

STEEL FUTURES

→ OCTOBER 2018

SCNZ CELEBRATES INNOVATION AND EXCELLENCE IN STEEL

The best and brightest in the industry were celebrated at SCNZ's annual **Excellence in Steel Awards**, which were presented at the Gala Dinner as part of Steel Agenda 2018 in Rotorua on 28 September.

The awards acknowledge the industry's commitment to innovation, quality and collaboration. Wellington-based structural steel contractor MJH Engineering took out the coveted Overall Supreme Award for 20 Customhouse Quay.

The Overall Supreme Award is judged on overall design merit, construction efficiency and quality, environmental sustainability, buildability, and innovation in fabrication and construction techniques. The judges applauded the project's outstanding execution and noted that "it is one of the best projects we have seen for a long time".

SCNZ chairman Wayne Carson said: "The awards showcase the best of our industry and this year we received an unprecedented number of extremely high-quality, successful projects that were all worthy of recognition."



Overall Supreme Award winners with Tamati Coffey (far left), Mahe Drysdale (second from left) and SCNZ Chairman, Wayne Carson (far right)

"Yet, in the midst of the current construction boom, there have been multiple reports of construction projects faltering, too often as a result of poor quality and poor procurement decisions which has seen product imported from offshore sources."

"SCNZ's focus on compliance is a credit to the local structural steel industry. This, and the high calibre of our finalists and the shortlisted projects, is what sets our local structural steel industry apart from the rest of the world."

The entries were whittled down to 14 finalists who showcased the exceptional design and execution possible when steel is used as the principal construction material. Award categories ranged from under \$500,000 to more than \$3 million.

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The category winners were:

STANDALONE RESIDENTIAL

John Jones Steel: 5 Stables Drive

This architecturally designed home in Christchurch features high levels of detailed and visually exposed steel. Overall, the structure celebrates the attributes of steel, which enabled wide, open spaces and natural light. Judges praised the project for its innovative use of technology and engineering.



UNDER \$500,000

Waikato Steel Fabricators and BCD Group: Riverbank Mezz Box

Clinging to the Riverbank Lane building over the Waikato River, the judges commented on how The Riverbank Mezz Box is a fantastic rejuvenation of an existing building. An iconic and exciting structure, the outcome is deceptively simple and contributed to the revitalisation of this part of Hamilton.



\$500,000 - \$3 MILLION

D&H Steel: Smales Farm Helical Stair

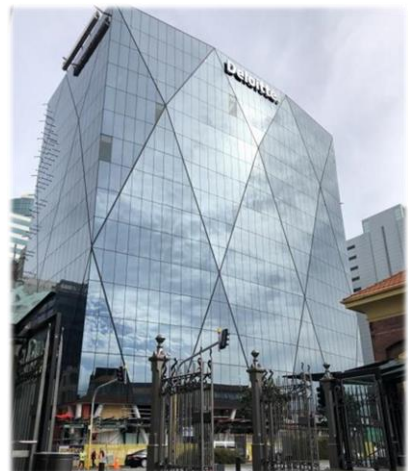
Commissioned by Leighs Construction and entered by structural steel specialists D&H Steel, the Smales Farm Helical Stair in Takapuna is a complex structure made from 100 percent recyclable steel, which is unique to New Zealand. No two flights are geometrically the same and each terminates at a different angle to its predecessor. Judges were impressed by its high functionality and execution.



OVER \$3 MILLION AND OVERALL SUPREME AWARD

MJH Engineering: 20 Customhouse Quay

The 14-level, NZGBC 5 Star Green Star rated building, sets a new standard in workplace safety, value and design. Completed in late 2017, the Wellington Waterfront structure is seismically advanced – it's designed to minimise structural damage in a one-in-500-year earthquake and is estimated to meet up to 180 percent of the Building Code.



Tamati Coffey, MP for Waiariki, presented the Excellence in Steel awards and congratulated all recipients on their success.

The awards evening attracted an audience of around 150 leaders and experts from the structural steel industry.

Once again huge congratulations to all our winners and many thanks to the judges and to all the people who took the time to tell us about their innovative projects.

Click [here](#) to see a full list of finalists and category winners. The next Excellence in Steel Awards will take place in 2019.

CONGRATULATIONS TO OUR 2018 APPRENTICE OF THE YEAR

Sean Carroll of Hamilton-based Waikato Steel Fabricators was named **SCNZ Apprentice of the Year** when the award, sponsored by Weldwell, was announced at the SCNZ Gala Awards Dinner on 28 September in Rotorua.

