

Message from Mark

Heading into the cold of winter topics such as geopolitics, timber/lumber markets, energy price uncertainty, and policy settings are causing a few headaches that require more than a dose of Panadol to fix. While export markets show some promise, the domestic market for timber and lumber products remains flat. This is not helped by rising costs of production, energy price uncertainty and proposed changes to policy settings for the likes of training and industry skills development. Given this, the wood processing and manufacturing industry continues to show resilience with businesses using innovative ways to navigate the current challenges. This is to be applauded and although the light at the end of the tunnel is dim, it is anticipated that there are better times over the horizon.

And don't forget our National Conference on the 8 October [WPMA 2025 conference](#)



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Skill shortages within wood processing will hamper investment and growth

Saw doctors, timber machinists, kiln operators, finger jointers, laminated plant operators and Computer-Aided Design (CAD) experts are just some of the specialist roles within the wood processing and manufacturing industry where difficulties in recruiting suitably trained operators is surfacing. These roles have become highly technical and involve the operation of multi-million dollar machinery. Without these critical staff, sector growth and investment will be hampered. Adding to the difficulties in recruiting suitable staff is the planned closure of the Waipā Campus – Timber Industry Training Centre, which is the only dedicated training facility in the country to

operate a working sawmill and wood manufacturing plant. On top of this closure, current immigration settings within the wood processing industry for skilled roles means most migrant working Visas are now only for 3-years, with a number of Visas expiring in coming months. Rather than wait, industry is taking the lead in working together to develop solutions. Though to date, Ministerial and government support for wood processing role and skill changes has been lacking. We can't do this alone as we need policy changes to be made, with Ministers holding the pen when it comes to adding, for example, skilled roles to the Green List, increasing the length of migrant work visas, and supporting industry training. We hence are calling on the government to work with us to ensure that we have the necessary policy settings that will enable the retention of a skilled workforce within our industry.



Saw Doctor is just one of the skilled roles where recruitment is proving problematic

Outlook for Timber and Lumber exports looks promising – MPI report

With a 9 percent increase in export revenue forecast, a positive outlook for the export of forestry and value-added wood products was reported by the Ministry for Primary Industries (MPI) at Field Days earlier this month. According to the report this growth is driven by stronger log prices and higher sawn timber export volumes. On the wood products side sawn timber revenue is forecast to rise to \$1.1 billion, mainly due to improving demand in Asia and the U.S. Though the report is mainly positive, exporters continue to face global logistic challenges and trade uncertainties. More details can be found here [June 2025 SOPI](#)

Domestic market for wood products continues to be challenging

While export markets show promise, the domestic New Zealand market for wood remains depressed with some mills reporting a 25 percent drop off compared to 12 months prior. This is leading to mill level impacts, such as reduced shifts and no overtime. It is anticipated that low construction activity, high energy prices and economic softness will continue during the winter months. However, it is hoped that interest rate cuts, new infrastructure developments and RMA changes to make resource consenting faster will stimulate more demand in the near future for timber and wood products.

WorkSafe reform supported by WPMA

As part of a broader suite of health and safety reforms, the Government has agreed to a range of changes that will significantly refocus WorkSafe from an enforcement agency to one that engages

early to support businesses and individuals to manage their critical risks. This reform is supported by WPMA as a means of bringing common sense to WorkSafe when making and enforcing regulations that need to be based on science and are sensible to implement. WPMA met and raised our concerns with the Minister of Workplace Relations and Safety, Brooke van Velden, and her officials on WorkSafe's inconsistency, culture and lack of guidance, hence it is pleasing to see the sharpening of the focus of WorkSafe to change the culture of the agency. As the Minister says "A culture where the regulator is feared for its punitive actions rather than appreciated for its ability to provide clear and consistent guidance is not conducive to positive outcomes in the workplace". This reform will come into effect later this year and will provide a clear framework that focuses WorkSafe through change in culture and expectations.



WPMA representatives met with Minister van Velden on our concerns with WorkSafe in late 2024

Worker Exposure Standards (WES) and Biological Exposure Index (BEI) consultation paused

WorkSafe previously indicated a fresh review of softwood dust and isocyanates will be included in the next consultation on WES and BEI Guidance. However, with the recent WorkSafe reform announcement this consultation is on hold. WPMA has long advocated that industry is concerned about the cost, practicality, and feasibility of achieving the levels for WES and BEI that have previously been proposed by WorkSafe and that there is no robust technical justification for how they are set. Hence, we welcome this pause and appreciate that Minister van Velden has listened and acted on our highlighted concerns.

