

What the Sector Is Saying About the Proposed Levy Reform

Stakeholder feedback across the construction sector is strong and consistent in raising concerns about the proposed repeal. They highlight risks to independence, long-term research, and sector capability, and signal potential challenges to sector support if the proposal progresses.



New Zealand Certified Builders:

"BRANZ provides considerable 'Industry Good' support beyond its research function. From a project perspective, the HI Hub was a great example. Then there are the free helplines, technical bulletins and guidance notes they provide. Throughout my years co-owning a firm of architects, and now representing builders, I have seen first-hand the value BRANZ provides in so many ways. 'Let's check that with BRANZ' is a commonly used phrase in our industry! Any future state needs to include the continuation of BRANZ's critical 'Industry Good' function."

Malcolm Fleming, Chief Executive



Building Industry Federation (BIF):

"A rushed shift to MBIE administration risks eroding specialist capability, potentially forcing job losses, and permanently damaging infrastructure that has taken years to build. The concern we've got is the lack of competency and resource that MBIE is going to have to carry on this body of research, particularly in longitudinal research. This expertise cannot be replicated overnight."

Julien Leys, Chief Executive



Engineering New Zealand:

"I haven't seen a case for change. I haven't seen anything that says the research is going in the wrong direction. What this repeal risks is undermining funding for trusted, applied science that as engineers, we rely upon."

Richard Templer, Chief Executive



Insurance Council of NZ (ICNZ):

"If we don't have the long-term research capability, then the things we want to make sure we're looking at around building codes... no one else is going to do it."

If you have materials that are more hazardous or not appropriately tested for NZ conditions... then we could have a Grenfell Towers-type situation on our hands. And if that becomes systemic, the probability of a full-loss event becomes higher and reinsurers will look at New Zealand and say, 'Hold on, you guys are building all these apartments with materials we don't like.' That can lead to higher premiums to meet higher reinsurance costs."

Kris Fafoi, Chief Executive



Infrastructure NZ:

"I don't know what the problem is that they're trying to solve with this... It's just not clear. It's not like it will save the taxpayer much, if anything... It's where the government is spending that money that's going to change. I believe we should be very careful about dismantling a system that - while perhaps in need of a refresh - has provided a critical safeguard for the New Zealand public for six decades. We can't risk trading long term independent innovation for short term simplification."

Nick Leggett, Chief Executive



NZ Institute of Architects:

"The decision appears to have come out of left field and it's extraordinary and incredibly fast. I'm surprised we - and others in the wider building sector - haven't been consulted. I'm concerned we don't know what the new system will really deliver."

Mark Abbot, Chief Executive



Te Rūnanga O Toa Rangatira:

"The potential shift to a commercialised model is a serious and fundamental mistake. Inevitably it will prioritise short-term monetisation over wider and enduring benefits. It would be a grave step backwards."

Helmut Modlik, Chief Executive



Resene:

"Good research needs scale, continuity, and a clear line to industry priorities. Shifting to a Government run, fully contestable model risks creating a 'lolly scramble', a small pot of funding diluted across multiple players. This is unlikely to produce the outcomes the sector needs, particularly when testing such as earthquake simulations are capital intensive and require highly qualified experts."

Nick Nightingale, Managing Director



ADNZ:

"The proposed funding changes raise legitimate concerns about the future of specialist facilities, highly skilled researchers, and the long-term research programmes that help us understand how buildings and materials actually perform over time in New Zealand's unique conditions. These capabilities are a national asset. They are part of our country's research backbone."

Keryn Davis, CEO



ITM:

"We want and need better homes in New Zealand. It sounds really basic, but my concern is that that's not going to happen if we lose the sharp, practical and cohesive focus of BRANZ's research."

Sara Johnson, CEO



Te Herenga Waka - Victoria University of Wellington:

"We've lost built environment scientists in the past few years to countries where there's consistency in funding and an understanding of the value of research. Here in NZ, BRANZ currently holds all this intergenerational knowledge. This is a treasure trove of 'lessons learnt' that we need to safeguard in a joined up, collaborative and collective way going forward."

Pamela Bell, Professor of Practice for Advanced Construction



New Zealand Green Building Council (NZGBC):

"Efficiency is a noble goal, but it should not come at the cost of the public good that ensures New Zealanders can trust the roofs over their heads. There's no clarity around money being ring-fenced just for research rather than perhaps the operational costs of actually administering the funding. That is concerning."

Andrew Eagles, Chief Executive



Independent Research Association of New Zealand (IRANZ):

"Contestable funding can deliver good short-term outcomes, but it cannot sustain the national building science capability that BRANZ has built over decades. Specialist laboratories, national testing facilities, long term datasets and expert teams require continuity and sustained investment over many years. If funding becomes short-term and uncertain, that capability can quietly erode."

Dr John McDermott, Chair



WSP:

"BRANZ has always been very willing to discuss [research proposals]... It's crystal clear what is needed, when it's needed. And you have high levels of confidence that the people involved in the assessment are intimately involved in the industry and understand the problems, not just on an academic level."

Wendy Turvey, National Manager Research



Building Officials Institute (BOINZ):

"BRANZ has been the backbone of independent building research. What it looks like is we'll have a fractured and uncoordinated research approach. We're no longer going to have a backbone."

Nick Hill, Chief Executive



Sentinel Homes:

"It may lead to research becoming more about compliance than innovation."

Stuart Shutt, Managing Director



Leading Economic Commentator:

"There is an element of that [BRANZ's work] that really does need to be protected. And I think there are some wins from the current method in terms of that very strong industry representation and long-term vision."

Shamubel Eaquib, Economist

NZ Construction Industry Council (NZCIC):

"New Zealand is one of the most hazard-exposed countries in the world. We face significant seismic, volcanic and climate-related risks. Independent, evidence-based building science is not a discretionary activity - it is a core risk-management function that protects homeowners, councils, insurers and ultimately taxpayers."

Tommy Honey, Executive Director

