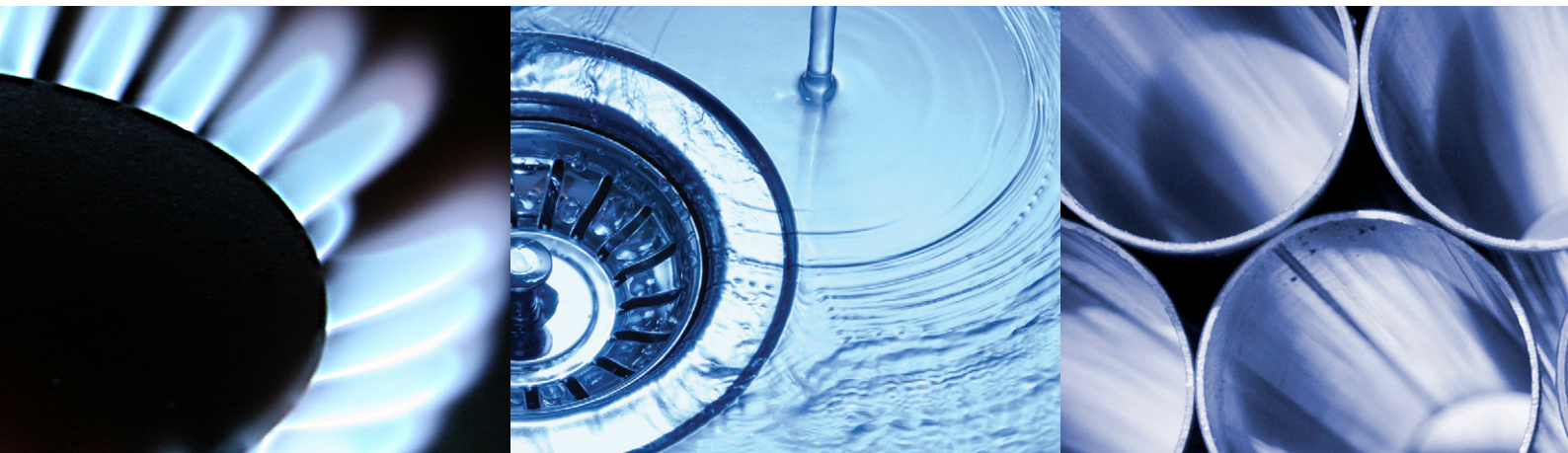


Disciplinary levy and fees review

CONSULTATION DOCUMENT



Public consultation - September 2011



Introduction

The Plumbers, Gasfitters and Drainlayers Board (the Board) is a statutory body established under the Plumbers, Gasfitters and Drainlayers Act 2006 (the Act). Its purposes are to protect the health and safety of the public by ensuring the competency of people who provide plumbing, gasfitting and drainlaying services, and to regulate those people.

Purpose

The Board is considering amending the disciplinary levy, and the fees charged for the practical test of workmanship and employer licences. The levy and fees are set out in the Plumbers, Gasfitters and Drainlayers Board (Fees) Notice 2010. The Board is also considering setting new fees for prosecutions, exemptions for fixing water heaters by gasfitters, and exemptions from registration and licence requirements.

The purpose of this document is to seek submissions about the proposed amendments and new fees.

Scope

This review is primarily focused on the disciplinary levy. The Board has also taken the opportunity to consider some other fees. This review is not a comprehensive review of all fees and the levy. The Board has agreed with the Minister of Building and Construction to carry out a comprehensive review in 2012.

Empowering legislation

Section 142 of the Act empowers the Board to prescribe fees, while section 143 empowers the Board to impose a disciplinary levy. The money generated from the fees and the disciplinary levy is used to fund the work required of the Board.



Current and proposed fees and levy

The current and proposed fees and disciplinary levy (incl. GST) are shown in the following table:

FEE / LEVY	CURRENT	PROPOSED	CHANGE
Disciplinary levy	\$271.91	\$182	- \$89.91
Prosecutions fee	no fee	\$90	+ \$90
Practical test of workmanship (overseas-trained applicants)	\$3,271.11	\$1,410	- \$1,861.11
Employer licence	\$511.11	\$2,820	+ \$2,308.89
Exemption for fixing of water heaters by gasfitters (Section 24)	no fee	\$102	+ \$102
Exemptions from registration and licence requirements (Section 52)	no fee	\$102	+ \$102

Background to proposed changes and new fees

Disciplinary levy and prosecutions fee

The Act provides that it is an offence to do, or assist with, plumbing, gasfitting or drainlaying work unless authorised by the Act. One of the Board's functions is to take legal action against people who commit such offences. This protects public health and safety and the reputation of licensed plumbers, gasfitters and drainlayers.

