



10 September 2024

Hon Andrew Bayly

Minister of Commerce and Consumer Affairs, Small Business and Manufacturing, and Statistics

By email only: [Andrew.Bayly@parliament.govt.nz](mailto:Andrew.Bayly@parliament.govt.nz)

Kia ora Minister

We are jointly writing to raise our concern around the recent decision by Standards New Zealand to terminate its discounted access to its online library.

Collectively the Association of Consulting and Engineering New Zealand (ACE New Zealand) and Engineering New Zealand represent over 265 consulting engineering firms and 23,000 engineering professionals working across the built and natural environment. Access to national and international standards is crucial to our members to be able to do business and deliver quality outputs.

#### **Our concerns**

Since Standards New Zealand have terminated its discounted access agreements, the costs for our members to access the online library have escalated from \$1,000-\$6,000 to \$25,000 (depending on firm size).

This is a significant cost increase which is not sustainable for most of our members, particularly for small to medium sized firms (SMEs) who are already navigating a very tough market. As a result, firms will need to choose whether to only purchase a small number of the standards they use most often or not to purchase them at all.

We appreciate that some building standards are currently free to use, and the list is being reviewed. However, there are still many other standards that firms require to operate.

We are concerned at the potential impact on the way firms work and the knock-on effects on quality and safety as firms must make decisions about purchasing standards while still maintaining a reasonable cost of doing business. This creates a risk that outdated, or less-appropriate international standards might be used in construction. We have also heard from several firms that they will need to increase their fees (and therefore construction costs) to deal with the price increase.

Further to this, many of our members dedicate a significant amount of volunteer time and expertise to the development and maintenance of many of the standards. These cost increases will likely impact the ongoing willingness of our members to participate in this work in the future, particularly for SME's where the magnitude of subscription cost increases has a much larger impact on their bottom line.

## Opportunities

We believe that other funding mechanisms could be used to provide greater public accessibility to Standards. For instance, there is the Building levy and levies from other sectors. We know of other funding models used overseas, such as Australia.

## Conclusion

We appreciate that this is a complicated issue as Standards New Zealand operates on a cost recovery basis, and the cost of developing and maintaining standards, particularly joint and international standards, are significant. However, this needs to be balanced with the need to ensure affordable access to the standards our members require to deliver safe and quality services.

It is our view that Government should be intervening and reviewing the current framework under which Standards New Zealand operates to ensure affordable access to all standards.

Nga mihi,



**Helen Davidson**

Chief Executive, ACE New Zealand



**Dr Richard Templer**

Chief Executive, Engineering New Zealand

Cc: Minister Chris Penk