

# STEEL FUTURES

➔ MARCH 2019

## SCNZ: STRENGTHENING THE NZ STRUCTURAL STEEL SUPPLY CHAIN



Compliance Toolbox Fact Sheet

Led by SCNZ, New Zealand's structural steel industry has developed and implemented a suite of initiatives over the past five years to reduce the risk of sourcing non-compliant structural steels and fabricated structural steel sections for local building and infrastructure projects.

SCNZ has recently published two new documents (a **fact sheet** and a **Steel Advisor** article) as part of this ongoing focus on strengthening the New Zealand structural steel supply chain.

### Compliance Toolbox Fact Sheet FS6

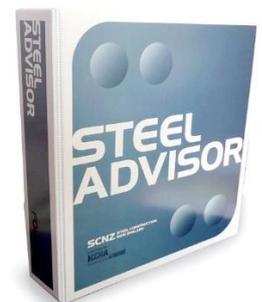
The Compliance Toolbox Fact Sheet contains a list of industry publications which address the sourcing of various steel products and fabricated structural steelwork.

Presented in a table format for ease of use, the Fact Sheet is relevant for both structural steelwork fabricated in New Zealand and offshore. SCNZ recommends the Compliance Toolbox as the first port of call for compliance related queries. The Compliance Toolbox can be downloaded [here](#).

### The New Zealand Structural Steelwork Specification in Compliance with AS/NZS 5131: Key Elements to Managing the Compliance of Fabricated Structural Steelwork

The latest Steel Advisor FAB 2001 article has been published as a follow up to an earlier 2018 New Zealand Structural Steelwork Specification (NZSSS) publication designed to help implement the new Structural Steelwork – Fabrication and Erection Standard, AS/NZS 5131.

FAB 2001 outlines the four key elements of NZSSS dedicated to managing the compliance of steel products and fabricated steel. It also presents diagrammatically the implementation approach specified in NZSSS which should assist those using the specification to apply it more effectively.



The New Zealand Structural Steelwork Specification in Compliance with AS/NZS 5131: Key Elements to Managing the Compliance of Fabricated Structural Steelwork article can be downloaded [here](#).

#### ALSO IN THIS ISSUE:

- **SCNZ Speaks Up for the Construction Industry on Procurement Rules**
- **46% Spare Capacity Revealed by Industry Update**
- **Open Access to Valuable Online Resource**
- **Launch of High Strength Bolting Training Course**
- **Erection Site Auditors Needed**
- **2019 Excellence in Steel Awards: Open for Entries**
- **Call for 2019 Apprentice of the Year Entries**

# SCNZ SPEAKS UP FOR THE CONSTRUCTION INDUSTRY ON PROCUREMENT RULES

SCNZ recently provided feedback on the proposed revisions to the Government Procurement Rules, which will be the 4th edition of the Rules since their inception in 2013.

SCNZ has proactively engaged with MBIE procurement officials regarding the Rules, with workshops focused on improving government procurement and building understanding of the cost of the current processes.

“We have valued this engagement and the opportunity to discuss our chief concern – that the 3rd edition of the Rules excluded subcontractors. This meant that Main Contractors were not required to consider the subcontractors in their assessment of broader outcomes such as social and economic benefit to the wider community associated with the subcontractor’s contribution to a project” said SCNZ Manager Darren O’Riley.

He continues, “This is especially relevant for the construction industry where the majority of the main contractors on a project are not usually the major contributors of the broader public value of that project.”

Overall, SCNZ supports the Government’s proposed revisions, but acknowledges that further detail and work will be required to determine how to measure, audit and weight broader outcomes for main contractors and subcontractors alike, and it is this work that will determine the success of the Rules.

Specifically, SCNZ supports the change to Rule 22 – the proposed revision would see this become Rule 25 and no longer exclude subcontractors from being subject to the procurement rules.

Other notable additions include Rules 16, 17 and 18:

- Rule 16 would see agencies focus on broader outcomes for communities and the New Zealand economy as a whole
- Rule 17 would encourage agencies to consider how can they create opportunities for local businesses
- for Rule 18 agencies would need to include, as a weighted evaluation criterion, questions around the skill development and training practices of the supplier and their main subcontractor.

**If you have any questions or comments on the proposed revisions, contact Darren O’Riley, SCNZ Manager (email: [darren.o'riley@scnz.org](mailto:darren.o'riley@scnz.org) or phone: 09 262 6684).**

## NEW MEMBERS

SCNZ welcomed three new member companies during the third quarter ending March 2019.

### **Affiliate (General)**

Weldtest New Zealand Ltd

### **Professional (Engineer)**

Kotare Design, Wellington

### **Full (Steel Constructor)**

Farra Fabrication Ltd, Dunedin



# 46% SPARE CAPACITY REVEALED BY INDUSTRY UPDATE

SCNZ's latest quarterly fabricator forward-workload survey indicates there is significant spare industry capacity for the year ending June 2019 – estimated at 46 percent, based on a current estimated total capacity of 120,000 tonnes per annum.

