



# Registered Master Builders Association of New Zealand Incorporated

## Submission on Building (Earthquake-prone Buildings) Amendment Bill

February 2026

## The Registered Master Builders Association submission on Building (Earthquake-prone Buildings) Amendment Bill

The Registered Master Builders Association (Master Builders) welcomes the opportunity to submit to the Master Builders on Building (Earthquake-prone Buildings) Amendment Bill.

### About Master Builders

The Master Builders represents over 3,000 commercial and residential builders and are the leading sector advocates on the built environment. Our members have been building the places where New Zealanders live, work, and play, since 1982.

Our sector is a key contributor to the New Zealand economy. For the year ended March 2024, the construction sector contributed 6.2 per cent of the country's real Gross Domestic Product (GDP) accounting to over \$17.2 billion<sup>1</sup>. It also employed 294,100 people (or 10 per cent of the country's total workforce) in the year ended September 2024<sup>2</sup>.

We are working hard to lead the change our sector needs by ensuring we have the regulatory systems and processes in place to build faster and better. We are supporting our members to grow their capability and business acumen to ensure a strong and healthy sector; to innovate and make the most of new technologies so we meet the climate change challenge; and to attract, train and retain skilled talent. We are proud to be New Zealand's best builders.

At Master Builders we are committed to transforming the sector and rebuilding our economy. We are focused on building better homes, communities and workplaces, and ultimately better lives for all New Zealanders. We want to ensure that the houses that we build now are well-built, accessible, affordable, and appropriate to the needs of our ever-changing society. We are building a better New Zealand.

Our members are supported on the ground by 23 branches across 6 regional hubs:

| Branch hub           | Serving  |
|----------------------|--|
| Auckland             | Auckland, Northland, Coromandel                        |
| Midlands             | Waikato, Tauranga, Whakatāne, Rotorua, Taupō           |
| Central North Island | Taranaki, Whanganui, Hawke's Bay, Manawatū, Gisborne   |
| Cook Strait          | Wellington, Wairarapa, Nelson, Marlborough, West Coast |
| Canterbury           | Canterbury, Ashburton, South Canterbury                |
| Southern             | Otago, Central Otago, Gore, Southland                  |

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<sup>1</sup> Statistics New Zealand – Infoshare: Gross domestic product – March 2024

<sup>2</sup> Statistics New Zealand – Infoshare: Household Labour Force Suvey – September 2024

## **1. Introduction**

- 1.1 Master Builders welcomes the opportunity to make a submission on the Building (Earthquake-prime Buildings) Amendment Bill (“the Bill”) and recommends that it proceeds. Our members include commercial and residential builders that are vital to the remediation of earthquake-prone building requirements.
- 1.2 We support the overall policy intent and general thrust of the Bill, particularly its move toward a more proportionate, risk-based approach to managing seismic risk in the built environment. We consider that the Bill represents a material improvement on the existing EPB regime under the Building Act 2004, which has proven to be overly broad, complex, and costly in practice.
- 1.3 We have long called for a risk-based system that is applied with nuance. The requirements for a building in Auckland do not necessarily need to be the same as those in Wellington evident by the different geological conditions and climates. The Property Council estimates that billions of dollars have been tied up in strengthening work that is unnecessary or disproportionate. A stronger focus on genuine life-safety risks, including targeted retrofits for multi-storey concrete buildings and a sensible approach to unreinforced masonry, is a more practical way to prioritise the right work in the right places.
- 1.4 The proposed changes mean that:
  - around 55% of EPBs (around 2,900 buildings) will be removed from the EPB system
  - around 1,440 EPBs will have more affordable remediation requirements
  - 840 EPBs will have no mandatory requirement for remedial work, and
  - only around 80 buildings will require a full retrofit due to the risk they pose.
- 1.5 The changes are expected to deliver around \$8.2 billion in savings across the building owners and the construction sector and will bring positive financial and economic outcomes for EPB owners across the country.

## **2. The Need for a Proportionate and Risk-Based EPB Framework**

- 2.1 New Zealand’s exposure to seismic risk necessitates a regulatory framework that prioritises the protection of life and safety, while also recognising economic realities and the diversity of the country’s building stock. In medium and high seismic zones, today’s direction should provide much-needed certainty for owners, architects and builders to plan and invest with confidence. Enabling councils to grant extensions of up to 15 years and decoupling seismic work from mandatory concurrent upgrades to fire and accessibility provisions for like-for-like seismic alterations will help unlock stalled projects without compromising life-safety as the top priority.
- 2.2 The existing EPB regime:
  - Applies uniform national thresholds that do not adequately reflect differences in seismic risk between regions;
  - Captures a very large number of buildings that present relatively low life-safety risk;
  - Imposes significant and sometimes prohibitive costs on building owners and tenants;
  - Creates incentives for demolition rather than strengthening, reuse, or incremental improvement; and
  - Relies heavily on future regulations and methodologies, creating uncertainty for long-term investment decisions.

