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**IN OTHER NEWS**

**Letter to the Editor**

**“NZ PLUMBING INDUSTRY. ONE MAN’S VIEW**

I think I know a good way to lessen our costs in running the PGDB: Do away with this stupid certified/certifying bullshit. I hate to think of the amount of money that's spent on trying to hold the certified person back.

When I started in 1987 to me Trade Cert was something to be proud of, but sadly today has no value. I was told by my tutors at tech that the only thing a craftsman plumber could do that a registered plumber couldn't was uplift a permit and there was provision within the Act that said that the craftsman system was

**Were they just pulling our pony tail?**



Part of our new focus is research on issues affecting regulation of similar industries. We remember during the reading in Parliament of the Plumbers Gasfitters and Drainlayers Amendment Bill 2013 that Maurice Williamson portrayed a Board that would be bankrupt and a Government that didn't have surplus funds to cover

the unlawful taking of money if the Bill wasn't passed.

A picture of “no money” was painted of those who actually get paid to ensure they have reserves for such issues. Another thing the Government did was make everything the Board had done with money, for nearly a decade, legal. Now we know the Plumbers Gasfitters and Drainlayers Board posted a reserve in the millions so it placed into question the bankrupt claims.

Keeping that in mind, we found this little gem in the Ministry of Business Innovation and Employment's Annual Report 2014:

*“Occupational licensing – building practitioners costs for this activity are being reviewed and \$7.095m, incorrectly attributed to it, was written off during the year.”*

A mere seven million dollars written off! We noted in the same report under the Memorandum Reports that the Licensed Building Practitioners Board Revenue was \$4,797,000, expenses were \$5,830,000 - leaving a deficit for the year of \$1,033,000. Their balance at 30 June was a deficit of a whopping \$8,324,000!

So it looks like the Government can keep the Licensed Building Practitioners Board running with an \$8M dollar deficit and can just write off \$7m incorrectly attributed to it.

The Electrical Workers Registration Board had Revenue \$2,156,000, expenses of \$3,062, 000 leaving a deficit of \$906,000. Their balance as at 30 June was \$5,462,000. The report went on to say:

*Occupational licensing – electrical workers The current fees are set at a level intended to use up the accumulated surpluses. A fees review will be conducted in 2014/15 as surpluses are exhausted.*

never created to stop the registered person working in the industry.

It was said that because plumbing was an easy trade to start out on your own we needed to prepare our tradesmen better for this and paper A was the result of this thinking, but I see that recently they combined paper A and B together and anyone who already had paper A had to re-sit, but those with paper B were handed certifying status. W.T.F? Who made that decision?

Look - I believe we take ourselves way too seriously and need to have a hard look at whether this is required anymore.

We as an industry need to consider the following:

- How many people have been killed or made seriously ill by unsafe plumbing?
- How many plumbers have been convicted of manslaughter as a result of unsafe plumbing in NZ?
- As far as I am aware we are the only trade in NZ that if you hold trade cert you still have to work under the supervision of someone else, why? Do we kill more people than sparkys? They don't have to hold advanced trade cert to work.
- Every stage of a

Looks like different rules for different Boards. We ask WHY?

## How's Annual Licensing looking?

Just a quick update on the licensing statistics from the public register on 1 May 2015, one month into the current licensing year.

Percentage of people that can licence, that have licensed, compared to the same time last year:

Certifying Plumber 2014 - 36.75% 2015 - 43.77%  
Licensed Plumber 2014 - 19.32% 2015 - 19.11%  
Certifying Gasfitter 2014 - 43.19% 2015 - 45.03%  
Licensed Gasfitter 2014 - 14.96% 2015 - 13.53%  
Certifying Drainlayer 2014 - 28.34% 2015 - 28.62%  
Licensed Drainlayer 2014 - 1.63% 2015 - 1.89%

Percentage of people that have licensed compared to the final number licensed last year:

Certifying Plumber 75.99%  
Licensed Plumber 55.25%  
Certifying Gasfitter 81.57%  
Licensed Gasfitter 55.14%  
Certifying Drainlayer 69.44%  
Licensed Drainlayer 51.07%

There must be some reason for the poor levels of licensing and it's all very well to say some of the figures are better than last year but that only indicates the poor performance is a recurring event.

What is the real reason? Is Continuing Professional Development and the level of the fees and levies putting up barriers to licensing? We know that's not meant to happen.

## Waiting on a Response



Part of the Federation's upgrade is to keep you informed of issues we are waiting on. For example we eagerly await on the results of the Board's Satisfaction Survey conducted earlier this year and a response from the Minister of Building and Housing to this

question:

*Dear Minister*

*The following percentages were calculated from the Plumbers Gasfitters and Drainlayers Public Register.*

*Percentage of people that have licensed compared to the final number licensed last year.*

permitted job is also inspected by the local body.

- Let's look at who lobbied for this system and why is it relevant today?

Please understand that what I have stated here may not be fact but even when started, the tradesman at the time told me that the Board was made up of mainly employers, members of the MPA and couldn't be trusted. This could be paranoid delusions but how many master plumbers or ex master plumbers have sat on the board over the years?

I also note that the same people that think a 8000 hour apprenticeship isn't enough have handed a group of engineers certifying status – how many other favours have been done over the years since the Board's inception?

All I can say is **“Go the Federation”**, one voice for all, you have my full support and thank you all for the time, energy and risk for bugger all thanks or appreciation you must all put in.

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*It appears a huge number of trades people were operating illegally one month into the current licensing year or there is a huge drop in the number of licensed tradespeople.*

*Either way this is an issue of concern. What is being done about this issue from a Government perspective?*

## The Government Claims

By the end of 2017, businesses with a New Zealand Business Number will have their number recognised by eight government agencies, including Inland Revenue and ACC

*In 2013/14, we successfully allocated 1.1 million New Zealand Business Numbers (NZBN) to registered companies. In the next few years, the NZBN will enable businesses to transact with government more quickly and without the need to provide the same information to multiple agencies.*

*Work is now underway to extend the NZBN to other business entities as around half of New Zealand businesses are not companies. We also launched a new Companies Office service that integrates the Inland Revenue employer registration service with company incorporation. A business can now register for PAYE and Fringe Benefit Tax as an employer, as well as registering for Income Tax and GST and obtaining their IRD/GST number, when they incorporate online.*

It will be interesting to see the efficiencies on this project.

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Plumbers Gasfitters and  
Drainlayers Federation 6  
Tacoma Drive, Totara  
Park, Upper Hutt 5018 Ph  
(04) 5277977 Mob  
0276564811 Fax (04)  
5277978  
[information@pgdf.co.nz](mailto:information@pgdf.co.nz)