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2 **DAY 3 - RESIDENTIAL BUILDING SUPPLIES MARKET STUDY**
3 **CONFERENCE**

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5
6 **29 September 2022**

7
8 **Session 8: Māori engagement**

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10
11 **Mr Devonshire:** Kia ora tātau, tēnei e mihi ana ki a
12 tātau I tēnei ata, tēnei rā tuatoru tēnei o nga
13 hui e mihi atu ki a tātau, māku e tūwhera tēnei
14 hui, te whakataua I a tātau.

15 [Karakia]

16 Mai e te tipua, mai e te tawhito, mai te kahui
17 ariki, mai e tawhiwhi atu ki a koe e tāne, tāne te
18 wānanga, tāne te waiora, tāne whakapiri, taonga mai te
19 wheaio, taonga ki tea o mārama, haumi e, hui e,
20 taiki e.

21 Tēnā tātau, te mihi tuarua māku, ko te mihi tonu
22 ki ngā mate o te wā, ko tēnā tō tātau kuini irihapeti,
23 mihi tonu ki tēnā o ngā ariki kua ngaro ki te pō, rātau
24 katoa ngā mate me ngā kōrero, e ngā mate haere, haere,
25 haere atu rā.

26 Huri anō ki a tātau tēnā tātau, te whanaunga Paul,
27 tēnā koe, nau mai haere mai, tēnā koutou I runga ronū I
28 te pouaka rā, ko tāku nei mōhio, a Brent, a Ngahere, Te
29 Wehi, mihi nui ki a koutou kua piri mai ki te kōrero ki
30 ngā kaikōmihana nei e pa nan ki tēnei Kaupapa, tērā o
31 ngā whakatauki, ka hinga kainga tahi, ka tū kainga rua,
32 tēnei wā tonu taku whakaaro ki a Te Atiawa, ki a
33 Taranaki whānui, rātau te mana whenua o tēnei rohe he
34 mihi tonu ki a rātau tonu. Ka huri au ki te reo pākehā
35 mot e wā poto ki te whakamōhio, kia ora tātau.

36 Kia ora Te Wehi, Brent and Ngahere, are with you
37 online and we have Paul here in the house and obviously
38 our Commissioners and staff from the
39 Commerce Commission. Again, just to welcome you all
40 and thanks for the follow-up from the hui that we held
41 in May and the session around the Conference of the
42 draft report, I am really looking forward to hearing
43 our thoughts on what the draft report has said, where
44 we will catch everything and where we will go to from
45 there.

46 I know that Brent, if he comes in, his time, he
47 has another session soon, so we'll head straight into
48 the mahi. We'll do a quick introduction and then we'll
49 go into the mahi, ka pai? We will just start down
50 along here, we'll just go along the table here. So,
51 we'll start with you, Oliver, just who we are and where
52 we work.

53 **Mr Meech:** Kia ora, Oliver Meech tōku ingoa, I'm the
54 Manager of the Building Supplies Market Study.

55 **Ms Horrocks:** Kia ora, Antonia Horrocks tōku ingoa,
56 I'm the General Manager of Competition at the
57 Commission.

58 **Dr Small:** Kia ora, John Small, tōku ingoa, I'm one
59 of the Commissioners working on this project.

60 **Dr Johnston:** Kia ora, Derek Johnston, another of
61 the Commissioners working on this project.

62 **Mr Chapple:** Kia ora tātou, Bryan Chapple, tōku
63 ingoa, an Assistant Commissioner, just joined
64 this project.

65 **Mr Devonshire:** Kia ora, ka pai.

66 **Mr Southey:** Kia ora, ko Paul taku ingoa, ko Tararua
67 te maunga, Ko Wairarapa te awa, ko Pāpāwai te
68 marae, nō Greytown ahau. So, I'm Paul Southey
69 from Greytown and today I will be representing

70 the Māori Construction Accord, Registered Master
71 Builders and obviously an independent builder.

72 **Mr Devonshire:** Kia ora. Ka pai, Te Wehi.

73 **Mr Anderson:** Tena tātou, ko Te Wehi Anderson tōku
74 ingoa, Nō Ngāti Pāoa ... Te Ati Haunui a Paparangi
75 and I am a small business owner based here on
76 Waiheke Island. Ngā mihi.

77 **Mr Devonshire:** Kia ora. I don't think we have
78 Brent and Ngahere here yet?

79 **Dr Small:** I don't see Brent's name on the list.

80 **Ms Smith:** He's not on the call.

81 **Dr Small:** He's not on the call.

82 **Mr Devonshire:** Yep, an apology?

83 **Mr Southey:** Kia ora, I'd also like to put in an
84 apology for Nathan Te Miha, he is the Chair of
85 the Māori Construction Sector Accord. He is
86 currently on a Zoom meeting with the
87 Infrastructure Panel that is happening at this
88 moment, so he's put in his apologies that he
89 couldn't make it today.

90 **Mr Devonshire:** Ka pai. Oh well, we can get Brent
91 in or should we head, John?

92 **Dr Small:** He hasn't joined the meeting, I believe.

93 **Mr Devonshire:** We'll just carry on.

94 **Dr Johnston:** We'll carry on? Yep.

95 **Mr Devonshire:** Yes. Hopefully they'll try and get
96 hold of Brent.

97 **Dr Small:** Okay, well, perhaps, Karen, you could
98 tell us if and when Brent does join because he's
99 been with us through the last couple of days and
100 he's got a time constraint at 11.00, so if he
101 does join, please let us know and we'll bring him
102 in straight away. Otherwise, we might as well
103 just crack into the original plan, I suppose.

104 So, the original plan was to just give you a
105 little bit of an overview of where the last couple of
106 days have gone and then open it up for a general
107 discussion about, you know, your views on these things.

108 So, I won't read all the formal notes I've got
109 here but I'll recap it fairly briefly.

110 So, basically, we've had a really good couple of
111 days talking about a range of topics that have arisen
112 from the draft report. Day one was mainly about the
113 regulatory system which, as you would have seen in the
114 draft report, was the bulk of our effort has been
115 focused on the regulatory system and the various ways
116 in which it's, in effect, making it too difficult for
117 competing building supplies to get into the market and
118 have the opportunity to put up a fight against more
119 established, what we've called 'tried and tested'
120 building products.

121 So, we talked about our high level recommendation,
122 which was to make competition an express objective of
123 the system. Alongside and in a way subservient to the
124 three that are there now; about safety, durability and
125 healthy homes. So, not compromising those in any way
126 but trying to get more attention to the fact that
127 innovation and competition are also very valuable and
128 with those, if you like, safety related or bottom
129 lines, then having more different products and more
130 innovative products, that's where we think we should
131 head.

132 **Mr Southey:** Yep.

133 **Dr Small:** So, there was good discussion on that and
134 we talked a little bit about how to achieve that,
135 including different ways of, you know, opening up
136 different regulatory pathways for new products
137 within the existing system.

138 There were some submissions that said, you know,
139 this whole thing is so broken that we need to more or
140 less start again from scratch, including the suggestion
141 that we try to align our Building Code with some
142 international partners who are unspecified. So, we
143 talked around that, we didn't really come to any firm
144 conclusions on it and it does seem like a much more
145 difficult thing to do, than to try and reform what we
146 have.

147 So, then we also talked about substitution by
148 brand. So, after a consent has been issued - sorry,
149 the substitution of products after a consent has been
150 issued and whether that could be eased up a little bit.
151 And the role of specification by brand in making that
152 difficult.

