

Fellow Practitioner Issue 143 Dated 1 March 2013

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IN OTHER NEWS



Dear Editor

Just thinking of the "disciplinary levy", 'how/why do they think 10,000 registered tradesmen in our trades are responsible for policing/paying for the prosecuting of dodgy work by the whole country of 4+million people?

Surely that is like expecting all car mechanics to police and pay for all motoring infringements by the rest of the country.

Dear Editor

Does this joke show us what reality is?

The Minister pulled up in his brand new black BMW and I couldn't help admiring it.

"Nice car", I said as he got out.

"Well", he said, noticing my admiring look,

"If you work hard, put the effort and the hours in, I will have an even better one next year."

Follow the industry money



For decades our industry has been throwing money at the powers that be without question, believing them to be trustworthy enough to make prudent decisions with industry money. Reserves have been built up and held in various accounts.

In 1991 a Charitable Trust called the "Plumbing and Gasfitting Training Foundation" was formed with five trustees, being the Gas Association

of NZ Incorporated, NZ Society of Master Plumbers and Gasfitters Incorporated, NZ Plumbers Gasfitters and Related Trades Industrial Union of Workers, Registered Society of Master Drainlayers of NZ Incorporated and you guessed it - the Plumbers Gasfitters and Drainlayers Board.

The general objective of the Foundation was that of "providing for the training of any person or persons within the plumbing, gasfitting and drainlaying industries".

The Plumbing, Gas and Drainlaying Industry Training Board established under the Vocational Training Council 1988, donated all its assets to the newly formed Foundation. Those assets were as follows:

- National Bank \$25,000.00
- Bank of New Zealand \$80,439.48
- Air New Zealand Bulk Air Account \$696.26
- Mitsubishi L200 Utility \$10,200.00
- Office equipment \$334.12
- Mobile Training Unit No1 \$959.63
- Mobile Training Unit No2 \$1,366.88
- Bank Of New Zealand \$302.94

A total of \$119,299.31 in assets. So where is it all now? We know the Foundation was still operational in April 2005. If this money was still in the bank and had accumulated compounding interest at 5% then it would be worth around \$296,000.00 now.

Master Plumber's postal address is the same as the Foundations, so we can only presume they are receiving bank statements for the Foundation. We have only every heard rumour about people trying to get hold of this money so perhaps its time for people to come clean and let the industry know about this money before it goes "missing".

Dear Editor

I really want to get more involved in the Federation – I remember reading somewhere about setting up a chapter. What was that all about?

Ed: We are keen to see small groups established around the country where our members can get together fairly informally, but with some notes taken about issues or concerns and then that information fed back to the Executive.

If you are interested contact us – wal.gordon@xtra.co.nzand we will give you some more information about how to get started.

They got it wrong and right.

Immigration New Zealand collected nearly \$3 million in fees it legally could not charge clients for (sound familiar)

Apparently staff had been wrongfully charging applicants who wanted a variation of conditions on their visas since November 2010.

They had collected nearly \$3 million in fees from about 20,000 applications processed.

They stopped charging the fee when they realised the error and immediately put in place a process for repaying the money.

That's how it should be done but not our Board, they seem to want to fight to the death because it appears they don't want to be wrong, ever.

Heath and Safety

Last week the Government established a new stand-alone Crown agent.

"The new agency will have a dedicated focus on health and safety and underlines the Government's strong We believe the Board should have also declared its interest in this SECOND Charitable Trust that has a purpose of providing training.

While on the subject of industry money we understand the Environmental and Energy Services New Zealand Trust (EES Trust), a charitable trust and the one and only shareholder of the Plumbing Gasfitting and Drainlaying Industry Training Organisation Ltd, has made decisions on the use of the surplus money held by the ITO when it merged with the Skills Organisation.

An industry stakeholders meeting is to be held in the next couple of months to ensure stakeholders are satisfied with the process. The jury is out on whether they want confirmation for the decisions already made, or whether this will be a genuine opportunity to put forward some valid opinions.

