

***UPDATED* COVID-19 (coronavirus) Construction and Building Industry Toolbox Talk and 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 three weeks.

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

New Zealand has now been at COVID-19 alert level 4 for a week. This is without doubt the largest single event to impact the country and sector since World War II. New Zealand's response to this crisis is similar to that of when it's going to war.

The successful execution of the lockdown is vital to potentially preventing thousands of New Zealanders deaths and long-term economic disruption. NZCIC and several of our members are working with the Construction Accord to interface with government and prepare for an effective and timely return to work. How government will manage the lifting of level 4 restrictions is yet to be determined. It's likely this will be a staged regression to level 3, then 2, and finally return to level 1.

When we move to level 3 and some restrictions are lifted, there are several possible scenarios. We could see all construction work deemed "essential" and able to resume with increased precautions. Another possibility includes the reintroduction of some select sectors of construction that are at minimal risk of viral transmission. Or, work will resume as per one of the previous scenarios but workers with higher risk profiles, such as those with pre-existing conditions or over a certain age threshold are precluded.

Industry advocacy during COVID-19 level 4

CHASNZ is working to collect and analyse data from foreign jurisdictions whose construction sectors are operating during the crisis and are balancing COVID-19 health and safety needs. This will help determine best practice and provide guidance for our return to work. The Constructsafe app is undergoing updates to assist in the management of essential work and facilitate a smooth and organised sector restart.

The NZCIC executive is meeting weekly along with Grant Florence, David Kelly, Teena Hale Pennington and Chris Alderson to discuss concerns from our sector groups and assist us in our representations to the Accord and government. The immediate issues of implementing the lockdown are largely resolved. The most pressing issues businesses are facing include heavily reduced income, negative cashflow and short-term survival until the return to positive cashflow. Mental health is also a prime consideration during this crisis.

The Accord is using input from NZCIC members to develop a solution to contractual issues caused by the cessation of work and how it's handled in standard contracts. We anticipate the government will help lead the establishment of a general means to determine a fair and reasonable model. Ideally this would take into consideration the implications on clients, contractors and the supply chain. Creating this model could reduce litigation and speed up payments. We're pleased to note the government has announced it will work to provide prompt payment and where appropriate, forward payment on its contracts.

After realising that paying 80% of normal wages may be insufficient for many companies in an extended lockdown, the government has eased the application requirements for the Wage Subsidy scheme. Businesses should seek the advice of their financial advisers when determining how the subsidy and staff remuneration are applied. [Visit the COVID-19 website for more detail.](#)

NZCIC supports the mental health services [Mates in Construction](#) (MIC) is providing our frontline. There hasn't been a big increase in demand for the services. However, this is expected to change in the coming weeks as financial and social pressures build. Other organisations are also working on providing mental health services for their members including [Engineering NZ](#) and [Master Builders](#).

Mates in Construction and [CHASNZ](#) are also compiling a list of employers that have EAP schemes so that employees can initially be directed there to receive help. Please contact MIC if your organisation provides these services.

MIC NZ have launched ["The Smoko Room"](#) this week. It's a platform for construction people to check-in with each other via a group chat that runs Monday to Friday.

Preparing to return to COVID-19 alert level 3

It's vital that our sector prepares to return to work as quickly and painlessly as possible. Our seamless transition is important to individual businesses, our industry and the country's economy.

NZCIC, the Construction Accord and others are working with government to provide the necessary support to affect a speedy recovery. This includes financial and regulatory support for the sector as well as painting a picture of what the new "business as usual" will look like. It also includes talking with consenting authorities and others to facilitate the efficient assessment of remedial works required following the lockdown and possible partial return to work. Ensuring manufacturing is on stream and supply chains well stocked will be crucial to a successful restart.

Individual businesses across the sector need to plan and prepare to restart their own operations. This may include:

- improving the remote working capabilities for those working from home;
- assessing what is needed to resume operations and having this preparatory work organised in advance;
- what additional health and sanitation requirements will be needed;
- which staff may be precluded from immediate return to work due to underlying health issues;
- and which staff may be able to return to work early if there is a partial relaxation to level 3.

We're all in this together

Whether we like it or not, we are in this together. As part of a construction system, our every action will affect others in the system. Returning to work will require professional services and BCAs to be ahead of the game. Contractors will need to have rapid assessment of remedial works resulting from lockdown, and clients need to fund projects and we all need to stand our share of the losses. To quote Michael Sentch, a colleague from STCF and a member of the ASG, ***"this is a time for selflessness and courage!"***

For more information and detail, [email our Chair, Graham Burke.](#)