



MAKING BETTER CHOICES IN THE CONSTRUCTION SECTOR

Construction investment decisions impact our society and shape our future. With persistent capacity constraints on the sector, projects need to be prioritised into categories such as ‘action,’ ‘defer,’ and ‘cancel.’

To ensure our society is sustainable, we need a balanced investment approach. To achieve this, we will require a new way of prioritising work aligned with regional needs and based on a project’s impact on society.

That’s why the Regional Construction Workforce Planning & Development Project formulated WEW, an Impact Criteria Model; a holistic approach to construction activity and activity outcomes – **Wellbeing, Enablers and Wealth.**

ANY SOCIETY NEEDS A BALANCED INVESTMENT IN ALL THREE CATEGORIES TO BE SUSTAINABLE.

W WELLBEING

SOCIAL LICENSE



Wellbeing is defined as the promoting of social license by providing shelter and welfare, through residential building and retirement villages, health facilities, and recreational and cultural facilities.

E ENABLERS

FACILITATION



Enablers is defined as the conditions that must exist to generate prosperity such as educational facilities, communications such as roading, bridges, ports, tunnels, airports, and energy, telecommunications, and three waters.

W WEALTH

CREATION



Wealth is defined as structures that house our productive capability for commercial, industrial, and agricultural endeavours.

BY LOOKING AT SOME OF OUR INVESTMENT OPTIONS IN THIS WAY WE MAY IDENTIFY POTENTIAL AREAS OF UNDER AND OVERINVESTMENT THAT WEAKEN OUR PROGRESS AS A REGION AND AS A COUNTRY.

“Sustained growth in the construction sector means it is near operating capacity. ... It will be important to ensure that this limited capability is directed to investments that provide the greatest value to New Zealanders.”

The Treasury – 2022 Investment Statement

PAST INVESTMENT SPLIT

2018-2020

for detail, see report fig. 6



50.3%

W WELLBEING

31.2%

E ENABLERS

18.5%

W WEALTH

PROJECTED INVESTMENT SPLIT

2022-2025



34.4%

W WELLBEING

30.1%

E ENABLERS

35.6%

W WEALTH

PROJECTED INVESTMENT DETAIL (\$M)

2022-2025

for detail, see report appendix table 3

W	Health \$6,047	Residential \$83,244	Sport \$3,545	Wellbeing Total \$92,836
E	Civil \$60,759	Heavy Ind. /Civil \$13,558	Education \$6,878	Enablers Total \$81,195
W	Industrial \$12,306	Commercial \$30,864	Multi Cat. \$52,895	Wealth Total \$96,065

There is no ‘easy answer’ for what the right mix of investment is for New Zealand or a region. Because situations and requirements vary drastically, we cannot simply ‘copy’ the metrics of successful neighbours.

However, by using the WEW model to guide investments and looking at the impacts of these decisions, we are in a stronger position to make informed decisions in the future. Ultimately, the objective is to correct imbalances in investments – prioritise projects that correct an imbalance and avoid projects that create one.

After all, the sector and the government license to operate depend on investment decisions being made that are in the best interest of the society they are serving, maintaining their social contract.