Our thoughts at this stage are that good use of the money would be to combine the two funds into the Foundation, (providing there is proper industry representation with the Foundation Trustees), and make use of the money. It could be used for such things as setting up a hardship fund from the interest made on the money to help with training at all levels and also give the fund the capability to provide identified, necessary training for the industry such as changes to regulations as the PGDB don't have the capability for this and are reliant on others to deliver.

Putting the money into the Skills Organisation could well see the money dwindle down to nothing. Seems it is a very short term view.

Gone Forever



Like the Mammoth we believe this Board's credibility has gone forever. Are they worthy of our confidence and really how believable are they? Do you think they can ever recover the trust and confidence they require from industry to ensure a constructive relationship?

It has been long said that if people don't believe in the messenger, they won't believe the message. If people don't believe what you say, nothing else really matters and we believe this Board now finds itself in this situation. To be credible the Board's words and actions must match and as these two areas of communication are different, credibility has suffered.

We believe the act of withholding information is controlling at best, lying at worst. Lying is always a terrible idea and self-serving behaviour is the road to isolation. We believe if the Board was honest with the industry it would better serve them in the future. Not rocket science is it? Yet is seems to elude the very people that should be taking it on board.

Building credibility is more than being a glad-hander. These people enthusiastically go into meetings all smiles and shaking hands with everyone, but they are not the least bit interested in anything but their own agendas.

If you're not willing to accept personal responsibility for what you do, then you will lose credibility. Others will perceive you as fake or a self-serving jerk. The Board should have a long hard think about this.

commitment to addressing New Zealand's workplace fatality and serious injury rates," says Mr Bridges.

"We have a firm target of a 25 per cent reduction of these rates by 2020"

The Crown agent will enforce workplace health and safety regulations and work with employers and employees to promote and embed good health and safety practices.

The workplace health and safety functions currently sitting within the Ministry of Business, Innovation and Employment will transfer to the new agency, which is expected to be in place by December.

Another enforcement agent for us to watch out for and more expense for employers.

Charities Decision Appealed

For those that didn't know, the Board did appeal the decision of the Charities Commission and the case is set down for the 24 of April 2013, 10am, Court room 4, Wellington High Court.

The hearing is open to the General Public. No entity has successfully appealed their deregistration from the Charities Register since the Act came into force in 2008 so it should be very interesting.

The Board must prove that their charitable purposes are in fact charitable. Their current rules are the Plumbers, Gasfitters and Drainlayers Act 2006.

Be honest and supply the right information

Are the people in positions of authority that have an influence over our industry getting the right information?

Held to Ransom



This is the third and final part of the Ombudsman's report which is regarding the electronic system operated by the Board in respect of applications for renewals of Practicing Licences. The complaint was that the system required persons to pay the Discipline Levy and Offences Fee before they could apply for renewal of their licence. We are of the view this action made the payment a "term and

condition" of licensing which had NOT been consulted on.

Basically we felt the industry was being held to ransom – pay the Discipline Levy and Offences Fee or don't get licensed. We believe the Board is arbitrarily refusing to renew practicing licenses until payment of the levy and fee has been made without regard to the review provisions of the Act.

The Board relied on section 51(6) of the Act as its defence to the allegations:

"Despite subsection (1), if any fee or other money payable to the Board under this Act by the registered person has not been paid, the Board may refuse to renew that person's practicing licence until that fee or other money is paid"

The Ombudsman did not agree that the Board should have prescribed the payment of the levy and fees as a term and condition however he went on to say that rejection of an application for non-payment of levy or earlier fees is not made mandatory by the 2006

The Act confers discretion on the Board to reject an application if any fee or levy remained unpaid. Like any discretionary authority this power has to be exercised by the Board reasonably and fairly with regard to the particular circumstances of the case.

We asserted there may be circumstances where an applicant may not be able to pay the levy or fees and that the Board does have the power to exempt the payment of the levy and fees. The Ombudsman accepted the point of view that the Board must be prepared to consider individual submissions rather than always invoking its power to reject an application.

