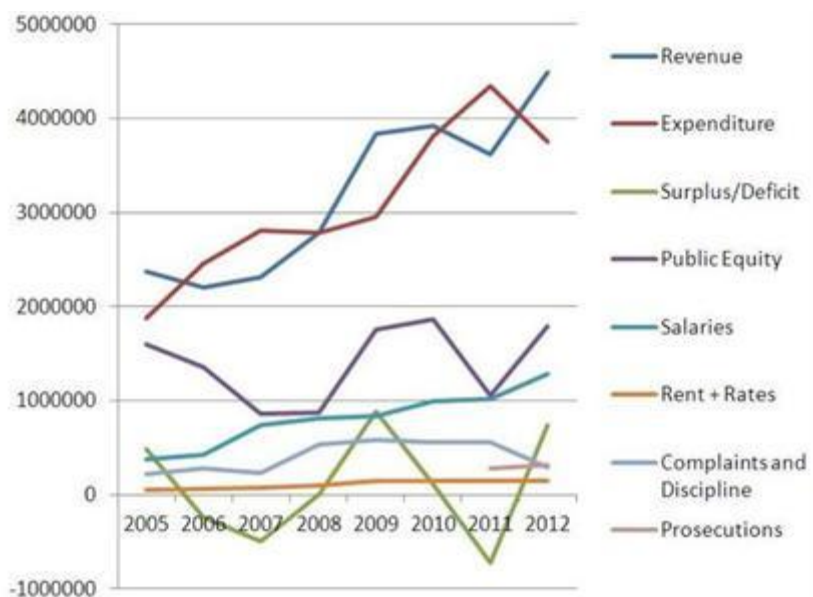
Hi Ed

Did you notice in the latest Plumbers Journal that Master Plumbers have stopped with the "voice of the industry" spiel and have replaced it with "The Protectors of the Health of the Nation"

Are you getting screwed?



The Annual Report Finance



This is how some of the main points look:

- Revenue is up by \$865,142.00!
- Good news that expenditure is down a whopping \$593,981.00, indicating there may have been gross inefficiencies before, but in saying that if you look at the above chart you will see that if the revenue line had not increased then expenditure would still have been above revenue and the Board would have run at a loss – again.
- Salaries are \$264,540.00 up from \$1,024,324.00 to \$1,288,864.00
- Complaints and discipline costs are down \$236,707.00 (will we see a decrease in our levies?)

You've got to hand it to them they certainly are creative.

It's nothing new to us



Land Information Minister Maurice Williamson has been forced into an embarrassing backdown over his statements to Parliament last week about failed Crafar farms bidders Jack Chen and May Wang.

Under pressure from NZ First Leader Winston Peters this week, Mr Williamson told Parliament a Hong Kong legal action was now completed and the OIO was moving to force the pair to sell the farms.

Shortly after however, Mr Williamson admitted he had got it wrong and was informed the case against the pair in Hong Kong was continuing.

These extensions of the truth by the Minister are nothing new to us as an industry and it makes you wonder what the Prime Minister is doing about the credibility of his minister.

ITO to Merge

The PGDRITO has announced it will be merging with The Skills Organisation (formerly ETITO).

This is scheduled to take place on 1 October 2012 subject to Ministerial approval. The PGDRITO have stated it will be business as usual with all training, including

- Public equity is up \$740,956.00
- Surplus is up from -\$718,167 to \$740,956.

Have a look at the chart and you will note the surplus line, the public equity line and the revenue line basically track each other. This indicates the revenue is supplying the surplus and equity increases so in effect our increases in fees and levies make the books look good.

Note also that discipline and prosecutions which the Board claim make up nearly 50% of their costs, have decreased. So in effect the Board have done less work in these areas which will also increase their surplus as the expenditure drops.

The allocation of governance costs, which the Board recently stated they didn't do, is shown at 40% attributed to discipline and 10% attributed to prosecutions. The allocation of corporate overheads is based on an assessment of staff time on each Board activity which is allocated approximately 17% to discipline and 12% to prosecutions.

Remember the Board was unable to provide any documented proof of any of these assessments for time allocation. There does not appear to be any formal measuring of this by Board staff.

The Annual Report Licensing

- Certifying Plumber numbers down 137
- Certifying Gasfitter numbers up 69
- Certifying Drainlayer numbers down 223
- Licensed Plumber numbers up 167
- Licensed Gasfitter numbers up 52
- Licensed Drainlayer numbers up 44
- Limited certificate trainee plumber numbers down 35
- Limited certificate trainee gasfitter numbers down 35
- Limited certificate trainee drainlayer numbers up 34
- Exemption plumbing under supervision numbers down 150
- Exemption fitting of water heaters numbers show no change
- Exemption gasfitting under supervision numbers down 6
- Exemption specific gasfitting equipment numbers up 1
- Exemption drainlaying under supervision numbers down 45
- Provisional plumber licence numbers up 172
- Provisional gasfitter licence numbers up 84
- Provisional drainlayer licence numbers up 57



In terms of licences issued, this increased by 57 overall, however in terms of the number of people issued with licences, numbers were down 262. 1103 exams were

fees.

