

A EXECUTIVE SUMMARY

B BETTER CHOICES

C STOP REACTIVE DECIMATION

D IMPROVING PRODUCTIVITY



DATA COLLECTION

2020

Workforce Information Platform (WIP), a data-driven tool, launches under BCITO.

The data reinforces that demand for construction services is significantly outstripping supply, posing a substantial problem nationally and regionally.



KŌRERO - DISCUSSION

2021-2022

Workshops are held across the country, with Regional Skills Leadership Groups (RSLGs).

Industry participants brainstorm workforce barriers, potential solutions and priorities leading to recommendations that will go on to inform this project.



DEEP DIVE RESEARCH

PRESENT

Waihanga Ara Rau's Strategy and Insights team deep dive into population, industry commentary, and economic trends over the last 20 years.

They provide context and understanding for the present, and steps required to assure the future we want for the construction sector.



COLLABORATION

FUTURE

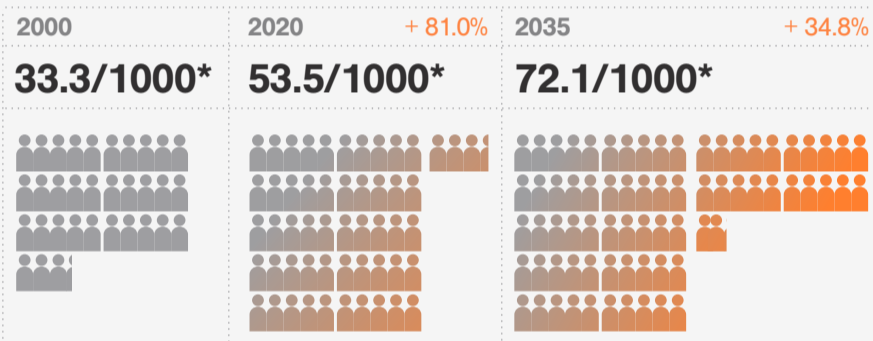
This project is the beginning of the change needed.

Industry must participate in leading the discussion and be at the forefront of developing and implementing the actions needed to create a resilient and effective construction sector.

WORKFORCE DYNAMICS

for detail, see report figs. 9-12

The Workforce Metric (WM) metric we use for the report shows us that the construction workforce has grown exponentially, from 33.3 in 1,000 people 20 years ago to 53.5 in 1,000 today.



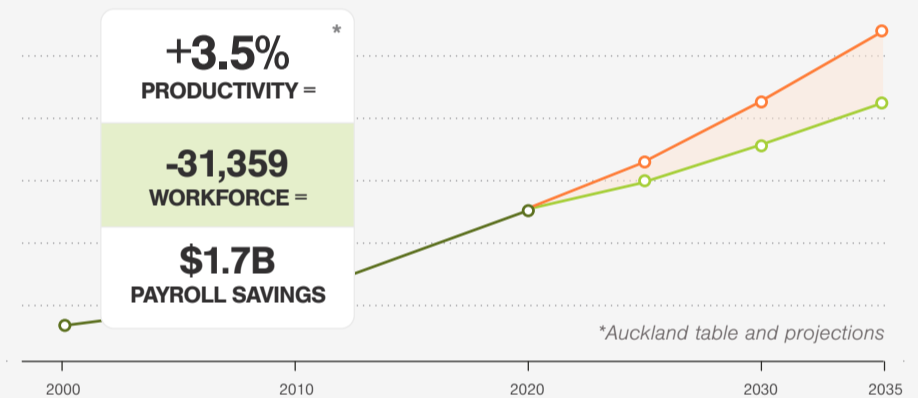
*New Zealanders working in construction

Given the employment market is currently, and predicted to continue to be, highly competitive with widespread shortages, the question must be asked:
Is it realistic to continue industry practices that require so many people?

IMPROVE PRODUCTIVITY

for detail, see report fig. 6

Historically, the focus of the construction workforce has been on increasing the number of people on the tools. Our future efforts must switch to working smarter and we must look at ways to achieve more with fewer people.



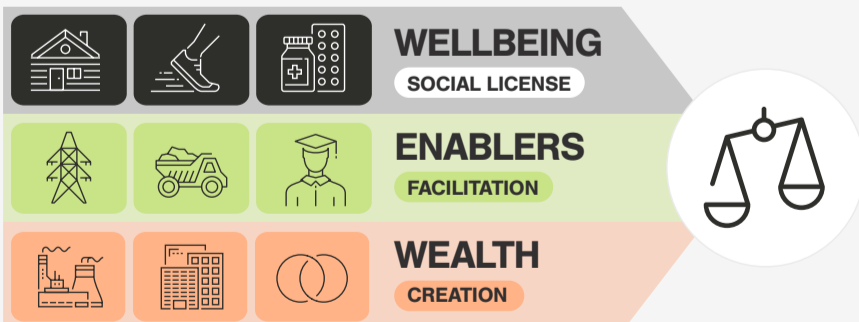
A modest annual productivity improvement of 3.5% per annum, instead of the previous average of 2.1%, has a large impact on the projected workforce.

MAKE BETTER CHOICES

for detail, see report fig. 26

We must create an alternative way of prioritising construction work to align with regional needs and based on a project's impact on society.

That's why we formulated WEW, an Impact Criteria Model; a holistic approach to construction activity and activity outcomes – Wellbeing, Enabler and Wealth. Any society needs a balanced investment in all three categories to be sustainable.

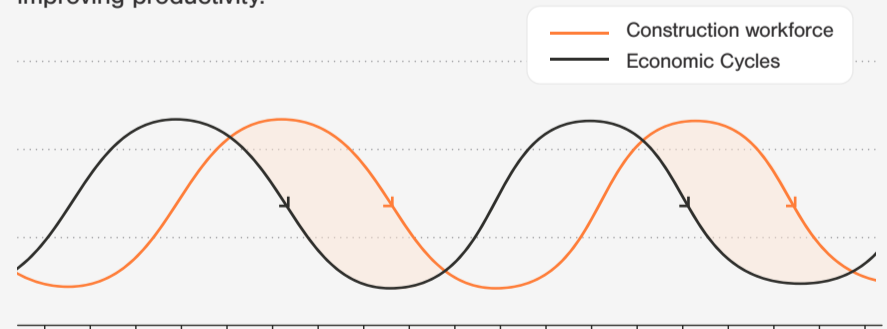


When faced with excessive demand we can use these criteria as part of the investment decision-making process, for example prioritising projects that correct an imbalance and avoiding projects that create one.

STOP REACTIVE DECIMATION

for detail, see report fig. 5

Reactive decimation – culling the workforce in response to market conditions – is counter-productive to managing demand and improving productivity.



Continuing to manage our workforce in line with a boom–bust economic cycle perpetuates a backlog of work which is more expensive to deliver and prone to reduced quality due to a heightened sense of urgency.

An example of this is the current housing shortage, compounded by the Global Financial Crisis, which saw us fall behind by an estimated 40,000 houses.

For better long-term outcomes we can build the workforce to the trendline.