

# Fellow Practitioner Issue 172 Dated 13 September 2013

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#### IN OTHER NEWS

Letter to the Editor

#### **Dear Editor**

I went to a training in Auckland last week put on by the Auckland Master Plumbers Association. We aren't members, but accidentally came across the training advertised on the net, and it was free so he went along. The purpose of the training was:

"This is your chance to learn more about the Gas Certification system which came into effect on 1s of July. This will be your opportunity to ask questions and hear from the Industry, Energy Safety and your peers. Guest speakers are: Joe Grayland Master Plumbers. Manager of Professional Services. Ron Heywood MIT Senior Gas tutor. Jim Roskvist MIT Plumbing tutor. Nick Fleckney MIT Head of Plumbing & Gas fitting school. Ian Macefield Elgas. Swap 'n' Go manager. Chris Sumich AKMPA president. John De Bernardo NZ Society of Master PlumbersDirector"

Well, would you believe it,

#### **Modus Operandi**

Modus operandi is a Latin phrase, translated as "method of operation". The term is used to describe someone's habits of working, particularly in the context of business or criminal investigations.

The expression is often used in police work when discussing a crime and addressing the methods employed by the perpetrators. It largely consists of examining the actions used by the individual(s) to execute the crime, prevent its detection and/or facilitate escape. In business, modus operandi is used to describe a firm's preferred means of doing business and interacting with other firms.

So why are we talking about modus operandi you may ask? Well, Maurice Williamson refer to the Federation as "a handful of malcontents", and that got us thinking about what we do have to be content with in regards to his actions and the actions of the PGDB - and the answers was a big fat NOTHING!

The Federation is responding to the "modus operandi" of the Minister and the PGDB. Responding to the unlawful activities, the industrial exclusion, the bullying tactics and the greater than thou attitude.

They need to take a close look at why the Federation was formed and why it is questioning their actions at every turn. Better yet, they need to look at why, with a staff of fully qualified lawyers, a CEO with huge experience in running the operation of a City Council, a Board full of "professionals", a Minister who has been in Parliament for years and a WHOLE government department (MOBIE) of advisers and policy makers – this supposed small handful of malcontents have found mistake after mistake in the way they operate?

Minister Williamson – why not hold up your hands in surrender and direct this PGDB who are under your control – to sit down with the Federation and listen to what we have to say. We have been proved right on several occasions and we could save you, your ministry and your Board some heartache and point out the shortcomings under the legislation and regulation. Who knows the PGDB may even be able to do away with some of the gaggle of lawyers they have – and they may even be able to salvage some respect and gain back the trust of industry.

# **Plumbers Gasfitters and Drainlayers Amendment Bill**



Thursday 5 September 2013 was a sad but predictable day for our industry when Maurice Williamson's Plumbers Gasfitters and Drainlayers Amendment Bill (the Bad Faith Bill) passed its third reading.

Williamson got up on his soap box and made a couple of profound statements which we are still laughing about, the first being: but not one of the keynote speakers could say categorically to the group of 100 or so gasfitters (approx 10% of certifying gasfitters), exactly what is deemed low-risk, high-risk or general risk.

When the group was asked whether it considered a 9kg gas bottle installed to a gas hob was low-risk, a third of the gasfitters raised their hands. When asked who thought it was high-risk, another third raised theirs. Guess what the other third thought?

So this new process for gas certification has been introduced, with no guidelines on how to classify the work. We are expected to work it out ourselves, and it appears that the interpretation of risk is defined by the experiences (bad or otherwise), of the individual installer. So how on earth do the 'powers at be' expect certifiers to be compliant if the risk classification is subjective? We could all find ourselves in front of the PGDB on charges through no fault of our own.

Neither Mr Stannard from Energy Safety or Mr Costello from the PGDB were able to give us a definitive answer as what was correct. If no one in a senior position is able to give a straight answer then how are we able to keep ourselves out of court?

So the overall feeling after the training is that no-one felt better informed, but actually quite fearful of getting it wrong because no person or organisation can say what is right. Of more concern, is that there appears to be no future plan to provide any guidelines.