153 And we also talked about barriers to certification
154 and appraisal and potentially ways of opening that up,
155 including foreign certification. And there were
156 various arguments that that would be very difficult for
157 a certifier. We actually heard BRANZ suggest that
158 maybe they didn't actually want to be in the certifying
159 business themselves, which was interesting, and so we
160 explored a range of options in there.

161 And then we talked in the third session about how
162 to support sound decision-making, and this was really
163 about two suggestions that we had in the draft; one was
164 about a BCA centre of excellence as a way of sharing
165 information and propagating ideas and attempting to get
166 more consistency in decision-making by BCAs.

167 And we also talked about the potential benefits
168 and costs and how you might go about getting a central
169 repository of product information that everybody could
170 have access to, including specifiers, BCAs, and we had
171 some sort of discussion - I mean, the challenges there
172 are obviously there's thousands and thousands of

173 building products and so, there's issues about
174 keeping - where do you start? Could you start that
175 with a more modest set of key building supplies? Would
176 that be helpful? And how do you ensure that those stay
177 up-to-date and so on?

178 So, that was helpful and it seems like - it seemed
179 to us, I think, that that was a useful direction to
180 head in.

181 And then yesterday we got into the strategic
182 conduct and structural conduct related issues in the
183 market. Vertical integration has been something that's
184 come up several times in submissions. We looked at it
185 in the draft, so we spent an hour or so yesterday on
186 that, looking at the risks of customer foreclosure and
187 input foreclosure. I think we didn't hear that there's
188 any real problem with customer foreclosure but we felt
189 that - well, in the draft report we found that one of
190 the allocation models that's being used, particularly
191 the one by Carter Holt Harvey regarding structural
192 timber, had the effect of preventing some or making it
193 more difficult for some merchant chains, particularly
194 ITM who submitted on this, from getting access to
195 structural timber and that compromised their position
196 in the merchant market, and that was seen as something
197 that was facilitated, if you like, by vertical
198 integration. Although, it's clearly not just vertical
199 integration that's the issue because Fletchers and
200 James Hardie also had allocation models but those were
201 done on, sort of, a pro rata competitively neutral way.

202 So, I think where we came to in the draft report,
203 and I don't think we changed our mind much yesterday,
204 was vertical integration was a component of that, it
205 was really a conduct issue and hopefully a short-term
206 one that could be dealt with in other ways.

207 **Mr Devonshire:** Brent is online.

208 **Dr Small:** Oh great, Brent. Welcome, Brent. We
209 know you've got not much time, so rather than me
210 prattling on about what's happened, we would be
211 delighted to hear your thoughts on the last
212 couple of days because you've been with us then.

213 **Mr Reihana:** How's that?

214 **Dr Small:** Great, thank you.

215 **Mr Reihana:** Sorry, I've just been doing a bit of a
216 run. So, it's been really helpful, sitting in on
217 the couple of days has really changed a couple of
218 triggers, I guess, in my mind about where Māori
219 can fit into this space. And I've sort of been
220 listening to - I'll sort of preface this by
221 saying I heard at the beginning we were talking
222 about (a) competition and (b) what MBIE is doing
223 but, for me, along the way what I heard was, and
224 particularly for the OSM, other agencies are
225 investigating and so we've got duplication. So,
226 what I'm sort of hearing, is that whilst we're
227 looking at competition, I think we need to look a
228 little bit into the other areas where we're
229 duplicating what we're doing.

230 I sort of would start by prefacing that Māori are
231 interested in all of those things that were talked
232 about throughout the last two days. They have an
233 interest, they are interested and would probably, if
234 given the opportunity, would like an interest in it.

235 I think I'd start with the consenting process.
236 When I heard about the BCAs having a monopoly that are
237 pretty much tied to local Councils, that was
238 interesting because I sort of didn't realise how
239 closely they worked. I sort of had an inkling but then
240 how closely that was tied to and you know the comment
241 was made how much Fletchers, and I'm not singling them

242 out, I'm sure others do it, how much Fletchers sponsor
243 all of those organisations right up the chain.

244 So, how much influence do they have? And in
245 saying that, where is the influence in that same space
246 for Māori? How do we get that?

247 And I sort of have something that I'll be putting
248 into the final report that we put forward but it is
249 about how do we get involved in the consenting process?
250 How do we have some boots on the ground in those seats
251 that are able to go out and do that? Because we do
252 have organisations with the ability to do that, they
253 just don't have the capability and capacity to do it.

254 So, going across the last two days, I'd probably
255 take the analogy of a shopping basket, and in that
256 shopping basket I'd put a bit of the consenting process
257 in, I'd put, for me in my submission it was the
258 consenting but it was also interest in OSM and why that
259 is. And I think Tex pointed that out, is for the
260 economy side of the building industry, the construction
261 side. How do we fit in with that and maybe it is
262 having a percentage of a company that does bring supply
263 in or is supplying. And I do know that we've - well,
264 I've been involved in a couple of organisations that
265 are, and I think I alluded to that yesterday, where
266 those companies were thinking twice or thought twice
267 about coming into New Zealand because of the regulatory
268 regimes, the hoops that they have to jump through,
269 where going to Australia was just an easier fix for
270 them. They didn't have to go through the same regimes
271 and obviously, with the environment it's a bit
272 different because they've got more economies of scale.

273 So, I think, you know, it's about figuring those
274 mechanisms out, figuring out the economies of scale.
275 And the organisations that we were looking at were UN
276 sanctioned but they were US products that went across

277 all of the states, and it was the same product in all
278 of the states. In other words, one has earthquakes,
279 the other side has freezing cold temperatures, and then
280 it goes, they can go into death valley, so they're
281 environmentally friendly for all of those and they do
282 fit within the regimes for earthquake capacity and heat
283 capacity in New Zealand.

284 So, you know, we've got an interest in that. How
285 do we get involved in that? That's something that I'm
286 quite interested to pursue, and especially listening to
287 I think it was Teena from the Architects saying that
288 once they put some plans in place, they don't
289 have - they'll sign-off on what they've got but they
290 don't have any controls over actually what happens out
291 in the building, so those substitutes and maybe that is
292 at the whim of the builders and maybe they are being
293 tied, that closer regulatory overview.

294 And I guess what I'm thinking about is how do we
295 get the wedge in the door, open that door and make sure
296 that Māori have a view inside the house because at the
297 moment we're just sitting outside this whole
298 construction. Maybe we do have construction
299 organisations in there but we don't have an overview
300 from start to finish and I think that's where I'd like
301 us to have a wider footprint.

302 I'll just finish up by saying I was interested to
303 hear people talk about incentives and especially in the
304 electric car and how do we incentivise this because I
305 think that is another way in, incentivise, mandate,
306 let's have whatever Kāinga Ora does, whatever Fletchers
307 does, whatever Carter Holt, whatever the construction
308 industry does in terms of putting houses in cities.
309 That's all well and good but Māori have the widest
310 footprint because we're right across this lovely
311 country of ours, how do Māori get a percentage of it?

312 So, it's percentages, incentives and mandates, and
313 those three mechanisms can open the door and allow
314 Māori to have a greater participation and control.

