



# "Covering People's Future"

## NZ Flooring ITO Newsletter

July 2008

### INDUSTRY TRAINING AT WORK DAY 2008

The range and depth of industry training was on show as part of the Industry Training at Work Day on Thursday the 1st of May 2008. Politicians and other community leaders visited workplaces that work with their Industry Training Organisation to arrange training for staff.

"We're extremely proud of our sector and what it achieves and it has been great to showcase that around the country," Industry Training Federation Executive Director Jeremy Baker said.

Feedback from Industry Training at Work Day has been hugely positive, with visitors appreciating the chance to meet the people at the grassroots of industry training.

"ITO staff have been really impressed with the interest shown and the questions that have been asked. To go to a workplace and meet first hand the people doing the training and their bosses is invaluable to increasing understanding - much more so than reading about it in a policy paper!"

"Each year 180,000 New Zealanders from 35,000 businesses and organisations take part in some form of industry training. I hope that Industry Training at Work Day has given those who took part a greater understanding of who these people and businesses are and what they are achieving."



### Associate Tertiary Education Minister Hon Maryan Street meets apprentices at Crown Flooring in New Lynn, Auckland who work with the Flooring ITO.

The Flooring ITO would like to say thanks to both Adrian de Roode of Crown Flooring in Auckland and Steve Musson of The Flooring Centre in Christchurch for giving their time and workplace for visits on this day.

If you want to get involved in workplace training through the **NZ Flooring ITO** please contact us on **0800 777 055**.

### ARE YOU READY TO VOTE?



Election 2008 is upon us. While the Election date has not yet been set a general election has to be held by Saturday the 15<sup>th</sup> of November 2008.

If you want to have your say in this year's election you need to be enrolled.

#### Am I eligible to vote?

Basically, you are qualified to enroll if:

- you are 18 years or older
- you are a New Zealand citizen or permanent resident and
- you have lived in New Zealand for one year or more without leaving the country

#### How can I enrol?

Enrolling to vote is easy. You will not be able to vote if you are not enrolled before Election Day. It is compulsory to be enrolled if you qualify, although voting is optional.

To get an enrolment form or update your details either:

- Visit the website [www.elections.org.nz](http://www.elections.org.nz) and enroll or update your details online.
- Freetext your name and address to 3676
- Call 0800 ENROL NOW (0800 36 76 56)
- Visit any NZ Post Shop

Even if you are already on the electoral role check your details online and make sure they are up to date. By making sure you are enrolled for this years election you too can have your say!

### INTRODUCING ... VAUGHAN CROCKER



We trust you will join us in extending a very warm welcome to the latest addition to the Flooring ITO team - Vaughan Crocker. Vaughan joins us to become the apprenticeship coordinator in the Waikato/BoP region.

Vaughan has a long association with the flooring industry having completed his apprenticeship with Murray Charteris Flooring Ltd in Hamilton in the early ninety's. More recently, Vaughan had been employed by Nuplex in a sales role, having been based out of their Hamilton branch.

Outside of work Vaughan enjoys participating in watersports and mountain biking. No doubt if you haven't already met Vaughan you will soon on his visits to all the flooring industry people in the Waikato, Coromandel and Bay of Plenty region.

## MINIMUM WAGE

Department of Labour  
TE TARI MAHI



The changes to the minimum wage requirement that came into force on the 1<sup>st</sup> of April, 2008 have caused a few enquiries to the ITO on what rules now apply for employers and employees in regards to wage rates.

While the ITO does not involve itself in what is primarily an employment issue we have included this directly quoted information that can be accessed in full by both employers and employees on [www.ers.dol.govt.nz](http://www.ers.dol.govt.nz)

“The minimum wage for employees aged 16 years and over rose to \$12 an hour before tax on 1 April 2008, except for new entrants and employees subject to the minimum training wage. That’s \$96 for an eight-hour day, or \$480 for a 40-hour week.

From 1 April 2008, the training wage increased to \$9.60 an hour before tax. That’s \$76.80 for an eight-hour day, and \$384 for a 40-hour week. The training wage applies to people doing recognised industry training involving at least 60 credits a year.

There is no longer a minimum wage for youth as of 1 April 2008. Instead there is a new entrants minimum wage. The new entrants minimum wage is \$9.60 an hour before tax. That’s \$76.80 for an eight-hour day, and \$384 for a 40-hour week. The new entrants minimum wage applies to some 16 and 17 year old workers.