- 2.3 These issues are particularly acute for older commercial, mixed-use, and heritage buildings, which are often structurally complex and costly to retrofit. Small and medium-sized enterprises operating in these buildings have frequently borne indirect costs, including higher rents, relocation, and business disruption.
- 2.4 Master Builders considers that effective earthquake-risk regulation must strike a balance between public safety and economic sustainability. Regulation that is perceived as disproportionate or poorly targeted risks undermining public confidence and compliance.

### **3. Targeting High-Risk Buildings**

- 3.1 Master Builders supports the Bill's move to concentrate mandatory requirements on specified classes on building with marginal risk profiles. This approach improves the cost-benefit balance of regulation and ensures that public and private resources are directed to where they can achieve the greatest life-safety benefit.
- 3.2 A risk-based framework improves public understanding and acceptance of regulation by clearly explaining why certain buildings are subject to specific requirements while others are not.

### **4. Tiered Mitigation Options**

- 4.1 Master Builders supports the introduction of a range of mitigation options, including targeted strengthening and façade securing as alternatives to full structural retrofit where appropriate.
- 4.2 This tiered approach recognises that risks to people's safety often come from particular parts of a building and not from the whole structure being unsound. Fixing those specific parts can significantly reduce risk at much lower cost than fully strengthening the entire building.
- 4.3 Greater flexibility in mitigation options is also more likely to encourage compliance.

### **5. Removal of Disproportionate Regulatory Triggers**

- 5.1 Master Builders strongly supports removing automatic requirements to upgrade fire safety systems and accessibility features when undertaking seismic work, unless those upgrades are directly tied to the seismic risk being addressed. This change will give building owners, architects, and builders much-needed certainty to plan and invest with confidence, particularly in medium and high seismic zones.
- 5.2 Regulatory triggers for concurrent upgrades have significantly increased project costs and complexity, often making seismic strengthening uneconomic and discouraging compliance. By decoupling seismic work from mandatory fire and accessibility upgrades for like-for-like alterations, this reform will help unlock stalled projects while keeping life-safety as the top priority.
- 5.3 While Master Builders supports strong outcomes in fire safety and accessibility, these objectives should be pursued through appropriate, targeted regulatory pathways rather than being indirectly imposed through seismic regulation. Enabling councils to grant deadline extensions of up to 15 years will further assist owners to manage and stage necessary work without undue pressure.

5.4 The Bill's approach represents a more proportionate balance between different regulatory objectives, aligns with best-practice regulatory principles, and provides the industry with clearer, more workable pathways to meet both safety and performance goals.

## **6. Timeframes and flexibility**

6.1 Master Builders supports the introduction of more flexible and realistic timeframes for remediation, including enabling councils to grant extensions of up to 15 years where appropriate. This approach provides much-needed certainty for owners, architects, and builders to plan and invest with confidence particularly in medium and high seismic zones.

6.2 Longer and more adaptable timeframes better reflect the practical realities faced by building owners, including securing finance, undertaking detailed engineering assessments, navigating consenting and procurement processes, coordinating work on complex or heritage buildings, and managing disruption to tenants and surrounding businesses.

6.3 We note that inflexible deadlines under the existing regime have often resulted in rushed decision-making, unnecessary vacancies, or demolition of otherwise viable buildings.

## **7. Local context and council discretion**

7.1 Master Builders supports a nationally consistent, risk-based framework that recognises New Zealand's seismic risk varies significantly by region. A system that differentiates between low, medium, and high seismic zones will deliver clearer and more workable expectations for owners, architects, and builders.

7.2 This approach better reflects the realities of different building types and local building stock and helps ensure regulatory requirements are proportionate to the actual life-safety risk being managed.

7.3 Allowing councils appropriate flexibility within the national framework, particularly around implementation timeframes, will support better decision-making and more constructive engagement between councils and building owners that will help unlock projects that have been stalled under the current settings.

## **8. Conclusion**

8.1 Master Builders supports the Building (Earthquake-prone Buildings) Amendment Bill and considers it a significant improvement on the current earthquake-prone buildings regime.

8.2 The Bill better targets regulation to genuine risk, reduces unnecessary compliance costs, and provides greater certainty for building owners and the construction sector, while keeping life-safety as the top priority.

8.3 We thank you for the opportunity to make this submission.

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