315 And I'm not saying that we want control of
316 something but we do want control of our own destiny.
317 And so, that's by putting it into those local areas,
318 BCAs, and out into the - not so much in the cities
319 because that's all taken care of but it's out in the
320 outer regions where we don't have the ability to, you
321 know, reduced capacity to get transport, therefore
322 reduced capacity to get our supplies out there. We
323 need to have better mechanisms, so that when we do go
324 for consenting, when we do look at putting houses on,
325 there's not just 20, as I think Tex was saying, we need
326 to have economies of scale to look at something that's
327 going to be beneficial for our outer areas and that can
328 happen for all iwi. I think that's, to sum it up,
329 that's where I think those touchpoints I'll put into a
330 submission and hopefully, we can get a good outcome
331 from that.

332 **Dr Small:** Thank you very much indeed, Brent.

333 That's really terrific. I am aware that you may
334 have to go, so I want to maximise the value we
335 get from you. For the benefit of Paul and Te
336 Wehi who weren't here, the OSM, the offsite
337 manufacturing that Brent was referring to,
338 emerged yesterday as a potential sort of
339 disruption, I guess, to the industry. A
340 beneficial disruption, in the sense that it's got
341 the potential to maybe substantially reduce the
342 cost of housing.

343 **Mr Southey:** Yep.

344 **Dr Small:** And if I'm hearing you right, Brent, I
345 think you're recognising that, knowing that that
346 would be a market disruption and that it would

347 require new firms to get into panelisation at the
348 manufacturing end, is that an aspect of the
349 opportunity that you see for Māori in here being
350 part of that revolution, if you like?

351 **Mr Reihana:** I think so, that's one of them but
352 there's a build on to that, and that's, Tex
353 alluded to, it's about the labour costs. And I
354 think driving those labour costs down, we don't
355 need the level of expertise to put those
356 particular packages together.

357 I think there's two places where we can look at
358 it, and it's the OSM but it's also in the labour costs.
359 So, if we have \$4,000, a market that dictates \$4,000
360 per square metre, we can get it down to that \$1,000,
361 which is the international standard, I think we're
362 looking at Māori getting into the housing market and
363 actual housing markets, not the prefab actual offices
364 that are being used at the moment.

365 So, there's a twofold win for us. But having
366 Māori actually own that, be part owner of those
367 organisations, part owner and provider in the BCAs, so
368 we get that from end to end, not just a component of
369 it.

370 **Dr Small:** That's great. Anyone else want to jump
371 in?

372 **Mr Southey:** Yeah, I tautoko you there, Brent. The
373 numbers that he's saying are correct. And when
374 we go overseas and look at what's happening
375 overseas, they are, as Brent is saying, at \$1,000
376 a square and if we can bring that into the
377 country but we need scale. You can't just go and
378 build 50 of these or 100 of these. You need to
379 be building 1,000 of these. And then whether
380 it's sticking them onto the back of the truck to
381 get out to the regions, that's where it needs to

382 be done because a company won't setup - you know,
383 it needs to be under cover, it needs to be so it
384 can work 24 hours, you can bring painters in of
385 an evening, for example, and that's how you can
386 bring that scale and that timeline down.

387 So, tautoko what you're saying there, Brent.

388 **Mr Reihana:** Thank you, I do have to go, sorry about
389 that, and thank you, Commissioners, and thank you
390 all participants, it's been fantastic.

391 **Dr Small:** We really greatly appreciate your input,
392 thank you, Brent. Kia ora.

393 **Mr Reihana:** Kia ora.

394 **Mr Devonshire:** Ngahere has just come on as well.
395 Ngahere, mihi nui ki a koe Ngahere Raharaha, up
396 in Waiheke Island.

397 **Dr Small:** Perhaps we'll bring Ngahere and Te Wehi
398 in here. You would have just heard that
399 discussion about a new way of building and I
400 guess in some way that's potentially threatening
401 for small scale construction operators but there
402 are also opportunities in there for building in a
403 different way and for being involved at different
404 levels of the supply chain.

405 So, I'm keen to hear any thoughts that you've got
406 about any of that if you have?

407 **Te Wehi Anderson:** Yep, I do have a couple of, well,
408 just whakaaro about it. Just hearing about that
409 international price of \$1,000 a square metre, I
410 think for me personally, it is definitely doable
411 and just going back to when I was in training 17
412 or 18 years ago, just going through pre-trade
413 course. Our pre-trade course, we had 40 young,
414 well half of us Māori, you know, but we were all
415 on the benefit at the time, just getting into the
416 industry and we were building all houses for

417 these local builders. And I think, you know, if
418 we're looking at the OSM and talking about that
419 sort of structure, it's definitely a possibility,
420 eh?

421 For me, as a small company on Waiheke, I wouldn't
422 be able to do that personally to get it under. I think
423 at the moment we're looking at \$3,200 a square metre.
424 I think that's being reasonable, in the sense of paying
425 people a living wage as such, just in our area alone,
426 but if we're talking about the regions outside of
427 Waiheke, if we're talking about Tokoroa and all those
428 little regions where there's not really any gateways
429 for people to be down there, other than being out in
430 the forestry and all that, you know, giving them
431 opportunities, I think that's bloody awesome. You
432 know, that will be an opportunity and then, you know,
433 for us to upskill ourselves as a people and as a region
434 as well, you know. And, like I say, it's not just
435 about Māori, it's about the whole region in itself,
436 just Aotearoa people in New Zealand, you know, just
437 giving people opportunities because the reason why I
438 came to Waiheke was the fact that I came from Taupō
439 where we were building houses for G.J. Gardiner and we
440 were selling nice three bedrooms homes for \$140,000
441 odd, my boss was selling them, so they were really nice
442 houses, just over 90 odd square metres. So, yeah, my
443 experience is down in Taupō, it can be done.

444 You know, I suppose the cost of living down there
445 at the time wasn't that high and our living wage back
446 then was good, you know, but then coming up to the
447 likes of Auckland, Waiheke Island, when they're pretty
448 much tripling your weekly wage and you're sitting there
449 going, "Oh yeah, I'm never going to go back down to
450 that \$20 an hour", you know. It's just money but in a
451 sense of OSM, you know, if there are opportunities for

452 the likes of Māori, even myself jumping into big jobs
453 like that, yeah, like the whanaunga was saying there,
454 it can't be just 1,000 houses, it's got to be a shit
455 tonne of houses going up to actually make it
456 worthwhile.

457 But I've been speaking to the likes of Skip, Tex
458 and my father and how we, the ideas, and it seems like
459 you fellas have covered it, in the likes of we've been
460 talking about it's just got to be part of that
461 training. Aroha mai. You know, we've got to start
462 upskilling people and doing all these kinds of things
463 and then also giving the opportunities with the likes
464 of people, myself and Ngahere, just to be able to be in
465 the know and be able to learn, I suppose, what are the
466 opportunities out of this, you know?

467 For us as Māori, we do fight a bit harder for the
468 mahi that we get. You know, I find it a bit of a
469 struggle and it's not because, you know, people have
470 this history in New Zealand where I said, you know,
471 excuse my French, the Māori are always the N word in
472 the construction industry, you know. We're the mahi
473 dogs, you know, and it's almost like we always just get
474 stuck as mahi dogs, you know. So for us, myself, it's
475 sort of like, it was touched on that we want a bit more
476 and we need to just be guided to seeing there is a bit
477 more. And for me personally, I'm willing to want more,
478 you know. And not just for myself, it's just for
479 helping the construction industry in general and
480 helping our people out in general.

481 So, you know, other than that, yeah, I'm gutted
482 that I missed out on the kōrero. It's been very busy,
483 I've been very busy myself but having Tex sitting there
484 going, "Mate, you better jump on the phonecall, mate,
485 you're missing out", so that's why I'm here. So, aroha
486 mai people, it's good to have a listen in and see what

487 you fellas are going through and the report is pretty
488 cool, it's pretty good, so ka pai.