The market update also finds the estimated industry delivery performance against agreed programme to be 92.33 percent, firmly demonstrating that our industry has the capacity to satisfy demand within required timescales.

The update continues to show an increasing commitment quarter on quarter compared to previous surveys. Additionally, fabricators report a significant upturn in demand but not, as yet, committed workload.

The growing practice of early contractor involvement (ECI) adds value to projects. It allows lead contractors to ensure adequate resources are assigned to maintain their excellent performance in a rising market.

This quarterly report contains solid data on industry capacity, lead times, market share, etc, and is a key tool in SCNZ's drive to convince the market that our industry has the capacity to satisfy demand.

Please take a moment to look at the **Structural Steel Industry Update** and share it with your networks.

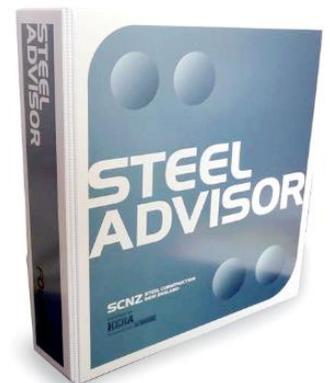


## OPEN ACCESS TO VALUABLE ONLINE RESOURCE

The online resource **Steel Advisor** can now be accessed, free of charge, by non-SCNZ members. This means that over 80 articles covering a wide range of topics (including bridges, earthquake, housing, welding, erection & construction) are now only a few clicks away.

SCNZ regularly publishes Steel Advisor reference articles, shining a light into almost every corner of steel construction.

Previously only available to SCNZ members, many of the articles are written by SCNZ staff in response to questions or issues that arise from enquiries and requests for information from our members. There are also articles from other recognised experts in various areas.



The latest addition to the online resource is:

### The New Zealand Structural Steelwork Specification in Compliance with AS/NZS 5131: Key Elements to Managing the Compliance of Fabricated Structural Steelwork

- \* The Structural Steelwork – Fabrication and Erection Standard AS/NZS 5131 (SA/SNZ, 2016c), is cited as an acceptable standard for demonstrating compliance with the Building Code. This standard published in 2016, was developed in response to the increased compliance risk posed by global sourcing of fabricated structural steelwork. AS/NZS 5131 defines what competent structural steel contactors must do to control and demonstrate the quality of their work.
- \* This article discussed the compliance management strategy that underpins the specification for both New Zealand and offshore fabricated structural steelwork.

All visitors to [www.scnz.org](http://www.scnz.org) can now access this invaluable resource - simply click [here](#).

# SCNZ LAUNCHES HIGH STRENGTH BOLTING TRAINING COURSE FOR SCNZ FULL FABRICATOR MEMBERS

SCNZ is launching a new **High Strength Bolting Training Course** for structural bolt installers, supervisors and inspectors this month.

The 2 ½ hour course will provide attendees with a comprehensive knowledge of high strength structural bolted connections.

The introduction of this course comes after the [extension of the SFC scheme](#) to include a site erection module, capturing activities including on-site bolting, welding and erection.

Upon completion, attendees will be able to understand and confidently apply the construction and inspection provision of the new AS/NZS 5131 Fabrication and Erection Standard, which applies to bolted connections.

The topics covered include:

- bolted joints
- bolting materials
- principal bolt installation methods
- inspection
- quality assurance.

This course employs a “learn and apply” format comprising presentation material, practical demonstrations and hands-on experience.



## ERECTION SITE AUDITORS NEEDED

HERA Certifications Ltd is looking for recommendations of people who can carry out erection site audits as required for the extension of the **SFC (Steel Fabricator Certification) scheme** to cover site erection.

Ideally applicants will have the following qualifications and experience in the field of site erection:

- Detailed knowledge of the structural steel erection process at practical, management and quality levels
- Good working knowledge of fabrication standards AS/NZS 5131 and AS/NZS 1554
- 10 years' experience in the structural steel industry
- Good communication skills.



HERA Certifications Ltd will implement a training period for the successful auditor followed by a professional interview and approval.

**For further information, please contact Michail Karpenko, HERA Certifications Ltd Manager (email: [michail.karpenko@hera.org.nz](mailto:michail.karpenko@hera.org.nz) or phone 09 262 4849).**

# 2019 EXCELLENCE IN STEEL AWARDS: OPEN FOR ENTRIES

The annual **Excellence in Steel Awards**, administered by SCNZ, are back for another round of celebrating and recognising New Zealand's excellence in the field of steel construction.



