



Message from Mark

May has been a busy month of announcements, with Budget 2025 providing further investment prospects for wood processors and manufacturers, while the news of wood and logs contributing to a record April 2025 trade surplus making for positive sounds bites. Though at the same time this government continues to side-step acknowledging the boost that increasing the use of wood products in government procurement decisions would have for our industry, the economy and New Zealand's environment. Happy reading for this bumper issue. And don't forget [WPMA 2025 conference](#)



Mark (hoping to see you at the WPMA stand at Mystery Creek Field Days 11-14 June 2025)
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What about wood? – WPMA writes to Minister for Economic Development

In her role as Minister for Economic Growth, WPMA has written to Hon Nicola Willis requesting that she now, as with wool, also directs government agencies to use wood fibre products in the construction and refurbishment of government buildings, where practical and appropriate. The chance to back the wool announcement by also including wood products in Government building and construction projects is a missed opportunity for enabling wood processing growth, which can be resolved through the added inclusion of wood in Government procurement policy. WPMA have called on this Government to align the wool directive with wood, as to directing agencies to consider using wood fibre products in the construction and refurbishment of government buildings. We await a response from

the Minister - maybe an announcement on wood inclusion in Government procurement policy could be made at the 2025 Mystery Creek Field Days?

Wood product exports contribute to record trade surplus

An increase of 42 percent in exports of logs, wood, and wood articles for April 2025 when compared to April 2024 as reported by Stats NZ has been welcomed by WPMA. It is pleasing to see wood products and log exports contributing \$481 million towards the \$7.8 billion record surplus, an increase of \$141 million from a year ago. This increase is encouraging for an industry that is doing is tough, but we need this trend to continue as a means of reigniting and growing our domestic wood processing sector. When looking at the \$141 million increase in wood product exports in more depth the key articles contributing to this increase included wood in the rough, railway sleepers, sawn wood, veneer sheets, densified wood, along with particle board, oriented strand board and fibreboard. Most of these exports are value-added wood products - to purposefully grow our industry we need to work together and invest in domestic processing of logs, which then allows for the creation of higher-value products like sawn timber, engineered wood and other finished goods, along with increased fibre for bio-forest products, pulp and paper production. More details on the Stats NZ report can be found [here](#)



“Investment Boost” announced in Budget 2025 welcomed by wood processors and manufacturers

From the 22 May 2025 a new tax incentive, “Investment Boost”, that allows businesses to immediately deduct 20% of the costs of new assets (or second-hand assets purchased from overseas) – such as machinery, equipment, tools and buildings – from taxable income on top of the existing depreciation write-offs is welcomed. The announcement was made as part of Budget 2025, with the scheme allowing wood processing and manufacturing businesses to deduct a higher percentage of the cost of eligible assets in the first year of purchase, reducing their tax burden and freeing up capital for further investment. Enabling capital investment for new technologies and equipment, such as timber treatment plants and cutting-edge timber machinery, within the wood processing industry to deduct 20% of

the costs of the new asset immediately will provide an added incentive for investment and increased productivity in a sector where government backing is needed. It is hoped that this new tax rule will assist in encouraging further investment in value-added wood processing production within New Zealand.

Timber Industry Training Centre (TITC) future remains uncertain

At a recent hui organised by Red Stag Timber, the wood processing industry was provided with an update by Toi Ohomai on the future of the TITC (Waipa Campus). As highlighted, the campus has now transferred to Central Government with the intention of selling off the site by Land Information NZ as a Crown asset. This process could take several years, and the advice from industry to government is to keep the Training Centre open, whether under Toi Ohomai or transferred to another education provider. The overall aim is to ensure the industry can access essential industry training for timber machinists and saw doctors. Further industry discussions are to be had, with a Working Group to be formed to take the required actions forward.

Mid-Rise Wood Construction Timber Advocacy Programme Extended

Backed by Red Stag Investments and the Ministry for Primary Industries, this Construction initiative supports the uptake of locally sourced mass timber in mid-rise construction. The extension of the programme will enable new projects, tools, and site tours designed to arm the industry with the knowledge needed to help reduce carbon emissions, lower construction costs, and grow New Zealand's timber-based economy. Highlights of the programme include new high-profile builds and exclusive site tours across NZ; Launch of the Mass-Timber Industrial Building Optimisation (MIBO) Project; An acoustic study to address noise in mass timber apartments; More case studies, new tools, and events to support industry adoption of timber, along with a new and improved website [here](#) where more details can be accessed. Increased use of timber in building and construction has become a global trend, with timber reducing emissions, lifting the forestry and wood processing industry, and supporting the growth of biofuels and biomaterials by generating more wood residues.



European Union Deforestation Regulation (EUDR) country risk level revealed

After much speculation, the European Commission has unveiled which countries are "high risk" under the impending EUDR. Under the EUDR a country's classification as high, standard or low risk could significantly influence commodity sourcing decisions. Last week the EU confirmed that just four countries are considered high risk of deforestation – Belarus, North

Korea, Myanmar and Russia. A total of 140 countries, including New Zealand, have been classified low risk, including all EU member states, leaving around 50 countries as standard risk. Set to enter force on 30 December 2025, EUDR mandates that products derived from beef, cocoa, coffee, palm oil, natural rubber, soy or wood must be “deforestation-free” and legally produced to be placed on the EU market.