489 **Dr Small:** Thank you very much. Look, it was
490 interesting you touched on the labour issue which
491 Brent also mentioned and I think it's probably
492 fair to say that taking labour cost out of
493 construction is a way of getting the final price
494 down but that doesn't necessarily need to mean
495 that you're not - that people are not being paid
496 well. I think it's about economising on the use
497 of labour and using labour in more efficient
498 ways, rather than driving down wage rates, which
499 I don't think anybody is looking for, right?

500 **Mr Anderson:** And I think it's more about that
501 systemising, eh? You know, like we're talking
502 about systemising, getting that chain gang on the
503 go because we do have those factors of weather,
504 you know, the old materials constraints, so if
505 we're talking about having it under one big
506 manufacturing of sorts, you know, yeah, it's a
507 no-brainer, I think, to be honest with you. You
508 take all those factors out of it, if the BCAs are
509 coming in and saying, "Hey, you're signed off for
510 this" and you don't have to deal with all those
511 delays and everything, it's going to work, mate,
512 yeah, but we need the big pūtea to come in and
513 make a start.

514 **Dr Small:** Yes. Paul, you brought up the scale
515 issue with OSM and it's dead right and it is
516 something we talked about quite a bit yesterday.
517 Do you think that there's an issue, a sort of,
518 bearing in mind Brent's point about regional,
519 where these things are going, do you think
520 there's a regional issue with that, with the
521 scale required for OSM and the fact that

522 New Zealand is a big spread out place and lots of
523 houses are needed in the extremities, not just in
524 the cities?

525 **Mr Southey:** Yeah, it's really hard for the regions
526 to be able to manufacture anything at scale. Our
527 pool of contractors are smaller and the volume to
528 build a venue that would house and bring that
529 many through. So, it does need to be
530 centralised.

531 I want to use an example that is happening
532 in the middle of the country at the moment, an
533 organisation working with TPK to manufacture
534 transportable properties that will be moved
535 around the country, and with the support of TPK
536 and Taupō's Council up there, they're all working
537 together to be able to get these properties out
538 or these buildings out around the country.

539 And I'm generalising, Taupō is pretty central, so
540 you can get to Gisborne, New Plymouth, the Wairarapa,
541 down here and further north, and obviously you might
542 have something similar in Auckland to go Northland
543 based, so yeah, definitely would support that.

544 The other thing that we have to keep in mind
545 that's changed, is we had a rather large earthquake
546 here and our Building Code got flipped upside down, you
547 know, so that's what changed that.

548 Health and Safety with scaffolding and the
549 requirements around what we had to do with dust on-site
550 and WorkSafe requirements has loaded the industry now,
551 so they are other reasons why the prices have gone up.

552 And materials, as we all know, have gone through
553 the roof. But labour is labour, the numbers are still
554 there.

555 So, when we're sitting in Australia, their wages
556 are higher in Australia but because of the volume and

557 the materials being so much lower, hence that's why
558 they're around that \$1,000-\$1,500 a square metre. So,
559 you have to look at what is New Zealand doing that is
560 different to Australia? How can they get it down? And
561 it's just pure competition. You know, when you've got
562 multiple building companies and all that in the supply
563 chain. So, yeah, that sort of ticks off that one
564 there.

565 **Dr Small:** Thanks for that. Just on that Taupō
566 issue, are those houses going out as flat packs
567 or as built up?

568 **Mr Southey:** Built. They're building a
569 purpose-built venue where it will be roll-in,
570 roll-out. So, it's literally a factory of
571 housing.

572 There was a company from the South Island
573 that tried it during the earthquake but they just
574 couldn't get the volume to happen. And if this
575 Māori-led one works in Taupō, I think it will be
576 really good, I think it will come together well.

577 **Mr Chapple:** Can I just ask, where's the demand?
578 Who's the ultimate purchaser of those houses? Is
579 that different groups around the country or
580 different iwi around the North Island?

581 **Mr Southey:** Yeah, so they're working in relation to
582 TPK and KO and then a building company to
583 manufacture them up there and then they could be
584 spread out. And obviously because you're doing
585 it in volume -

586 **Mr Chapple:** So, KO is kind of helping pull through
587 the volumes?

588 **Mr Southey:** Yes.

589 **Mr Chapple:** So they can use it around?

590 **Mr Southey:** Yes. The beautiful thing that we've
591 seen with that is because the BCAs are on board

592 and being able to work with them to make
593 it - like they're sitting at a round table making
594 it happen together with all the organisations,
595 rather than just sitting there and waiting until
596 it comes across the table and go, "No, that
597 doesn't work, that doesn't work". They're
598 actually at the front end, planning end. That's
599 where our industry needs to change.

600 **Dr Small:** That sounds like a great system.
601 Presumably, that's a sort of multi-proof idea for
602 consenting, is it?

603 **Mr Southey:** Yes, that one is, yes. Seeing as we're
604 talking about BCAs, if you don't mind, I want to
605 link it back to your report. So, back to your
606 recommendation 9.10, your draft recommendation
607 regarding better engagement with Māori to
608 achieving the aspirations and having a Māori
609 perspective.

610 So, some of the things that we're starting to see
611 from BCAs which work well for Māori, is that they're
612 actually having a face-to-face meeting right at the
613 planning stage. And so, at that face-to-face meeting,
614 the BCAs are starting to understand who's around the
615 table, what skillset is that organisation bringing to
616 the table and then the BCAs are looking at it going,
617 "Well, hey guys, this is what you need to do to get it
618 up to the level that we need at a BCA level".

619 But because we're having a conversation with them,
620 we're working together. And when you see that example
621 happening around the country, it doesn't matter if it's
622 Māori or Pākehā, it doesn't matter, it works well. But
623 at the moment, with my experiences and, as you know,
624 I've got a lot of homes and talking to the volume
625 builders of the country, that doesn't happen.

626 So, if you can get that into there, and it's all
627 about risk. For the BCAs, it's all about risk. They
628 don't want the risk of what happened years ago. So,
629 together it can eliminate the risk because it's been
630 dealt with at the planning stage, rather than when it's
631 coming across the desk and emotions are high because
632 there's time, money and efforts and holdups happening
633 here.

634 So, if they could have a viewpoint like that, that
635 would be most helpful.

636 **Dr Small:** And where are there examples of that sort
637 of practice happening?

638 **Mr Southey:** I could do that off-line and tell you
639 where that is, some examples, and I can show you
640 the other examples on the other BCAs.

641 **Dr Small:** That would be great. How much of that,
642 how much of the success of that approach is
643 literally about assisting builders and designers
644 to get up to pre-specified criteria? And how
645 much of it is about relationship building,
646 whereby the BCA gets comfortable that these are
647 the sort of people that we can trust?

648 **Mr Southey:** Yes, correct.

649 **Dr Small:** Is it both of those?

650 **Mr Southey:** It is both of those and that one is
651 hugely important.

652 So, one of the topics I wanted to raise was
653 around the risk for a BCA. And in your report,
654 you've put down there that the volume builders
655 have a part to play, you've got your larger
656 companies above that, but then you've got the
657 smaller-medium ones down here. It's about risk
658 and if the volume builders are turning over a lot
659 of homes and their risk matrix can stay within
660 the parameters, then the risk is a lot lower.

