



Monday, 11 March 2019

SPECIAL REPORT

Hi Members, Swimming Pool and Spa Alliance (Australia) Proposed takeover of the NZPIA Inc
A discussion Paper for the upcoming General Meeting on April 3rd

It has become more than obvious to me recently that the Guild has outlived its original ideals of forming a strong Association of Pool Builders and Pool Industry people that **wielded financial clout and could make deals with Government and Councils**, and enlist Suppliers for more favourable terms for Guild Members - but sadly that never happened as the Guild developed along the softer lines obviously desired by its Members.

Today, our volunteer Executive Members are stretched enough with their current work-load without taking on even more tedious Council work needed with the new "interpretations" of the Building (Pools) Amendment Act 2016 and F9 supplement. And the recent loss of Geoff Bonham – who played a major role in our presentations to MBIE and Councils - will make things even harder for the remaining Executive.

With the recent resignations of Carlos Morgan and Justin Miharere (and Geoff Bonham's sudden death), the job of bringing the Guild back up to strength to adequately represent the Pool Builders and Associated Spa Pool, Servicemen and Pool Shops is forcing an onerous task for the remaining executive members. Especially as Councils in Auckland and Northland are getting particularly picky and need to be brought to task by the Association on its questionable rule changes.

We do have choices: The choice of employing a professional Secretary and Legal Team to fight MBIE and the Councils but this will involve considerable costs to mount a decent approach to them by an established and well-known Legal Firm. But it is a possible option. So what do we do?

SPASA arrives on the scene: Messrs Lyndsay McGrath and David Stennett of SPLASH and SPASA Alliance Australia met with us a while back, and pitched a proposal to us regarding their expansion plans to introduce their Association to New Zealand. They are running the SPLASH Show in Auckland 3 - 5 May this year.

They have a solid backing and are a successful organisation that runs SPLASH shows and SPASA Training Courses in most Australian States, and are prepared to discuss us joining them (or us being absorbed by them) to become SPASA New Zealand or some similar name.

The idea of the only on-going New Zealand swimming pool trade association being administered off-shore by a professional team based on the Australian SPASA group's operational methods is very interesting – even though it assumes terminating our own **'twenty-six year's history association'** and discarding all that has been accomplished in that time* – it could solve a few problems that we are continually facing – both now and in the future.

Not that we will won't have to pay for their services (as we are anticipating even now if we go it alone) but their very Big Brother presence may carry **some weight** with the NZ authorities in debating the complex issues that we have been arguing over with our Government and Councils for the past 26 years. More **weight** than it seems we carry.

** Our own Diploma Course and Licenced Builder program will become redundant, although there is some talk that our Diploma holder's qualifications can be used in their Certificate IV course <https://www.spasa.com.au/education-training/> for more detail*

There are continuous Pool Industry issues cropping up that I deal with without involving the other Executive members, and Guys, I fully realise how busy you all are, so appreciate the time you are able to find to attend

meetings and cover Guild tasks etc. So the thought of a professional Australian Trade Association taking over is very tempting. But there are a few problems in the proposal as it has been presented to us at great length by Lindsay – problems that I would like your opinions on.

1. Downside: As very little interest our own **Diploma** training course has stimulated membership in general, there are nevertheless a number of Members who have paid us to take and be awarded our NZPIA Diploma Course. This Diploma is the only swimming pool-related construction & maintenance qualification available in New Zealand at present, and is awarded by the only Trade Association for the pool Industry, so obviously has some value.

However, our local qualification may have little or no value under the proposed new AUS/NZ Qualifications Authority courses run by SPASA - and as their courses are carried out by an RTO (Registered Training Organisation) the Australian QA applies here, but we may be granted APEP (Accepted Prior Experience & Proficiency) towards their course.

But their courses are superior to ours and our Diploma may NOT be accepted as Prior Experience and Proficiency. Refer to this page on our web site <http://www.poolguild.org.nz/CBL.html> for more info.

2. Costs: I understand that their Courses are not cheap: upwards of \$AUD 4,000 and there are many fish-hooks included that require annual updating (at additional fees) to maintain current validity. Here are the current SPASA training courses available:

- (a) Cert IV Pool and Spa Building – (b) Cert IV in Building & Construction – (c) Cert III in Pool & Spa Service
- (d) Cert IV in Pool & Spa Service – (e) Pool Barrier Inspection Course
- (f) Cert IV in Landscaping – (g) Cert III in Landscape Construction

3. You will notice that the last two categories refer to the Landscaping area.

This is because SPASA (as a profit based business) is very proactive in the expansion of 'new' Associations, and the next step after securing New Zealand as a market, is to add Landscaping as a source of funding.

