



THE 2019/2020 YEAR IN REVIEW

01 July 2019 – 30 June 2020

We are approaching the end of another year's activity for your Association — and what a year it has been, with Covid-19 causing the Government to implement unprecedented measures to close our borders and shut down all economic activity other than essential services.

This resulted in the closure of our fabrication plants for a five-week period, before the alert level dropped enough to allow us to return to work. From what we hear across the industry, all plants have since been busy coping with the backlog after work came to a sudden stop on 26 March: a date that few of us will forget.

We all know that it will take some effort yet to get back to any degree of normality — and this should keep plants busy for some months to come — but there are several business pundits out there who predict that the market will slow down significantly a few months further on. Fletcher's have publicly stated that they are expecting a 30% drop in building activity. While many of us are more optimistic, suggesting somewhere closer to 10% might be more realistic, it will be interesting to see how the market pans out from, say, September onward.

While one might think that the thousands of jobs lost in the after-effects of the pandemic would provide plenty of labour for our sector of the industry, it remains to be seen whether this turns out to be true.

You will all no doubt be aware of our recent decision to give our fabricator members a full rebate on membership subscriptions for the 2020/2021 year, and to give all other members (corporates in Categories A, B and C and our Industry Associates) a 50% rebate on membership subscriptions. This has been well received by the majority of our industry.

Your Executive team has not met since February, as the lack of activity due to Covid-19 has generated fewer issues needing our attention. In the background, however, some outstanding items that were not resolved prior to lockdown will need to be addressed reasonably quickly, and these are currently in front of our senior people. Our next meeting is scheduled for Tuesday 21 July and this will be going ahead.

As always, our ongoing focus is on providing meaningful services to you (our members), as well as advancing the interests of our industry sector.

While we are facing significant changes to the Executive team come September, we have planned for the succession of the senior team leaders who are departing, identifying candidates with excellent qualifications to take over. Full details will be announced in due course.

MEMBERSHIP

Our membership numbers in all categories have held up for most of the year, with little change. One new fabricator joined our ranks during the year: South Auckland-based Wecks ITM in Patumahoe.

The current membership status is as follows.

Fabricators Category D (including 1 in New Caledonia)			64
Corporate Category A	Mitek NZ	Pryda NZ	2
Corporate Category B	Red Stag Timber Vekta Automation	Spida Machinery	3
Corporate Category C	The Support Offices of: Bunnings NZ Mitre 10	ITM PlaceMakers	4
Industry Associates	AsureQuality Fasteners NZ Ltd Juken NZ NZ Wood Products Pukepine Sawmills Winstone Wallboards	Ecko Fastening Systems Hundegger Aust. Pty Ltd Nelson Pine Industries Prowood NZ Senco Brands	11
Total membership			84

Of a total of 93 fabricator plants nationwide, our 64 members represent **68.8%**.

However, of those 93 nationwide, 14 are either deemed to be unsuitable for FTMA or have no desire to join us, leaving 79 'available' for membership. By that calculation we are representing **81.0%** of the available number.

The 79 includes 9 Carters plants throughout the country. Their inclusion would bring us to **92.4%**. We believe that Carters Support Office will come back to FTMA at some time in the new year.

EXECUTIVE TEAM

During the year we welcomed three new faces to the Executive team: Antony Cook of Mitek NZ, Andrew Skinner of Martelli McKegg (Lawyers) and Mark Buckenham of PlaceMakers (the latter replacing Richard Rozbicki, who during the year joined Hamilton-based Thomsons ITM as CEO). Due to Covid-19, our next meeting will be Mark's first.

Your current Executive team is as follows.

Chairman	Mike van der Hoek (Thomsons ITM)
Vice Chairman	Rodney Woolf (Nelson ITM)
Executive team	Daniel Howe (Akarana Timbers), Philip Broadley (Prenail Frames & Trusses), Antony Cook (Mitek NZ), Steve White (Pryda NZ), Seith Harrison (ITM Support Office), Neville Smith (Tumu ITM Frame & Truss), Andrew Skinner (Martelli McKegg) and Mark Buckenham (PlaceMakers)
Non-Executive	Ian McGregor (Member Services), Leanne McGregor (Secretariat)

In the short time he has been with the team, Andrew's legal expertise has proved to be invaluable on a number of matters we have faced.

At the time of writing, those leaving at the September AGM are Mike van der Hoek, Rodney Woolf, and our two non-executive contractors, Ian McGregor and Leanne McGregor. As reported earlier, excellent replacements are 'waiting in the wings'.

FINANCIAL POSITION

Your Executive team applies prudence to all monetary matters and as a result the Association is currently in a sound financial state.

Before taking the decision to rebate subscriptions, we cautiously examined the state of our financial affairs to ensure that we are capable of handling the loss of income. We have the FTMA Conference planned for September 2021, but the majority of expenses for this event will fall into the following financial year (2021/2022) so this should not be an issue. The next round of plant audits may also need to be delayed — we will advise on this in due course.