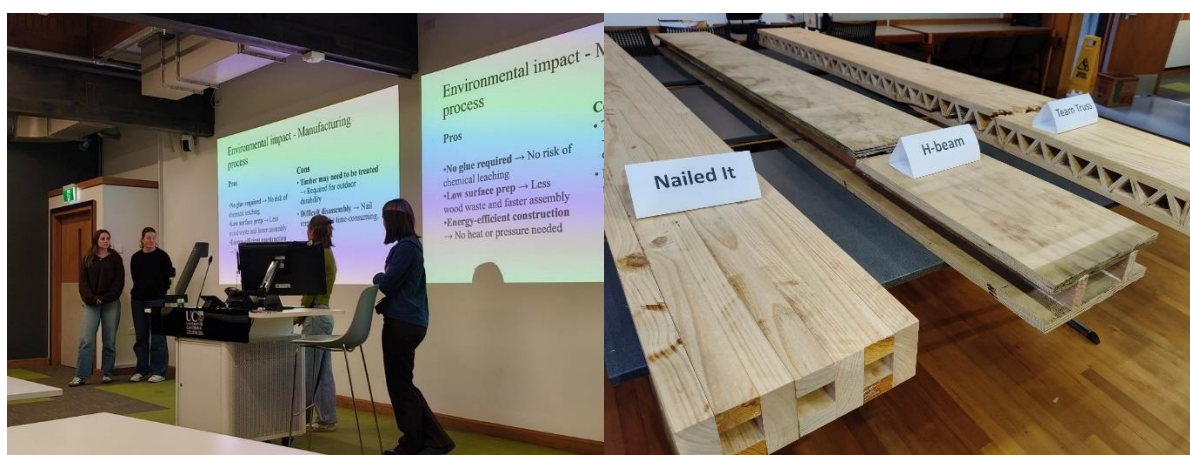
U.S. tariff exemption on exported timber and lumber continues

At the time of writing no decision has been made on the implementation (or not) of tariffs on wood products (timber/lumber) entering the United States. The U.S. Commerce Department has up to 270 days to submit the s. 232 investigation report into imported timber and lumber products, which puts the time frame for completion around late November. The President must wait for the reports before enacting the respective levies. He has 90 days (takes through to March 2026) to decide on necessary measures such as tariffs or quotas and can only do so if the Commerce Secretary

determines that the imports threaten national security. Given the value of our current exports (approx. \$356 million) and the future market for NZ value added wood products exported to the U.S., WPMA has taken a proactive response to working with members, officials and others to advocate the importance of retaining the tariff free exemption. This has been beneficial with, for example, media outlets running supportive stories and U.S. based housing/building material Associations supporting our cause. Looking forward we will continue to engage and align with the U.S. based Associations and industry for advocacy purposes. Telling the New Zealand wood product story is important, with WPMA providing a recent article to the U.S. Lumber Co-operator in an issue dedicated to U.S. Government Affairs.

Innovative Wood Product Competition – University of Canterbury

It was great to be a part of the judging panel at the recent University of Canterbury School of Forestry hosted Innovative Wood Product Competition. Sponsored by the WIDE Trust and the industry (Nelson Pine, Henkel, John Fairweather), this event brought together students to explore and redefine the possibilities of structural timber products through innovation and creativity. The event was highly successful and encouraged eligible undergraduate students to reimagine the boundaries of structural timber products through innovation using traditional wood materials. Well done to Hyungsuk (Thomas) Lim, WIDE Trust Senior Lecturer for organising. Congratulations to the winners - 1st place: Team Truss, and the sustainability and innovation award: NailedIt.



Ministers Manufacturing Productivity Advisory Group (MPAG) proving valuable

As a boost to manufacturing in NZ the MPAG is proving highly beneficial on areas such as talent development, investment initiatives, and the promotion of manufacturing as a core feature of the NZ economy. Representation on the MPAG comes from across the wider manufacturing industry, with the WPMA Chief Executive representing the wood processing and manufacturing sector. It was refreshing to have active engagement with the Minister for Manufacturing and Small Business, Hon Chris Penk, during the recent MPAG meeting held in late June. Providing advice direct to the Minister and seeing it result in new government initiatives makes for a healthy relationship that can only bring future benefits to manufacturing. More details on MPAG can be found [here](#):

European Union Deforestation Regulations (EUDR) update

Good progress is being made on development of an industry led EUDR Interactive Toolkit. As a means of ensuring the Toolkit meets industry expectations a joint Working Group meeting has been scheduled for the 22 July. It is expected that the EUDR Toolkit will be available for access by members in late August. On the risk level front, NZ has been classified as “low risk”, which means the benchmarking process concluded there is “*sufficient assurance*” that the production of wood products within New Zealand is not linked to deforestation or forest degradation.