The award, established in 2016, demonstrates the industry's commitment to upskilling young members of the trade and investing in the future.

The finalists were assessed on a written entry submission, a practical exercise at MIT and face to face interviews with the judges.

The judges said that all three finalists were of the highest calibre and demonstrated excellent attitude and aptitude that should make our industry, their companies and their families proud.

A deserving winner, the judges commented that: "Sean's positive attitude, skill and adaptability proved to us that he is an asset as an employee to any fabricator."

Tamati Coffey, MP for Waiariki, presented Sean with a trophy, certificate and \$1,000 in front of over 150 leaders and experts from the structural steel industry. He commented: "Sean's willingness to learn and work hard is proof of the promise of our young people."



Apprentice of the Year 2018 winner, Sean Carroll (middle) with Tamati Coffey, MP for Waiariki (left) and Kerry Williamson from Weldwell (right)

Runners up Dean Mehlhopt from GH Engineering and Luke Winduss from Jireh Contracting received a highly-commended certificate and \$500 each.

Many thanks to the judges for their time and effort; Lwin Oo Wai from MIT for conducting the practical exercise; Grayson Engineering for supplying the steel; Competenz for being our industry training partner; and Weldwell for sponsoring the award.

Click [here](#) for more information on the finalists and winner. The next Apprentice of the Year Award will take place in 2019.

NEW SFC CERTIFIED FABRICATOR CELEBRATED AT ROTORUA

The **Steel Fabricator Certification (SFC) scheme** continues to grow with the latest structural steel fabricator to achieve certification recognised at our recent Steel Agenda event in Rotorua.

Enterprize Steel, Auckland, joined our growing list of Steel Constructors who now have SFC, after qualifying to CC3.



Launched in 2014, SFC is an industry-led quality assurance scheme that aims to reduce risk for specifiers. It ensures participating structural steel fabricators are capable of manufacturing product to the specified quality standard by certifying that companies have the appropriate personnel and quality management systems in place.

In 2016 members of SCNZ voted unanimously to introduce the compulsory requirement showing overwhelming support for the SFC scheme and to raising industry standards.

Darren O'Riley, SCNZ Manager, comments: "The scheme is going from strength to strength. A total of 30 fabricators across New Zealand – representing over 86 percent of New Zealand's structural steel output – are now certified.

"We are increasingly seeing engineers and Local Authorities take notice of the value of having an audited quality system in place for structural steel particularly in relation to AS/NZS 5131."

SCNZ wishes to congratulate the team at Enterprize Steel.

The full list of SFC certified fabricators can be found [here](#).

LINK IN WITH SCNZ

As part of a series of changes to help us communicate more effectively and to enhance our services, SCNZ is keeping members and the wider industry informed about interesting applications, important dates and innovations with regular updates on our [LinkedIn page](#).

Communicating our fantastic work effectively is very important as we strive towards our goals of growing demand for structural steel in New Zealand, meeting the challenge of imported steel and developing world-class fabricators.



Our page is regularly updated with all our latest news and plays host to new case stories, event information and breaking news throughout the year.

We would love to count you among our followers, so don't be shy!

UPDATE – REMOVAL OF CONFLICT WITH LATEST NATIONAL STANDARDS INCLUDING AS/NZS 5131 AND NZS 3404.1

Working with the Building System Performance branch of the Ministry of Business, Innovation and Employment (MBIE), the New Zealand Standards Approval Board has **revoked NZS 3404.1:2009**.

This development will eliminate the conflict that has existed with other standards and provide a clear signal about which version of NZS 3404.1 should be used to support regulatory compliance.

NZS 3404.1:2009 provided rules for materials, fabrication and construction and was the first of seven parts that were intended to replace NZS 3404.1:1997.

Unfortunately, work on Parts 2 to 7 was never completed. Also, NZS 3404.1:2009 isn't cited in the New Zealand Building Code system. The current primary reference document in B1/VM1 for steel design is NZS 3404.1:1997. Because of this, use of a method within NZS 3404.1:2009 is deemed an 'alternative solution'.



Other standards development activities have overtaken the original plans. AS/NZS 5131 (structural steelwork – fabrication and erection) and SNZ TS 3404 (durability requirements for steel structures and components) now replace most of the content developed and published in NZS 3404.1:2009. AS/NZS 5131 is now cited in B1/VM1, and **consultation is underway** to have both AS/NZS 2327 and NZS TS 3404 cited through an amendment to B1/VM1 and B2/AS1.

