

# BUILDING TODAY



The official magazine of the Registered Master Builders Association

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May 2023

Volume 33 Number 4



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Details, page 27



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### CONSTRUCTION PIPELINE SLOWING

Survey responses reveal industry feels worse now than during the GFC

### AIRPORT RETAIL CENTRE TAKES SHAPE

Construction worth \$200 million commences at Auckland Airport

### KEEPING GLASS OUT OF NEW ZEALAND LANDFILL

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# BUILDING TODAY

May 2023  
Volume 33 Number 4

## From the editor

Countering the effects of the industry's boom-bust cycle requires a multi-faceted approach focusing on managing supply and demand, investing in infrastructure, and supporting workers, amongst other issues.

In the boom cycle, there is a high demand for skilled workers, which can lead to a shortage of labour and increased wages. However, in the bust cycle, the industry experiences layoffs, and the labour market can become saturated with workers, leading to lower wages and higher unemployment.

In his column this month, RMBA president Johnny Calley tackles this thorny subject, which he says is most certainly alive and kicking right now.

He says to build a more sustainable construction industry, policymakers and industry stakeholders must take steps to mitigate reactionary decisions that fuel this negative cycle.

Hopefully, this approach can be part of a definitive solution that still seems to elude the industry.

**Andrew Darlington**  
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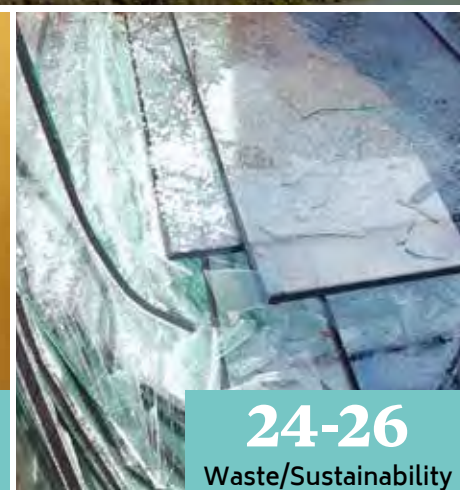
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# Unfortunate boom-bust cycle alive and kicking

Registered Master Builders Association president Johnny Calley says to build a more sustainable construction industry in New Zealand, policymakers and industry stakeholders must take steps to mitigate reactionary decisions regarding the unfortunate boom-bust cycle.

Building code changes, economic instability, construction actively slowing, property values dropping, company liquidations, and net migration are the headlines we're waking up to in the media every day.

So it's no wonder the property market is in a state of paralysis.

The unfortunate construction boom-bust cycle appears to be alive and kicking, primarily due to the inflation pandemic this time around, but the usual contributors are also playing their part.

We mustn't forget that before Covid was a thing, the construction sector was showing signs of slowing in a more natural setting, and it was only saved by the post-Covid, cash-induced economy pumped up by Covid stimulus.

One of the most significant challenges of the more recent boom was the acute shortage of skilled workers, particularly in specialised areas such as site management, quantity surveying, project management and the sub-trades.

This shortage led to higher wages and project delays, making it more expensive for construction businesses to undertake projects.

Unfortunately, now the market is showing signs of slowing, we are already seeing (particularly in the residential sector) those key roles being made redundant in an attempt to reduce the financial burden of the forecast bust period.

Some employees that have been made redundant will have sector-wide transferrable skills and will find another home. But the rest will be lost to other industries and will never return.

## Same old behaviour

From a short-term financial perspective, having fewer overheads all makes sense, but from a long-term industry productivity perspective we are just carrying out the same old behaviour that follows the boom cycle.

I'm not suggesting that we should be putting our businesses into financial harm by holding on to high salary staff for the good of the industry.

But to build a more sustainable construction industry in New Zealand, policymakers and industry stakeholders must take steps to mitigate these reactionary decisions regarding the boom-bust cycle.

Having a flexible workforce can help you



respond quickly to changes in demand. By using a mix of permanent employees and temporary external services, you can adjust your workforce size to meet fluctuating demand without incurring unnecessary costs.

A stronger focus on long-term planning and investment is a must. For example, the Government needs to invest in proportionately distributing all crown-funded projects on early contractor involvement (ECI) models where business attributes, fair margins and procurement strategies are the main consideration in contractor selection.

By providing pipeline stability across residential and commercial projects with guaranteed government investment, businesses willing to retain key personnel can confidently invest in productivity, which makes construction projects more efficient and cost-effective in the long term.

To be at your productive best in a boom cycle, you need upfront investment and a long-term commitment by retaining key staff in the bust cycle. This financial commitment will not be easy to digest for some, but the benefits are significant.

As we know, economic trends come and go, and we will head towards a boom cycle before long. Those who have invested in a long-term strategy to retain key staff will be well positioned to take advantage.

## Financial literacy

On the topic of long-term business investment, financial literacy is an essential skill that is often overlooked in the building industry.

While builders, consultants and contractors are experts in their respective fields, they may not have the financial knowledge necessary to make informed business decisions.

However, as the building industry becomes increasingly competitive in 2023, it is becoming more important for industry professionals to have a solid understanding of financial concepts.

Many building contractors and subcontractors are small business owners, and don't apply many financial reporting systems outside an invoicing programme.

## Important skill set

With so many advantages to understanding the financial position of your business, it should be seen as an important skill set to either develop or integrate into the day-to-day operation.

In larger establishments, the financial performance of the business is often overlooked in the process of competing for projects, and it's this lack of financial literacy that can put unintended risk on a business.

Tender processes are not designed to reward business profitability and, therefore, margin squeeze becomes the focus as opposed to the overall financial performance of the business.

Master Builders is looking at providing members financial awareness tools throughout 2023 as part of its membership services suite.

\* \* \*

## Building a talent pipeline

As we head towards the election, training apprentices must remain a key priority.

As RMBA chief executive David Kelly noted in the April edition of *Building Today*, the government's Apprenticeship Boost scheme needs to be extended to support companies to maintain their apprentices during this period of uncertainty.

Upskilling an industry talent pipeline takes time, and the development of apprentices will pay the economy back in spades with a larger pool of skilled workers.

Whoever is in government after the election must continue to invest in apprentices.

On top of building a larger talent pool, apprenticeships can help to enhance diversity and inclusion in the workplace by providing opportunities for people from different backgrounds to gain skills and experience.

Keep up the good work, stay focused, and let's keep smoothing the boom-bust peaks and troughs.

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# HOUSE OF THE YEAR

## MAKING DREAMS COME TRUE

### SENTINEL HOMES WAIKATO

Volume/Group Housing New Home \$500,000 - \$750,000



### Successes

Sentinel Homes Waikato managing director Nate Alley was elated when it was announced the team had won the Volume/Group Housing New Home \$500,000 - \$750,000 category at the National House of the Year Awards.

"This home was designed to suit our client's vision of their dream home, including many stunning features such as statement wallpaper, negative detailed ceilings, underfloor heating and a beautiful, landscaped outdoor area. Our team loved the "H style" plan which separates the bedrooms from the living areas, as well as the light colours chosen throughout the home that gave it a warm, cosy homely feeling," Nate says.

### Challenges

The award's prestige was noted by Nate and the Sentinel Homes Waikato Team.

"Winning a National Award has had several positive impacts — it helped us stand out and showcase what our team is capable of. Most importantly, it acknowledged the hard work, effort and discipline of our whole team in building and designing homes."

### Judges' comments

Like many other successful entrants, this home has used an H-shaped single-storey floor plan with gables to each wing. It has been well-planned and finished beautifully.