There is no statutory minimum wage for employees who are under 16 years old.”.....

.....“By law, employers must pay at least the minimum wage - even if an employee is paid by commission or by piece rate. The minimum wage applies to all workers aged 16 years or older, including home workers, casuals, temporary and part-time workers.

An employee being paid less than the minimum wage can complain to a Labour Inspector, who may investigate and act to recover any money owed. Employees can also get help from our mediators.”

If you are wanting to seek more clarification on any employment issue give the **Department of Labour infoline** a call on **0800 800 863**

## NFA FLOORING INSPECTIONS UPDATE

During the recent NFA Flooring Expo, I presented a synopsis of the NFA Flooring Inspection Services activities for the last twelve months as compared to the previous twelve month period.

Brief accounts of the figures presented are as follows:

Overall inspection inquiries increased by 7.2%  
Accepted inspections increased by 25%  
No Can Do inspections decreased by 5%  
Inquiries involving non NFA members decreased by 21.6%  
Inquiries involving NFA members increased by 40.6%

Inspections involving non NFA members increased by 25.0%

Inspections involving NFA members decreased by 81.8%

## Inspection inquiries based on product types for 2008:

Carpet & Vinyl	2.7%
Carpet	30.6%
Vinyl	21.4%
Linoleum	4.0%
Rubber Tiles	1.3%
Hot Pressed Tiles	1.3%
Cork	1.3%
Sand & Applied Finishes	2.6%
Laminates	1.3%
Pre-Finished Timber	4.0%
Solid Timber	20.2%
Bamboo	5.4%
Other Types of Flooring	3.9%

## Disturbing Trends

What these figures don't show, but I did allude to during my presentation is a dramatic increase in inspection inquiries involving Sand & Applied Finishes, Solid Timber and Bamboo installations. If I look at the level of inquiries since the beginning of April 2008 and extrapolate them out over the next twelve months, the figures would look like this:

Sand & Applied Finishes	330% increase
Solid Timber	380% increase
Bamboo	371% increase

The figures for the Bamboo I can almost understand as this is a relatively new product, therefore there will always be teething problems as installers/resellers become familiar with the Bamboos characteristics and installation requirements. What I do find concerning however is the sharp increase in Sand & Applied Finishes & Solid Timber installation complaints. Now it might well turn out that the problems associated with Bamboo are closely linked to the issues being experienced with Solid Timber and then by default affecting the coating system. At this stage I have my own theories as to where we are going wrong, but if it is one thing that I have learnt running the Flooring Inspection Service, then that is to keep an open mind. Therefore, given these developments in our industry, I believe that it is time to call an industry meeting of those that are interested or at least concerned enough to get involved.

If you are interested in attending such a meeting, then please email me on [kevin@nfs.net.nz](mailto:kevin@nfs.net.nz) to register your interest, providing your name, Company, address and contact details. Based on responses we will decide how best to progress further.

Kevin West

## UPCOMING EVENTS

- Australian Timber Flooring Association** expo  
Melbourne, Australia. October 9-10, 2008  
[www.atfa.com.au](http://www.atfa.com.au)
- Domotex** - Hannover, Germany.  
January 17-20, 2009.  
[www.domotex.de](http://www.domotex.de)
- Domotex ChinaFloor** - Shanghai, China  
March 24-26, 2009
- National Wood Flooring Association** convention  
Long Beach, California, USA  
March 28-April 1, 2009  
[www.nwfa.org](http://www.nwfa.org)

## FUEL PRICES!!

Petrol breaks the \$2.00 mark! And the predictions indicate that paying \$2.50 for a litre of petrol might not be far away. For those of us driving diesel vehicles the outlook doesn't look much better! This reality is not only going to impact on us as an industry but also in our personal lives as well. Can you do anything to lessen the impact of petrol prices?



Here are some helpful hints to help ease the pain of filling up at the petrol pump:

- \* Plan your travel and try and drive less.
- \* Check your tyre pressures.
- \* Drive smoothly and more slowly on the open road

### The big picture

\* Plan your travel. Make as few trips as possible. Ask yourself do I have all the tools and materials I need for this job in the van? Five minutes spent checking this out before you leave for your job could save you that unnecessary trip to go back and get what you left behind. Or if you are organizing a day out measuring for quotes can you plan a route that is more circular rather than crossing back and forth across town (obviously this might not be possible as the customer can dictate when and where you need to be at a particular time!)

