



20 September 2018

Mike Stanton from the Frame & Truss Manufacturers' Association (FTMA) executive team writes:

New Zealand has embraced prefabrication through offsite frame and truss manufacturing of houses since the 1960s, and continues to promote and use new innovations to enable homes to be built faster and more efficiently – with bigger, smarter manufacturing facilities than ever before.

The FTMA represents more than 60 frame and truss manufacturing facilities throughout New Zealand. Over the past four years FTMA members have expanded capacity from some 12,000–14,000 houses built annually to 32,000 today. Timber-framed houses have been the norm for more than 50 years, with approximately 90 percent of standalone residential buildings constructed using timber framing.

FTMA manufacturing sites are therefore fit, agile and robust. We survived the Global Financial Crisis with little government intervention or support while pent-up demand continued to escalate, and we are now poised to supply homes to meet the housing shortage.

The Government's KiwiBuild programme aims to add another 10,000 homes above the 32,000 built today, which presents New Zealand's building industry with some unique challenges. Foremost among these is how the 10,000 extra homes will be produced – options aired include sourcing modular homes from offshore, but this would impact adversely on New Zealand's building labour force as well as add to time delays. Modular and Cross Laminated Timber panels require a long lead time to produce, and are for specific projects, so don't fit the rapid housing model that New Zealand needs. Moreover, additional workers would still be required to assemble the homes onsite and if this labour is brought in from overseas it would run contrary to the views of some partners within the Labour-led Coalition Government.

New Zealand's unused manufacturing capacity and capability needs to be harnessed – accordingly there should be no need to re-invest or re-invent the wheel in terms of prefabrication with FTMA members. The capacity is here now to meet all of New Zealand's needs. The focus of Government and industry should be to get existing manufacturing sites up to 100% production, which will make the KiwiBuild delivery of 10,000 homes achievable.

New Zealand's obsession with bespoke housing is another challenge to overcome. Bespoke design adds costs and time to manufacturing. Mass-produced designs significantly reduce costs, so a more practical option would be for the Government to encourage FTMA members to start production of standardised homes, with the final assurance being that all frames and trusses manufactured by FTMA sites are done in strict accordance with the New Zealand Standard NZ3604:2011 Timber Framed Buildings.

Already some companies such as Fletcher Building and Carters have the ability to produce a standardised home in a week or less using existing prefabrication processing, and many businesses can deliver completed homes in 12 weeks once the foundations are complete.

A fallacy often heard in the housing shortage debate is that New Zealand lacks high-tech manufacturing facilities to build homes. The frame & truss industry continues to invest in new technologies that add value in and around productivity, and in design enhancements that deliver efficient and compliant solutions, such as installation of barrier board and flooring cassettes, along with BIM (Building Information Management) modelling and other enhanced software developments.

Another aspect that the FTMA is concerned about, and investing resources in, is the time it takes for houses to receive consent. FTMA members need to abide by strict guidelines and undergo audits to ensure best practice is performed on all FTMA sites. Therefore why can't FTMA-accredited manufacturers obtain CodeMark or similar? This would lead to quicker consents and further reduce construction times.

So, the FTMA believes that emphasising a greater commitment to standardisation and adding automated assembly processes would mean New Zealand's frame and truss operators would be able to gear up to double existing production and provide rapid housing sooner.

Lastly, can we afford to keep ignoring the issue of rising land prices? Despite prefabrication, modulation, innovation and improved production efficiencies, it is land prices that remain a key barrier to housing affordability in New Zealand. A suggestion to the Government is to seize the initiative by buying large tracts of land and converting these to leasehold titles, which will immediately put homes within the reach of most Kiwis and stimulate the industry to build more homes to meet demand.

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