



Fellow Practitioner Issue 286
Dated 5 February 2016

TABLE OF CONTENTS

- [Here's a Band Aid](#)
- [The Solutions are there, all they need to do is ask.](#)

IN OTHER NEWS

Why do people do Cashies?

You may have heard through the media last week about the clampdown by the Inland Revenue Department (IRD). Apparently Inland Revenue is cracking down on the black economy after many tradespeople admitted knowing of cash jobs worth more than \$20,000.

The scale of tax-dodging work is such that in Auckland, one in five tradespeople believe that more than 25 per cent of construction work is paid under the table.

The IRD said that despite its belief that attitudes to cash jobs were changing, undeclared cash jobs remained a significant problem.

We actually believe the problem is bigger than IRD

Here's a Band Aid



**We're not mean,
We're brutally honest.
It's not our fault the truth hurts.
Here's a band aid.**

Welcome back to the new year and the continuing fight for fairness and equality in plumbing, gasfitting and drainlaying regulations and legislation. The Federation had a busy year last year and it appears that will continue again this year.

Over the so called "holidays" we took the time to reflect on achievements and losses to ensure we were still on track to with the regards to the fight for the industry to be treated in a fair and equitable manner.

For the last five years the Federation has used every resource and tactic to effect change needed by the industry. The tactics at times have been harsh and criticised by others, but we make no excuses for that because we have achieved results.

Towards the end of last year the Plumbers Gasfitters and Drainlayers Board made changes to enforcement, CPD and a number of other issues, but most importantly they positioned themselves where they are communicating with a broad spectrum of the industry by way of industry liaison groups and specific work groups.

The Federation is not that gullible that we think everyone supports our way of thinking, and we know we are not going to please everyone because individual's personal issues are the most important issues to them, that's just human nature. We picked up on this which was part of a string of emails floating around:

would like to admit. They did a survey relating to cash work but we wonder what their margin of error is because are tradespeople really going to tell others how much they make from cashies or if they in fact do cashies.

Apparently fifty-seven per cent of tradespeople who took part in a survey said under-the-table activity was initiated by homeowners, and 17 per cent mentioned family and friends.

An Auckland roofer told the Herald that he regularly used weekends to do under-the-table jobs, initiated by homeowners, picking up about \$600 to \$700 cash for a Saturday's work. That equates to around \$15,600.00 annually.

IRD, under Government direction, is targeting tradespeople to get their pound of flesh which if you go to the letter of the law is appropriate, do the crime - do the time, but is it addressing the problem?

Has the Government stopped to ask why is there a cashie market? The best form of compliance with any law or legislation is voluntary compliance where individuals willingly comply. This will only happen when people believe it is fair and equitable. If it is not then individuals will attempt to circumvent the system.

So if tradespeople aren't

"Also as a still grieving plumber and gas engineer who has many years experience I feel the Federation has let down all overseas plumbers and in doing so is now letting all NZ plumbers down in showing so little regard for us and our family's I suggest the Federation is not fit for the purpose"

It seems to be this individual believes the Federation is not fit for purpose in everything it does because it doesn't solely fight for the recognition of the qualifications of overseas qualified trades people. Some historic issues haven't been dealt with to the satisfaction of the complainants and this includes the Chairman of the Federation, but at least they help fight for the rights of others whilst fighting for their individual justice.

The Federation looks at the overall picture and works for the greater good of the industry. There are no hidden agendas, no fighting for any ONE group of people, no fighting for the progression of the Federation but simply fighting for the good of the industry as a whole. When first established a plumbers, gasfitters and drainlayers union was explored but this couldn't be done as employers and employees can't form a union hence the Federation was started to meet the needs of the industry.

We invite anyone to join the Federation and the executive committee and to put in the time and effort to help the entire industry, not just selected groups. The industry has reached a point of massive change and if the effort is not put in to get what the industry needs you may find we will become a lost industry.

Over the years an environment of mistrust has been steadily growing and tradespeople were excluded from the decision making process by the Government and individuals and organisations seeking benefit for themselves. Towards the end of last year that started to change and the foundation has been laid for a more cohesive industry all heading in the same direction. We are not saying it is perfect and that every issue has been addressed but it is an improvement.