The vaulted ceilings in the living wing give height and volume to the space, while the immaculate negative detailing sets it off very nicely. There is an excellent indoor-outdoor flow, with the living room opening up to the outdoor alfresco living spaces. The build was completed in five and a half months, which is most impressive. Well done to the builder and all his sub-trades who achieved such an amazing home.

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REGISTERED MASTER BUILDERS

# HOUSE OF THE YEAR

## A NEW LEASE OF LIFE

### URBO HOMES

National Renovation up to \$750,000



### About the Build

This lakeside bach has been cherished by the same family since it was built in the 1930s, but which has recently been given a new lease of life with an exquisite makeover and much-needed 54sq m extension. Reminiscent of a cosy hunting cabin, the interior exudes a welcoming warmth that retains the character of the original dwelling. Where possible, existing rimu timber has been recycled. The bespoke kitchen range hood has been crafted with copper salvaged from the original build, and is offset with hand-made artisan tiles. The country-style cabinetry is another striking element of the revamped space. Carefully considered detailing such as panelled walls in the main bedroom,

bespoke barn doors and timber-look tiles in the ensuite enhance the rustic aesthetic. With sleeping space at a premium for this multi-generational family, a third bedroom was added, and the kitchen pushed out and reconfigured to create more entertaining space. The bach, which started life at 96sq m, is now a 150sq m home. Spacious decks were added to allow year-round entertaining, and provide the perfect spot to enjoy family barbecues, watch the sunset, or simply soak up the tranquil lake views.

### Judges' comments

This historic, 100-year-old fishing cottage, located on the shores of Lake Rotoiti, has been in the family since the day it was built, and has been passed on from generation to generation. It has been sympathetically renovated in a manner that preserves the original character, while extended to accommodate the family for future generations. All the facilities have been updated to a very high standard, including modernised insulation, new exterior cladding, and an extension to accommodate a new kitchen and master bedroom. The builder has successfully retained the original character of the old cottage whilst bringing it into the 21st Century.

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# THE MORE YOU KNOW, THE MORE YOU GROW

## RYAN MANCER

CENTRAL NORTH ISLAND/  
EAST COAST & HAWKE'S BAY  
REGIONAL WINNER

Ryan Mancer is employed by Shane Stone Builders and his training provider was BCITO, a business division of Te Pūkenga.



### SUCCESSES

For Ryan, the competition was an incredible personal growth opportunity that taught him that hard work does pay off.

"Showcasing my skills on a friendly and equal playing field, in front of national judges and a live audience, was a moment I will never forget. I learned that with motivation and hard work, you achieve whatever you set your mind to. Taking part in the competition demonstrated the rapid industry growth, and taught me that there is always more to learn," Ryan says.



### CHALLENGES

The biggest challenge for Ryan throughout the competition was the final practical build.

"There was immense pressure, an audience of people, a ticking clock, and eight other talented builders in my peripheral. It was hard to not be overwhelmed," Ryan says. "Nonetheless, I knew I had to focus on completing my build to the highest standard — there was no time for distractions. Managing my time allowances to ensure I was on track to finish the project was crucial," Ryan says.



### ADVICE FOR APPRENTICES

"My advice for someone interested in entering the competition is to not be afraid to push yourself and exceed your own expectations. You are capable of more than you know, strive for excellence, and learn from your failures. Don't be afraid of the unknown or greater responsibility.

"Most importantly, enjoy what you do, learn something new every day, welcome new experiences, and appreciate your teammates who are alongside you on your journey."



### JUDGE'S COMMENTS

Ryan Mancer is a very impressive apprentice who has a great skill set — and his workmanship is at the level of a qualified carpenter. His site visit and interview were excellent, and he has done an amazing job on his classroom conversion. Ryan demonstrated to the judges that he knew the project inside out, from health and safety to dealing with his client and subbies. He will go a long way in his building career, and is going to be a great asset to Shane Stone Builders and Whanganui building in general.

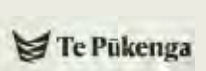
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### TechPark, Manukau Institute of Technology

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Consulting Engineers (Engineer), Thurston  
Consulting (Engineer), Whakaaro-Kingsman  
(Tenant Project Manager)



### About the build

The Manukau Institute of Technology's new TechPark is a 9000sq m educational facility bringing all of the Institute's professional engineering and trade schools under one roof. It features state-of-the-art industrial workshops, laboratories, flexible teaching spaces, and student amenities.



### Successes

Each of these spaces was an extensive and technical build which required incredible skill and communication by all parties to deliver the final product. All of this was successfully delivered to a tight time frame in the middle of a global pandemic, on time and on budget. TechPark is an outstanding example of clarity of educational purpose, and design delivered in the context of traditional spaces and the shift towards the future of learning.



### Judges' comments

TechPark was designed to be a state-of-the-art educational facility, housing all of Manukau Institute of Technology's professional engineering and trade schools under a single roof. A two-stage public selection process led to a partnership between Haydn and Rollett as the developer, builder and owner, and with MIT as the tenant. The conceptual design involved rethinking the model for professional engineering and trade schools in a polytechnic environment. This design process resulted in large open-space workshops, laboratories, and flexible learning spaces. Haydn and Rollett wore their multiple hats with clarity and transparency, and delivered a quality result to a satisfied user.

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# Premium airport retail centre takes shape

Major construction has started on Manawa Bay, Auckland Airport's \$200 million-plus premium retail centre — and a flyover video offers a first glimpse of what to expect when it opens for shopping and dining.

The build phase of the fashion-led retail destination is now underway, with the appointment of Savory Construction as the lead contractor for delivering the building, car park and surrounding landscaping.

The project will support 500 to 600 jobs during the construction phase, with an estimated 1100 retail and hospitality jobs created once the centre is open and fully operating.

"We're incredibly excited to start building Manawa Bay and the unique experience it's going to offer Aucklanders and other visitors to the airport when it opens late-2024," Auckland Airport chief commercial officer Mark Thomson says.

"Savory Construction is a high quality construction partner with deep experience across industrial and retail developments, and we're delighted to be working together on this landmark project."

Targeted to be New Zealand's first 5 Green Star retail centre, Manawa



Major construction has started on Manawa Bay, Auckland Airport's \$200 million-plus premium retail centre.

Bay has committed to sustainability initiatives throughout the build, including optimising resources, reducing carbon emissions, enhancing the environment, and supporting local communities.

Auckland Airport has recently announced Manawa Bay will support what's expected to be the largest rooftop solar system in New Zealand on top of the

35,000sq m building.

At 2.3 megawatts, the solar array is planned to support more than 80% of the 100-store centre's anticipated power usage.

This represents Auckland Airport's first steps to generate onsite renewable energy,

*Continued page 14*



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# Premium airport retail centre takes shape

From page 12

with a rooftop solar system also planned atop the \$300 million-plus Transport Hub, under construction opposite the international terminal.

“Auckland Airport is committed to tackling climate change, and these are exciting and important steps towards us reaching our 2030 net zero carbon goal,” Thomson says.

The flyover video reveals a first look in the purpose-built, outlet shopping destination that will bring together fashion, athleisure, lifestyle and homeware brands under the one roof, offering great discounts to shoppers.

“While it’s outlet shopping, the high standard of amenities and finishes may surprise,” Thomson says.

Manawa Bay will make the most of its water-facing location, and embrace large,

light-filled open spaces in the dining area, and an easy-to-navigate, figure-of-eight layout for the centre, reflecting the concept of flight and air.