Accordingly, Lindsay proposes that the NZ Association be named 'The NZ Pool, Spa and Landscaping Association Inc.' N.Z.P.S.A.L.A Incorporated

Bit of a mouthful, and we are only just getting people to accept the 'Pool Industry Association' rebranding, although I would want to keep the NZ "Master Pool Builder" whatever happens – it's a good name.

4. Membership Costs 2: I understand (but have had difficulty finding out) that their Annual Swimming Pool Builder Fee is based on a percentage of the Pool Builder's Member Financial Turnover and could be \$5,000 per annum – **Wait!** * That was the main reason I left the old NZ Pool & Spa Association back in 1990!

** The NZSPA Bonding (Funding) Scheme that I had developed and introduced in 1986 was based on a small 1.5% percentage of the builder's Pool Sales, with an equal contribution from each customer – so the Association received a 3% donation from all of its Builder Member's sales - but as Cascade was doing hundreds of pools a year in those days, my fees got out of hand.*

When I petitioned the then NZSPA Committee to cap all Membership fees at a maximum \$15,000 per Builder Member they refused: so I resigned my Membership. The scheme fell over not long after.

5. Following my 1989 resignation from the NZSPA, in 1992 I got together with three or four other discontented pool builder ex-members and we started the 'NZ Pool Builder's Guild'.

Now 26 years later we are being asked to re-introduce a turnover based fee?
After the first one failed?

Ask yourself these few questions:

- (a) Will Kiwi Builders want to disclose their annual turnover figures to the new Association?
- (b) Will Kiwi builders pay three or four thousand dollar fees compared to our current \$385 pa?

- (c) Will the new Association continue to hold AGMs & free dinner meetings for Members?
- (d) Would our current Membership want to share with the Landscape Association remnants (They are currently fragmented due to distrust and dissent in the ranks of the existing Landscaping Association)?

Probably not – as SPASA is/are a **profit-based business** involved ONLY in selling Courses and holding SPLASH Expos, with a local Area Manager on \$150k selling the training courses to Members. So who is supposed to handle the legal issues we feel the need to fight with MBIE and the Auckland and other Council?

Or do we need to fight? Are we honour-bound to fight against the often dumb rule changes and poor “interpretations” by some Council members – which the new Fencing Act was supposed to do away with?

Or do we just lie down and let them walk all over us?

*If we fight back, it will cost us Legal Fees that we never had before.
Do I have the Member’s Mandate to do this?*

6. Whereas, we encourage our Pool Industry members to ‘Meet and Mingle’ at 4 social events a year.

It binds us together as a group, and makes it harder for unscrupulous Members to screw their competition and the Pool Industry - when they meet with fellow builders at Association social events.

7. When I started discussing the possibilities of the NZ Association joining SPASA back in 2017, they definitely told us **“it will not cost you anything”**.

Now they advised that they want our retained funds as seed money to start THEIR business off. Start off with funding provided by us? That sounds a little one-sided. Benefitting only one side of the participants. At our expense?

Given that their proposed **NZPSALA** Inc. may not work out over here – because our Members will certainly balk at paying a percentage of their turnover (many thousands of dollars) on the expectation that a salaried Executive Manager on \$150,000 a year will look after their interests far better than **we ever have done** as a voluntary committee? I personally don’t think so – attractive as the idea sounded

8. SOLUTION?: An alternative for us could be to **look after our own backyard** by finding a decent Legal Firm to deal with Councils unreasonable demands, and maybe hire a professional secretarial service to handle the paperwork. Reduce the Guild to a **Social Club** that meets three times a year for dinner.

- (a) Reduce the annual fees to \$250 and shout the out-of-towners the air fare and motel to attend at least once every year for free.
- (b) Forget the Diploma Course and Builder’s licensing plans, forget the Disputes Committee. Just a small Trade Association that meets for dinner and a beer periodically.
- (c) Would you want to be a Members?

OR: We have our own Diploma Course. The cost has ranged between FREE and \$450 to do it. How many of you have done it? Eight? So would you think that a “better” Australian-based course costing \$4,500 is going to attract greater Membership participation?

