



MEDIA RELEASE
21 September 2016

Survey highlights Kiwis' "she'll be right" approach to building work

The results of a survey released today by the New Zealand Certified Builders Association (NZCB) show that New Zealand homeowners are too laid back when it comes to written contracts for building work and assume being licensed means builders have a higher standard of training, skills and experience than is currently required under the Licensed Building Practitioner scheme.

The survey found that 51% of homeowners who had used a builder in the last ten years didn't have a written contract for work done by their last builder. Of the work done without a written contract, 22% was for work over \$30,000, 18% was for work between \$10,000 and \$30,000 and 48% was for work under \$10,000.

NZCB Chief Executive, Grant Florence, said the survey highlighted the importance of consumer protection measures, such as the change last year to make written contracts mandatory for building work over \$30,000.

However, he cautioned that there's still work to do to raise awareness within the industry and among consumers about the new mandatory requirement for contracts and the importance more broadly of written contracts for lower-cost building work.

"The survey found that that 46% of homeowners think it's the builder's responsibility if something goes wrong with a build or renovation. The reality is if there's no written contract in place, this makes it difficult to resolve any issues.

"Having a contract is important for spelling out duties and obligations in relation to building projects. That's why we provide template contracts for our member builders to use, to ensure they adhere to the highest professional standards. We also recently introduced a mandatory building guarantee, which applies to every new home build or home building alteration over \$30,000 that is undertaken by a NZCB member.

"While NZCB members have template contracts, mandatory guarantees and other tools on-hand that they can offer to consumers, others in the industry who are not a member of one of the two major building trade associations that provide this kind of support, do not," said Mr Florence.

The survey also found that when asked about what they thought was a requirement for a builder to be a Licensed Building Practitioner (LBP), 90% of homeowners thought that having a formal building trade qualification was a requirement and 80% thought that undertaking formal professional development was required to maintain registration.

"Trade qualification isn't currently a requirement under the LBP scheme, and in terms of professional development, while the LBP Skills Maintenance Scheme has recently been strengthened, in our view it doesn't go far enough. All builders are required to do is read LBP News (part of MBIE's Codewords newsletter), identify two examples of on-the-job learning over the two-year licensing cycle and undertake some elective activities to earn points, to maintain their licence.

"Like the homeowners who responded to our survey, we've always thought the LBP scheme should require trade qualification, as well as a more stringent skills training pathway. This would further lift the standards of training and skills across the industry, which is in the best interests of consumers.

"In the absence of any strengthening of the LBP scheme, consumers can have confidence in choosing a builder who is a member of NZCB because all our members are trade-qualified – we are the only building trade association in New Zealand that requires trade qualification as a pre-requisite for membership. NZCB members also have access to ongoing professional development, such as through our regular Toolbox Seminars," said Mr Florence.

One-thousand New Zealand homeowners completed the survey during May 2016, which was conducted by Curia Market Research.

ENDS

Media contact: Eden Green, 021 964 783