The video shows the park-like setting overlooking the mangroves (Manawa is one of the words for mangroves in te reo Maori), and how the central food and beverage area freely flows to alfresco dining and nature-inspired play spaces.

“With plenty of indoor plants, greenery and detailed feature ceilings, this is not your typical food court environment.

“We’ve listened and gathered feedback from prospective shoppers to inform our designs, and we’re creating a contemporary, welcoming space that our visitors will love.

“Outlet shopping is all about discovery, and the flyover shows people relaxed, connected and enjoying their surroundings,”

Thomson says.

Last year Auckland Airport broke ground on the 150,000sq m site in the north-east of the airport precinct.

Site works are currently focused on constructing the foundations of the

building and putting structural steel into place.

Meanwhile, the design team led by TRCB Architects has been focusing on the final touches to the design.

Savory Construction general manager Sam Lomax says Savory is proud to be working on what’s being looked upon as one of the leading outlet centres in Australasia.

“With its unrivalled location and inspired indoor and outdoor spaces for visitors to explore, Manawa Bay will set a new standard for premium outlet shopping — and we are thrilled to help deliver this exciting, go-to retail destination,” Lomax says.

Transport was a central consideration in design, and Manawa Bay is conveniently located on a main arterial route, with access to public transport options.

## Powerful stuff!

• *Manawa Bay and the Transport Hub combined are expected to generate enough solar energy to power 634 houses per year and avoid approximately 588 tonnes of CO<sub>2</sub>-equivalent emissions per year — equal to a Toyota Corolla driving the length of New Zealand 1865 times.*

• *Fly through video: <https://vimeo.com/manage/videos/815174474>*  
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## Report: NZ construction pipeline slowing

A new report by Pacifecon shows that the forward pipeline of construction work within New Zealand is slowing.

Reporting on the results of a survey sent to the company's database, the aim was to gain a holistic view of the construction market within New Zealand.

Four hundred and forty stakeholders across a variety of sectors, including architects, construction companies, and product manufacturers/suppliers, responded.

What the report revealed was not surprising — however, some respondents shared the sentiment that “we just need to get on with it”.

### Worse than the GFC

Most in the industry are reporting a dip, and some even say it feels worse than it did during the Global Financial Crisis.

Responses included:

- 61% of those working in the residential sector reported having slightly less or less than half the amount of work in their pipeline compared to the same time last year.

- 51% of the commercial sector, 49% of the civil sector and 47% of those in

industrial also reported this.

- 13% of those surveyed have work in the pipeline for more than 12 months, while 25% of respondents have three months or less.

“The goal of creating the Construction Snapshot Survey was to uncover the extent of various challenges, and how they are affecting different sectors within the construction industry,” Pacifecon research manager Philip Dawes says.

“The focus was to try and capture the current state and sentiments within the construction industry.

“We see that commercial and residential construction are impacted more than civil and industrial — this might be because of the differences in how long the projects last, who the customers are, and the level of confidence different sectors have,” Dawes says.

“Overall, the survey highlights the challenges facing the construction industry, and the need for stakeholders to work together to find solutions.

“It also emphasises the importance of building and adopting different strategies to mitigate the impacts of future challenges faced by the industry.”

## East Coast recovery agreement signed

Higgins Contractors has signed an agreement to work alongside a group of experienced contract partners on a cyclone recovery plan for Hawke's Bay and Gisborne.

In signing an interim alliance agreement, Fletcher Building and construction company Higgins will be working alongside Waka Kotahi and KiwiRail, as well as fellow contractors Downer and Fulton Hogan.

As an interim alliance, the group will develop a framework that outlines the full scope of work required in the two regions, and how that could be managed, designed and delivered over the coming years.

The interim alliance's work will cover the mobilisation, planning and engineering phase of the recovery.

The group will create a plan for the next phase, which is the delivery of the required major civil construction work, including rebuilding roads, bridges and rail corridors with the support of local contractors and supply chains.

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# \$250 million student accommodation facility opened

The opening of the country's largest student accommodation facility is set to boost the infrastructure of New Zealand's tertiary education sector.

Developers say the \$250 million University of Auckland facility is designed to create a new model in student accommodation, which can be deployed throughout the country to address a shortage of self-contained apartments in tertiary institutions.

This is seen as an important strategic step in helping to attract international students and retain domestic students as the global market for tertiary education is re-established.

According to government data, international students generated at least \$1.25 billion a year for New Zealand prior to the Covid pandemic, and universities' overseas earnings from education represented 1.2% of the country's exports.

The University of Auckland is New Zealand's largest tertiary institution, and latest data shows the proportion of international students has declined as a result of the pandemic.

Carlaw Park Student Village has been built on the former Carlaw Park grounds,



Carlaw Park Student Village

and was first conceived 20 years ago.

The complex has 416 three-to-six-bedroom apartments, and can accommodate more than 1600 residents — with the opening of the 10-storey, 28,000sq m third stage building on Stanley Street, the largest of its kind in the country, adding 907 rooms.

In addition to the third stage building, the Village extends the University's campus by 52,000sq m.

The facility was inspired by US college accommodation, and is built around a large central courtyard which can accommodate recreational activities ranging from volleyball to barbecues.

Extensive consultation with students has also seen the incorporation of new design elements, including cinema rooms, gaming areas, retail, communal kitchens, music rooms, e-bike storage, and study and artistic spaces.

Acoustic sound proofing is designed to create an urban oasis, despite being in close proximity to a motorway entrance.

University of Auckland research suggests their accommodation model, which incorporates apartment rental, utilities, internet and gym membership into one fixed cost, is around 17% cheaper for students than living in a private flat off campus.

Greg Reidy, director of Reidy & Co, the co-developers of Carlaw Park Student Village — along with construction firm Haydn & Rollett — says changing market dynamics in the real estate industry have exacerbated a shortage of student flats near the CBD.

He says the new model used in the village also provides additional accommodation capacity in the city centre for sporting events and conferences during peak summer season — with 50% of residents vacating their apartments during this time, and the revenue used to subsidise the cost for students.



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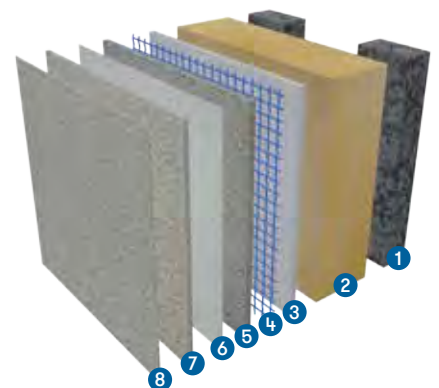
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# From accounting to building . . .

Jeremy Pearce is a BCITO carpentry apprentice with a unique career history. Formerly a financial advisor, he speaks about his decision to pick up the tools and switch to the trades.

“I left high school to study for a Bachelor of Commerce at the University of Canterbury, before moving to Brisbane to start a financial advisor cadetship,” Jeremy Pearce says.

“While the six and a half years I spent over there were interesting, I have always had a passion for fixing things, and building was always at the back of my mind.”

At age 30, Pearce decided to take the leap and move into the construction industry. He returned to New Zealand and started a BCITO carpentry apprenticeship with Scott Construction in Nelson.

“I was open to the fact it might not work out for me, but luckily it did. Building is very different to finance, but there are some transferable skills, such as communication and project management.

“I enjoy the wide range of challenges I face every day, and the constant opportunities to learn new skills.”