Wood Processing Growth Fund to continue - new Primary Sector Growth Fund replaces SFF Futures Fund

Following Budget 2025 the Wood Processors Growth Fund continues as a means of supporting investment within the wood processing sector, with unallocated funding of \$800,000 for 2025/26 in the Catalyst Fund and \$28 million in the Accelerator Fund.

Members are invited to contact the WPGF Team for more details WPGF@mpi.govt.nz

As a more broader funding source, the new Primary Sector Growth Fund (PSGF) replaces the former Sustainable Food and Fibre Futures Fund and will focus on practical projects that reduce costs across the food and fibre sector value chain and deliver stronger returns on investment to the farm and forest gate. The Fund will support projects that are business-led, market-driven, and commercially focused – with a clear aim of delivering strong economic outcomes and high growth potential. More details on the PSGF can be found [here](#):

Significant changes to New Zealand’s science framework happening

Changes to the New Zealand science and research framework were announced by the Prime Minister in his January [State of the Nation](#) speech, and aim to unlock the full potential of science to deliver stronger economic growth and greater resilience for New Zealand. As part of those changes Scion will be merging with Manaaki Whenua – Landcare Research, Plant and Food Research, and AgResearch to form a single bioeconomy-focused Public Research Organisation (PRO). As of 1 July this year, Scion - along with the other three CRIs - will be operating as a division of the new New Zealand Institute for Bioeconomy Sciences. The formation of the Bioeconomy Sciences Institute is the first step in bringing our four CRIs organisations together into one new PRO. MBIE is working on legislation to formally establish PROs which is expected to happen in 2026. In the meantime Scion will continue to work with you to deliver excellent science and innovation while laying the groundwork for a successful merger. Projects that are currently underway or due to begin will proceed as planned.

Nominations sought by the Tertiary Education Commission for Establishment Advisory Groups

With the proposed establishment of seven new Industry Skills Boards (ISB), TEC is now seeking industry nominations for the Establishment Advisory Groups, tasked with leading the establishment of each ISB. Collectively TEC want Establishment Advisory Groups to have some experience in governance, change management, industry, and an understanding of education and training. Industry bodies can nominate candidates (with their permission) by completing this form by 13 June 2025. The Tertiary Education Commission (TEC) will pay all members of Establishment Advisory Groups. Members should expect to commit up to two to four days per month from July to December 2025. This is a great opportunity for industry

to drive the set-up of independent standard-setters from the outset. If you would like more details, or are seeking nomination please contact mak@wpma.org.nz

Recent and Upcoming WPMA Submissions

- **Tertiary Education Commission – proposed Industry Skills Boards**
WPMA submitted in favour of being grouped under the Manufacturing and Technology industry ISB.
- **Education and Training Amendment Bill** (12 June)
- **Public Works (Critical Infrastructure) Amendment Bill** (13 June)
- **Non-Tariff Barriers** – submissions due 1 July
<https://www.mfat.govt.nz/en/trade/nz-trade-policy/how-do-we-consult-on-free-trade-agreements/have-your-say-new-zealand-is-negotiating-an-arrangement-to-help-resolve-non-tariff-barriers>

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. Through the delivery of strategic insights into future opportunities for wood processing and manufacturing you will be inspired to connect and grow our industry to ensure a resilient and profitable future. Speakers confirmed to date include:

- 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;
- Henri Bailleres, GM Forests to Timber Products, Scion;
- Simon Dorries, CEO, Responsible Wood; and
- Keith Mackie, WIDE Trustee.

More speakers will be confirmed shortly. Further details and how to register can be found here [WPMA 2025 conference](#)

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.

Timber Bridges Conference - 29 June to 2 July, Rotorua

The 5th International Timber Bridges Conference will be held in Rotorua from the 29 June to the 2 July 2025. Registrations are now open. More details can be found here [ICTB 2025](#)

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: <https://innovatek.co.nz/event/bioeconomy-innovations-2025/>

In the News

Wood, wood articles and logs contribute to record trade surplus

“We've got a great story to tell, around our sustainable forestry systems and the ability to trace our logs to harvest. It's really looked upon well by overseas exporters along with the quality of our products so we can supply clear timber and high-quality, value-added products”

<https://www.rnz.co.nz/news/business/561951/trade-surplus-hits-historic-1-point-4b-high-amid-soaring-primary-exports>

Forestry hub returns to Myster Creek Field Days 2025

“A wide range of people from across the sector will be on hand to answer questions and share insights into forestry and wood processing in New Zealand, including forest growers, wood processors, farm foresters, scientists and not-for-profit groups”

<https://www.nzherald.co.nz/the-country/news/fielddays-2025-forestry-hub-returns-to-showcase-the-value-of-trees-and-wood/3RIUJBSANBDFBFQEGZCMOLTRQA/>

NZ and India Comprehensive Free Trade Agreement could be good for wood

“Connecting on values and clearly 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.”

[NZ and India's Trade in Radiata Pine Could Multiply Under FTA | Wood Central](#)

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!**

**Apply online
www.widetrust.org.nz**

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

WIDE WOOD INDUSTRY
DEVELOPMENT AND EDUCATION
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