\* If possible, avoid main centres in the rush hour - but at least try to minimise the time you spend in heavy traffic (check out [www.aa.co.nz](http://www.aa.co.nz) and click on the Traffic Webcam link to see live traffic volumes in Auckland, Tauranga and Wellington).

\* Try to avoid major road works if you're planning a longer trip (for road works or road closure, check out [www.aa.co.nz](http://www.aa.co.nz) and click on the AA RoadWatch link).

\* Is that extra trip to the bakery for your pie at smoko necessary!

### Smart driving

\* Drive smoothly. Accelerate steadily and smoothly, changing gears early but not labouring the engine at any time. For automatics select "economy" or "overdrive".



\* Treat the accelerator as if it has a nail poking up into your bare foot. You'll be fine with gentle, steady pressure, but any sudden acceleration is really going to hurt.

\* Keep within the speed limit and what is safe for the conditions. Travelling at 100km/h instead of 110km/h will cut around 13 percent off your fuel bill.

\* Look ahead three or more cars. If they're turning or slowing, ease off early rather than waiting and braking.

\* Ease through the corners. Take a smooth line and minimise movement of the steering wheel. Don't accelerate on short straights - you'll only have to slow again, saving little time and wasting fuel.

\* When climbing hills, ease off the accelerator when approaching the top, and use gravity to help you regain cruising speed on the other side. But don't hold up the following traffic.

\* Reduce idling time. If you're going to be idling for more than 30 seconds, switch the engine off - provided it's safe to do so. Reducing idle time also applies from a cold start. Move off as soon as possible after starting the engine, but keep light on the accelerator until the engine has warmed up. If you drive an auto - pop it into neutral while waiting at the lights.

\* Turn off the air-conditioning. Reduce use of the air-con. Also don't open the windows at highway speeds - this causes drag, which will cost more than using the ventilation fan.

### Keeping your vehicle in shape

\* Keep your vehicle well serviced. Have the wheel alignment and engine tuning (including air filter and spark plugs) checked.

\* Check your tyre pressures. Use the simplest vehicle-maintenance trick: keeping tyres pumped to at least their recommended pressure gives you significant fuel savings. Pump up to the maker's recommended maximum pressures when you're driving at higher speeds (or when you're carrying heavy loads at lower speeds, which would apply in our industry). It all helps you save a little extra.

\* Keep the drag down. Every 25kg of weight increases fuel consumption by one percent. Again by taking five minutes before you head out to a job to ask yourself do I need all those extra drums of adhesive or do I need to take all these tools to this particular job? could help you lighten your load. Roof racks add an extra five percent or more in fuel consumption. Open windows make the vehicle less streamlined and even the air conditioning is a drag on the motor. Both add to the cost.

### Measuring fuel economy

If you want to know how well you're doing, fill your vehicle to the auto-cut-off point; record the odometer reading and drive. When you next put in petrol fill your vehicle to the same point. Multiply the number of litres you put in the second time by 100, and divide by the number of kilometres you drove. That's your fuel economy. It won't be precise, but you'll get a reasonably good idea.

### Getting a better deal at the pump

Depending on the amount of kms you do over the course of a year, another way of saving on your fuel bill is to look for ways of getting a discount. Many supermarkets now offer discounted fuel docketts, which can give you good discounts off a fill up at participating service stations.



Also effective is using a fuel card. The conditions offered by each fuel card provider may vary so it pays to do your research. Check out the websites below or google "Fuel card NZ" to find out about what is on offer in the market place.

[www.mta.org.nz](http://www.mta.org.nz)  
[www.fuelto.go.co.nz](http://www.fuelto.go.co.nz)  
[www.rdl.com](http://www.rdl.com)

One of the great benefits of being a member of the **National Flooring Association** is the opportunity to enjoy the NFA's partnership with Rural Fuel Ltd. This partnership gives members the ability to enjoy discounted fuel prices, the security of cards which have PINs loaded on them (similar to your eftpos card) and ease of accounting as you receive a monthly invoice instead of paying on the day. If you wish to know more either refer to the August 2007 NFA newsletter or ring Rex Baynes on **(04) 566 0773**.

## INTRODUCING . . . SCOTT CATO

Scott has joined the ITO as a training advisor for the Flooring, Planning and Design qualification.