Last year he took part in the Master Builders’ Apprentice of the Year, placing first at the Upper South Island regional



Jeremy Pearce

event, and going on to compete at the national competition in Auckland.

Competition judges described Pearce as an apprentice who is well-regarded by his peers, and could clearly explain his plans, materials, and relevant legislative requirements.

At the national competition, he was one of the 60% of apprentices who had made

a career switch into building, reflecting how the industry is becoming an attractive option for experienced professionals.

“I encourage anyone interested in the trades to give it a go. If it is not the right fit, you can always go back to your previous career.”

Diversity is improving in the construction industry, in not only age, but also culture and gender.

A recent report by the Ministry of Business, Innovation and Employment found that diversity is being driven at the apprenticeship level, with the Government’s Apprenticeship Boost Scheme reporting that 19% of the over 50,000 apprentices in the scheme identify as Maori and 8% as Pacifica.

It also found that the number of female workers employed in the sector has nearly doubled in the past decade.

New Zealand needs more people to consider an apprenticeship. For more information, and to learn what support is available, visit

<https://bcito.org.nz/apprentices>.

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## Seismic testing may have major impact on concrete wall construction

Research into the technique used to connect reinforced concrete walls to their foundations is set to have a significant impact on the New Zealand construction industry.

Researchers at the University of Canterbury are conducting earthquake testing to better understand the performance of a construction technique called staggered lapsed splices, which is used to connect the steel bars in reinforced concrete walls to the steel bars coming out of the foundations.

The practice is no longer used overseas, but is still allowed under the New Zealand Building Code.

“The connections between the walls and the foundation are created by overlapping the steel bars — and they rely on the concrete around the bars to transfer the seismic forces from one bar to the other,” explains lead researcher Professor Santiago Pujol from the Department of Civil Engineering, whose research has been funded by Toka Tu Ake EQC.

“This configuration is economical and easy to build, but does not always provide the toughness for the walls to resist the demands of an earthquake,” Pujol says.

Structures using this configuration have collapsed in previous earthquakes in Turkey, Chile, Japan and Alaska. “When these connection fails, the outcomes are often catastrophic.”

Pujol says New Zealand has fortunately not seen similar catastrophic failures of lapsed spliced walls in the Canterbury and Kaikoura earthquakes, but it’s vital to test the seismic strength of staggered lap splices in a controlled environment.

PhD student Charlie Kerby is carrying out the testing at the Seismic Engineering Laboratory by attaching the walls to hydraulic actuators which mimic the effects of a major earthquake by pushing and pulling the walls until they fail.

“We are not interested in how much force is needed to make the wall fail, but how much the wall can deform before failure occurs,” Kerby says.

“Buildings need to be able to move with the earthquake, and we are looking at how much a lap splice can deform until it fails.”

The research is funded by Toka Tu Ake EQC as part of its



Professor Santiago Pujol (left) discusses the wall tests with PhD candidate Charlie Kerby at the Structural Engineering Laboratory at the University of Canterbury.

contestable Biennial Grants, which supports research in improving the resilience of buildings to New Zealand’s natural hazards in order to better protect people and property.

The organisation invests around \$19 million each year into research to better understand New Zealand’s natural hazards.

Kerby explains that engineers have alternative options such as welding the steel bars together or using a mechanical connection to transfer seismic forces, but says tradition and economics dominate most of what happens in the construction industry.

“These lap splices have been used for over a century and, from an economic viewpoint, an extra metre of steel virtually costs nothing compared to a specifically designed connection.”

He says the question as to whether lap splices actually perform well in earthquakes has only been raised fairly recently, so the University of Canterbury research will provide vital new insights to inform engineers and construction standards.

Pujol says his team will not only put the spotlight on a potential problem, but also provide solutions for the industry by designing and testing alternative configurations.

## Entries now open for 2023 Timber Design Awards

The way timber is used in construction has been advancing at pace during the past few years — and this has been reflected in new creative and innovative categories in the 2023 Timber Design Awards, for which entries are now open.

The new categories include:

- Residential Design Award for Multi-Unit Residential Buildings (up to three levels)
- Mid-Rise Building Design Award
- Hybrid Building Award
- Innovative Timber Manufacturing and Technology Award
- People’s Choice Award

Additionally, the Commercial and Public Building Award, Innovation Timber Engineering Award, and the Sustainable Development Award categories have been revised.



The Timber Design Awards highlight the latest advances in New Zealand’s timber construction capability.

Winners show an understanding of timber’s resilience and strength, acoustics, sustainability, beauty and design versatility.

Judges this year are David Carradine, BRANZ; Judith Taylor, NZ Institute of Architects; Andrea Stocchero,

Sustainability Architect, Scion; and Jan Stanway, Technical Director, WSP.

After the hiatus from Covid in 2020, eligible entries include buildings or projects with a significant timber content that were completed from July 1, 2019 to December 31, 2022.

Stage One entries close at 5pm on May 31, with finalists announced on August 31.

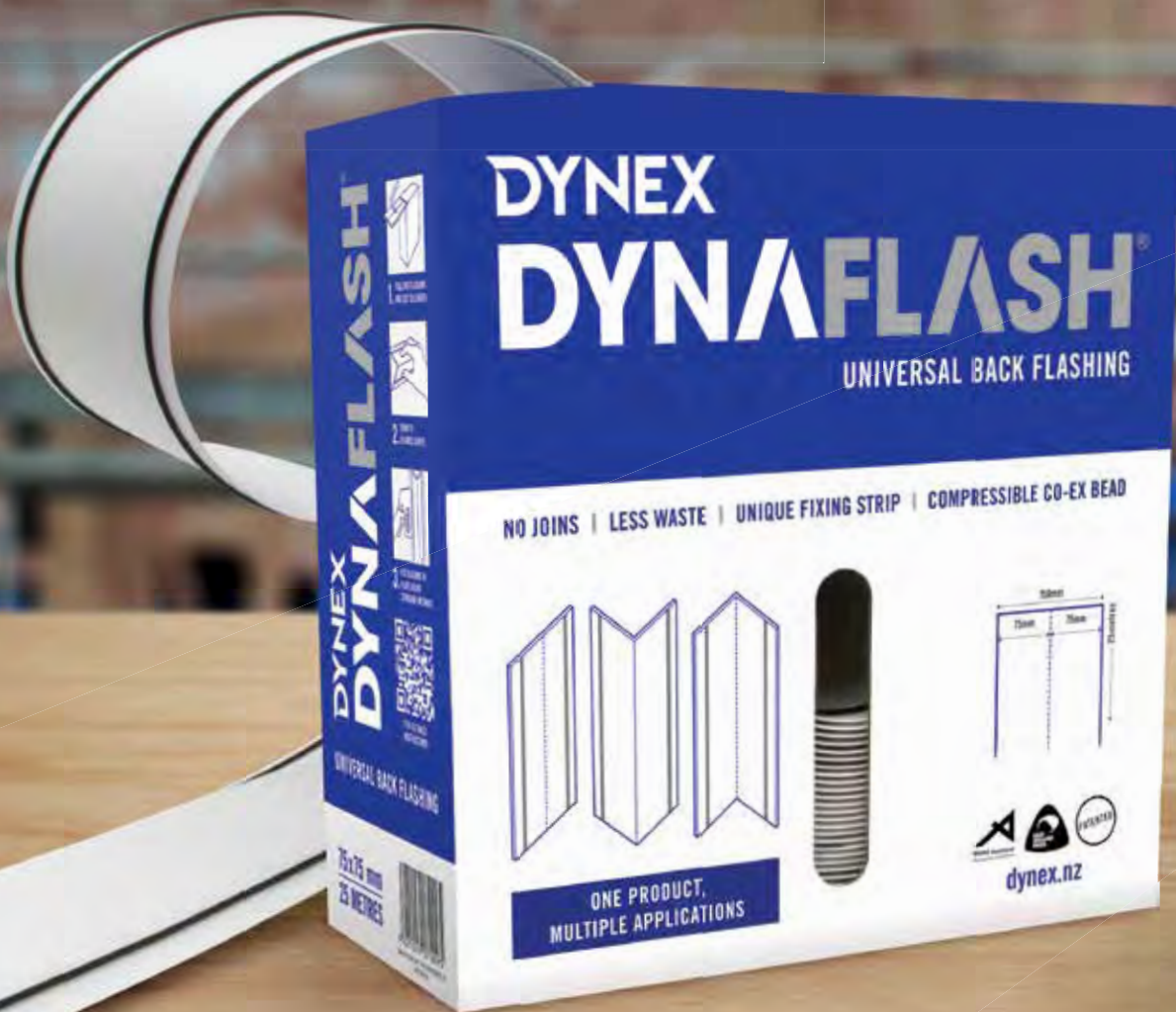
The Awards, now in their 48th year, and the winners will be celebrated at a gala dinner on November 2, 2023, at the Cordis Hotel in Auckland.