In some places, NZS 3404.1: 2009 conflicts with AS/NZS 5131, AS/NZS 2327 and NZS TS 3404. And, contents in NZS 3404.1: 2009 have sometimes mistakenly been considered to be 'acceptable solutions'.

A withdrawn standard can still be purchased for reference. But the 'withdrawn' designation is a clear signal about which version should be used to support regulatory compliance. **In the absence of any other method, parts of NZS 3404.1:2009 could be used, and would be deemed as an 'alternative solution'.**

One of the areas that might be affected by the withdrawal of NZS 3404.1:2009 is the rules on **brittle fracture**; and a new design procedure for brittle fracture design aligned to international best practice is currently under an international peer-review.

Moving forwards, the withdrawal of NZS 3404.1:2009 will remove conflict with the latest national standards, including AS/NZS 5131 (which is the basis for the SFC scheme), and send a clear signal to everyone involved in our industry around what standards are required for regulatory compliance.

It is important to be aware of this development and how it will affect your day to day work in steel construction and fabrication.

Further information is available on the [HERA website](https://www.hera.org.nz/).

INDUSTRY SUPPORT FOR SCNZ DISTRIBUTOR CHARTER

SCNZ is pleased to announce that six companies have signed up to participate in the new SCNZ Distributor Charter Scheme.

The Charter is an important element of a wider industry compliance strategy, designed to reduce the risk of sourcing non-compliant structural steels through the promotion of good procurement practice.

The six signatories are:

- ✓ Alrite Steel & Services Ltd
- ✓ Easysteel
- ✓ H J Asmuss
- ✓ Steel & Tube
- ✓ United Steel
- ✓ Vulcan Steel

These companies must be ready for their first audit by an appropriately accredited third-party conformance assessment body by 1 July 2019 to fully qualify.

First mooted in May 2017, the Distributor Charter Scheme will help purchasers of structural steels identify companies that follow good procurement processes. The signatory companies worked with SCNZ in developing the Charter implementation rules, including audit requirements.

Charter companies are required to have a quality management system in place that addresses the following requirements:

- ❖ Conduct due diligence of new suppliers. This is to ensure new suppliers are reliable and capable of producing product to the required standard
- ❖ Monitor supplier performance. This includes periodic review of inspection documentation and a risk-based assessment of third party product testing requirements
- ❖ Maintain traceability of product to inspection documentation. This is an important requirement of the new Fabrication and Erection Standard AS/NZS 5131
- ❖ Manage timely supply of inspection documentation with orders.

If you have any questions about the scheme, please contact Darren O'Riley, SCNZ Manager, at darren.o'riley@scnz.org or 09 263 5635.

SUCCESSFUL SCNZ ROADSHOW WILL RETURN!

In August, we completed the series of SCNZ **Steel Structures Seminars** for engineers and **Breakfast Seminars** for builders.

With a strong focus on the very topical subject of compliance, both series of events attracted a strong attendance at most venues, and we received excellent feedback from participants.

As such, we are delighted to confirm that we will be running more events like these in the future. Watch this space for details of forthcoming events in your area!

Any suggestions for future topics would be most welcome. Please contact Darren O'Riley, SCNZ Manager, at darren.o'riley@scnz.org or 09 263 5635.

26% SPARE CAPACITY REVEALED BY INDUSTRY UPDATE

SCNZ's latest fabricator forward-workload survey indicates that there is still significant spare industry capacity for the year ending June 2019 – estimated at 26 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 92.16 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 Snapshot](#) and share it with your networks.



SCNZ's eighth Structural Steel Industry Update

SFC RAISES THE BAR – AGAIN

SCNZ's industry-led quality assurance initiative, **Steel Fabrication Certification (SFC)**, has been extended to include a site erection module. This addition further broadens the scheme by capturing activities including on-site bolting, welding and erection.



This SFC compliance milestone follows the 2017 announcement to make SFC a compulsory condition of SCNZ membership from 2020.

SCNZ Manager, Darren O'Riley, says: "This is a natural progression for the development of SFC. New Zealand's structural steel contractors typically provide complete project management, from shop drawings and fabrication to site erection. This latest SFC module is formal recognition of this end-to-end approach."

Darren continues: "This latest enhancement of SFC makes us even more accountable for the final execution and delivery of a completed, compliant structure. This approach sets our local industry apart from suppliers of imported structural steel, who don't erect the steel or manage the process and, as such, aren't accountable for the final outcome."