661 And they're commonly used building consents
662 across the country, it doesn't matter if it's in
663 the north or in the south, the volume builders
664 are using the same market designers and
665 architects, so it is monitored.

666 So, that should be given a rating, compared to
667 someone that's new that only does one or two or three a
668 year, and they're not quite sure with the changes as
669 they happen so quickly around the country.

670 So, if that could be put into the report to give
671 some weighting, I think that will help improve and
672 speed up the throughput.

673 **Dr Small:** That's really interesting because we did
674 hear from the BCAs about something that sounded,
675 to my ears, like a reputation system, you know,
676 some way of, you know, knowing how much we can
677 trust these -

678 **Mr Chapple:** Some kind of assurance.

679 **Dr Small:** Yeah. That's really interesting. Te
680 Wehi, in your business, those relationship
681 arrangements with local Councils, do they work
682 for you or do they obstruct you?

683 **Mr Anderson:** It's a bit of a tricky one, especially
684 on Waiheke Island. We are limited to our BCAs.
685 So, they've actually rolled on quite a lot of
686 different Building Consent Officers through the
687 whole thing. So, relationship is key for us,
688 especially myself. If you don't have a good
689 relationship with our Building Consent Officers,
690 then they can actually prolong your project and
691 everything alike.

692 So, for myself, and I'm only speaking on behalf of
693 myself, I actually put a lot of effort into having a
694 good relationship with BCAs and it's as simple as not
695 being so arrogant, you know, not being a typical

696 builder and being arrogant and trying to tell them,
697 "This is how it should be, this is the way I've been
698 told". It's all about saying "Yes, Sir, no, Sir, three
699 bags full, Sir, and I'll do whatever I need to do" and
700 it works for me, it works for me.

701 So, I've got relationships now where sometimes,
702 you know, because we only have certain days that we
703 have Consent Officers over, I have the luxury of
704 sometimes not even booking an inspection and just
705 sending photos, give them a quick call, explaining it
706 and then when they have time to come on-site, then they
707 just sign it off and then move on to the next stage.

708 However, speaking to a couple of my mates that are
709 pretty arrogant and pretty uptight and, you know, "This
710 is the way it's supposed to go", they can be delayed
711 very much so and I have in some instances been onto
712 sites and helped them move along. I just said to them,
713 "Bro, all you need to do is shut your mouth and just
714 listen to what they say, we're supposed to be
715 working" - and, you know, although they are right by
716 saying "We're supposed to be working together",
717 sometimes arrogance does, you know, it affects that
718 relationship and they can be real pricks. I've had a
719 few that have been real pricks, you know, and, to be
720 honest, I'll always go back to the likes of the LBPs,
721 the Licensed Building Practitioners scheme, where it's
722 supposed to be there for us to be liable for what we
723 do. So, there's a lot of builders out here, especially
724 the older ones are sitting there going, "Well, what's
725 the point of these Building Consent Officers telling us
726 how we're suppose to do things. If we're doing it by
727 the book, then why can't we just keep doing it by the
728 book and then just get it signed off?" But I think
729 it's just, it's personalities, mate, you know. Like I
730 say, I can talk my way out of a lot of things, you

731 know, I'm good with my waha, my mouth. So, you know,
732 like I say, with BCOs, it's all about relationships,
733 building those relationships, but it's kind of hard
734 when they roll on out.

735 So, what happens on Waiheke because we only have
736 two Building Consent Officers on the island, because
737 they're so busy on the island and have so many
738 projects, they can't make it all the time and because
739 they have these relationships with the likes of people
740 like me, the Head Office seem to catch onto it and then
741 they start moving them out because they say that
742 they're not doing their job properly.

743 So, you know, speaking to one of the inspectors
744 that has been moved off island to do commercial in
745 Auckland just in the last couple of months, everybody
746 on the island, all the builders are fuming at the
747 moment because we've got new Consent Officers on the
748 island that are to the book, which they should be, you
749 know, by rights they should be, and not lenient at all.
750 Not giving us the time of day, saying "Hey, we've got
751 to pour tomorrow, can we get you to quickly come in and
752 check that?", "Oh, we haven't got time". Whereas, this
753 guy, you know, I won't put his name out there, these
754 two guys would sit here and go, "Send me some photos,
755 I'll look at it tonight, I'll sign you off next time"
756 because of the relationship we've had, you know.

757 There are a lot of dodgy builders out there that
758 don't allow that to happen but I'm grateful and
759 thankful that I do my job right and then they see it as
760 well and I think that's a bit of respect.

761 So, yeah, it's just those relationships, yeah,
762 like I was saying, it's building relationships and I
763 suppose for us as builders, just doing our thing right,
764 yeah.

765 **Dr Small:** That's really interesting, isn't it,
766 because we have heard, there's been a lot of
767 complaints about BCAs that we've heard through
768 this project but there's two sides to those
769 relationships, I guess, is one of the things that
770 you're pointing out there, yeah.

771 **Mr Southey:** One of the things may I ask because I
772 don't know this, does the BCA have, and this
773 relates to your 9.10, do they have a Māori team
774 in the country for them to talk about from a Te
775 Ao Māori viewpoint?

776 **Dr Small:** That's a really good point. To my
777 knowledge, no.

778 **Mr Chapple:** They do have a professional kind of
779 organisation, so it's possible at that level
780 they're thinking about that but, yeah, like John,
781 don't actually know that because they could do it
782 at that countrywide level or else, you know, I'm
783 sure if they're doing it Council by Council, most
784 won't; some might, most won't.

785 **Mr Southey:** What I am imagining is happening here,
786 is so your BCAs, you either come through the
787 academic process or you come from the practical.
788 And I would assume that the practical people
789 on-site are the ones that they have a good
790 rapport with and a good relationship with versus
791 the academics, so that could be that point.

792 The other one is Artisan, have you come across
793 Artisan being mentioned by the BCAs yet, which will
794 help those guys? It is an online -

795 **Mr Chapple:** BRANZ.

796 **Mr Southey:** Portal that the BCAs can use which is
797 photographic evidence, video evidence,
798 timestamped, that a lot of the Councils have been

799 trialling over the last year and they are having
800 great success with that.

801 **Mr Chapple:** Right, okay, that's good.

802 **Mr Southey:** Which would help. For example, on
803 Waiheke, "Hey look, we can't get an inspector
804 there today" but they've got this mechanism where
805 they can get into your phone and control your
806 phone and then they tell you what to take photos
807 and videos of and then they can stamp it and you
808 can carry on with the pour.

809 **Dr Small:** So, that gives them the assurance that
810 you're not just pointing the phone in the right
811 place that suits you?

812 **Mr Southey:** Correct, yep. They control it and,
813 like I say, everything is recorded, timestamped,
814 everything like that. So, that is a tool that
815 has only been introduced in the last two years
816 but more BCAs, if I could awahi them along to say
817 use it, it would be most helpful.

818 **Dr Small:** Yeah, that's a great idea, thank you.
819 All right, where do we want to go from here?

820 **Mr Devonshire:** Ngahere, any comment?

821 **Dr Small:** Yes, Ngahere, any thoughts from you?

822 **Ngahere Raharaha:** Kia ora, everyone. Yeah, it's
823 been awesome to tune in and listen to hear what
824 everyone has had to say. In terms of the BCA,
825 because me and Te Wehi live on Waiheke Island,
826 we're all in the same boat. And he's right about
827 the relationships with the BCAs on Waiheke
828 Island, it's so important to have that, otherwise
829 you end up with delays, like Te Wehi said.

