

***UPDATED* COVID-19 (coronavirus) Building and Construction Industry Advisory**

This document has been prepared as a general Toolbox Talk for building and construction workers and supervisors. It supplements but does not replace information from the government and Ministry of Health which will always be the primary source of advice in this matter. [Please see the MOH website for further information](#)



New Zealand is in lockdown. Building and Construction, other than some essential work, is on hold for at least another week. We have “flattened the curve” of new infections and we are preparing for a safe return to work.

COVID-19 What it means for business in Building and Construction

Three weeks into lockdown and we have begun to see the “flattening curve” with a steady reduction in new cases. However, with the loss of ten lives to the virus, we’re reminded of the need to stay vigilant.

Tomorrow, the government plans to announce what level 3 and 2 will look like when we step down from level 4. The final announcement of when that will happen will be on Monday, 20 April. More information around next steps is available on the government’s [COVID-19 website](#).

NZCIC and the Construction Sector Accord (CSA) continue to work with the government to reduce the economic damage to the sector and prepare for a safe return to work.

Managing through the lockdown

The government has **announced further initiatives to support businesses this week** with changes to taxation including:

- \$3.1 billion tax loss carry-back scheme (estimated cost over the next two years).
- \$60 million estimated annual savings to business each year from changes to the tax loss continuity rules.
- \$25 million in the next 12 months for further business consultancy support.
- Greater flexibility for affected businesses affected to meet their tax obligations.
- Measures to support commercial tenants and landlords.

Other temporary changes are being introduced to insolvency laws including:

- Giving directors of companies facing significant liquidity problems because of COVID-19 a ‘safe harbour’ from insolvency duties under the [Companies Act](#).
- Enabling businesses affected by COVID-19 to temporarily suspend existing debts until they can resume normal trading.

A **business finance guarantee scheme** launched on 2 April. Under the scheme, businesses annual revenue between \$250,000 and \$80 million can apply for bank loans up to \$500,000, for terms up to three years. The scheme will offer a total of \$6.25 billion in loans to domestic businesses.

The Government is guaranteeing 80% of the risk, with banks covering the remaining 20%. Normal lending processes will be followed by the banks, who will make any lending decisions. Further details can be found on the banks' websites.

Lockdown is an ideal time for training and upskilling team members. **NZIOB is hosting webinars** that focus on topics such as contractual issues and supporting teams.

ConstructSafe have developed **online assessments** which can be accessed remotely. This is a great opportunity for businesses to assess their team members' health and safety knowledge during the lockdown.

SiteSafe are also providing remote training during lockdown. The Passport Plus - Flexi courses have been adapted so they can be completed online. For more information, call 0800 SITE SAFE (748 372) or email theteam@sitesafe.org.nz.

Preparing for the return to work

Some general information about what businesses and individuals can expect during alert levels 3 and 2 will be released publicly today, 16 April. We already know that at level 3, there will still be restrictions on workplaces, schools and gatherings to limit contagion. Today's announcement will include further guidance around the preparation for a safe and viable return to work.

The first working document of the COVID-19 health and safety framework, the **COVID-19 Standard for New Zealand Construction Operations** (the Standard) has been approved by the CHASNZ board of trustees and released to the Construction Sector Accord. This document will be updated and finalised as more information is released by the government on the de-escalation process from alert level 4.

The Standard covers the high-level principles for construction-related activity carried out by businesses. It also addresses the minimum requirements for operating safely during COVID-19 alert levels 2 and above. The document covers horizontal (civil), vertical (commercial) and residential construction activity.

Protocols are being developed for residential, horizontal and vertical operations to ensure the efficacy of the Standard. The protocols will cover how the prescribed requirements in the Standard can be carried out across the sector. The work is high priority and the protocols are expected to be finalised this week (14 – 17 April) and will be available at the earliest opportunity.

The Specialist Trade Contractors Federation is **hosting a webinar** for small and medium-sized construction businesses to explain the use of the Standard and protocols. The webinar will be presented by Chris Alderson, CE of CHASNZ at 1.00pm on Monday, 20 April.

We are all in this together

There has been an amazing amount of planning work undertaken, which will provide for the rejuvenation of our industry in the months following lockdown. The government is focussing on investing in projects which can be started within six months to get the sector moving again.

The term 'shovel ready' is being used widely (and undiscerningly), creating concerns that all emphasis is on civil infrastructure work. We've been assured by the government that funding projects in the vertical and residential sectors will be treated with equal weight. We believe this will provide a crucial boost in employment and growth opportunities for the sector.

It's vital that we adhere to the guiding principles of the **Construction Sector Accord** in our commercial dealings at this time. The application of these principles in the private and public sectors benefit clients, developers, contractors and the entire supply chain.

Where possible, best endeavours should be made to settle contractual issues in a collaborative and non-litigious manner. If we pair that approach with the conscious decision to enter into new contracts based on value, fair risk allocation and mutual trust; we will set the industry up to succeed moving forward.

Follow New Zealand Construction Industry Council on **LinkedIn** and **Facebook** to keep up with any updates and for more information about who NZCIC are and what we do, visit our **website**.

For any media inquiries or if you're interested in becoming a member of the NZCIC, please contact the NZCIC Chair, Graham Burke at **graham@grahamburke.co.nz** or 021 249 3459.