**The deadline for entries is 1 July 2019**, so if you want to join the select group of Excellence in Steel Award winners in 2019, it is time to start working on your entry.

The winners of the Excellence in Steel Awards for 2019 will be announced at the SCNZ Gala Dinner at Steel Agenda AGM and Conference to be held in Wellington on 13 September 2019.

Last year's winners were unanimous in their enthusiasm for the Awards and the great personal pride and satisfaction which they and their companies derived from being publicly recognised for their hard work and ambition.

The Awards are restricted to steel structures built by SCNZ Steel Constructors using New Zealand-fabricated steelwork. The structural steelwork contract must have been completed during the period February 2017 to March 2019. The categories are:

- Stand-alone residential home
- Under \$500K
- \$500K to \$3m
- Over \$3m.

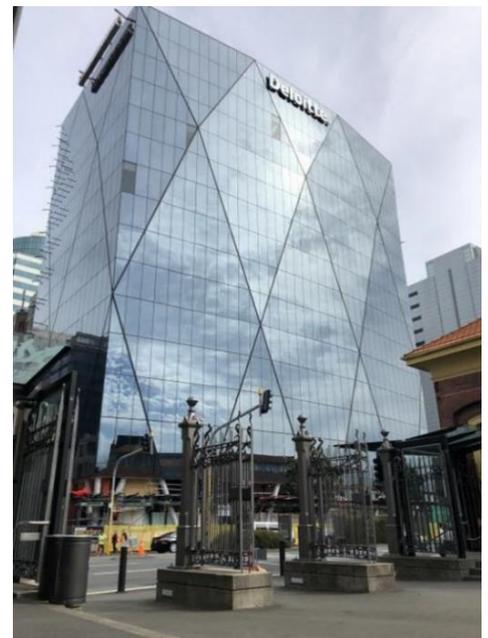
The objective is to identify projects that demonstrate efficiency, cost effectiveness, application of sustainability principles, aesthetics, best practice, outstanding teamwork, great safety management, and innovation.

To discover what makes a winner, check out the **2018 finalists and winners**.

The objective is to identify projects that demonstrate efficiency, cost effectiveness, application of sustainability principles, aesthetics, best practice, outstanding teamwork, great safety management, and innovation.

**The SCNZ 2019 Awards for Excellence in Steel are rewardingly hard to win but quick and easy to enter. What are you waiting for?**

**Click [here](#) for more information and [here](#) to download the entry form.**



*Excellence in Steel Awards 2018  
Supreme Overall Winner:  
20 Customhouse Quay, MJH Engineering*

# CALL FOR 2019 APPRENTICE OF THE YEAR APPLICANTS / NOMINEES

We are proud to announce that the **2019 SCNZ Apprentice of the Year Award**, in association with award sponsor Weldwell and industry training partner Competenz, is now open for entries.



The **2019 SCNZ Apprentice of the Year Award** celebrates excellence amongst apprentice fabricators and casts a spotlight on careers in the structural steel industry.

The Award acknowledges people whose skills, drive, and willingness to learn and work hard has helped them to achieve outstanding outcomes. It recognises well-rounded apprentices who demonstrate not only talent in steel fabrication, but display traits important to the industry – commitment, innovation and agility.

Entrants must be employed by an **SCNZ Full Member** at the time of judging; have completed their apprenticeship in the period between 1 January 2018 and 30 June 2019; and be available to attend the Awards Presentation and Gala Dinner on 13 September in Wellington.

Sean Carroll of Hamilton-based Waikato Steel Fabricators triumphed in 2018, taking home the SCNZ Apprentice of the Year 2018 title, trophy and \$1,000 in prize money.

**The deadline for applications/nominations is 5 July 2019.** The four-member judging panel will comprise a representative each from award sponsor Weldwell, our industry training partner Competenz and the Heavy Engineering Research Association NZ Welding Centre; and a fabricator. SCNZ will chair the panel but will not participate in judging.

**Do you know someone who has got what it takes to be the SCNZ Apprentice of the Year 2019? Click [here](#) for more information.**

## SCNZ MEMBERSHIP

### Why join SCNZ?

#### - Advocacy

Have your views heard and enjoy representation at government level and among key industry influencers

#### - Technical Resources

Access to highly valued and popular online resources, such as the online Connections Guide

#### - Networking

Opportunities to meet with colleagues and prospective clients throughout the industry

#### - Education

Access to seminars and technical advice, along with guidance on the development of design, fabrication and material supply standards

#### - Marketing

Promotional opportunities, including SCNZ's on-line directory and publications

#### - Information

Regular updates on industry news and market developments

#### - Discounts

Receive discounts on seminars and publications

**Join SCNZ and enjoy the many benefits of belonging to an association dedicated to the advancement of your industry.**

Click [here](#) for more information and an application form.