830 On the OSMs, I just have a few things to say about
831 that. We've had quite a few on Waiheke Island and
832 they're starting to become more popular now.

833 So, what the owners on Waiheke Island are doing,
834 especially with Podular, they're hiring out the
835 ferries, obviously they have to book their own special
836 ferry for it, and they're bringing over a lot more
837 homes in the last 18 months than ever before. I think
838 the owners on Waiheke Island have found that the labour
839 costs and materials are just too expensive on Waiheke
840 Island. And because we've only got one supplier of
841 building materials on Waiheke Island, which is
842 PlaceMakers, we're having to find ourselves going to
843 Auckland and going to the likes of Bunnings, ITM and
844 stuff like that, just to not just get cheaper materials
845 but just to also cut down our costs of the project as
846 well, not just for us but also for our clients.

847 And the OSM is a good, it's a really good way to
848 pump out the houses in a cheap and cost effective way,
849 not just for the clients but also for our economy as
850 well because we know that we've got a massive housing
851 crisis at the moment, and with the way that they're
852 bringing the homes up to speed in their factories, it
853 takes a lot of pressure off us as builders as well.

854 So, yeah, that's what I've got to say about that.

855 **Dr Small:** Thanks, that's really interesting. So,
856 you see that, if you like, the import, if I can
857 put it that way, the import of OSM homes to
858 Waiheke is partly a way of bypassing the local
859 monopolist of building materials but also of
860 perhaps saving costs in other areas. Are these
861 coming in completely built up or flat packed?

862 **Mr Raharaha:** Yeah, so, they're coming as both. So,
863 they're coming part built and they're also coming
864 fully built as well. Obviously, they won't have
865 all the foundation works and that, and then they
866 want to add on decks and pagolas and that, so
867 they've obviously got to find some sort of local

868 builders because the manufacturers only do their
869 stuff in their factories.

870 Yeah, so, they're coming over as part built and
871 fully built as well. And we've also noticed that
872 there's a lot of cabins coming over as well because
873 they've brought out that new under 30 square metre
874 rule, so that's becoming quite popular over here as
875 well because we have a massive shortage of
876 accommodation for not only the workers but also people
877 that want to come over here and visit as well.

878 **Dr Small:** Right. Is that 30 square metre rule, is
879 that a no consent required? What is the rule
880 there?

881 **Mr Raharaha:** Yes, it is but in some areas you still
882 need the Resource Consent on Waiheke Island.

883 **Dr Small:** Oh yep, thanks.

884 **Mr Southey:** If I may, I want to introduce the Māori
885 Construction Accord. So, I was mentioning
886 before, gentlemen, that I'm on the Māori
887 Construction Accord which is part of the
888 Construction Sector Accord, so we now have a new
889 seat at that table. So, some of the things that
890 we're trying to introduce through the Māori
891 Sector Accord, and I think this will help with
892 your BCA regulatory, if we can get those two
893 organisations to talk together, then that will
894 help improve that input into the Māori - helping
895 them with their BCA requirements and having the
896 Māori Construction Accord talking to each other,
897 that will help build that relationship.

898 **Dr Small:** Talking with the BCAs?

899 **Mr Southey:** Yep because at the moment there is no
900 connection there, with that Māori viewpoint. And
901 now that it's been setup by MBIE, the

902 Construction Accord, we've got that element to
903 it.

904 **Dr Small:** Right.

905 **Mr Southey:** So, the four things that we are working
906 on with that initiative at the Māori Construction
907 Accord, is Māori end to end supply chains. So,
908 how we can connect with owners of the land, do
909 the planting, get the trees processed and then
910 into the supply chain. So, that's point number
911 one.

912 Number two is the SME capabilities. So, how we
913 can grow a network of Māori service providers and lead
914 contractors who can get into the room and discuss at
915 this level because at the moment, like Brent said,
916 we're not even at the table and at the moment we're not
917 even in the room. So, we can build those capabilities.

918 The other one is kaiako construction mentorship
919 programmes, so that's using those that have been before
920 and using that skillset to uplift our younger ones and
921 bring them through and show how using a Te Ao Māori
922 perspective, you can encompass everybody, and everybody
923 works together, and we can share that knowledge across
924 the silos that we're seeing at the moment with
925 government.

926 And obviously, the last one is the procurement
927 panels. So, Amotai, I would like to somehow get Amotai
928 into this discussion piece. Amotai is setup by
929 Auckland University. They've got 1,000 Māori
930 businesses on their database and that is to work
931 together with procurement into the government sector
932 because, as we know, I think it's 5%, 7% and 15% are
933 the targets of Māori procurement. Amotai is the
934 leading arm for that at the moment. So, if we can
935 build this into this collective, there may be a BCA, a
936 Māori BCA inside there already, who is already working

937 independently as a contractor, that the BCA board might
938 be able to touch in and say, "How are you doing? How
939 are you operating? How are you working?"

940 **Mr Chapple:** Do you happen to know, Paul - sorry to
941 interrupt - whether Kāinga Ora is using Amotai as
942 part of its weighing in?

943 **Mr Southey:** Yes, they are but it's part of the
944 mechanism but even Kāinga Ora struggle to make
945 those connections down as well because, as we're
946 now seeing here, it's all silo based and unless
947 I'm inside your silo, you don't even know who I
948 am.

949 **Mr Chapple:** Yep.

950 **Mr Southey:** What we're trying to do at the Māori
951 Sector Accord is build a database that can go
952 across all government departments, across all
953 regions, and then we're taking it into the
954 Chamber of Commerce across New Zealand, so the
955 business sector, to say who are those businesses
956 inside that sector? And then hopefully, this is
957 what government should be doing, is building a
958 database that can be shared. So, that way if,
959 say, for example, the Commerce Commission wanted
960 to talk to 5, 10, 20 different businesses across
961 the industry, you could go straight to there and
962 find them and bring them in.

963 **Dr Small:** I was writing those four down, but could
964 you just repeat the second one for me about SMEs?

965 **Mr Southey:** Māori SME capability development.

966 **Dr Small:** Capability development, right.

967 **Mr Anderson:** Just a question, Paul. I'm actually a
968 part of Amotai and have been a part since the
969 beginning. And the main issue I have at the
970 moment with Amotai, with that procurement stuff,
971 is I think they the best thing that we need, I

972 don't know if this is probably the right space to
973 talk about it but with regards to Amotai and the
974 procurement as such, Amotai is really good to be
975 that database. However, with the likes of the
976 procurements because over the last year I've
977 probably been given at least 15 or so plans, you
978 know, of the big, commercial builds over in
979 Auckland, in Tāmaki Makaurau, and the thing I
980 struggle with personally, and this is just from
981 me not having the knowledge, is actually how the
982 process works.

983 So, it's all right to get the plans and
984 everything. However, it's quite hard to actually,
985 because I've actually put my hand up and said to them,
986 "You know, I need a helping hand" and I've actually
987 tried to get out there and ask for some advice on how
988 we get into these procurements? How do we put our bid
989 in at a competitive rate, rather than me just guessing.

990 So, with Amotai, it's a great platform and it's
991 awesome to see that, you know, Auckland Council and all
992 these companies are willing to give us a portion of,
993 and for example there was one there, a multi million
994 dollar complex and they were going to give us, well
995 they wanted a price of just one block, which was a
996 block of 22 units. Personally, bro, coming from, you
997 know, residential, I would not have a clue on how to
998 price it out, nor would I have the pūtea to go get
999 somebody, you know, a surveyor, you know, just to price
1000 it up for me just as a bid and, you know, not knowing
1001 if I was going to get it or not.