9. The Diploma Course 2010 is due for the 2020 make-over. It’s a big job just revising it, but it is something I have done several times before. Pool Builder Members who pass automatically become **NZPIA Inc Licensed Pool Builders** provided by the ONLY Trade Association for pool builders in New Zealand. That will change as SPASA is definitely coming to town to establish their Pool Industry Training Courses – with or without our blessing!

We could just ramp our Diploma Course up and make more noise to the other Trade Associations – that we have a Trade called “building swimming pools” that **should be a recognised activity** in New Zealand. We just need an Advocate - probably a Legal Professional - to take our case to them.

But there is no traction amongst our Members to make any of this happen - despite my continued encouragement and the best of intentions by a few Builders.

The Australian-based organisation SPASA **has arrived in NZ** and has told us:

“We make 75% of our profits from selling courses and holding SPLASH Shows” and
“We hope to make \$65,000 from the New Zealand Show in May”.

AND NOTE:

“We will not share profits, or pay dividends to the New Zealand pool association”.

10. Apart from a SPLASH expo every two years and selling their Courses, they have no desire or intention of supporting the actual Swimming Pool Industry Membership in New Zealand as we have done in the past.

11. So - if you think we should wind down the Guild/Association as it is currently operating, remove the need for an executive committee demanding free volunteered time for some Members, and discontinue all the things we currently do for the Pool Builder Members (and pool buying Public), then vote to disband the group as it is currently structured.

I have had a brief discussion with Life Member and ex-Executive member Carlos Morgan, who has offered the following comments:

“Hi Larry, as per our discussion this afternoon, I think you may wish to consider calling an extraordinary special meeting of all members to discuss the future of the guild. The options being

- 1. It changes to a social gathering (OPTION ONE)*
- 2. It gets disbanded completely (OPTION TWO)*
- 3. It continues as is but requires **more input from the membership** to help with the running. Perhaps consideration should be given to it being mandatory for every member to serve at least one year on the board and be obligated to attend!! We know some won't have what it takes but at least they may get an appreciation of what is required to run the organisation. (OPTION THREE)*
- 4. Consideration be given to remuneration to board members or at least one paid board member (perhaps a semi-retired builder) to do most of the work.*

“It would be a shame to see it fall over after all this time but as I have said previously the load needs to be spread wider and more evenly. CJM.

Thanks for your contribution Carlos.

From my perspective, I have weighed up how much of my remaining future time I would be willing to devote to the continuation of the Guild. As I work towards semi-retirement from active participation in my own swimming pool company, I am considering how this could work.

Here is one possible future I am considering (OPTION FOUR)

I would carry on with a “MINI” version of the Guild which I will refine to simply a Social Club that does not offer any outside services to the public, but still organise four Social Meetings a year for Members.

Restricting involvement in Disputes to handing legitimate cases over to a Legal Firm, and fighting Council &

Government by involving a proper Legal Team, and provide for a professional Secretary who can administer Membership Fees.

I would continue the guild Web Page and Diploma Course - for anyone still interested - and continue to lobby Government for Pool Builder's Licences. No need an Executive Committee, AGM or General Meetings

12. To move forward on this proposal, here are the four current options on the table:

OPTION ONE RE-BRAND AS A SIMPLE POOL INDUSTRY SOCIAL CLUB (NO DISPUTES/LEGAL FIGHTS)

OPTION TWO DISBAND THE ASSOCIATION AND WIND IT UP COMPLETELY

OPTION THREE CONTINUE WITH MORE COMPULSORY INVOLVEMENT FROM MEMBERSHIP

OPTION FOUR CONTINUE AS A STRIPPED-DOWN MINI - SOCIAL/DISPUTES/LEGAL ASSOCIATION

Under OPTION FOUR the Guild status can continue as a "MINI" Association with fee-based Legal Advice available to Members and Public via a Law Firm as necessary (to be appointed).

- (a) Run the Association as a Social Club with four dinner meetings a year
- (b) Continue with an annual fee and the Diploma Course and continue to push for Builders Licensing.
- (c) Continue with the biennial Photographic Competition

I suggest we support SPASA Australia wherever needed, but would not contribute any funding, as I cannot see the logic in helping fund in a successor into business who has no intention of sharing any future profits with us.

Your Vote on the above OPTIONS should be emailed to executive@poolguild.org.nz, or please ADD TO THE DIALOGUE with your own thoughts by return email.

THIS SUBJECT WILL BE DISCUSSED AT THE GENERAL MEETING ON 3RD APRIL

Sincerely yours,



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