Importantly, the New Zealand-based workshop fabrication module of SFC is a prerequisite to achieve the erection module.

Participating structural steel contractors are certified by an independent auditing authority, HERA Certifications Ltd. Certification for both the fabrication and the erection modules is valid for five years but is subject to an annual surveillance audit to ensure the integrity of the scheme.

Recognising experience and training is central to the SFC scheme and is based on the competency requirements of the personnel involved. SCNZ and HERA have partnered to develop training modules to support the success of SFC.

SFC provides procurers and specifiers with certainty of product quality and significantly reduced compliance risk.

NZ METALS INDUSTRY IS THE FIRST TO ASSESS ITSELF AGAINST TREASURY'S LIVING STANDARDS FRAMEWORK

A new report commissioned by HERA shows that the NZ metals industry is a strong contributor to the NZ economy and the living standards of New Zealanders.

The report was prepared by leading economic research and consultancy company Business and Economic Research Limited (BERL) using Treasury's Living Standards Framework (LSF). The NZ metals industry is the first industry to review its performance against the LSF inter-generational wellbeing assessment.



In terms of the conventional economic metrics, the metals industry is making a significant contribution to wellbeing in New Zealand.

The manufacturing component of the industry alone currently provides almost 30,000 full-time equivalent jobs and generates around \$3.3 billion in gross domestic product (GDP) each year.

The non-manufacturing component (which includes diverse activities such as research, consultancy and services that support manufacturing), can't be measured in the same way. However, it adds significantly to the economic contribution.

A strong contributor to the wellbeing of our nation

The BERL report shows that our industry's contribution to wellbeing in New Zealand is considerably greater than the conventional metrics reveal. By describing and illustrating how the industry helps to develop and sustain each of the four capitals in the LSF, it demonstrates that we promote wellbeing in a much broader sense.

What is the LSF and how does it differ to conventional economic frameworks?

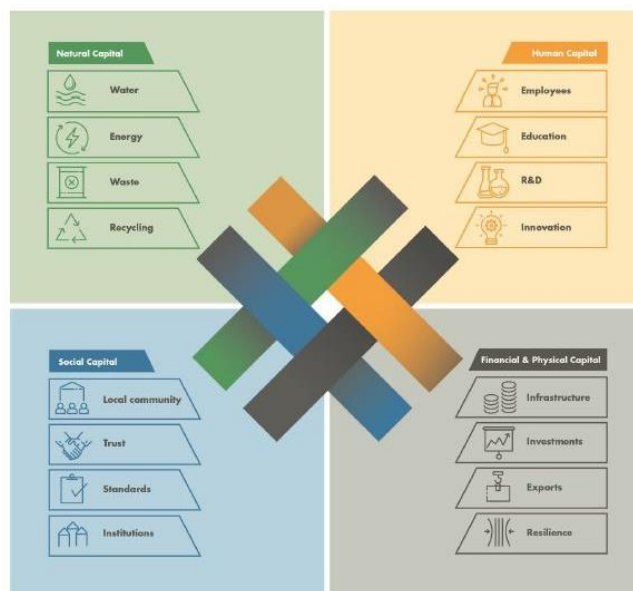
The LSF is still being developed and isn't yet a fully operational tool. It's been based on OECD research and the Treasury has been developing it since 2011. In brief, it rests on the notion that inter-generational wellbeing depends on the growth, distribution and sustainability of four interdependent capitals:

1. Human
2. Social
3. Physical and financial, and
4. Natural

All indications suggest that the LSF will be used to assist the Government in determining investment priorities and may form a key part of the 2019 Wellbeing Budget.

We recommend you become familiar with LSF as it is an exciting new way of looking at economic contribution that is highly likely to become an instrumental part of Government policy and administration.

More information about the LST can be found on the [HERA website](#).



Infographic showing the aspects of the four capitals that the metal industry contributes to

NEW MEMBERS

SCNZ welcomed nine new member companies during the last quarter ending September 2018.

Associate (Detailer)

JR Detailing Ltd, Amberley

Affiliate (General)

Impact Machinery/Peddinghaus, Brendale, AU
 Longeron NZ Trading Ltd, Auckland
 Modern Building Products, Auckland
 Saito Labels Ltd, Auckland

Professional (Engineer)

DCL Consulting, Otago
 Morrison Design, Wellington
 Nigel Harwood Engineering Consultant, Dunedin
 Naylor Love Construction, Auckland