ASSOCIATED SUPPORT MEMBERSHIP

We continue to strengthen our connections with key industry partners, including:

- Associate membership of **BIF (Building Industry Association)** – one of the key benefits being access to the Government bodies responsible for policies and regulations that affect our industry.
- Associate membership of **BCITO (Building & Construction Industry Training Organisation)** and representation on their National Advisory Group via four members of our Executive team. There will be some change to BCITO's training scheme with the imminent appearance of **WDCs (Workforce Development Councils)**. The full details of how these will operate are still unclear, but one member of our team has put his hand up to join the **IEBs (Interim Establishment Boards)** that will develop the training package for the WDCs.
- A close working relationship with **WorkSafe NZ**. It is also expected that at some time we will be required to form a relationship with **CHASNZ (Construction Health and Safety NZ)**, a charitable trust that has been formed to be the single voice leadership of construction throughout New Zealand.
- A collaborative relationship with **BRANZ (Building Research Association of New Zealand)**. Their bi-monthly publication, *BUILD* magazine, has been made available to all FTMA members.
- **MBIE**: while we have no formal relationship with MBIE we are recognised as an industry voice and regularly invited to submit views on relevant matters, including any reviews of NZ Standards.
- We have for a second time investigated joining the membership of **Prefab NZ** and have again elected not to proceed, as we see little value for us at this time.

GENERAL ACTIVITIES

- **Collaboration with FTMA Australia:** We continue to look at what our Australian counterparts provide for their members and to consider what we may be able to replicate or collaborate on. The team is currently looking into some specifics to see if we can make them work.
- **Review of Frame & Truss qualifications:** This is an ongoing exercise in frustration for all concerned, due (we are told) to red tape more than anything else. Several members of our Executive team remain involved, with the hope that it may be finalised soon.
- **Newsletter and website:** We continue to send regular digital newsletters containing information relevant to our membership, and we welcome your feedback on any additional content you would like to see in the newsletter or on our website. We are hopeful that we can make time for some upgrades to the website in the near future.
- **Member surveys:** We have in recent months undertaken two specific surveys of the membership: (1) 'Know our Members', which aimed to establish pertinent facts about our membership base, and (2) A survey of wage rates relative to specified job positions on the factory floor level. The electronic responses to (1) raced off to a flying start, then fell away. Ian McGregor has continued to collect data for (1) from members on a face-to-face basis. Survey (2) has also been handled personally by Ian. Outcomes from both surveys will be shared with you all in due course.
- **FTMA Code-of-Practice:** Covid-19 has played a small part in delaying the final version of this, as some members of the team have yet to sign off on the latest draft. It is not far away. We should also remind you that (as notified some months back) we have removed the Health & Safety section from the document. The requirement for a formal Health & Safety policy in your workplaces is demanded by legislation and is thus your responsibility. We encourage you all to make certain that you have proper and appropriate procedures in place.

ACTIVITY ON INDUSTRY ISSUES

- **Standards reviews:** We have represented the membership on reviews of NZS 3602: 2003 (Timber and wood-based products for use in building) and NZS 3640: 2003 (Chemical preservation of round and sawn timber), both of which have been through the normal Government processes and are due for final publication any day now.
- **MBIE building sector reforms:** There have been about three of these during the year, including one that basically made the consenting process for steel-framed buildings easier than before; this particular reform has passed into law. The latest reform Bill was due for a second reading in Parliament on 10 July, and because of the length of its name ('Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill') it has since become widely known as BILL ONE. We have appointed Stephen Walker and Andrew Skinner to represent our views on the proposed changes, and will keep you all apprised of progress.
- **Workplace Exposure Standards (WES):** WorkSafe NZ has by now established standards for some specific substances; those particularly relevant to us are wood dust, silica dust and formaldehyde. We can only remind you all to take care with your dust-extraction systems and to be prepared for unsolicited visitors.

- **Guidelines for safe loading and unloading of F&T:** This matter appears to have dragged on forever, especially when we take Covid-19 into account. Up until the point when Level Four lockdown descended on us, progress had been slow due to the number of different opinions from different parties but a reasonable level of agreement had been achieved, and some of the parties were in the midst of re-editing a final document. Since the lockdown ended we have heard nothing from the other participants; no doubt we will soon.
- **Cut-in plywood bracing:** Another subject that has been around for a long time. We have advocated for some action on this and the matter is now in the hands of BRANZ, who are undertaking further research and testing before making a final decision. We expect that any guideline or ruling might become part of the revised NZS 3604 standard when that is eventually released. (It may take some time.)
- **Environmental issues:** Your key concerns in this area were identified in recent surveys, including the thorny issue of plastic timber-wrapping and the effective disposal of both wood and general waste. Ian McGregor has been asking questions of all parties involved, with little positive result to date — although it is known that one major sawmiller is making some progress with alternative materials. If no resolution has been reached by the time Ian leaves, his replacement will take up the reins on these matters.
- **Timber Structure Detailer:** The move to this title for our detailing people has been judged to be successful, with several members now using the new terminology.

ANNUAL GENERAL MEETING

This year's event will be held on **Tuesday 15 September 2020 at the Remuera Club in Auckland, starting at 1.00 pm**. A formal notice of meeting will be issued in due course.

TO ALL MEMBERS

In conclusion, we would like to reiterate that your continued membership, ongoing support and active participation is vital to our efforts on your behalf to enhance manufacturing and operating standards throughout the industry, and to promote timber-framed structures as the preferred choice of building material in New Zealand.

Our core values remain as follows:

ADVOCACY COMMITMENT EDUCATION QUALITY SUPPORT

Your Executive team will remain focused on raising the profile of the frame and truss industry, on building our credibility with Government to ensure that our voice is heard, and on supporting our membership as well as we possibly can.

Much of our work is carried out in the background and is not widely visible, and my thanks are hereby extended to my team for their ongoing efforts on your behalf.

Mike van der Hoek
Chairman, FTMA NZ
July 2020