1002 So, with the likes of Amotai, like I say, an
1003 awesome platform. However, I think for us as Māori,
1004 and I think everyone has touched base on it, is our
1005 skillset, we have nobody around us to actually help us
1006 out because I would love to have one of those big

1007 complex things but we get given a month to give them a
1008 price and it's sort of like, "Whoa, where do you
1009 start?" You know, I can read plans very well, you
1010 know, and everything like that, but it's almost like, I
1011 even said to one of the developers, I said, "Well, how
1012 much money have you got on that bloody complex and just
1013 give it to me" and they just laughed. You know, and of
1014 course they'll laugh but, you know, just me being a
1015 cheeky Māori, I was like, well, to be honest, I really
1016 don't know where to go, where to start, you know?

1017 So, yeah, with that Amotai side of things, it's
1018 great I think for us as Māori on Amotai, it's more
1019 about educating us and putting people beside us and
1020 nurturing us through that whole process because, like I
1021 say, with Auckland Council having to give it to Māori
1022 or Māori Polynesian businesses, I am just hearing from
1023 developer friends of mine saying that, you know, "We
1024 try to give it out but you fellas aren't getting back
1025 to us" and this seems to be an ongoing thing. So, it's
1026 sort of like, well for me, and I did explain to them, I
1027 was like, "Well, we don't know where to start, bro, we
1028 don't know where to start".

1029 **Mr Southey:** What you're saying there is exactly
1030 correct and I'll read out the line on here, it
1031 says, "To improve business practices such as
1032 tendering for large and more complex work". So,
1033 I'm exactly the same. We need to be able to have
1034 that integration to build it up and, as you've
1035 seen, it's all about being vertical and these big
1036 companies that we've spoken about a lot over the
1037 last three days have that power in terms of the
1038 humans inside their mechanisms to be able to
1039 tender for the work. Whereas, the small to
1040 medium enterprises don't have that volume and,
1041 like you're saying, that's that disconnect.

1042 **Mr Chapple:** So, if we're going to get, and you were
1043 talking earlier about scale because partly this
1044 is about scale, right? So, we're going to need
1045 something alongside to actually, you know, if we
1046 see that is the end point we want to get to with
1047 more OSM, more scale, easier for Māori to
1048 participate in some of these things, then yeah,
1049 thinking about the pathway to get there is quite
1050 complex. Right? You can't just go out and
1051 tender it, that won't necessarily deliver that.

1052 **Mr Southey:** Correct. You almost need to setup an
1053 organisation in the middle here that works with
1054 the smaller companies to tender into there but
1055 have the scale to know that I can pick up all of
1056 those contracts, so I can leverage this business
1057 here to be able to win those contracts or at
1058 least know that we're going to get it to be able
1059 to support the lower ones. And if this person
1060 here doesn't exist, the connect won't happen.

1061 **Dr Small:** Yeah. And, as Te Wehi pointed out, it's
1062 the cost of tendering is itself something of a
1063 barrier.

1064 **Mr Southey:** Yes.

1065 **Dr Small:** Particularly when you sit it alongside
1066 the risk that you're going to be up against
1067 Fletchers or something like that, so there's a
1068 real financial issue in there as well. It seems,
1069 I'm just sort of speculating really but that it
1070 might be about bulking up and collaborating at
1071 the SME level to some degree to pool resources?

1072 **Mr Southey:** One of the things that we're talking
1073 about is that it should be done at the government
1074 level coming down to say, "Okay you've won that
1075 contract or that tender for that. As part of
1076 that, you've got to have your 7% or 10%", we will

1077 use building apartments as an example in
1078 Auckland. Yes, we've won the tender to build
1079 those 100 apartments. Can you now take 10 of
1080 those apartments and give those to the SMEs and
1081 then support and tautoko them there to grow their
1082 capabilities to get used to the system, get used
1083 to the network but your parent company is looking
1084 after the total project.

1085 **Dr Small:** Yeah, I see what you're saying. And in
1086 that way, the SMEs get the experience of being on
1087 a big contract as part of it?

1088 **Mr Southey:** Yeah.

1089 **Dr Small:** That makes sense.

1090 **Mr Chapple:** You're going one step further than what
1091 you were saying earlier when we were talking
1092 outside about there's a lot involved at the
1093 labouring level but not yet at the - so, you're
1094 going up to the next level and presumably you've
1095 got to move on from that as well or have
1096 mechanisms to move on from that, so you're
1097 actually winning the tender, if that's where you
1098 want to be?

1099 **Mr Southey:** Yes. Let's surmise, if it was a
1100 Fletcher Living or Naylor Love or someone like
1101 that, that was building volume houses in Auckland
1102 but they could bring through the likes of Nathan
1103 to say, "Well, look, this is how much we've
1104 actually allocated for that job, to be the
1105 builder on that job" and be open with it and say,
1106 "There you go, there's the number there" and then
1107 Te Wehi can sit there and go, "Yes, I can work
1108 within that number". Rather than him trying to
1109 go, "I don't know what the number is because I'm
1110 not used to those rates" or "I'm not used to your
1111 world".

1112 **Mr Chapple:** We know there's a few iwi-led
1113 reasonably sized housing developments underway,
1114 is that also going to help develop some of those
1115 capabilities?

1116 **Mr Southey:** I think, look, when we're talking here,
1117 we're talking national viewpoint. And obviously
1118 with iwi or hapū, it's regionally based and of
1119 course some are more ahead than others. So, if
1120 we could - so, yes at that level.

1121 **Mr Chapple:** But only in those areas?

1122 **Mr Southey:** But it's only in those areas. And then
1123 how do we take those learnings at that level but
1124 share the knowledge across the country?

1125 **Mr Chapple:** That's helpful, cool.

1126 **Dr Small:** That's a really good idea, I think.

1127 That's a way of giving effect to the obligation
1128 to contract with Māori but sticking with a highly
1129 competitive tendering process that allows the big
1130 guys into it and outsources those obligations to
1131 SMEs. Is that sort of what you're thinking?

1132 **Mr Southey:** Yes. If we can prompt at that higher
1133 level to say you have to support Māori, we'll
1134 leave it up to you on how you do that and
1135 obviously, go to this business or this
1136 organisation if you need that support. Like we
1137 say, if there's 100 homes, give 10 to Māori and
1138 leverage it like that.

1139 **Dr Small:** Yep, I like that. Really good. What
1140 else have we got here that we should be talking
1141 about in this valuable time?

1142 **Mr Southey:** For us, I just want to say thank you.
1143 We need to bring it back to for us as Māori, it's
1144 how we look after each other. And what I do is
1145 not about me and my world, it's about how I
1146 support my community. Don't underestimate the

1147 support that you are giving us because we're not
1148 even inside the door and for me to be sitting
1149 here at this table is huge and it's not - like
1150 when I go to all these meetings around the
1151 country doing the different ones, I am generally,
1152 and I'm looking around this room, the only Māori
1153 in the room. And so, by you opening the door
1154 through this mechanism, I just want to say humbly
1155 thank you so much because it's the mechanism that
1156 we need, so thank you for that.

1157 **Dr Small:** Well, thank you very much for being part
1158 of it. It's necessary and important for us and
1159 we see it as a crucial component of this study
1160 and in other ones as well, so thank you for
1161 participating.