The Board currently charges a disciplinary levy that is used to fund the costs arising out of investigations into allegations or complaints against registered persons, and disciplinary proceedings, as well as legal action for other offences set out in the Act. Following a recent investigation and report by the Regulations Review Committee, the Board has become aware that some of the costs included in the disciplinary levy should be funded through fees. The Act provides that a disciplinary levy can be imposed for costs arising out of investigations into allegations or complaints against registered persons, and disciplinary proceedings. The disciplinary levy cannot be used to fund the costs of other legal action required by the Act. Those costs must be funded through a fee set under the Act rather than the disciplinary levy.

For this reason, the Board has decided to review the current disciplinary levy so that it complies with the law. It also proposes to set a new fee, the prosecutions fee, to fund the costs of other required legal action. Together the proposed new disciplinary levy and prosecutions fee total the same amount as the current disciplinary levy (except for rounding to whole dollars).



Fee for the practical test of workmanship for overseas trained people

The Board has changed the form of the practical test of workmanship, resulting in reduced costs. The practical test of workmanship is now conducted in a single day rather than four days, and, where possible, at the applicant's workplace rather than Wellington. As a result of these changes, the cost of a practical test of workmanship has reduced and the Board proposes reflecting this in a reduced fee.

Employer licence fee

The employer licence regime was formerly administered by the Ministry of Economic Development (the Ministry). The responsibility for this work has now been transferred to the Board. When the Board first took responsibility for this work, it adopted the fee set by the Ministry. It has become apparent that the work involved in assessing and administering the employer licence regime is significant. Accordingly the Board is consulting on its proposal to increase this fee to ensure the employer licence regime is administered on a cost recovery basis, and is not being subsidised by other Board functions.

The Board has not yet issued an employer licence but there are currently two businesses still operating under licences issued by the Ministry. Considering an application for an employer licence will require the Board to engage external expertise to assess the applicant's operating systems to ensure that the health and safety of the public would not be compromised by issuing a licence. The proposed fee is set to recover the estimated cost to the Board of processing and assessing an application. The costs are estimated on the basis that this work will involve two days of consultant time and four hours of staff time.

Fees for exemptions under sections 24 and 52 of the Act

The Board has not previously charged fees for applying for these exemptions but now proposes that they be administered on a cost recovery basis.

The proposed fees are consistent with the fees charged by the Board for other similar applications.

Making a submission

Submissions on the proposed fees are welcomed by the Board. They must be received no later than **14 October 2011**. Please send your submission by email (submissions@pgdb.co.nz) or mail (PO Box 10655, Wellington 6143). The Board will then consider submissions and make decisions relating to its proposals at its Board meeting on 25 October 2011.

Please answer the questions below when making your submission. The Board values specific comments about its proposals, whether they are to agree or disagree, as detailed feedback enables us to understand your position better than general feedback. As well as responses to the following questions, we invite comment on any aspect of the Board's proposals in your preferred form.



Submission form

Questions

- 1. Do you support the Board's proposed amendments to the disciplinary levy, the practical test of workmanship and employer licences, and the new fees for prosecutions and exemptions under sections 24 and 25 of the Act? (please circle)**

Disciplinary levy:.....Yes / No

Prosecutions fee:.....Yes / No

Practical test of workmanship:.....Yes / No

Employer licence:.....Yes / No

Exemption under section 24:.....Yes / No

Exemption under section 52:.....Yes / No

- 2. If yes, why do you support the change to, or establishment of, the relevant levy or fee? (please clearly identify the levy or fee that your comments relate to and continue on a separate sheet if necessary)**

- 3. If no, please describe the changes you would like the Board to make to the proposed disciplinary levy or fees and your reasons for the suggested changes (please clearly identify the levy or fee that your comments relate to and continue on a separate sheet if necessary)**



- 4. Are there any other comments or suggestions you would like the Board to consider in relation to this fees and levy review? (please continue on a separate sheet if necessary)**

Your contact details

Name:

Organisation:

Address:

Email:

Phone:

Thank you for sharing your views. The Board appreciates the time you have taken to make your submission and can assure you that it will be carefully considered.

Privacy statement:

The Board intends to publish submissions on the Board's website.

If you do not want your personal details to be included, please clearly state this above.

SHOW YOUR CARD



Authorisation cards act as a mark of quality, providing consumers with confidence that a tradesperson is competent and authorised by the Board.

By showing your card as a matter of course on the job, you are helping the Board to raise public awareness of the importance of hiring authorised tradespeople.

Raising public awareness will also help to squeeze out illegal workers from the industry.

HOW TO CONTACT US

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