

15 December 2014

Mr Steven Bailey  
Inquiry Director  
New Zealand Productivity Commission  
PO Box 8036 The Terrace  
**Wellington 6143**

Dear Steven

Re: Using Land for Housing - Issues Paper

The Construction Strategy Group (CSG) is appreciative of the Productivity Commission's willingness to engage the building industry in its consultations in respect of its inquiry into "Using Land for Housing". We believe industry groups will have much detailed knowledge of the on ground situation with regard to housing provision.

The Commission will receive from the Property Council of New Zealand a comprehensive response to the distributed "Issues Paper" and we commend this response to you as a measured document that encapsulates the views and concerns of many sectors within our industry.

Overall, the building and construction industry looks to both central and local governments for certainty in forward programmes of work, and the rules and applicable requirements of regulation and development, so that investment and decision making can take place within a coherent and logical framework.

There is a strongly held belief in many parts of the industry that growth and development of housing is overly restricted and enveloped in prescriptive regulation; cumbersome, uncertain and time wasting demands around RMA processes; and a lack of strategic vision for sustainable and orderly progress in a manner that matches potential home ownership demand to supply. This lack is considered most notable in Auckland and Christchurch.

It is against this background that the CSG welcomes the Inquiry of the Commission. We believe it can play a significant role in achieving a much improved balance in often competing priorities between regulatory/planning activities and industry's efforts to meet housing demand in an affordable manner. The CSG's contention is that unless a better balance is achieved there will continue to be lower investment in development activity than is required to meet the Government's affordable housing goals.

Thank you for the opportunity to engage with the Commission. Should you wish to discuss with us any matters arising during your deliberations please contact us, in the first instance through our Executive Officer, Bruce Kohn, at (04) 386-2793.

Yours sincerely



Richard Aitken  
**Chairman**

The Construction Strategy Group (CSG) comprises high level executives engaged in the Building and Construction Industry. It was set up in 2011 in response to a call from the Government for the establishment of a leadership group with “skin in the game” to act as an advisory entity to the public sector on industry-wide issues. The CSG’s purpose is to “provide leadership and strategic direction to grow a productive, value driven construction industry”.

Members comprise volunteer executive leaders from the engineering, architectural, construction, distribution, property, small and medium size builder and sub-trade businesses and professional services sectors who are uniquely positioned to advise from experience on strategic and day-to-day issues confronting the industry and government.

Since formation the CSG has met frequently with Ministers across a range of portfolios with responsibilities that encompass industry matters. It has worked with the Ministry of Business, Innovation and Employment to address issues in need of resolution to advance productivity and the contribution that the industry makes to economic and social development.