

CONSTRUCTION SECTOR ACCORD

ASG COVID-19 response – key messages 31 March 2020

The Construction Sector Accord has temporarily shifted focus from industry transformation to **industry resilience and recovery** following the COVID-19 disruption. **Additional sector leaders** have been brought into the steering group to broaden the perspective and ensure greater sector coverage.

The group is working through a **Construction Sector COVID Response Plan** which advises Ministers and agencies on actions that will support the sector and maintain confidence during and after the shutdown. The plan will continue to evolve over the coming weeks and parts of it will be shared with the sector as they are agreed with government.

The construction sector is a significant contributor to the New Zealand economy and has an important role in kick-starting the economy when alert level four is lifted. The group is working to ensure the sector is in a position to be able to do this quickly.

The response plan is focused on several areas:

- Keeping **cash flowing** in the sector. This means ensuring contractors and subcontractors are still being paid, and continuing as usual with off-site work such as procurement, design and consenting.
- Ensuring **fair and consistent contractual conditions**. Government agencies will produce a standard model for the fair treatment of the cost of site shutdowns and the fair and consistent application of force majeure.
- What **additional financial support** can be provided for construction sector employees, employers and business owners.
- Identifying the **projects already in planning** that can be bought forward and made ready for when works can begin again. The focus will be on both urban and regional projects.
- Advising on **legislative and policy changes** needed to allow projects to start quickly. This may include some temporary relaxing of the Government Procurement Rules.
- **New health and safety guidelines** for construction sites that allow the safe restarting of works. The group is collating available best practice from around New Zealand the world.

Other emerging issues being considered by the group include questions around director's liability, site works insurance, and the impact of weather on closed sites and compliance with regulations. Information will be shared on these issues as solutions are agreed.

People working within the industry are **invited to contact the Accord** with their suggestions for actions to support the sector, either by connecting with their relevant representative on the [Steering Group](#), or their industry body, or through emailing accord@mbie.govt.nz.

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The Accord group is promoting the principle of **'we are all in this together'**. If all parties act in a fair and reasonable manner and are prepared to share the burden, then the sector as a whole can emerge intact and be in the best position to restart.

The Accord group is a unique group made up of leaders from across the public and private sectors including from major commercial, vertical and residential construction companies, property developers, industry and professional bodies and unions. Government agencies HUD, MBIE, Kāinga Ora and the Infrastructure Commission are at the table. Meetings are being held twice a week via video link.

Both government and industry recognise the Accord as a trusted advisor and leader for the sector.

Further queries to:

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