# **Dear Editor**

Nearly every article you

"These troubles precede Michael Cullen; it goes a long way back. I would actually say that now the new board and the people we have managed to get on there—including a character called Peter Jackson, who is not the same Peter Jackson who most people in the House would know—are working quite well."

Working quite well! If the manner in which the PGDB is working is in the Minister's opinion "working quite well" then he has extremely low standards. Being pitiful doesn't even make it on to the incompetence scale.

The second profound statement was, in our opinion, the only bit of truth that was spoken:

"The wording was wrong. Since 2006 those fees that have been collected from those practitioners have been used illegally. We have found that out only when a handful of disgruntled people took it right through to the Regulations Review Committee and so on"

So not only were the fees collected illegally the Minister has now admitted they were USED ILLEGALLY as well!! And does he seem concerned about this – no; he was more interested in taking pot shots at the messenger! It also says something about our Parliament – if it was all so wrong, and has been so since 2006 where are the people that are meant to check this – and why weren't they doing their jobs. Goodness knows when you attend any Select Committee or RRC hearing there are an abundance of people on the parliamentary payroll sitting at computers appearing to do something.

Surely the Minister's highly paid "officials" should have picked this up? He could have simply thanked the Federation for doing something none of the Board, none of the Board's lawyers, none of the Board's staff, none of the Minister's staff, none of the MOBIE staff had picked up on. What's more – we did it for FREE!

So what now? Well the government will get the Royal Assent on the Bill and it's all a done deal. The Federation has sent a letter to the Governor General voicing our objection to the Government abusing its executive powers to cover the incompetence that has gone on.

For the Federation, we just keep going, as this Bill has confirmed what we have been saying, and that is that we believe this is the WORST Plumbers Gasfitters and Drainlayers Board and Senior management team that there has ever been! Gold medal winning WORST.

## Two Million Dollars Unlawfully Taken vs the Cylinder Strap.



Any regulator must be able to lead by example in order to gain the credibility of those whom they impose regulatory control over. Our industry gets the exact opposite – it is full of double standards.

A tradesman does not install a \$28.00 seismic restraint on a hot water cylinder because he interpreted that, as the cylinder was surrounded by a timber frame and was incapable of toppling over, the cylinder would be safe. The PGDB found him guilty at a discipline

hearing which cost him over \$4,500 in fines and costs. No one gave him

read from the Plumbers Gasfitters and Drainlayers Board has shit in it about public confidence.

Well my customers have confidence in me or they wouldn't be coming back.

When I tell my customers about the activities of the Board they are gob smacked, and nearly all of them ask why we put up with their shit. So that's my question Why do we?

ED: Quite simple writer. Most tradespeople are good at what they do and survive by providing their customers with the confidence that the work is being done properly. That's why we get the return customers as you say they have confidence in us.

But in saying that we also work in isolation and don't really take much notice of what's happening around us.

We make life and death decisions every day, and become very complacent because of our self confidence and while we are doing what the Act says we should do, the regulators are working behind our backs to justify their own existence.

They try to make us look bad through discipline and prosecutions. So why do we put up with it? — because we are honest hard working people who just want to be left alone to do what we do best, our trades.

## **PGDB Annual Report**

The PGDB Annual report should be out by the end of this month if the Board is going to adhere to the Charities Act, but their record of following legislation isn't that fantastic so no doubt we will see it when they are

the opportunity to take corrective action or "retrospectively fit the seismic restraint".

The PGDB and Registrar on the other hand were told what they were doing with the Disciplinary Levy and Prosecutions Fees was wrong (and illegal). They chose to ignore the complaints directly to them, which then resulted in complaints to the Regulations Review Committee and the Ombudsman. They continued on with another Gazette notice which implemented their unlawful ways.

They were then told what they were doing was wrong by the Office of the Auditor General but they AGAIN continued on with another Gazette notice which implemented their unlawful ways.

Now the Minister of Building and Construction has stated not only were the fees COLLECTED unlawfully they were also USED illegally. Close to TWO MILLION DOLLARS taken unlawfully from you, from me and from our colleagues in industry - and to quote the Minister "used illegally". There have been NO repercussions on those involved.

