

## ABOUT THE NZCB SURVEY OF NEW ZEALAND HOMEOWNERS (MAY 2016)

The survey was conducted by Curia Market Research during May 2016. The sample population (which was randomly selected from 15,000 nationwide phone numbers) was New Zealand homeowners who were contactable on a landline. One-thousand respondents agreed to participate in the survey.

The results are not weighted as the target population was homeowners, not all New Zealanders. Based on the sample of 1,000 respondents, the maximum sampling error is +/- 3.1%, at the 95% confidence level. The survey was conducted in accordance with relevant New Zealand and international codes of practice.

### Key findings

#### Choosing a builder

- 48% of homeowners had used a builder in the last 10 years, mainly for renovations.
- The majority of homeowners (55%) chose their builder based on recommendations from friends or family.
- The top five attributes considered most important by homeowners when choosing a builder were:
  - Reputation for high quality work
  - Professionalism and communication
  - Builder has a formal building trade qualification
  - Experience with similar building projects
  - Is a licensed building practitioner.
- When asked about the qualifications held by their last builder, 83% of homeowners said their last builder had a formal building trade qualification and 76% of homeowners said their last builder was a Licensed Building Practitioner.

*[Note: The survey did not ask respondents about how they knew if their last builder had a formal building trade qualification or if their last builder was a Licensed Building Practitioner. However, when taken with the findings below about what homeowners think is required for a builder to be a Licensed Building Practitioner, it may be that the respondents made an assumption that being licensed required a formal building trade qualification.]*

- 85% of homeowners were satisfied with their last builder, saying they were very good (60%) or good (25%).

#### Licensing regime for builders

- When asked about what they think is required for a builder to be a Licensed Building Practitioner:
  - 93% of homeowners think it is a requirement to have relevant building experience
  - 93% of homeowners think it is a requirement to keep up to date with industry developments and best practice
  - 90% of homeowners think it is a requirement to have a formal building trade qualification
  - 80% of homeowners think it is a requirement to undertake formal professional development to maintain registration.

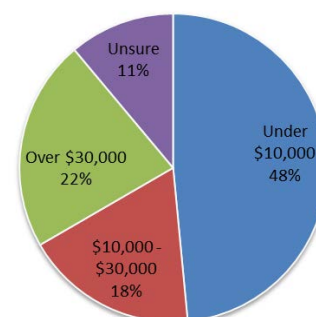
*[Note: Becoming licensed under the LBP scheme requires completion of an application form, a meeting or discussion with an assessor and a final decision by the Registrar. Participation in a Skills Maintenance programme is also required. To find out more about the LBP scheme requirements, visit [www.lbp.govt.nz](http://www.lbp.govt.nz).]*

#### Building contracts

- 51% of homeowners had engaged their last builder without a written contract. Of the work done without a written contract:
  - 48% was for work under \$10,000
  - 18% was for work between \$10,000 and \$30,000
  - 22% was for work over \$30,000
  - 11% of homeowners were unsure.\*

*[Note: A written contract is mandatory for building work costing over \$30,000. This requirement was introduced under changes to the Building Act that came into effect in January 2015.]*

- Some specific demographics were more likely than others to have engaged their last builder without a written contract: homeowners aged 65+ years (57%) and homeowners living in rural areas (62%).



### *If something goes wrong*

- When asked about how a problem would be addressed, if something major goes wrong with a build or renovation:
  - 46% of homeowners think the builder has to take responsibility for it
  - 10% of homeowners think it is covered by a builder guarantee or insurance
  - 9% of homeowners think it depends on the contract
  - 3% of homeowners think it is covered by home insurance
  - 33% of homeowners said 'other' or were unsure.\*

*[Note: Under the Building Act, work is subject to a 12-month defect repair period during which the builder is required to fix any issues. Building guarantees provide additional consumer protection. Not having a written contract (or a building guarantee) in place makes it more difficult to resolve issues if something goes wrong.]*

### *Health & safety*

- When asked about who is responsible for ensuring health and safety on-site during home building or renovation work:
  - 65% of homeowners think the building contractor is responsible
  - 14% of homeowners think it's a joint responsibility (homeowner and building contractor)
  - 10% of homeowners think it's the homeowners' responsibility
  - 3% of homeowners think it depends on the contract
  - 8% of homeowners said 'other' or were unsure.

*[Note: The head contractor is typically responsible for the overall health and safety on-site, except for when the homeowner is acting as the head contractor (and the builder is working under a labour-only contract) – in which case the overall health and safety on-site is the homeowner's responsibility. Not having a written contract in place makes it more difficult to resolve any issues around health and safety if something goes wrong.]*

\* Totals may not equal 100% because of rounding.