A new online interactive registration system for submitting entries will be used this year. For more information, visit <https://timberdesigncentre.co.nz/awards>, or contact [timberdesignawards@timberdesigncentre.co.nz](mailto:timberdesignawards@timberdesigncentre.co.nz).

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# Quiet achievers

Rob Campion of the Window & Glass Association NZ shares one of the industry's less talked about (but fantastic) secrets . . .

In a world where the recycling of building products is expected yet quietly obscure, you might not be aware that the majority of flat glass processed for use in windows, doors, commercial fit-outs, and balustrading in New Zealand is one of the best performing materials in the construction sector — from a waste management perspective.

For 13 years, one of our Association members, 5R Solutions, has been working with glass processors across the country to better manage their waste.

They now process tens of thousands of tonnes of glass annually, which is recycled into many products used here in New Zealand.

## Not to landfill!

Whilst a portion of recovered glass is supplied to Comfortech to manufacture Pink Batts — which is a fantastic and positive curricular outcome for the construction sector — there are many other uses for recycled glass.

Whether it be to replace imported



Scrap glass normally headed for landfill is now being recycled into a number of useful materials.



The majority of flat glass processed for use in windows, doors, commercial fit-outs, and balustrading in New Zealand is one of the best performing materials in the construction sector — from a waste management perspective.

products or natural resources such as bottle manufacturing, sandblasting media, water filtration, effluent management systems, turf applications and industrial coatings, there is no shortage of uses for the raw material.

The fact is that glass will never break down in landfill — so one tonne of glass in landfill today will still be one tonne of glass thousands of years later.

All types of glass are recycled in New Zealand, including double glazed units, laminated, annealed and toughened glass, with an amazingly high recovery rate.

And at the end of last year, 5R Solutions had diverted almost 290,000 tonnes of glass from landfills across New Zealand.

## Certified and growing

5R has developed a complete waste management programme for the glass sector that supports a positive environmental outcome.

The company focuses on diverting materials from landfill, and providing other industries in the resource recovery sector with worthwhile resources.

Typically, this might include recyclable glass, wood, plastics, cardboard, paper, mixed recycling, metals, hazardous waste and general waste.

Monthly performance reporting is critical to the sector for continuous improvement, and with 5R's recent Toitu "Carbon Reduce" certification (formally known as CEMARS), they demonstrate this first stage commitment to supporting the sector on their journey to sustainability.

They continue to grow their capabilities for flat glass recovery, to provide a better outcome for the refurbishment or demolition of buildings by expanding the regional reach — with two processing sites and five regional hubs, and a further eight hubs under development.

## A shift in mindset

Examples of the mindset shift and drive for better outcomes for construction

## Creating a better and healthier built environment for New Zealanders.

We are the voice of the industry, supporting and educating our membership community.

[www.wganz.org.nz](http://www.wganz.org.nz)





material recovery can be seen in recent and upcoming projects.

In 2022, 5R worked with Goodman Properties and Phoenix Metalman Recycling to recover 400 tonnes of glass from the clearance of a site earmarked for Green Star development – again, 400 tonnes of glass that would have gone to landfill if the opportunity had not been presented.

Two exciting projects commencing in May include the recovery of glass from the Queenstown gondola upgrade with Naylor Love and AllWaste, and working with the Hastings District Council for the Heretaunga House deconstruction, which will include the recovery of internal and external glass.

The success of the recoveries starts with working with like-minded companies, who share a positive environmental focus and a drive for the right outcomes.

5R is also working with the retro glazing market, taking the glass from old single-glazed windows where it is being replaced with double glazing.

In turn, the glass recovered from previous projects has been processed into Pink Batts insulation installed in the home to assist



*5R Solutions is also working with the retro glazing market, taking the glass from old single-glazed windows where it is being replaced with double glazing.*

in achieving a warmer and healthier environment for the occupier.

Here, the perfect circular outcome has been generated for flat glass in New Zealand.

It's a complete life cycle for a window, shower door, or other residential or commercial glass, recovered and re-manufactured at the end of its life to deliver a useful and positive product, rather than simply dumped in landfill.

#### **Driven**

The industry is fortunate to have companies like 5R who are driven to provide the best outcome for window glass in New Zealand.

They currently achieve a 94% recovery of the glass processed, and are aiming to raise this to 98%.

And within the next couple of years, there is a desire to see that no piece of flat glass will see the inside of a landfill, a very real and achievable goal with the continued market developments for

processed glass that 5R are implementing.

Congratulations to the team at 5R Solutions for all they have quietly achieved to date . . .

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# Bracing for change: Reducing temporary bracing waste across NZ

Have you ever thought about what happens to your braces after they come down?