1162 **Mr Southey:** Kia ora.

1163 **Mr Chapple:** I don't have more questions but I just
1164 wondered if there's things that any of you,
1165 either online or Paul in the room, think we
1166 haven't covered that you would like to tell us?
1167 I'm sort of interested, yeah, do you think
1168 there's anything we're missing? No, you're all
1169 good, Te Wehi?

1170 **Mr Southey:** It's the database I think is the key to
1171 all of this which will help everybody. So, in
1172 the Māori world, for us to put our hand up or to
1173 put our head up, there is always the fear that
1174 you will be chopped down. And we're seeing it in
1175 the business world with the Chamber of Commerce
1176 across the country, is that they even are
1177 struggling to find these Māori businesses.

1178 So, if one of the recommendations could be to
1179 start building that database from your recommendation
1180 here, we know that through the Māori Sector Accord, we
1181 can then leverage off that and then we know at the RMB,

1182 so Registered Master Builder level, we will then
1183 leverage off that. And then the other organisations
1184 will need to go, okay, we actually need to go and find
1185 who these companies are, who these people are out
1186 there. And lo and behold in a year's time, we can
1187 actually find 1,000 people that weren't there
1188 beforehand, so that would be my greatest wish, would be
1189 to build a database.

1190 **Mr Chapple:** That's a great idea.

1191 **Dr Johnston:** Can I go back and get your reaction to
1192 one of the recommendations in our report, which
1193 was having a centre of excellence for BCAs? When
1194 you were talking about the Taupō experience, what
1195 I heard you saying was that some BCAs get it and
1196 interact well and other BCAs aren't.

1197 And the question is really whether having
1198 some centre of excellence that sat over the BCAs
1199 and could say to one BCAs, "Well, you know,
1200 there's a BCA up here that's doing this well but
1201 here's some you can learn from", something like
1202 that do you think would be beneficial?

1203 **Mr Southey:** I think it would be beneficial for all
1204 of us to learn. And, you know, when you've got
1205 to turn the mirror inwards sometimes, it is hard
1206 to look at your own house and look at what is not
1207 working in your own house.

1208 And then, as you know, inside your family you've
1209 got family who don't always follow that methodology of
1210 how we do stuff.

1211 If you're going to do it at the BCA level, you
1212 would ask those questions, who's doing it well? And
1213 then how or why are you doing it well? And then ask
1214 those questions down, is it because they're having
1215 face-to-face meetings? Or is it they have - what is

1216 their methodology for doing it? What's their appetite
1217 to risk?

1218 A lot of them might be just too risk averse and be
1219 like, "Look, go get a PS-1, 2, 3, 4, so it removes all
1220 the risk" but it doesn't need to be that way.

1221 So, I'm not sure if the word is "centre of
1222 excellence" because that makes it - I'm going to say
1223 it - it makes it European, you know what I mean.

1224 **Dr Small:** Elitist?

1225 **Mr Southey:** Elitist at that level, versus bringing
1226 it down to our level which is about this is what
1227 we've learnt that works well for us here. So,
1228 yeah, maybe changing the language around how it
1229 works.

1230 **Dr Johnston:** That is a good suggestion.

1231 **Dr Small:** Yes, if you have formal words, we'd be
1232 keen to hear it. You don't have to do it now and
1233 it might be something PJ could have contribution
1234 to, that would be great.

1235 **Mr Southey:** Like, we're seeing it with the King at
1236 the moment. Now the Queen has gone now, the
1237 King, there are those rumblings that are
1238 happening. It's no different at our level. We
1239 need to work together with our - you know, you're
1240 number one, you're number 10, I'm not going to
1241 participate because I'm the poor cousin down
1242 here.

1243 **Dr Small:** Yeah.

1244 **Mr Southey:** Whereas, volume-wise, he
1245 Christchurchers, the Aucklanders, can do well
1246 because they have the humans to do well but what
1247 been the West Coast who only have one BCAs or two
1248 BCAs, how is he struggling with the workload or
1249 how is she struggling with the workload? She

1250 might be doing amazing stuff down there but we
1251 just will never hear it.

1252 **Dr Small:** Yeah, the more I think about this, the
1253 more I think these feedback mechanisms are
1254 really, really important. You know, the sort of,
1255 I mentioned reputation systems a couple of times.
1256 It's a little bit like if you're on Trade Me, you
1257 know, you get how many stars you've got because
1258 you've done a trade with somebody and they said,
1259 "Yeah, he was good to deal with". So, things
1260 like that, that sort of feedback, you could sort
1261 of imagine it might be a little bit more
1262 formalised possibly, that builders would be able
1263 to -

1264 **Mr Southey:** Understand. Because I deal with four
1265 BCA regions and they're all totally different,
1266 they all do it totally - but they follow the same
1267 mandate but are all different and they have
1268 changed over the years as the personnel have
1269 changed. And we laugh and say, "Well, I'll still
1270 be here in 10 years time but you won't be, you'll
1271 be gone in 3 years time".

1272 **Dr Small:** And we can tell because of the way you
1273 act, right?

1274 **Mr Southey:** And stuff like that. But how do we use
1275 that historical knowledge and those relationships
1276 like you're saying? Reputation, like Te Wehi
1277 said, is everything because if your reputation is
1278 poor, like you're saying, you drop down into that
1279 bottom level and the Councils will be tough on
1280 you, as they should be.

1281 **Dr Small:** Yep, yep, exactly. All right, well, look
1282 at that, it's 11.55.

1283 **Mr Devonshire:** It might be time for smoko?

- 1284 **Dr Small:** It might be time to wrap up. It's been a
1285 really great kōrero and we're very grateful to
1286 you all for participating, so shall we wrap it up
1287 now?
- 1288 **Mr Devonshire:** Yeah, yeah, ka pai. Again, just to
1289 support the Commissioners and the Commission,
1290 again, thank you all for coming, you know,
1291 firstly to the hui, a few months back. I know
1292 Oliver and the team sent a lot of papers out,
1293 "Have you got this one? Have we got that right?"
1294 And so, you know, really thankful that you guys
1295 have continued to support us, Paul, Te Wehi,
1296 Ngahere, Brent. And it was lovely having Brent
1297 for the whole three days and knowing you are all
1298 busy people. So, yeah, again on behalf of us,
1299 mihi ki a koutou. We've got some food at the
1300 back here, Te Wehi, so we can't get it to Waiheke
1301 in the next hour, I don't know if the ferries are
1302 on time but Mihi nui ki a korua, mihi nui ki a
1303 waiheke. We might try and get up to Waiheke some
1304 time, Antonia lives in Auckland.
- 1305 **Ms Horrocks:** I was going to say I'll bring a
1306 sandwich back.
- 1307 **Mr Devonshire:** Antonia will come and see you there
1308 some time. Ki a koe te whanaunga Paul. Yeah,
1309 we'll have a kai. I runga tonu tēnā whakaaro
1310 māku e whakakapi tēnei o ngā hui, no reira ki a
1311 tau mai te manaakitanga o tew ahi ngaro ki runga
1312 ki tēnā ki tēnā o tātau, kia mahea te hui
1313 makihikihi.
- 1314 Ki a toi te kupu, ki a toi te mana, ki a toi te
1315 aroha, haumi e, hui e, taiki e. Kia ora.
- 1316 **Mr Chapple:** Thank you, team.
- 1317 **Dr Small:** Thank you.
- 1318 **Mr Southey:** Thank you everybody.

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Conference concluded at 11.56 a.m.