For many in the industry Scott won't need a lot of introduction as he has been involved in the Flooring industry in some capacity or another over the last 38 years (you do the math on how old he must be now)!!

Scott will be primarily involved in encouraging those of you involved in the retail and sales sector of our industry in the Auckland, Waikato and Bay of Plenty regions to get involved in gaining the new Flooring, Planning and Design qualification on offer.

Keep an eye out for Scott coming to a store near you!

## BUSINESS DEVELOPMENT MANAGER

We are sad to report that Fiona Nelson has left our family here at the ITO to take up a new challenge at the Hairdressing ITO. Fiona did a fantastic job with us and also worked tirelessly as part of the organizing committee for the two NFA flooring expo's that have been held over the last three years. We would like to wish Fiona all the best in her new career path and have no doubt she will excel yet again as she did for us.



Stepping into Fiona's former role is Rex McGill. Rex has been working with the ITO over the last two years as the regional apprenticeship coordinator in the Waikato/Bay of Plenty. He looks forward to meeting a wider section of our industry community in his new role and working with you

## CEO's MESSAGE ...



I would like to begin by welcoming two new people to the Flooring ITO team, Scott Cato and Vaughan Crocker, and also congratulating Rex McGill on being the successful applicant for the Business Management role. The Flooring ITO certainly has a dynamic team of people who are fully committed to providing the best for the Flooring industry. Our heartfelt best wishes go with Fiona Nelson as she assumes her new role with the Hairdressing ITO.

The article by Kevin West concerning the type and extent of flooring inspections brings issues around avoiding flooring failures to the fore. Recent industry discussion in the USA about problems associated with moisture really gives some weight to why we ought to think carefully about installing flooring over water laden slabs. Based on US industry data from 2003 to 2006, "*it is estimated moisture in concrete substrates is the leading cause of flooring failure in the United States, costing businesses over one billion dollars annually in damage, downtime, repair and replacement*". While the US market is considerably larger than NZ, the lack of regulation in our country around installing over wet slabs compared to the US would suggest the problem is proportionally higher in our backyard. Additionally, industry members in the US make the following observation in respect to commercial pressure, "*..while all commercial businesses are at risk,*

*retail stores are increasingly vulnerable. Fast-track construction has worsened the situation. Everything is being done at a faster pace these days. People want to build today and move in tomorrow so they can get the cash registers ringing.*" Sound familiar! I want to take this opportunity to remind industry members that, under the installation standards, the flooring retailer/installer assumes full responsibility for the suitability of a substrate through the act of installing over the same. Those of you, who think you can simply contract out of this responsibility by securing a waiver from a client, are skating on very thin ice indeed. In several recent cases, tribunal and court hearings have ruled against flooring professionals on the grounds that they should, and did, know that the installation was more likely to fail because of excess moisture and that installation should not have been conducted – waiver or no waiver.

On a totally different note, the industry appears to be affected by two social factors at the moment. The first is what I call the 'Chicken-Licken' effect. This is where people run around blindly proclaiming, "the sky is falling in", just because they received a bump on the head. In our case, this is typified by a combination of media and banking economists forecasting doom and gloom for us all. When compared against the forecasts of the Reserve Bank, the outlook is certainly not as dire as the media suggest. Surprisingly, life still goes on, buildings get built or renovated, and flooring gets laid. The second factor that has affected the industry in recent months has been the weather. Yes, you heard me, the weather! During an unbelievable summer of hot days and little rain, the last thing that many homeowners were concerned about was keeping warm underfoot. The last few weeks have certainly seen a change in this respect with business activity picking up as winter arrives.

While these factors appear somewhat light-hearted, it is important to remember that much of what happens in the industry is subject to the mood swings and confidence of the domestic marketplace. Companies that are managing well during this period are going the extra mile by following up on every quote / enquiry. This is not simply a matter of competing well against another flooring company, but on a broader stage, we need consumers to choose flooring above other forms of discretionary spending. This comes when the industry sells the 'value added' message to property owners / developers. That is, how flooring contributes to the value of a development or property. Additionally, many flooring companies are seeing the next few months as an excellent time to build capacity through training. While this may be as simple as training apprentices, there is an excellent opportunity to look at the skill sets of existing staff in regard to how these match future trends. Being competitive in the marketplace is a combination of excellent business practices including having the right staff with the right skills.

Regards

**Greg Durkin**  
Chief Executive

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