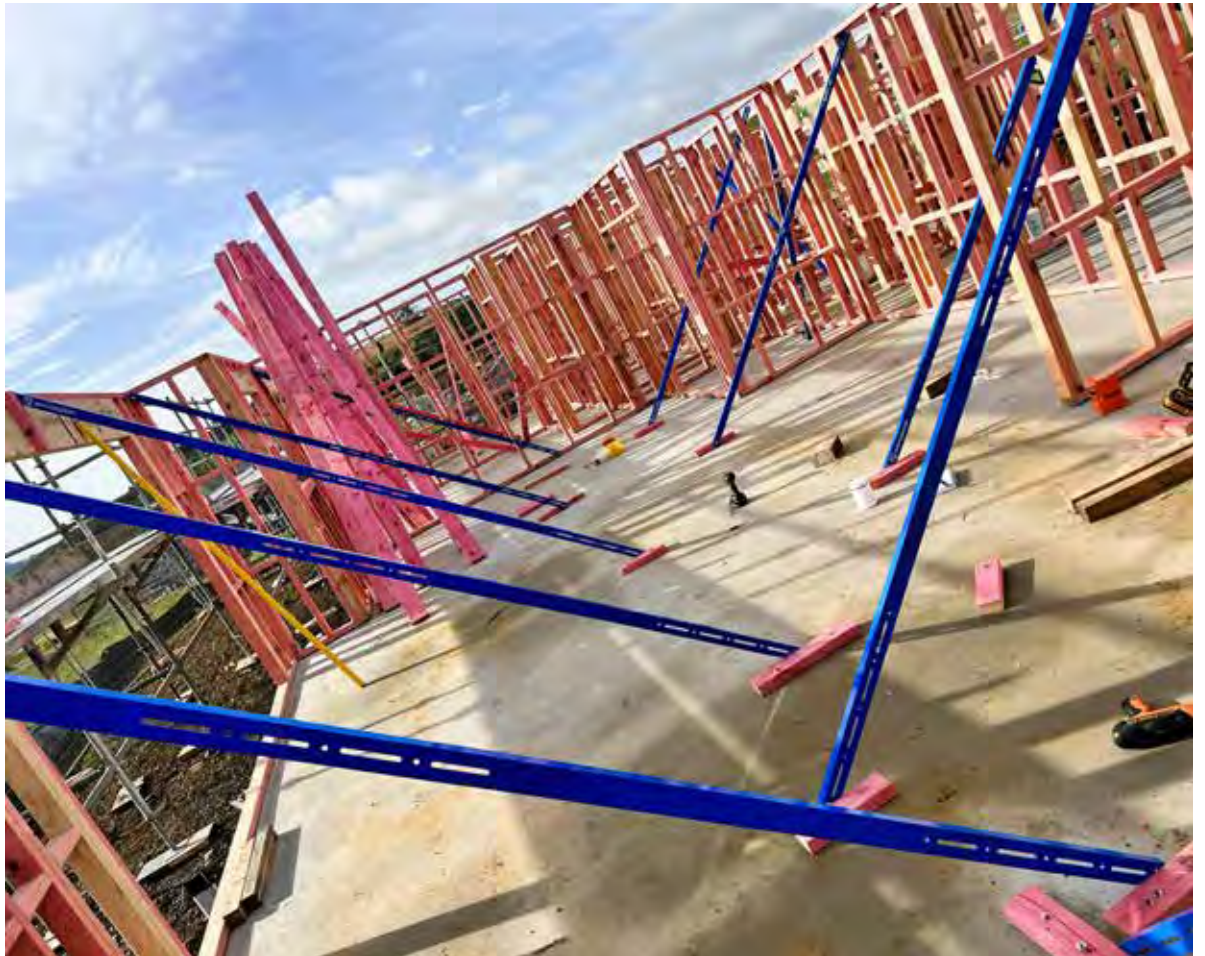
Maybe they're in good enough shape to be used as nogs or utilised at another build? Or, like many sites, do they end up destined for the skip?

Bracedon Solutions believes there are thousands of metres of timber heading to landfill each year, and they're committed to reducing a portion of that by replacing traditional temporary bracing with a practical and reusable alternative.

However, being sustainable and being profitable shouldn't be mutually exclusive, so they've created braces to save not only waste, but to save builders time and money.

On site, the process is streamlined since all their braces are sold at 3.6m, so there is no need for cutting. And they allow for complete flexibility — any length can be used to prop an internal wall or to make external walls plumb and square.

The slots have been designed and tested to provide fixing points for various



stud spacings that builders come across on site. And with a simple dog bar users can "crank" at the base of the brace or anywhere a slot meets timber.

Then once the frame is set, Bracedon's large washer head screws do the hard work of holding walls straight, plumb and in place.

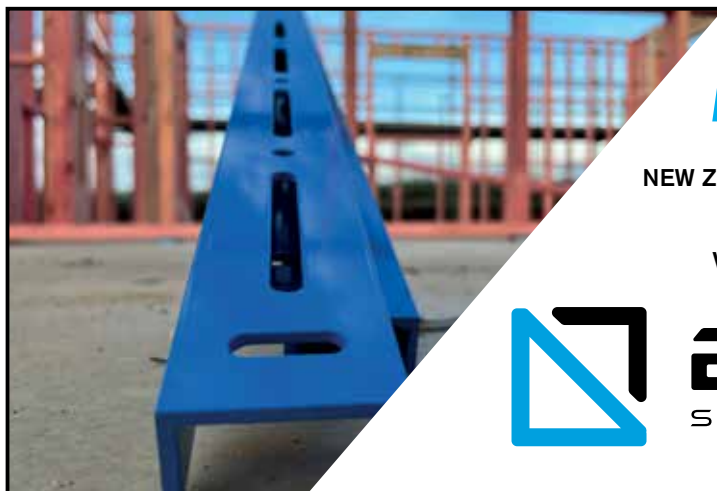
No nails are needed, and when you're ready to de-brace, it's never been quicker.

Simply unscrew and keep fasteners and braces for the next job.

There is no need to smash lengths of timber off, pry out nails and then sweep them up. They're efficient, sustainable, and constantly reusable.

Ready to make a positive change on site and on the bottom line? Then check out [bracedon.co.nz](http://bracedon.co.nz).

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*Showerdome is a clear acrylic dome that simply attaches to the shower cubicle top to prevent steam forming in the bathroom.*

## Enjoy a warmer, healthier home

A lot of the moisture in a house comes from shower steam, causing foggy mirrors, wet walls and ceilings, and worn out paint, which can add significant costs to house maintenance.

A dry warm home is also a healthy home, as damp surfaces are the perfect place for fungus and bacteria to grow, which can cause health problems.

Showerdome reduces these problems, controlling steam, reducing condensation, and making the home healthier and warmer.

Showerdome is a clear acrylic dome that simply attaches to the shower cubicle top to prevent steam forming in the bathroom. It is a Kiwi invention, and the company is proudly New Zealand-owned and operated.

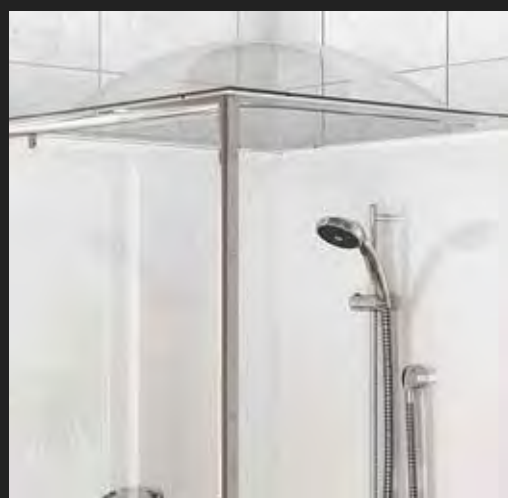
According to the Energy Efficiency and Conservation Authority (EECA), the average shower releases 1.5 litres of moisture into the air. In a home of four people, this represents 6 litres being released into the air daily.

To prevent this, the Authority recommends putting a lid on shower cubicles to avoid dampness. Another major safety concern related to moisture is slippery floors, with bathroom falls being among the leading causes of accidents in the home.

Apart from the health benefits, safety and comfort, a Showerdome helps savings on gas and electricity. Research conducted by the University of Waikato proves that a Showerdome, when used correctly, can pay for itself within two years.

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# WIN!



We've got another great prize to give away to the lucky winner of this month's Building Today Trivia Question — a DIY Showerdome kit worth

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Congratulations go to Adrian Reid, who won last month's Selloys swannabri prize, worth \$190.

# What is your 'Purple Cow'?



Andy Burrows — aka The Trades Coach — explains the meaning behind the term "Purple Cow". And why it's essential that your business has one!

Imagine you are driving through the Waikato countryside past paddocks full of standard looking cows and you suddenly see a bright purple one.

