
Consultation on: Removing barriers to using overseas building products

From: Wood Processors and Manufacturers Association

To: building@mbie.govt.nz

Contact: Mark Ross, Chief Executive – mark@wpma.org.nz
Jane Cuming, Technical Manager – jane@wpma.org.nz

Date: 26 June 2024

Submission

Thank you for the opportunity to provide feedback on the early engagement consultation paper on 'Removing barriers to using overseas building products'.

As a general statement, we advise caution with advancement of this new legislation.

- 1.1 New Zealand and Overseas Building Standards are developed to meet the need in the country of origin and exist in an ecosystem of other standards, for example, Product Standards may reference manufacturing quality control and conformance standards and in turn be referenced by building standards defining the scope of the building the product may be used on in a safe manner.
- 1.2 The building standards associated with the product standard would typically set out requirements relating to the installation of the product. Manufacturers may voluntarily choose to provide additional technical literature.
- 1.3 Taking a product Standard from an overseas jurisdiction in isolation from the surrounding standards should be done cautiously and carefully as any upfront savings will be negated many times over if the product fails and does not meet the performance requirements of the New Zealand Building Codes (NZBC).
- 1.4 If New Zealand cites an overseas product Standard as deemed to comply and that overseas product Standard is faster and cheaper to produce than a NZ standard, market forces will ensure local NZ manufacturers either lose market share or shift to the overseas product Standard.
- 1.5 This is good reason to exercise caution as the effect of citing the overseas product standard will not be limited to overseas product. Within a short period of time the local market may be supplying 100% newly cited overseas product Standard.

- 1.6 Note: Local NZ manufacturers do not have the capacity or time to undertake any research to ensure an overseas product Standard complies with the NZBC. They are completely reliant on the Regulator, i.e. MBIE in this instance.
- 1.7 MBIE has no mechanism to measure the market share of new overseas product Standards and limited ability to monitor any issues or systemic failure.
- 1.8 It is unclear from the consultation document who will check that an overseas standard meets the NZBC, i.e. who is the 'watch dog', and we assume, as now, there will be no checks to ensure that the imported product conforms.
- 1.9 If an overseas product standard proves to be inadequate the cost of rectification will outweigh any cost saving to the homeowner.

Where is this risk and cost factored in?

- 1.10 Building Product Information Requirements (BPIR) is an ineffective and costly regulatory requirement which requires building product manufacturers and suppliers to publish compliance claims about the NZBC performance of the building the product is finally installed within. The manufacturer or supplier of a building component can only make vague "contributes to" claims and it would be naïve and unwise to rely on this declaration regime to ensure building products are fit for purpose.

Given these concerns, we provide some additional detail as follows.

2. With respect to timber

- 2.1 NZ Timber Standards have been developed to comply with the NZBC, considering NZ climactic conditions, NZ building methods and the characteristics of timber commonly used in NZ.

3. The NZBC is performance based

- 3.1 One challenge in assessing Standards equivalency is that most other countries including Australia do not have explicit durability requirements in their building control regime.
- 3.2 New Zealand has developed timber treatment standards to align with NZBC durability requirements. Therefore, in the absence of a verification method the NZ Timber Treatment Standard (NZS 3640) as amended by B2/AS1 sets the benchmark for durability.
- 3.3 Treating timber (e.g. piles, retaining, decking, claddings, fascia and structural timber) ensures the timber component meets the durability requirements in the NZBC.

- 3.4 Treating structural timber provides important insurance against envelope failure. The current process for approval of preservatives in the NZ timber treatment standard relies on testing undertaken by Scion, an organisation which is expert, independent & research based.
- 3.5 Overseas timber treatment standards were developed for the country of origin and are not required to achieve durability requirements equivalent to the NZBC.
- 3.6 Citing of timber treatment standards from other countries would potentially undermine the robust process used in NZ and may expose NZ consumers to structural and other timber, which is less durable and ultimately does not meet the NZBC.
- 3.7 Furthermore, NZ removed the option of solvent based treatment from solid structural timber because it was making timber workers and builders sick as it evaporated. The rate of flash-off indicated homeowners would also be exposed. This work to remove solvent-based treatment was led by MBIE with support from industry.
- 3.8 Citing of overseas standards without knowledge of the whys and wherefores of NZ Standards will potentially lower the "insurance" provided by the NZ treatment standard and potentially lead to expensive repair and replacement of timber components for the homeowner. This would outweigh any theoretical cost savings up front.

FEEDBACK QUESTIONS:

Making it easier to use building products that meet overseas standards	
1.	<p><i>What factors should be included in the decision making before recognising building product standard organisations?</i></p> <p>Feedback</p> <ul style="list-style-type: none"> • Each individual overseas product Standard should be assessed on a case-by-case basis. • Standard setting organisations typically provide project management to a committee writing or amending a Standard. • The expertise of the committee, the problem they have identified the Standard will solve, and the regulatory environment they are operating in is a more important assessment. • Recognising building product standard organisations and assuming all the building product Standards published by that body meet the building code in another country (NZ) is optimistic to say the least.
Streamlining the citing of international standards	
2.	<p><i>What types of product standards should MBIE prioritise in its review of international standards?</i></p> <p>Feedback</p> <ul style="list-style-type: none"> • Products with 5-year durability in the NZBC i.e. easily replaced and where failure is easily detected and will do minimal damage.

3.	<p><i>What types of products do you consider to be higher risk to buildings due to their failure or misuse? This may be a risk to life safety or economic losses.</i></p> <p>Feedback</p> <ul style="list-style-type: none"> • Structural elements are highest risk. They are required to last not less than 50 years with normal maintenance and are typically difficult to inspect and repair. • Cladding products (nominal 15-year durability) should also be considered higher risk as most homeowners are so highly leveraged they cannot afford the economic loss associated with replacing cladding.
4.	<p><i>What factors should MBIE consider when evaluating and comparing overseas building product standards?</i></p> <p>Feedback</p> <ul style="list-style-type: none"> • NZBC compliance. • Durability.
Mandating acceptance of products certified overseas	
5.	<p><i>What factors should MBIE consider before specifying appropriate product certification schemes?</i></p> <p>Feedback</p> <ul style="list-style-type: none"> • Recognising overseas product certification schemes and assuming all the building products certified by that body meet the building code in another country (NZ) is optimistic if that is what is intended. • We do not agree with mandating the acceptance of products certified overseas unless the individual product standards have been assessed on a case-by-case basis.

The Wood Processors and Manufacturers Association

About us:

The Wood Processors and Manufacturers Association (WPMA) was established in 2014 through a merger of the Wood Processors Association and the Pine Manufacturer's Association. We are a voluntary funded industry association with a strong focus on promoting wood as the heart of a future zero-carbon economy.

Our members are leaders in the New Zealand wood industry converting harvested logs into a wide range of products including sawn lumber, pulp, paper, panels, laminated products, mouldings, and engineered wood, through to the development of bioenergy solutions.

Total sales of industry products both domestically and globally in 2023 were approximately \$5 billion. The industry employs close to 30,000 staff, mostly in the New Zealand regions.

<https://www.wpma.org.nz/>