

Ministry of Business, Innovation and Employment

13 June 2022

## **Re. Building Code Consultation 2022 – H1 Implementation**

To whom it may concern,

As you may know, Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Property is New Zealand's largest industry with a direct contribution to GDP of \$41.2 billion (15 percent). The property sector shapes New Zealand's social, economic and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional and sustainable built environment, in order to contribute to the overall prosperity and well-being of New Zealand.

We are writing to you in response to your request for feedback on the proposed extension transition period for adopting new insulation requirements for housing in Acceptable Solution H1/AS1 and Verification Method H1/VM1.

As part of the Construction Sector Accord, Property Council supports the proposed six-month extension. The building and construction sector is critical to New Zealand's economy, and it is therefore important that we support the sector given that it is currently facing several challenges including record high inflation, interest rate increases and supply chain issues. Businesses are only now beginning to return to a sense of normalcy following COVID-19 disruptions.

It is also important to consider the impact the new changes will have on smaller building and construction companies, which form a significant part of the sector. Companies with less capital will not be able adapt to the changes straightaway thereby placing more pressure on the sector as a whole.

There is significant concern about the threat of business failures due to the current challenges the industry is facing. Our members understand the importance these changes will have in improving energy efficiency and a six-month delay will not only help alleviate some of the pressure in the short term but allow businesses to prioritise the most pressuring challenges as well as become more educated to the new standards.

Should you have any questions, please contact [Sandamali Gunawardena](#), Advocacy Advisor.

Yours sincerely,



**Leonie Freeman**  
Chief Executive