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## IN OTHER NEWS

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As pre-trades have grown bigger than Ben Hurr, then so have the pressures on the workshop time available to bonafide apprentices. Just ask how long they stand in line in workshops waiting to use tools and complete assessments.

So if Providers want to have their opinions, they want to be mindful of their job – and that is to “provide” what industry want, because if they don’t industry may have to look at alternatives. We don’t want to see our young people end up with big student debt, nor do we as taxpayers want to see money wasted that doesn’t end up adding anything to a bonafide apprenticeship.

If you are an employer or an apprentice you need to make your opinions heard. Do you see a value in Pre Trade courses? If so, how long do you think they should be? How much

## The Rumour Mill



Well so much for the Fellow Practitioner only being published every two weeks!! This was such a gem we thought we would let you know.

The Federation can’t stop rumours from starting, and can’t really change the minds of those who believe them. All we can do is sit back and laugh at the

capacity of those who have nothing better to do than to start said rumours to support their aims in life. Gossip and rumours generally only stop when they hit a wise person’s ears - and today that’s you.

As you are aware, there has been a lot of discussion about registration classes and qualifications in our industry, and the Federation has been vocal about its stance on both. Master Plumbers have also stepped into the fray and have been voicing their opinions in a more diplomatic way, so well done to them.

Being a small industry where everyone knows everyone, it doesn’t take long for word to get around when someone fires a shot across the bow and this week was no exception. It would appear some dude at one of the Polytech’s has been firing shots to support the activities of the Polytechnic’s providing “Pre Trade Training” to the Plumbing Gasfitting and Drainlaying industry.

It’s rumoured this person believes the objections to what is being developed and supplied in the way of industry qualifications are insincere, untruthful, hypocritical, deceitful, devious or even dishonest. Now, that’s a lot of dis’ing there!

Not only that, it’s also rumoured that Wal Gordon and the Federation have been prone to outbursts in the Fellow Practitioner objecting to Polytechnics trade training. Now that doesn’t sound like us at all.

Apparently, this dude even went as far as to attach copies of the Fellow Practitioner to an email he sent out in an attempt to rally the Polytechnics together to fight for what they want, not what the industry wants. The rumour is they want level pre-trade training as a

are you willing to pay?  
Will you employ  
someone that has done  
a pre-trade ahead of  
someone that hasn't?

**From the Media (a  
condensed version)**

Apparently being talented  
with numbers can really  
pay off if you're looking to  
start a profitable business.

Sageworks, is a financial  
data service that analyzed  
the net profit margin of  
more than 16,000 small  
businesses (that earned  
less than \$10 million)  
between September 2014  
and August 2015.

The average net profit  
across all industries for this  
report's time period was  
7.2 percent.

Service industries are very  
common to find on the  
most profitable small-  
business list. This is  
generally due to lower  
overhead and startup  
costs.

Here's the list of the 15  
most profitable types of  
small businesses and their  
net profit margins.

1. Accounting, Tax  
Preparation, Bookkeeping  
and Payroll Services: 18.4%

2. Management of  
Companies and  
Enterprises: 15.5%

3. Offices of Real Estate  
Agents and Brokers:  
15.19%

4. Automotive Equipment  
Rental and Leasing: 14.55%

5. Legal Services: 14.48%

money-spinner and may be considering threatening to pull the plug  
on Plumbing Gasfitting and Drainlaying if they don't get their own  
way.

Isn't it amazing the lengths people will go to for a bit of coin? And  
when it comes down to it, we believe this is the primary reason that  
pre-trades have grown bigger than Ben Hurr.

## Training costs



The rumour above got us  
thinking about the money  
being wasted in the name  
of training, but first the  
Federation wants to thank  
the dude above who sent  
out the Fellow Practitioner

to people not on the mailing list - and we would encourage anyone  
to forward it on to people who may be interested. There is a button  
on the electronic version to forward it on.

The Federation been called names, been criticized and have even  
had threats of defamation so we are not strangers to controversy,  
and you could even say we create controversial discussion but we  
always make sure we can back up what we are saying.

This week's controversy is JUST WHO IS WATCHING TAXPAYERS  
MONEY IN REGARDS TO TRAINING IN OUR INDUSTRY TO ENSURE  
WE GET VALUE FOR MONEY ? What's more, who is ensuring the  
money that pre-trader's, their families, apprentices and employers  
are paying is value for money?

Now, it's very hard for the Federation to be critical of trade training  
provided by the polytechnics, as there is NONE. The Polytechnics  
and the odd training institution that are registered charities are  
contracted to Skills NZ (our ITO) to supply "assessments" only. The  
Polytechnics do provide a little bit of training, some good and some  
of poor quality. This could be a supply issue, or a contract issue with  
our Skills NZ.

We looked at the practice activities sent to one trainee who attends  
training in Wellington. This practice material has the apprentice  
search the G12/AS1 for information on trapping. Last time we  
looked the G12/AS1 was Water Supplies and G13/AS1 was Foul  
Water.

Next the apprentice is directed to AS/NZS 3500.2 Section 11 Fixtures  
and Appliances, hang on, isn't Section 11 Reduced Velocity Aerator  
Stock Systems and Section 13 is Fixtures and Appliances.

