



COVERSHEET

Minister	Hon Simon Watts	Portfolio	Building and Construction
Title of Cabinet paper	Modernising building research: system design and new levy rate	Date to be published	28 September 2026

List of documents that have been proactively released

Date	Title	Author
August 2026	Modernising building research: system design and new levy rate	Office of Minister for Building and Construction
2 September 2026	Modernising Building Research: System Design and New Levy Rate ECO-26-MIN-0179 Minute	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of confidentiality.



Cabinet Economic Policy Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Modernising Building Research: System Design and New Levy Rate

Portfolio **Building and Construction**

On 2 September 2026, the Cabinet Economic Policy Committee (ECO):

- 1 **noted** that in November 2025, ECO agreed to repeal the Building Research Levy Act 1969 and instead fund building research from the Building Levy [ECO-25-MIN-0188];
- 2 **noted** that ECO also invited the Minister for Building and Construction (the Minister) to report back on the new levy-funded building research system's operational design, and the ongoing role and funding of the Building Research Association of New Zealand (BRANZ);
- 3 **agreed** that the Ministry of Business, Innovation and Employment (MBIE) develop the new system in accordance with the high-level design and operating principles set out in the paper under ECO-26-SUB-0179;
- 4 **agreed** that MBIE negotiate a funding agreement with BRANZ, in accordance with the high-level design and operating principles set out in in the paper under ECO-26-SUB-0179;

5 Confidentiality

- 6 **agreed** to amend the Building (Levy) Regulations 2019 to include a new rate of \$2.52 plus GST per \$1,000 of building work, to take effect on commencement after the Building Research Levy Act 1969 is repealed;
- 7 **agreed** that \$1 plus GST per \$1,000 of building work be ringfenced for building research, thus maintaining its current proportion;
- 8 **invited** the Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;

- 9 **authorised** the Minister to make further decisions, consistent with the above, on any issues which arise during the select committee process.

Rachel Clarke
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis (Chair)
Hon Chris Bishop
Hon Brooke van Velden
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Todd McClay
Hon Nicole McKee
Hon Simon Watts
Hon Penny Simmonds
Hon Andrew Hoggard
Hon Mark Patterson
Hon James Meager
Hon Scott Simpson
Hon Cameron Brewer
Simon Court MP

Officials present from:

Office of the Prime Minister
Office of Hon Simon Watts
Officials Committee for ECO