

## Fellow Practitioner Issue 228 Dated 17 October 2014

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#### **IN OTHER NEWS**

Letter to the Editor

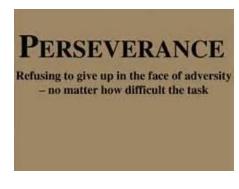
#### **Dear Editor**

Thanks for all your good work in bringing all these many, varied and relevant issues out in the open over the last four years.

All of this stuff is vital to what's happening in the industry, and if you guys weren't doing the job of exposing all the things the Board is up to and neglecting to do, the outright incompetence not to mention imposition of illegal charges on Practitioners and the liberties they take with spending our money.

In the last issue 226 the point was made how the Board saw fit to keep a surplus of money to cover 10 months running costs on top of its normal allowance and then went crying to the government that they would become

# Don't stop when you're tired - stop when you are done!



The Federation Executive Committee has been asked a number of times how long will we keep fighting? It's a very simple answer - UNTIL THERE IS FAIRNESS AND EQUALITY IN PLUMBING, GASFITTING AND DRAINLAYING REGULATIONS AND

**LEGISLATION.** Part of that is ensuring that the fairness and equality continues after we initially achieve that status.

We have also been asked about our numbers as obviously everyone believes "Big is Good," so we thought we would say a bit about that attitude. We are very much of the opinion that if is illegal or unlawful then it is wrong no matter HOW many people it affects.

Great examples of this are the recommendations of the Regulations Review Committee when it was debated in Parliament. Maurice Williamson stood up and went on about a "couple of malcontents," but in reality what those people who had bought the deficiencies and unlawful behaviour to the attention of the House had done was protect the interest of over SEVEN THOUSAND tradespeople.

Yet again the complaint to the Ombudsman regarding the unlawful taking of fees by the Plumbers Gasfitters and Drainlayers Board was by done by a few but affected thousands. So in reality, if the cause is just and right, numbers don't really matter and any person or group that make numbers an issue are being small minded and perhaps are grasping at straws. Another good example of this is during the submission phase of the Commerce Committee hearing into the Amendment Bill, the previous Master Plumbers CEO submitted that Wal Gordon had no right to speak for anyone. The Board's CEO has alluded to the same on a number of occasions.

Have a look at history and you will see that some of the greatest achievements have been by small groups of dedicated people who have persevered and given their all.

Trying to put value on a membership number is like trying to put value on a Continuing Professional Development point. A point is a point- a number is a number but what really matters is legality and the law not numbers. Numbers do not rule in the court, it's the truth and the application of the legislation and law.

What we will say about numbers is that the Federation only has people on its contact list that have asked to be there for whatever

insolvent if they had to pay back the \$600,000plus they stole from Practitioners-we'd all have been none the wiser, if the Federation hadn't raised this and took it to the Ombudsman, who found in the Federation's favour ultimately forcing the Government into the very bad situation of changing the Law to protect (cover the Board's dumb ARSE) the Board from their own greed and incompetence.

Who could say after four years- things today might be a whole lot worse if the Federation hadn't been around to come forward and speak up for the Industry. For those that don't have an opinion either way or can't be bothered supporting the Federation, that's something to think on for all of us.

#### Ed:

Thanks very much for your comments writer and this reminds us of a very important issue.

The Board stated they were using reserves to keep fees down over the next three years. This was after they had unlawfully taken millions of dollars from the industry.

So if they are still operating at a surplus even after saying our fees would be less and their public equity is on an increase to over ten months in reserves doesn't that mean the statement is false?

It's a case of "we are telling you we are using reserves to keep fees down but we are still charging you more than reason. Over 1100 people give or take a few who want the information we are providing. Some support us and others oppose us and we don't play the numbers game like the Board. Remember in one of their consultation reports that they took the people who didn't respond as being "numbers that supported their recommendations". It didn't matter that out of those who did respond the majority were against the proposal.

Have a look at the following numbers to make you happy.

## Plumbers Gasfitters and Drainlayers Federation Incorporated Financial Statements 2014

Income
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Donations		\$9	\$9 <i>,</i> 590	
Total Income		\$9,590		
Expenditure				
• • •	Printing and post Bank Fees Legal Fees General Website	age	\$5,866 \$ 101 \$2,335* \$ 265 \$ 998	
Total Expenses		\$9	\$9,565	
Net Surplus		\$	25	
ASSETS				
Cash in bank – cheque account \$13,276				
LIABILITIES				
Nil				
Total Funds		\$13,276		

\*Cost of our one and only legal opinion to date around licensing and registration.

Yet again the Federation has done what it said it would do and has kept costs to a minimum without imposing fees on its members. We want to thank everyone who has made donations and would encourage others to do the same to give us greater resources so we can achieve more on your behalf. A direct credit of \$5.00 or \$10.00 per month would make a huge difference to what we can achieve.