How about the apprentice looking for Rawlinson's which doesn't  
exist anymore?

Did you know that when an apprentice attends the Week 5  
assessments, that if they are not doing gasfitting they are only

6. Offices of Dentists:  
14.41%

7. Electric Power  
Generation, Transmission  
and Distribution: 14.02%

8. Lessors of Real Estate:  
14.01%

9. Offices of Other Health  
Practitioners: 13.30%

10. Offices of Physicians:  
13.01%

11. Commercial and  
Industrial Machinery and  
Equipment Rental and  
Leasing: 12.58%

12. Religious Organizations:  
12.41%

13. Management, Scientific  
and Technical Consulting  
Services: 12.05%

14. Specialized Design  
Services: 11.4%

15. Office Administrative  
Services: 11.3%

So tradespeople don't appear on this, blowing the theory of tradespeople, in particular plumber's gasfitters and drainlayers, being filthy rich and charging too much.

Perhaps the 15 groups of people above started the rumour to suppress the industry.

**Labour MP's slavery bill defeated**

*NZ Newswire on August 24, 2016, 9:58 pm*

*A Labour Party member's bill that would have amended the Customs and Excise Act so it stated no product made by slave*

required for 4 days not all five but you still pay for 5, and in Week 6, the apprentice will only be needed for 1 day as the rest of the course is gas work. As an industry, we get the privilege of paying full price.

You, as today's wise person can name the type of person who would criticise the Federation for questioning the levels of training and the costs.

Level 3 (pre-trade training) seems to be a discussion point and we are critical of it because it has developed to such an extent that the Government contributes \$10,000 and the trainee contributes around \$6,000. (These figures have been supplied to us by Skills NZ). This is a lot of taxpayer and trainee money spent on very little return to the industry.

Very few people progress from the pre-trade to apprenticeships. Percentages moving on to apprenticeships range from 3% to 30% depending on if you believe the Government, or the industry, but no matter whose figures are right a minimum of 70% don't progress into our industry. (Remember working in "the industry" could mean they are serving behind a counter at the merchants, it doesn't actually mean they progressed to a bonafide apprenticeship).

Based on the percentages supplied for every 100 trainees doing a level 3 qualification a minimum of 70 don't progress. That's around \$420,000 in trainee contributions and \$700,000 in taxpayer contributions!

Master Plumbers indicated only 3% progress to apprenticeships, which makes the situation even worse. No matter which figure you believe, and we tend to believe the Master Plumbers figure, it is over \$1M wasted per 100 trainees undertaking Level 3. How many trainees are coaxed into doing pre-trades under the false expectation that they will get an apprenticeship?

As our wise person today, ask the question "Why are the polytechnics training so many people at level 3 if there are no apprenticeships for them?"

What damage are these partially trained people capable of doing with the limited skills? You would be naive to think they will not be applying the skills they have just purchased. Go the Black Market!

Your next question may be "What does it cost for Level 4 and 5 training". For fees alone it costs around \$24,000.00 for Level 4 assessments and we don't know for Level 5. You see as it stands there is no training, only that provided by the employer.

Look at the few paragraphs above where the information provided is wrong and days are paid for where apprentices don't need to attend. These are just the observations of one person so what other examples are there across the industry?

We have been clear about what we think – Level 3 should be an "introduction to the workplace" – enough to teach them the basic

*labour could be imported has been defeated on its first reading.*

*MP Peeni Henare drafted the bill, which says although slavery was abolished by Britain in the 18th century, in some parts of the world slavery or coerced labour still exists.*

*But the two-page bill doesn't identify those countries, and government MPs said it would be unworkable.*

*It was defeated by 61 votes to 60.*

#### **Comment**

They should all know slave labour is alive and well in New Zealand.

Look at the hours people are working just to keep their head above water in New Zealand.

Most people are no better off than the people in the sweat shops. At the end of the week neither has anything to show for their efforts.

health and safety requirements needed to gain an apprenticeship, to learn about presenting yourself to an employers, interview skills, CV preparation, working at heights, confined spaces, Site Safe. Not enough to be dangerous, not enough so that the pre-trader can finish a year long pre trade and then ply a trade that they don't yet have.

To do this costs us, the wider industry money as we 100% self fund all discipline and prosecutions. We do not believe a pro-longed pre trade is necessary for our industries and we don't think others do either – especially given the low uptake.

Right from the beginning, we have been telling Skills – but alas, it has taken a visit to the Minister by our colleagues at Master Plumbers to bring some clarity to this whole situation.

It seems to us that good training money is being wasted on poor bureaucracy. Backroom deals for organisations to make money are not the way forward for the industry and may end up costing us one bazillion, bagillion dollars.

Providers are stakeholders according to Skills, but are they really? Their stake seems to be more around whether delivery of pre-trade is financially viable if it is cut back to a much more sensible three months or so.

Weltec for example delivered a succinct three-month pre-trade course for quite a while. We have not doubt that some Polytechnics saw their colleagues at other Polytechnics delivering much longer programmes for pre-trade and said, “we want some of that”.

***Continued on side column***

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