It's going to make you take a second look and likely elicit some sort of response, such as, "holy smoke, look at that purple cow!"

In business it can be an important strategy to develop a similar Purple Cow difference for your product or service offering.

## What is a Purple Cow?

A Purple Cow is a term coined by marketing expert Seth Godin in his book *Purple Cow: Transform Your Business by Being Remarkable*.

The term refers to something that is so unique and exceptional that it catches people's attention and makes them want to talk about it.

In the context of a construction business, a Purple Cow could be anything that sets your company apart from others, and makes it stand out in a positive way.

If you're thinking "we do quality work", think again. Every builder claims that one, and so it needs to be more unique than that.

## Identify your unique selling point

To develop a Purple Cow point of difference, you first need to identify your unique selling point.

What makes your construction business different from others? What can you offer that others cannot? Do your target clients want or need it?

To get you thinking, here are a few areas you might consider:

- Specialisation: Do you specialise in a particular type of construction, such as sustainable building or historic renovations?

- Customer service: Do you go above and beyond to provide truly exceptional customer service? Do you offer personalised service that meets the specific needs of each client? Can you prove it?

- Technology and innovation: Do you use cutting-edge technology and innovative techniques to improve the construction process and deliver better results?

Once you have identified your unique selling point, you can start to develop a Purple Cow point of difference that highlights your strengths and sets you apart from your competitors.

## Create a memorable brand

Developing a memorable brand is another

important step in creating a Purple Cow point of difference.

Your brand is how people will recognise and remember your construction business. It should reflect your unique selling point and be consistent

across all your marketing materials, including your web site, social media accounts, and advertising.

Here are a few things to consider when developing your brand:

- Visual identity: Choose colours, fonts and design elements that reflect your brand's personality and stand out from the competition.

- Messaging: Develop a unique tone of voice and messaging that reflects your



brand's values, your customers' values and how they align.

- Logo: Create a memorable logo that represents your brand and can be easily recognised by potential customers.

- Storytelling: Use storytelling in the form of successes you have had with

past customers to connect with your audience, and help them understand what sets your business apart.

## Market Your Purple Cow point of difference

Finally, to make your Purple Cow point of difference work for your business, you need to market it effectively.

You want to make sure that potential customers know what makes your business unique, and why they should choose you over your competitors.

Here are a few marketing strategies you might consider:

- Content Marketing: Create valuable content that educates and engages your audience, and highlights your unique selling point.

- Social Media: Use social media to connect with potential customers, share your content, and build your brand.

- Advertising: Use paid advertising to reach a wider audience and promote your Purple Cow point of difference.

- Events: Attend industry events, such as home and garden shows, and build an engaging display that makes people stop, take a second look and, hopefully, engage with you.

Developing a Purple Cow point of difference for your construction business can help you stand out from the competition and attract more customers.

Especially as the market becomes more competitive, it becomes vital to be more proactive in this area.

It doesn't need to cost a lot, but will help make your marketing and sales efforts much more effective.

For help in developing your Purple Cow, reach out to me at [andy@tradescoach.co.nz](mailto:andy@tradescoach.co.nz) and we can start a conversation.

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# October countdown for new retentions regime

The Construction Contracts (Retention Money) Amendment Act 2023 comes into force in October this year, and it is important for contracting parties to consider what this means for them in practical terms. Rob Harris and Boome Kim of Greenwood Roche Project Lawyers critically examine some potential outcomes of the new retentions regime.

New Zealand's retentions regime has been in development since Mainzeal Property and Construction Ltd was placed into liquidation in 2013.

Since March 2017, under the Construction Contracts Act 2002, a party that withholds retention money under a construction contract has been required to hold those retained funds on trust, for the benefit of the party due payment.

On April 5 this year the Construction Contracts (Retention Money) Amendment Act 2023 (Amendment Act) received royal assent, and the Amendment Act, which further strengthens the law on retentions, comes into force on October 5, 2023.

The existing regime in the Construction Contracts Act 2002 (CCA) is unclear about how retentions must be held.

The obligations associated with holding trust funds applies only if the trust exists, but there is no obligation to hold the funds on trust.

The High Court in *Bennett v Ebert Construction Ltd* (in rec and liq) [2018] NZHC 2934 noted that, "While it is clear that the purpose of the [existing regime] relating to retentions was to provide greater security for subcontracts than existed previously, there were gaps in the legislation and the language used was imprecise".

The Amendment Act targets this ambiguity and details how the regime should work in practice. It also introduces penalties for those who have not complied.

## Summary

The Amendment Act is intended to strengthen the existing retention regime, and provide greater assurances that retentions will be paid if a withholding party becomes insolvent.

The retentions regime will apply to parties that withhold payments under a construction contract as security for performance — it is not limited to traditional head contractor or subcontractor relationships.

Contracting parties should carefully consider what the introduction of the Amendment Act means for them in practical terms.



Rob Harris



Boome Kim

Affected parties have until October 5, 2023, to develop internal reporting systems and collaborate with banks and other third parties to ensure compliance with the Amendment Act.

## What is required

For new commercial construction contracts agreed from October 5, 2023:

- Retentions must be held on trust in a separate New Zealand bank account (section 18C and 18E). Whilst parties may choose to create separate trust accounts, the regime envisages operation of a single account, similar to a solicitor's trust account. This applies to any party holding retentions, whether principals, head contractors or subcontractors.
- Parties holding retentions have record-keeping and reporting obligations, and a requirement for pro-active, three-monthly reporting to counterparties (section 18FC and 18FD).
- New penalty provisions for non-compliance bring fines for companies of up to \$200,000 and personal liability for directors of up to \$50,000 per offence (section 18DA).
- The Ministry of Business, Innovation and Employment can investigate and prosecute for offences under the Amendment Act.

## Practical steps by October 5, 2023

Contracting parties should consider amending their agreements to reflect the changes introduced by the Amendment Act.

Historically, many contracts have been silent on how retention funds should be held, and for what purpose the funds can be used for.

Now, in light of section 18C(3)(c)(i), retention funds will cease to be trust property only if the use of the funds for that purpose is permitted by the contract, which effectively requires parties to specify when retention money may be applied — for example, to remedy defects.

Parties should ensure that dedicated retentions bank accounts and proper accounting and recording

systems are in place, and they should also identify internal roles and responsibilities for ensuring compliance — with appropriate oversight, given the potential fines.

Commercially, parties may wish to revisit whether they use retentions as standard or at all. The risk of fines and convictions for companies and directors could present a major deterrent from using retentions as security.

A director of a construction company risks personal liability for arguably minor errors — for example, a mistake in accounting records.

In deciding whether to continue to utilise retentions, alternative methods of securing performance should be considered.

NZS standard contracts already provide an option for bonds to be used in lieu of retentions (see section 18FB of the CCA). The administration and extra costs of bonds may mean they are not a realistic option for some.

Simple milestone payments at practical completion and/or final completion instead of retentions could serve as a substitute for retentions.

Other alternatives include project bank accounts, access to (increased) performance bonds, escrow accounts, and parent company guarantees.

## Conclusion

Longer term, the Amendment Act may see the use of cash retentions decrease in New Zealand.

In the United Kingdom there has been various movements and pledges to abandon cash retentions altogether.

It is plausible that the retentions regime imposed by the Amendment Act will steer the industry in New Zealand towards a similar approach.

# Want HR? Try 'No Nonsense' HR!

Tradie HR director Leigh Olsen says in her experience, down-to-earth tradies just want easy-to-apply HR solutions — which she outlines here.



