



21st January 2021

To Whom it may concern,

Consultation Submission: Proposed Amendments to Schedule 2 of the Heavy Engineering Research Levy Act 1978.

Steel Construction New Zealand (SCNZ) is the Industry Body representing the Structural Steel Industry. SCNZ has over 300 members nationwide, with a membership representing the whole supply chain, from manufacturers of structural steel and steel products, to distributors, fabricators, designers, detailers, galvanisers, and paint and building supply companies.

As per of the submission process for this amendment, SCNZ consulted with its Executive Council Board and SCNZ members who subsequently agreed to support this submission. Individual members may also submit their own submissions.

High level:

- SCNZ has mandate from its members to support the proposed amendments to schedule 2 of the Heavy Engineering Research Levy Act 1978, and therefore supports this amendment.

Consultant Questions:

Business Demographic>

1. Size of Business: SCNZ is a small business but presents over 300 members/businesses.
2. Kind of Business: Industry Body.
3. HERA: Familiar and have previously benefitted from their research and /or support

Regulatory impact analysis>

4. SCNZ members predominately import the relevant prefabricated iron/steel items for use in the structural steel industry in New Zealand which supplies the local Construction Industry both in vertical and horizontal applications.
5. As the HERA Levy is already collected on most imported structural steel items it is likely to have little impact on SCNZ and its members.
6. Most imported structural steel through the distributor network is subject to the existing HERA levy/tariff which is included in the material cost our members pay. This change will effectively extend the HERA levy

to include items not subject to the current levy but are used in the industry, benefit from the overall activities undertaken by HERA, but currently do not contribute to funding thereof.

This amendment will have a positive impact by contributing to a level playing field for all imported items.

7. SCNZ supports this proposed amendment.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. O'Riley', with a stylized flourish at the end.

Darren O'Riley
GENERAL MANAGER