

A Divided Industry

# Fellow Practitioner Issue 346 Dated 10 November 2017

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#### **IN OTHER NEWS**

#### What is our vision for regulation of the industry in three years' time?

The Federation would like a future that sees all industry stakeholders and the Board working together to ensure standards are raised in the industry, training providers are providing first class training for apprentices and sharing of information between stakeholders is for the betterment of the industry.

A future where the Regulatory Board works in conjunction with a Governance Board/Committee: a future where everyone has a say in its own self governing industry. Competency and its delivery would be the responsibility of the industry.

We would like to see a structure where competency setting and industry needs are done by the stakeholders of the industry, of which the



Over the last couple of decades fear in the industry has lead to anger. Anger lead to hate, and hate lead to suffering. We are talking about the period where the industry lived in fear of the Plumbers Gasfitters and Drainlayers Board.

This was a period of forced compliance and high costs imposed on the industry. A period of continually having to justify our right to work and forever proving our competence. A period of successive Governments messing with our training and regulation. Perhaps no one told them the wheel had already been invented.

One of the worst aspects of this period was that some of the industry sided with Government. Don't get us wrong, we understand that everyone is entitled to their opinions but we believe that siding with the Government and the Board was more about putting profit and self interest ahead of the industry and unfortunately that continues today.

We are keeping our fingers crossed that the new Government will assist in making things better. The Board has shown over the last two years that they are willing to work with the industry to make things better, but they need support from the Government by way of legislative changes and direction.

Every morning we get a chance to be different. A chance to change and a chance to be better. Humans have been given two ends, one to sit on and the other to think with and its very simple, heads we win tails we lose!

The Federation has always dealt in fact and although we have been threatened three times with defamation, we have endured and kept going trying to supply you with facts that matter so you as industry practitioners can make informed decisions about your own future. Here are some facts which you may want to consider leading up to consultation by the Board next year.

#### Board is part.

We believe the continuous improvement process should be put in place where it provides adequate feedback mechanisms to account for competency adjustments. This in turn would set the foundation for regulatory and legislative reform which allow for performance and audit review which realign the process.

We don't want an industry that is reliant on 2,500 unqualified people. The industry needs fairness, equality and standards in Government legislation imposed and it also needs to be represented, respected and productive. Here are a few ideas of actions needed.

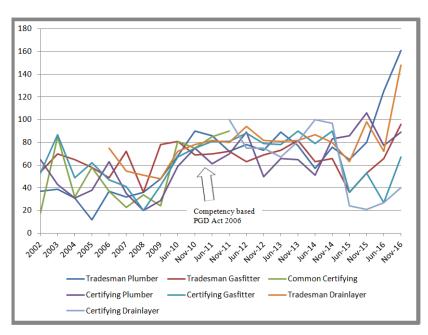
# Representation for the industry

The Federation believes the Board and industry should explore ways to implement a Governance Board or Committee that shares the existing Board resources but is representative of WHOLE the industry – from apprentices through to certifiers and all those in between, those in business for themselves and those that are employees.

This separates the very important regulatory role and the Governance role but combines the two to meet the Board's purpose under the PGD Act 2006 and its purpose as a Registered Charity.

A committee or board voted on by the industry to represent the industry is what is needed.

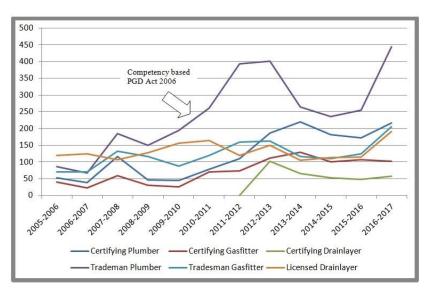
#### **Exams**



There won't be competence and confidence in the industry without good quality consistent training at all levels and the pass rates for exams proves that consistency does not exist. Obviously this chart is dependent on the number of apprentices in the industry.

The chart proves that a large number of apprentices are opting not to progress to certifying status which is of huge concern to the Federation.

# Qualifications



This chart proves the gap between Certified Registrations (supervisors) and Tradesman Registrations is increasing. What is of concern is that the number of Certified Registrations is not keeping up with the number of Tradesman Registrations. This means more pressure on supervision in the industry, and that people are opting out of training rather than continuing on to Certifying Registration.

The Federation did push for this to be rectified in the NZQA review of qualifications by asking for ONE qualification in each trade and

#### **Registration Classes**

The Federation is aware the Board has on its work agenda the review of registration classes however the Federation believes it is time for the Board to take a leadership role for the industry because to date there have been too many outside influences that have dictated the direction of qualifications based on Registration Classes.

#### New Zealand qualifications in plumbing gasfitting and drainlaying.

In the four years whilst the NZQA review of qualifications has been underway opportunities for the industry to progress into a productive secure future have been missed by organisations influencing the process and outcomes simply for self gain.

This could have been stopped by the Board had they undertaken a review of qualifications earlier as requested; a review based on what is best for practitioners not for the self interest of organisations.

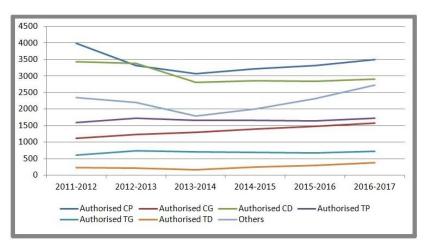
We need a five year apprenticeship which culminates in practitioners being workplace competent.