The Prime Minister Mr John Key said in Upper Hutt a few years ago that they Government would listen to the industry as the industry knows what is best for it, well that message doesn't seem to have gotten to the Ministers responsible as it seems they just go ahead and do what they want, which inevitably costs them nothing and imposes on our rights and freedoms.

When was the last time the Ministry of Business Innovation and Employment (MBIE) sat with the industry and discussed issues? These are the people advising the Ministers. It seems to be that because they work for the government, have a university degree and some flash title that they are somehow better than

happy there must be a reason. Look at the wages for plumbers where the average hourly rate is \$25.27 compared to the average public sector hourly rate of \$36.25 or the average private sector rate of \$26.83 or the all employee average rate of \$28.77, so is having a below average hourly rate a contributing factor?

Are tradespeople simply trying to get on an even footing with others in New Zealand. You hear it all the time from the public that plumbers are rich and they charge too much but does the public know what compliance and set up costs tradespeople incur. Perhaps the IRD should be targeting the cause of the cashie market "THE CONSUMER". They are the ones requesting to pay cash so perhaps they should be prosecuted as a parties to the offence.

The reason tradespeople get targeted is that we are the "EASY KILL" for the IRD. Consumers would tell IRD that they paid for the job to be done and it was up to the tradesperson to pay his tax etc. By doing cashies tradespeople are opening up the market to unqualified people, keeping wages down and giving the Government the excuse to treat ALL tradespeople like criminals.

Time to change the public perception that we are "ONLY TRADESPEOPLE", that we are too dumb to do anything else. We all know

tradespeople and can tell us what is best for us.

The Federation this year will continue to let people outside the industry know what we need for the future. We will fight for proper training and qualifications for our apprentices, we will work with others to ensure the industry is helping to clean up its own act, we will do battle with the government to ensure we get fairness and equality and we will look to the future for us, the industry.

To do this we will need your help and support. Contact us with your ideas and thoughts. Get involved with the executive committee as the existing committee have been working for the industry for over five years and feel some fresh blood is needed. The more people that are involved the easier it is to progress.

The Solutions are there, all they need to do is ask.



When the Government doesn't know what's going on in an industry they SPECULATE....When they think they know they FABRICATE....And when they do know they PROCRASTINATE.

This is the situation we seem to find ourselves in where if the government were to shutdown we could easily ask the question "who will waste our money and have contempt for us?"

The Government will listen to our private conversations through the Government security agencies but they don't want to listen to the information we will voluntarily give to them. It seems very much a case of "The truth is out there so better stay inside".

What the Government has attempted to do with the Plumbing

that it takes more to be a tradesperson than a so called professional as some bureaucrats claim to be.

All those jobs that are listed as "professionals" in the government ratings of things can't do anything without the infrastructure established and maintained by the tradespeople but yet tradespeople get treated as being inferior because they prefer to work with their hands and continually problem solve.

The Federation says to all trades people:

**STOP TAKING THE RISK,
CHARGE WHAT YOU ARE
WORTH AND LET THE RATES
GET UP TO WHERE THEY
SHOULD BE SO WE CAN PAY
TRADESPEOPLE WORKING
IN THE INDUSTRY WHAT
THEY ARE WORTH.**

Gasfitting and Drainlaying industry over the last two decades hasn't worked. Their methods of imposing their will and persecution haven't worked so perhaps it's time the Government LISTENED to the industry instead of the bureaucrats at MBIE. The one size fits all mentality they have doesn't work and we all know our industry is different to say, electrical, or building for that matter, and certainly different from architects and engineers.

The Plumbers Gasfitters and Drainlayers Board have sufficient capacity to assist the industry in getting some go forward. If the bureaucrats were so good then why is the construction industry in such a mess? Put simply we believe they are providing bad advice to the Minister of Building and Housing and the Government. It's time to try something different before the Government runs out of people who actually care about our industry and want to help make change.

**ASK AND THE ANSWERS CAN BE PROVIDED AND SUPPORTED.
DICTATE AND THEY WILL BE OPPOSED**

You are receiving this email as a member of PGDF or because you signed up online.

[Edit your subscription](#) | [Unsubscribe instantly](#)

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