Recent and upcoming submissions

- Industry Skills Board establishment
- Building products specifications
- National direction for the RMA
- Taxation and the Not-for-Profit (NFP) sector
- NTBs – MFAT consultation

Upcoming Events

WPMA National Conference – 8 October, Wellington – Registrations Open

The WPMA Conference will bring together a dynamic range of business leaders and influential stakeholders from across a wide variety of sectors. Speakers will cover topics ranging from government policy, to innovation, NZ mass timber building developments, science, forestry supply chains, economic activity and exports. Speakers confirmed to date:

- Hon Chris Penk, Minister for Building and Construction, Manufacturing and Small Business, Associate Immigration;
- Dan McGuinness, GM/Director LT McGuinness;
- Sam Keenan, DDG Te Uru Rakau (NZ Forest Service);
- Dr Elizabeth Heeg, CEO NZFOA;
- Wayne Mulligan, CEO/Director, NZ Bio Forestry;
- Dr Henri Bailleres, GM Forests to Timber Products, Scion;
- Simon Dorries, CEO, Responsible Wood;
- James Treadwell, President, NZIF
- Susan Secker, MPI (Legal Harvest)
- Keith Mackie, Wood Industry Development and Education Trust, (WIDE) Trustee;
- Dr Hyungsak (Thomas) Lim - School of Forestry, University of Canterbury and WIDE Trust Senior Lecturer and
- Katherine Rich, CEO BusinessNZ

The final Programme will be released shortly. ***Further details and how to register can be found [here](#)***

Frame and Truss Manufacturers Association Conference: 16-18 July 2025

The Frame and Truss Manufacturers Association (FTMA) conference registrations are now open. The conference will be held in Rotorua from **16–18 JULY 2025**. Please [Click here](#) for more details and to register.

Forest Bioeconomy Innovations Conference – 20 – 21 October 2025

The 2025 Forest Bioeconomy Innovations Conference will be held in Rotorua from the 20-21 October. More details can be found [here](#):

In the News

OjiFS Announces Simplified Management Structure (original release made 15 May)

Oji Fibre Solutions (OjiFS) recently announced management changes to align with its new business model, with its CEO stepping aside to lead the Company as Transition Chair and appointing a reduced leadership team, effective 01 July. CEO Dr Jon Ryder said: *“The plan to cease papermaking at Kinleith Mill, announced earlier this year, means Oji Fibre solutions will become a simpler organisation with two manufacturing Business Units operating independently. Oji’s Central North Island operations will focus on market pulp for export, and our packaging facilities will continue to produce fibre-based packaging for the local primary sector.”* The leadership changes include the appointment of two executives leading each Business Unit and reporting directly to the OjiFS Board of Directors. The announcement also outlines changes to right-size the OjiFS head office, with streamlined corporate services to support the manufacturing units. The changes are another step in Oji’s plan to improve their financial position. They also reflect the changing needs of our new structure. There is more work to do before Oji will fully return to profit, but the end of June will mark a significant milestone in their plan.

Wooden buildings making a comeback in Japan

Timber has shaped traditional Japanese architecture for centuries, but postwar reconstruction favored cement and metal, especially for earthquake-resistant skyscrapers. Today, technological advancements and the push for sustainability are making high-rise wooden buildings an appealing option.

<https://metropolisjapan.com/why-wooden-architecture-is-making-a-comeback-in-japan/>

Indian market for timber and lumber offers future opportunities

“Connecting on values and focusing on mutually beneficial areas of interest will be critical to the Indian Government opening the door to a longer-term trading relationship in forestry products, such as timber and lumber, with New Zealand.”

[Why Forestry is the Big Winner in New Zealand’s Pivot Toward India | Wood Central](#)

EU deforestation rules progress

“At first glance, the EUDR appears complex, but the best way to overcome any risks associated with the legislation and to ensure that our wood product exporters remain compliant is for the forestry and wood processing industries to continue to work closely together on fulfilling the EUDR requirements,”

<https://www.nzherald.co.nz/the-country/news/new-eu-deforestation-rules-progress-despite-nz-opposition/RJRKNIUJJFDGFILF6RKFT5ISW4/>

WIDE Trust – apply for funding towards your wood processing apprenticeship programmes



Do you need funds to progress an initiative, project or programme in your business?

Do your employees need funds to progress wood processing studies, projects or qualifications?

Apply to the WIDE Trust for support ...

\$6 MILLION AWARDED IN GRANTS TO DATE!



The Wood Industry Development and Education Trust (WIDE Trust) is a charitable trust established in 2018. The Trust supports businesses undertaking research, development and other initiatives to advance the wood or forestry industry sectors in New Zealand and students undertaking career-related studies or projects in these industry sectors.

Initiatives supported by the Trust include:

- apprenticeship programmes
- in-house training programmes
- international study tour to seek out industry innovations and best practice
- attendance at industry events
- assessor training
- timber design and wood processing awards

Apply online
www.widetrust.org.nz



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