The Federation's yearly expenditure has nearly matched the DAILY expenditure of the Board and we would argue we have achieved more. Of course at this stage we must acknowledge the hours and hours of volunteer work that goes into running the Federation, without a dedicated group of volunteers throughout the country doing their bit the Federation would not exist. Thank you all!

required because our reserves are on the increase".

Remember the Board should be operating on a cost recovery basis.

Every person to their own trade

Back in September we asked for any examples of people doing plumbing, gasfitting and drainlaying on Housing New Zealand Corporation houses in Christchurch without Plumbers Gasfitters and Drainlayers Board authorisation.

The same day we made the request for information we were contacted by the General Manager Canterbury Recovery and Redevelopment Housing New Zealand Corporation who had received the issue of the Fellow Practitioner on that day. He requested the information be supplied to him so he could look into it.

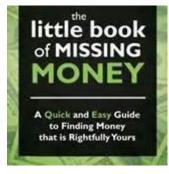
We received a number of responses but some people didn't want the information handed on for fear of not getting any further work. Information that was given the go ahead to be passed on was supplied to the General Manager Canterbury Recovery and Redevelopment Who responded with this statement:

"This is very helpful and we will investigate and emphasise the point you make, all building/maintenance work needs to be done by the right trade/qualified people"

Well done to Housing New Zealand for being so The time is NOW for all of us to step up and take control of our own industry. Be part of it and help the Federation. **Do it now not later.** 

Here's some more unknown numbers

## Where has all the money gone?



Look at that - a book about finding missing money – do we need one? For a long time now the Federation has been trying to find out where all the money the industry pays to the Board goes and its justification for allocation to certain areas. The Board's own annual report has shown areas that are not cost effective where overheads are in excess of the

function performed for no measureable benefit.

The Board have stated they have worked hard to make savings and that would be good if it's true - but what about money that has been collected for one off events that is continuing to be collected under existing fees and levies? Is the money still collected for the original functions, or is it being collected and diverted to other areas?

Here are a few more numbers for you to ponder.

In one of the many fees and levies reviews there was a cross subsidisation of around \$600,000 annually which was imposed on licenses issued. This was to subsidise registration. This cross subsidisation has disappeared into the abyss of the Board's funds and is still collected every year but registrations costs have come down so where is the money going?

That same year \$250,000 was budgeted for the "ask for the card campaign" and that has been taken off us EVERY year since - but has it been applied elsewhere?

What of:

- Practitioners Road show \$30,000
- Fees review \$20,000
- Organisational review \$10,000
- Debt Collection Project \$15,000
- Office systems and process development project \$30,000

We even hear a rumour that when the 2006 Act was to be implemented the fees were put up and it was the intention that the fees would be reduced once the Act was implemented but a drastic change in Board saw the fees stay high and continue to escalate for years to follow.

To us its \$355,000 annually unaccounted for. It's all numbers that place into question the credibility of whatever new budgets are put in place and new claims made about those budgets and financial reports.

Numbers, numbers, numbers!!!!

## responsive and taking the issue on!

If you have any further information about examples where people other than plumbers, gasfitters and Drainlayers are doing regulated work then let us know and let the PGDB know.

#### **Change in Title**

The Hon Dr Nick Smith has had a change in title.

He is no longer referred to as the Minister of Building and Construction, Minister of the Environment and Minister of Housing.

His new title is Minister of the Environment and Minster of Building and Housing.

**Coming Up** 

As the review of the Plumbers Gasfitters and Drainlayers Act is taking so long the Federation will soon start a project to look closely at the supervision requirements imposed on the industry.

We will be looking at issues like - are the current supervision requirements legal, do they meet industry needs etc.

If you have any comments on this subject then please send them to us.

## Mitre10 Mega Upper Hutt Update



The trial at Mitre10 Mega Upper Hutt has been on the go for nearly a month and all is well from the trade side with improvements being made daily. Stock types and levels are being addressed as identified, and Mitre10 Mega staff have been busy explaining the

reasons behind the initiative to customers.

More plumbers have joined the initiative to support both industry and the Mitre10 Mega Upper Hutt initiative. We asked Mitre10 Mega, Upper Hutt to monitor the numbers of people being refused product (because they don't have a licence), and it has averaged out at 10 per day. That number astounded us as that's nearly 300 people for the trial period so far!

That's a HUGE number of people doing their own plumbing and that's just from one store! Imagine what the number is across the country and that's all work we, as an industry, should be getting. It's a HUGE number of people we are paying to police and prosecute. We believe this problem is bigger that the government want to admit.

We haven't heard anything from the Board or Registrar on this initiative so based on their past history "that a non response is support of an initiative" then we can only presume they are right behind it – after all it is simply another protection measure for the consumer.

We ask that members support the initiative in Upper Hutt so we can get it to your area. The plus factors to this initiative are:

• You would be supporting an organisation that is supporting the trade by stopping member's of the public purchasing behind the wall gear

• Mitre10 Mega Upper Hutt are open seven days a week – great for that call out or job on a weekend

• Mitre 10 Mega Upper Hutt have long opening hours (check their website for actual hours) – again great for that wee job after hours

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