#### **Review of Exemptions**

An urgent review of the purpose of exemptions is needed. The Federation is confident when the exemptions section of the Act was written that the Government did not intend exemptions to be used as long term qualifications for people to operate in the extending the length of apprenticeships to five years, with a single registration/licensing qualification but this was rejected by employer organisations and their members. The Board have also rejected this by not changing the registration classes.

Recent reports indicate that over the next 10 - 12 years over 90,000 small business owners are to retire or sell off their businesses. We know this will have a huge impact on our industry particularly at the Certifier level.

## **Authorisations**



The authorisation chart shows a very slight increase in Authorisations across most registration classes. The rapid rise in Other Authorisations which includes exemptions is of huge concern to the Federation because of the supervision requirements of this 2,500 unqualified people, coupled with the increased numbers of tradesman qualified people.

Exemptions are to a larger extent are being used as a long term qualification to do sanitary plumbing, gasfitting and drainlaying.

What does all this mean – it means that many good, and honest people working in our industry are probably not following all the Supervision requirements and therefore run the risk of being put in front of the PGDB Disciplinary Panel and face fines and in the worst cases – even suspension or loss of licence.

Those that are against our proposal of a longer apprenticeship and ONE qualification often cite the fact that if everyone is able to sign off their own work they will all go out in business for themselves. Firstly we think this is rubbish, and secondly we don't think it's a good enough reason not to find this a sensible solution.

Just because you had to do it, doesn't mean everyone else should have to do it. We seriously ask you to reflect on those Certifiers you know – are they eyesight and earshot supervising ALL first year apprentices, and for the first two years all exemption holders. Could they justify they supervision the offer if asked before a Disciplinary Panel.

It's time we look for alternative solutions. Solutions that will also bring us in line with our colleagues in other regulated trades like

#### industry.

Having over 2,500 unqualified people operating in the industry under supervision, over and above the apprentices, is in the Federation's opinion, doing damage to the industry both in reputation, apprentice positions and meeting the purpose of the Act.

Nearly 2,500 people operating in the industry that are unqualified, that are not required to do CPD and that do not contribute to discipline or prosecutions simply is not good.

#### **Prosecute the Public**

Review the process for prosecuting non authorised people including the people who contact them to do the work. Members of the public must be dissuaded from employing non authorised people. Make an example of some.

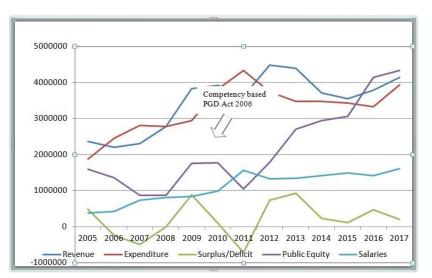
#### **Infringement Notices**

Explore the options of infringement notices and where the money is paid to. Currently it would be into Government accounts so have this altered while the Act is under review so it is paid to a Board account.

#### **Review of Historical issues**

Historical issues seem to be an ongoing saga and although the Board has stated historical issues have been dealt with, it appears this is only to the Board's satisfaction and not to the satisfaction or agreement of those who have clearly been wronged. electrical and building. Don't dismiss this solution as out of hand – give it some thought because in 2018 the PGDB will be consulting on this.

### Finance



Public Equity is still increasing at a similar rate to revenue and expenditure. This indicates the industry is being charged too much for the regulation of the industry. The Board and Chief Executive should be complimented on their financial control over the last couple of years because even with the splendid work done it has still operated with a surplus.

This is very important to the Federation's view for the future in that a Governance Board/Committee representing the industry could be funded at existing rates. This would need a legislation change and is where Government support is needed.

# Let the Facts Have Power

The changes in the Government allow the prime opportunity for the industry and Board to make the adjustments needed in legislation and attitudes to progress the industry.

The industry and Board have a fantastic opportunity to position ourselves with the Government to add value at no cost to the Government. All that is needed is the mandate to make the changes and for the Board and industry to lead by example.

The industry has endured decades of forced compliance from successive Boards who were doing totally disinterred successive Government's bidding. It's time for progression, not revamping of what already exists and that works. It's time to be brave and innovative!

Hopefully the change in Government will bring a change in attitude which may prevent the industry plummeting into confrontation with the regulatory regime they impose.

Education rather than prosecution is working but must continue. The Board needs to set the standards required and then it is up to When the historical issues were dealt with the Board operated on a forced compliance basis and complainants had no opportunity to question the Board's decision and it was all done on a take it or leave it basis.

Unless action is taken to review the historical issues they will haunt the Board for ever and a day like the retrospective legislation action taken against our industry by the Government haunts them. We feel this is a shame as it takes away from many of the gains the Board has had. the Skills Organisation (ITO) to meet those requirements, not the way it is now where there is a standoffish relationship with the industry being provided with substandard training and support. The Federation believes the Board must step up and provide the leadership.

The Federation fully support the creation of an environment where the practical tradesperson can give and receive the understanding they deserve. Encouragement to assist tradespeople in becoming qualified with all aspects of our industry will, in turn, strengthen our Industry as well as stabilize the entire building industry.

We will continue to give you facts leading up to the consultation the Board are conducting next year. We just hope this is all sooner rather than later.

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