The Federation was consulted with regarding the merger but only gave support in principle as not enough was known about changes that could occur.

We are still of the opinion that the ITO has not been serving the industry well and that any change will have to be major to get the Federation's support.

We hope to be able to enter into useful dialog with The Skills Organisation to get failures in the systems corrected, however we believe the transitional period will be a tough one due to other reviews of the training and qualifications system under way at the moment.

Fees Review Meetings

Later this month the Board will commence public consultation on its comprehensive fees review.

Information will be sent to all licensed tradespeople by post and will be made available online.

From 4 September to 3 October, the Board will host a series of public meetings around New Zealand.

The Board encourages tradespeople to come along and express their views on the review.

4 September, 6pm
Invercargill Ascot Park
Corner Tay Street and
Racecourse Road

5 September, 5.30pm
Christchurch Chateau
on the Park, Corner
Deans Avenue and
Kilmarnock Street

11 September, 5.30pm

passed which would have entitled people to licence. (There could be a variance of 103 licenses dependant on the numbers who had previously sat the Common paper at certifying level.)

So although 1103 people passed exams entitling them to new licences, for the industry to be going backwards it means that more than that number left the industry. Certifying Plumbers and Drainlayers were the worst hit and what is of even more concern is that licensing since 1 April 2012 is down in some areas.

- Certifying plumber licensing numbers are down 173
- Certifying drainlayer licensing numbers are down 299
- Licensed plumber licensing numbers are down 73
- Licensed drainlayer licensing numbers are down 81

This indicates to us that experience is leaving the industry, or we have a thriving black market. The numbers of certifiers that are diminishing is of concern to trainees – these people need supervisors and if there are less supervisors then who will do the job? Will it result in a decline in trainees?



Key management personnel include all Board Members, the Registrar and Deputy Registrar, whose salaries and other short term employee benefits combined to \$501,896. Of this \$169,992 was for Board members leaving a cool \$331,904 to be shared between the Registrar and the Deputy Registrar.

We note the Board made a one off \$6,547.00 payment to an employee on cessation. There is no detail around this but it is possibly for a claim that was made in the Employment Tribunal

against the Board.

Under employee remuneration the report details:

- 1 person gets \$100,000.00 - \$109,999.00 annually
- 1 person gets \$130,000.00 - \$139,999.00 annually
- 1 person gets \$200,000.00 - \$209,999.00 annually

Contract staff costs dropped by \$485,168.00 and temporary staff costs dropped by \$27,801.00.

PGDB's Proposed Fees Review

The Board have announced a Fees Review to be conducted in September/October and is urging all tradespeople to give feedback.

This is a public consultation so if family want to have their say let them do so.

The review will consider the following specific issues;

- The period of time which a licence should be issued.
- Whether the disciplinary levy should be charged on a per person or per licence basis.
- Whether or not trainee limited certificate holders should pay a fee



Auckland, North Shore
North Shore Events
Centre (Kings Hall),
Wairau Valley

12 September, 5.30pm
Auckland, Manukau Jet
Inn (Totara Room),
Manukau

18 September, 5.30pm
Dunedin Scenic Hotel
Southern Cross (Cargill
Room), Corner Princes
Street and High Street

19 September, 5.30pm
Nelson Trailways Hotel
(Matai Room), 66
Trafalgar Street

25 September, 5.30pm
Wellington Johnsonville
Club, 1 Norman Lane,
Johnsonville

26 September, 5.30pm
Palmerston North
Kingsgate Hotel, 110
Fitzherbert Avenue

2 October, 5.30pm
Hamilton Ibis Hotel, 18
Alma Street

3 October, 5.30pm
Tauranga Smart
Business Centre, 65
Chapel Street

- How competency reviews can be funded.
- The effects of the loss of gas certification income.
- The willingness of tradespeople to pay a small fee to have online access to NZ Standards.

One thing we would say at this stage is that as an industry we need TRUE facts and figures so we are able to make informed decisions.

It is very important that we all have our say and ask the relevant questions.

The Board will be holding a series of meeting throughout the country so make an effort to go along and voice your support or concerns for the Boards proposed actions. A list of those meetings is in the left column.

Letter to the Editor

Dear Editor

I have been reading every issue of the "Fellow Practitioner" now and have to say I get a lot out of it. I wish to congratulate the Federation for not sitting on the political fence like another organisation that I won't mention.

As a tradesman I want to be able to get on with my job and not be annoyed by prats making rules and regulations just for the sake of it and I like the fact we now have an organisation that is saying it the way it is.

You guys must have tough skins as I read the criticism of you being negative, abrupt, destructive, time wasting and that's just to name a few. I say keep it up and don't change your upfront honest opinions and whatever you do don't back down as you have more support than you may think.

Ed: Thanks very much for your letter and it's good to know the support is out there because very soon we will be calling on that support as the situation in the industry changes.

Resilient and dedicated are the words I would use to describe the Federation's committee. They work bloody hard for the people who support them and the only reward is that they know what they are fighting for is right and it is a fight.

The industry has been run by a lot of like minded thinkers for far too long and what they have been doing is failing – the "political fence sitting" as you called it has been taking us around in circles and has done nothing but waste money.

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