NO one has been sacked and NO one has resigned. Even putting aside the money issues – just look at the way the PGDB and Registrar handled the situation. They were told about it by the Federation, but ignored the industry. They were told about it by the RRC, Ombudsman and Office of the Auditor General and went crying and whining to the Minister who bailed them out with his retrospective legislation and stating "they are working quite well".

Thousands of dollars in punishment for the tradesman for interpreting the Act differently to the PGDB but a pat on the back from Flip Flop Williamson for the PGDB and Registrar for ripping off the industry of TWO MILLION BUCKS. It proves double standards for those in power. How can we EVER trust or respect this Board and Registrar when they were given the opportunity to correct their action and choose to ignore those that were right as they have with a lot of other issues? The Minister and his ilk are playing with themselves if they think this Board is ever going to be respected by practitioners.

# They have been given the Opportunity



The Federation has given the Minister of Building and Construction and the PGDB the opportunity to address a couple of other matters that were bought up at a meeting last year, they have yet again chosen to ignore these issues. We have now started action to hold them to account.

These issues raised were regarding

Conflicts of Interest, Section 52 exemptions and Licensing and Registration fees. The particular fee we are referring to here is the one where the licensing fee should have been \$61.00 but was charged to the industry at \$100.00 to "subsidise" the registration fee. At that time the subsidation was in the vicinity of \$534,300 based on 13700 licenses being issued.

During the last fees review, registration costs had dropped by over \$1,000 per registration ceasing the need for the subsidation from licensing but the \$39.00 subsidation per license was never removed. This effectively meant a 39% increase in licensing costs!

ready.

We noticed this on the internet on Monday so it will be interesting to see what happens.

# Big spending charities set to face tougher obligations

Katie Bradford-Crozier, Newstalk ZB September 9, 2013, 2:03 pm

Charities that spend more than half a million dollars a year are set to face tougher obligations.
Commerce Minister Craig Foss says those with annual expenditure of \$500,000 or more will have to have their financial statements reviewed by a qualified accountant, while those that spend more than a million dollars will be audited.

The aim is to improve the quality of financial reporting among charities and strengthen confidence in the charity sector. About 2700 charities, 11 percent of the total number, will be affected by the new requirements.

Perhaps next year we will be able to understand what they are telling us. We need to keep an eye out for the information in the memorandum accounts.

Watch out for a SURPLUS in the annual accounts – we can't wait to see how the PGDB are going to justify this – no doubt they have already advised the Minister who will have instructed the spin doctors to being the arse covering exercise that will no doubt follow.

The Minister and Board are aware of the situation as is the Building and Housing Group but as usual, nothing is being done. Well we will complain about it and no doubt the Minister will again think it's our fault for brining the matter to their attention, and not their fault for getting it wrong yet again.

# **PGDB Appointments?**



Are there two vacancies or have there been re-appointments? Two PGDB Members terms draw to an end on 17 September 2013. We would like to thank Peter Jackson and Bill Irvine for outstanding contribution to the industry over their three year terms but WE CAN'T, because as industry representatives we can't see what added value they have given.

Building and Construction
Minister Maurice Williamson

stated in 2010 on their appointment:

"I am mindful of the Office of the Auditor-General's report and the need to enhance the Board's strategic capability.

"The new members will enhance the Board's ability to rebuild confidence and lift sector performance. I expect the Board to ensure the sector is governed by a regulatory regime that is open, accountable, reasonable and fair."

We don't see any of that behaviour and we also haven't seen any calls for applicants to apply for the positions. Don't be surprised if Mr Jackson and Mr Irvine are reappointed without any other person being given the opportunity to apply for the positions on the Board and contribute to real change in the industry. From the Ministers perspective no doubt he wants people who simply say - "Yes Minister", and for our two cents worth he has a whole bunch of them!

# Joke of the week

This is a frightening statistic, probably one of the most worrisome in recent years. 25% of the Ministers who voted for the Plumbers Gasfitters and Drainlayers Amendment Bill are on medication for mental illness. That's scary. It means 75% voted by choice and are running around untreated.