

NEWS RELEASE
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Window industry raises concerns about proposed building import deregulation

Building window industry leaders are concerned the Government's proposed deregulation of building industry imports may not improve housing affordability and may close local manufacturers.

Window & Glass Association NZ CEO Brett Francis said the Government's proposal might appear to take some cost out of building but asks "what is the real cost?"

"We support any initiative that will improve housing affordability but have concerns about a narrow focus on the purchase price of building products. We believe purchase decisions need to ensure products are fit for purpose, support local manufacturers, and also consider the products' maintenance including access to replacement parts and warranties, which are worthless if the provider is overseas and the warranty is unenforceable.

"We already have non-compliant products being used in New Zealand, and believe the changes being proposed will only work with a level of oversight and enforceability not in our current framework.

"Our concern is that the Ministry of Business Innovation and Employment, the agency tasked with implementing the Government's new policy, delivers a workable solution. There are huge issues in understanding the overseas standards (the trustworthiness of overseas test reports) and how they can be applied in New Zealand.

"Considering the number of windows made in New Zealand we have very few failures of tested product. Our standards work. If we start introducing competing standards what will that mean?"

Building Officials Institute of New Zealand Chief Executive Nick Hill said he fully supported the Government's overriding objective of improving housing affordability through healthy competition, but it would be unfair if the playing field between local and overseas manufacturers was uneven.

"We welcome the Minister's focus on product compliance, quality and assessment using reputable certification schemes as not all schemes are equal. We accept the details of the proposed changes still need to be developed."

Hill said if an overseas product had not been tested for a particular technical requirement area needed for New Zealand conditions, a manufacturer could test for that feature to show it met the New Zealand standard. He said issues of ongoing product support were credibility matters for importers, wholesalers, building sector specifiers and the market to address.

Rosie Killip, founder of training and advisory company Building Networks, says the New Zealand window and glass industry has geared up well to meet Building Code H1 introduced by the previous Government designed to ensure building products are suitable for this country's unique climate, geographic and social conditions.

“I accept competition is a business reality, but opening the doors now for imports without proper controls is a concern. If we have open slather we will become the biggest rubbish dump in the South Pacific. This was tried in the 1990s and failed spectacularly. What is the point of an architect specifying a product if a builder can substitute with a non-compliant/inferior product from anywhere in the world?”

Writing in The Spinoff, architect Matt Brown says buildings are complex systems with interacting components so substituting products, even if they have been individually certified, can be hazardous. He said one of the factors contributing to the spread of the Greenfell Tower fire in June 2017 in London in which 72 people died was materials substituted in isolation, also in response to market forces.

Brown said New Zealand’s leaky homes disaster of the late 1990s and early 2000s were the result of thinking about materials in isolation. The designs, when put to the test in real life situations failed affecting nearly 90,000 buildings with an estimated cost of \$23 billion.

Killip said, “The Government’s ‘quick fix’ to building costs will have unforeseen consequences. The builder may save some money but what about the homeowner not getting the product they thought was going into their new home?”

She said installers often struggle to follow installation specifications with the range of products currently in the market. A flood of new imports would inevitably lead to more installation failures – with expensive consequences if windows have to be replaced.

Shawn McIsaac, a Chartered Professional Engineer, whose two companies Shelby Wright Test Labs and Oculus regularly test and assesses overseas products for compliance to the New Zealand building code, said the intent of having a New Zealand standard is to make comparison of products possible.

“While multiple standards may be deemed acceptable, and may be technically sufficient, it can be very difficult to compare two products that meet different standards and more difficult to determine the limitations as they are used in New Zealand.

“The costs of testing and assessing products to New Zealand standards is minimal. While accepting overseas standards may help some entrants into our market that may not otherwise be interested, I suspect they will quickly find market resistance. These companies may ultimately opt to test to our local standards or have an independent assessment to gain any significant market traction.”

Ends

For media inquiries, please contact:

Tim Marshall, Senior Account Director, Wright Communications
Ph: 021 902 850

Notes to Editors:

- The Window & Glass Association NZ is a leading industry association representing professionals in the window and glass sector.
- The Government's initiative to ease restrictions on overseas building materials is intended to address housing affordability challenges.
- The Window & Glass Association NZ underscores the need for careful regulation and oversight to mitigate risks associated with potential deviations from established building standards.
- The Window & Glass Association NZ is committed to collaborating with policymakers and industry stakeholders to uphold the highest standards of quality and safety in the construction sector.