Working with leading tradies from across the country has taught me many things as an HR professional.

Yet probably the greatest lesson of all is that when it comes to HR and fixing your people problems, tradies want No Nonsense HR — easy-to-apply HR solutions that fix the sleepless nights, and help their people and their businesses to grow.

So what are some of the ways you can apply No Nonsense HR to get some more sleep at night?

Here are the common aspects my clients regularly put into place to change their people landscape, and to keep it easy to understand for everyone at the same time.

## #1 Identify what's keeping you awake at night

This is my first question to most clients — what's been keeping you awake at night? What's the people stuff that pops the eyes open at 3am? Whatever your answer is, this is what you'll need to tackle first.

Recently, I had a client who had been sitting on an employee issue for more than three months — his budding apprentice was coming to work late again and again.

It was confusing because this young rising star had talent, and would grasp things quickly but, for some reason, just couldn't get their punctuality sorted.

What's worse, it was the business owner's best mate's son, making it even more complicated.

This is the people stuff that causes a huge loss of sleep, and was the first thing I worked on with this client.

I asked my client, have you asked your employee why they are coming in late? He said "not really" — and his reluctance for not simply asking was because he was afraid this employee would leave.

I recommended that when the employee came into work late again that the client

pull him aside privately and talk to him about it.

I helped him frame up this conversation so that my client was asking the right questions and "seeking to understand", before deciding on the next steps.

It came out this employee was having to help look after his father who had got sick, and was getting him settled before he set off for work.

My client and his employee worked out a plan — he is still there to this day, and is one of the best in the team.

By solving the sleepless night issue first, it means you can then have space to work on other aspects, such as retaining your people and getting your HR policies in place and up to date.

## #2 Add 1-2-1s

If you've been reading my articles for a while, you know I keep talking about the power of 1-2-1s. Why? Because they work. They really do.

They work to transform your managers and their teams into strong, effective groups that get the job done. It opens up a conversation where issues get caught early, and it enhances a two-way conversation to empower everyone in the business.

So how do you do these? Again, adopt a no-nonsense approach. Each manager sets up a regular 1-2-1 catch-up with every employee, at least once a month.

The employee does most of the talking about what's happening for them at work — the good and the bad. The manager dials up the listening, asks more questions than talks, and makes sure there's a safe space in which to have this conversation.

You don't have to dive deep into emotions — it's just a regular check-in on how their work is going. Even if you just spend your time as a manager listening (which is recommended), the amount of trust between you and your team member will go through the roof.

And when trust is high, people stay, and they stay engaged.

## #3 Keep it simple

With whatever you're going to do in the people space, whether that's looking at how you hire them, grow them or keep them — keep it simple.

When it comes to hiring new people, get your ducks in a row. Have a simple and easy recruitment and induction process to understand, and make sure your employment contracts are easy to read and are fit for purpose. And, yes, employment contracts are a must have.

For growing your team, add in your 1-2-1s. Check they've got something to learn about, or roll up their sleeves and make sure they've got some learning to practice.

Sometimes all it takes is putting them on a different project or job — one that challenges them and develops their skill set.

You don't have to give someone a promotion to grow them. Provide something that challenges them, ensuring you provide regular feedback and support.

For keeping your people, take time to check in with how they're going. Take a real interest in their employment journey with you.

Remember, everyone wants to know that what they are doing is adding value and making a difference.

Recognise their efforts with positive feedback, and maybe go beyond just one celebration a year — the annual Christmas party — and diarise a gift box to go out in the middle of the year to keep up the connection, and also to show your thanks.

One employee recently was buzzing for the whole day when his boss sent a simple gift box saying "you're awesome". It was a simple gesture to keep a valued employee on track and on board.

## Add in some No-Nonsense HR

Looking after your people to bring out the best in your business doesn't need to be a complex formula with multiple policies and complex words.

If you're keen to take a no-nonsense approach to HR, and get some sleep at night, book in for a chat with Tradie HR to explore how we can support you and your people for the rest of the year.

**Note:** This article is not intended to be a replacement for legal advice.

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# Building Consents Information

For all authorisations, March 2023

Dwellings	\$1,988,047,438	Total All Buildings	\$3,042,973,824
Domestic Outbuildings	\$22,193,268	Non-building Construction	\$48,170,997
Total Residential	\$2,010,240,706		
Non-residential	\$1,032,733,118	<b>Total Authorisations</b>	<b>\$3,091,144,821</b>

## Number of new dwellings consented

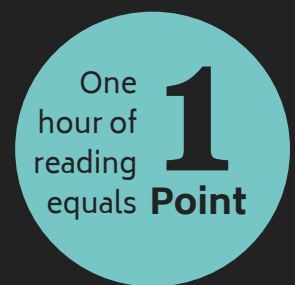
	Mar 2023	Feb 2023	Mar 2022		Mar 2023	Feb 2023	Mar 2022
Far North District	42	62	40	Palmerston North City	50	31	37
Whangarei District	56	31	64	Tararua District	1	3	3
Kaipara District	13	15	35	Horowhenua District	23	18	63
Rodney District	77	127	132	Kapiti Coast District	34	9	27
North Shore/Albany Wards	258	313	234	Porirua City	14	16	65
Waitakere Ward	277	102	384	Upper Hutt City	16	15	46
Auckland Wards	464	262	874	Lower Hutt City	63	57	153
Manukau/Howick Wards	338	206	354	Wellington City	36	76	84
Manurewa-Papakura Ward	322	206	261	Masterton District	19	17	15
Franklin Ward	78	73	74	Carterton District	3	6	3
Thames-Coromandel District	25	15	47	South Wairarapa District	23	6	14
Hauraki District	8	9	12	Tasman District	78	46	70
Waikato District	73	56	105	Nelson City	6	9	27
Matamata-Piako District	11	25	25	Marlborough District	38	13	18
Hamilton City	138	93	180	Kaikoura District	4	3	3
Waipa District	66	62	81	Buller District	4	7	12
Otorohanga District	4	5	5	Grey District	6	4	7
South Waikato District	15	4	10	Westland District	1	2	8
Waitomo District	1	0	10	Hurunui District	21	12	20
Taupo District	47	27	40	Waimakariri District	45	48	79
Western Bay of Plenty District	22	25	42	Christchurch City	378	275	593
Tauranga City	128	89	141	Selwyn District	150	138	161
Rotorua District	16	44	34	Ashburton District	21	16	32
Whakatane District	8	6	21	Timaru District	21	14	29
Opotiki District	5	1	4	Mackenzie District	8	8	10
Gisborne District	32	6	12	Waimate District	2	2	1
Hastings District	46	20	33	Waitaki District	5	8	9
Napier City	23	20	27	Central Otago District	32	14	28
Central Hawke's Bay District	3	5	12	Queenstown-Lakes District	60	67	131
New Plymouth District	67	19	47	Dunedin City	42	36	65
Stratford District	3	1	6	Clutha District	5	4	11
South Taranaki District	11	4	14	Southland District	7	11	22
Ruapehu District	4	2	6	Gore	1	3	4
Whanganui District	16	13	24	Invercargill City	9	7	26
Rangitikei District	2	4	11	Area Outside TA	0	0	0
Manawatu District	42	18	24	<b>Total</b>	<b>3970</b>	<b>2972</b>	<b>5303</b>

Source: Stats NZ, customised report and licensed by Stats NZ for re-use under the Creative Commons Attribution 4.0 International licence.

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