With regard to rights of review, the Ombudsman agreed that any system should not prevent review by the Board of a refusal to renew a licence.

The Registrar must refer any application to renew a licence to the Board under section 50(2). Section 51 then sets out how the application is to be dealt with by the Board.

So it would appear the Ombudsman believes the compulsory addition of the Discipline Levy and the Offences Fee on the electronic system is not a term and condition of licensing.

We are still confused over this one as you can't continue on through the process unless the Offences Fee and Discipline Levy are paid. In fact when you go on line to re-licence this box is already ticked and can't be "unticked". We will have to wait and see how this one pans out but you can still apply in hard copy on the appropriate form.

No matter what the Act states your application must be placed in front of the Board who will make a decision whether to renew your

It seems to us that government officials and the Board may be limiting information getting to the top and in the process are weakening our industry and the protection we provide to the public.

We know the Minister relies on the Building and Housing Group for advice and the Board but is he getting the best information? Is the Board getting the right information from the Secretariat?

Look at everything that has happened over the last 24 months and all the problems that could have been avoided had people taken responsibility and provided the right information.

It seems to us that there is now an environment of face saving and arse covering at the industries expense. We know the Board have already tried to lay blame on the Federation for making complaints but is it wrong to identify dodgy activities?

Ask for the Card

Mr Bickers talked up the Boards "Ask for the Card campaign" in this month's Info Brief but he made no mention of the cost.

Based on the last detailed composition of the fees supplied by the Board it would seem we are paying \$250,000 each year for the "Consumer awareness campaign".

As the fees haven't changed we can only presume we have now paid \$750,000.00 over the last three years for the campaign. We don't feel this is wise use of our money. That would have paid fees for over 50 apprentices or paid for 7425 licences.

licence or not. You may also apply in writing to the Registrar for a waiver of a fee or the Disciplinary Levy. Apparently there is a "Waiver or refund of fee or disciplinary levy policy" but we haven't been able to find it yet. If anyone has a copy could they send it to us please?

But now the confusion sets in where the Registrar must refer any application to the Board for consideration, but in the Board's Licensing Policy the Board has delegated the exercise of its licensing responsibilities to the Registrar. This means whatever the Registrar does it is as if the Board have done it.

Because of this delegation the Registrar is referring all applications to himself, so in the policy where it states "The Board takes careful account of any submission it receives from an applicant" - rather than 10 Board members (some of whom are from industry), giving it balanced consideration you now have the views of one person, the Registrar. He and he alone will make the decision.

Have a look at the Licensing Policy on the Board's websitehttp://www.pgdb.co.nz/legislation-policies/policies.html#licensing and remember when reading it replace "the Board" with "the Registrar". Going from the Board having responsibility to the Registrar having responsibility turns it into a one man show, with that position having extensive power.

One final point - if an application for renewal of a practicing licence is made before the licence's date of expiry, but the licence has not been renewed before that date, the licence continues in force until the application is determined.

Acting in Bad Faith



You can make an honest mistake about your own rights and duties, but when the rights of someone else are intentionally or maliciously infringed upon, such conduct demonstrates bad faith.

bad faith 1) n. intentional dishonest act by not fulfilling legal or contractual obligations,

misleading another, entering into an agreement without the intention or means to fulfill it, or violating basic standards of honesty in dealing with others.

Bad faith is simply the opposite of good faith which is the observance of reasonable standards of fair dealings. It involves behaving reasonably, meeting the other party's reasonable expectations, or acting in accordance with prevailing community standards.

We believe the Board are acting in bad faith towards the industry and is confirming its status as one of the worst Board's that the Minister has put together ever.

They continually play the system at our expense and rely on the fact that our resources to fight back are limited – but that will change. If it takes legal challenges to achieve results then mark our words that if we spend money to achieve results people will be held accountable for their actions. And if this means they are found to be personally and financially accountable then so be it.