

WATER SERVICES

Advice to the Tertiary Education Commission
for training investment in 2026

November 2024



WAIHANGA ARA RAU

Construction and
Infrastructure

Workforce Development Council

KEY INFORMATION – 2026 TEC INVESTMENT ADVICE

This information is part of a suite of documents relating to the Waihanga Ara Rau advice to the Tertiary Education Commission (TEC) for investment in training for 2026 it should be read in conjunction with the following:

- ▶ **Introduction to the Waihanga Ara Rau advice to TEC for investment in training for 2026.**

This document includes the methodology behind the learner forecasts and industry narrative, including context and themes related to the advice.

- ▶ **The sector-specific advice summaries for the other 11 strategic industry sectors.**

These documents include sector data snapshot, industry-specific context information, learner number profiles, and 2024 Learner and Provider snapshot.

- ▶ **The complete Waihanga Ara Rau advice to TEC for investment in training for 2026.**

INDUSTRY SNAPSHOT

1,741
workforce
2022

198
businesses
2022

1,305
learners
2023

8%
workforce
aged under 25

21%
workforce
<1 year in industry

WATER SERVICES NARRATIVE

Water Services Act - Reform Impacts

Since 2019, the water industry has experienced significant change, including the creation of an independent water services regulator, Taumata Arowai¹. Part of this was to establish an authorisation framework to introduce requirements about what training, skills and/or experience operators of drinking water and wastewater networks should have. This authorisation framework was initially set to be established by 2026.

Government's recent repealing of the Water Services Act 2021², highlights that the **authorisation provisions of the Water Services Act (the Act) will extend to individuals involved in work related to drinking water supplies and wastewater networks, including maintenance, repairs, or renewals**. This will have an impact on the current and future sector workforce, including learners.

There is limited data, mainly from councils and local government, to accurately assess workforce needs based on project pipelines for water services. While some Water Service plans are being submitted to the Department of Internal Affairs (DIA), others may not be submitted in time to allow for robust analysis of this information. As a result, the data reported by local councils (and used in forecasting) is likely on the lower end of what is actually needed, which is an important limitation to acknowledge.

Waihangā Ara Rau Water Qualifications Review

Seven Water Services qualifications are now due for review. Waihangā Ara Rau has completed Phase 1 of the review, which gathered insights from the water services sector on seven qualifications and standards to identify what is working, what is not, and what is missing. One key recommendation arising out of Phase 1 is that training support for the operators of smaller community water systems is needed; further information will be provided via out-of-cycle advice once the needs and timeframes are clear.

As Waihangā Ara Rau work through the next phases and complete the qualification review, we anticipate that there will be significant changes to the water qualifications suite – likely resulting in a suite of credentials heavily aligned to regulatory requirements. Learner numbers will be impacted as we work to align the regulatory framework and credentials framework with demand to be driven by what is specified in regulation.

There are a number of micro-credentials already in development (refer below), any further micro-credentials are likely to be created based on early investigation to allow for the required flexibility in training requirements. This includes considering how we can enable other qualified practitioners, such as plumbers, to be upskilled to work on the water system.

Discovery workshops with Taumata Arowai and industry are being held in November 2024 and February 2025, which may escalate urgency around some credentials, like making something available at Level 3. Recommendations from prior phases, discovery workshops and wider consultation will likely see the sector **prioritise qualifications and standards in 2026 (or sooner) which may require out-of-cycle investment advice. We anticipate that this will include an increase on the suggested 'scale of change' provided in 2023 advice (for 2025 delivery), as authorisation under the Act is now wider.**

Lastly, it's important for the sector that they acknowledge the impact of the reforms on the future of water qualifications. However, front of mind, is that there will likely be increased funding, which will drive infrastructure development, leading to a greater demand for a skilled workforce and, consequently, more learners.

Water Micro-credentials

We are aware that four micro-credentials have been developed by a provider (with support from Waihangā Ara Rau). These are for Applying Risk Management to Drinking Water Supply Management, Applying Risk Management to Wastewater Treatment Management, Pipeline Disinfection for Water Supply Systems and Waste Stabilisation Pond. At this stage, the provider will not be seeking TEC funding to deliver these credentials. If this changes, Waihangā Ara Rau will provide additional advice.

¹ Government is proposing to amend the Water Services Act 2021

² [Paper-3-Local-Water-Done-Well-stage-3-further-decisions-redacted.pdf \(dia.govt.nz\)](#)

TEC INVESTMENT ADVICE

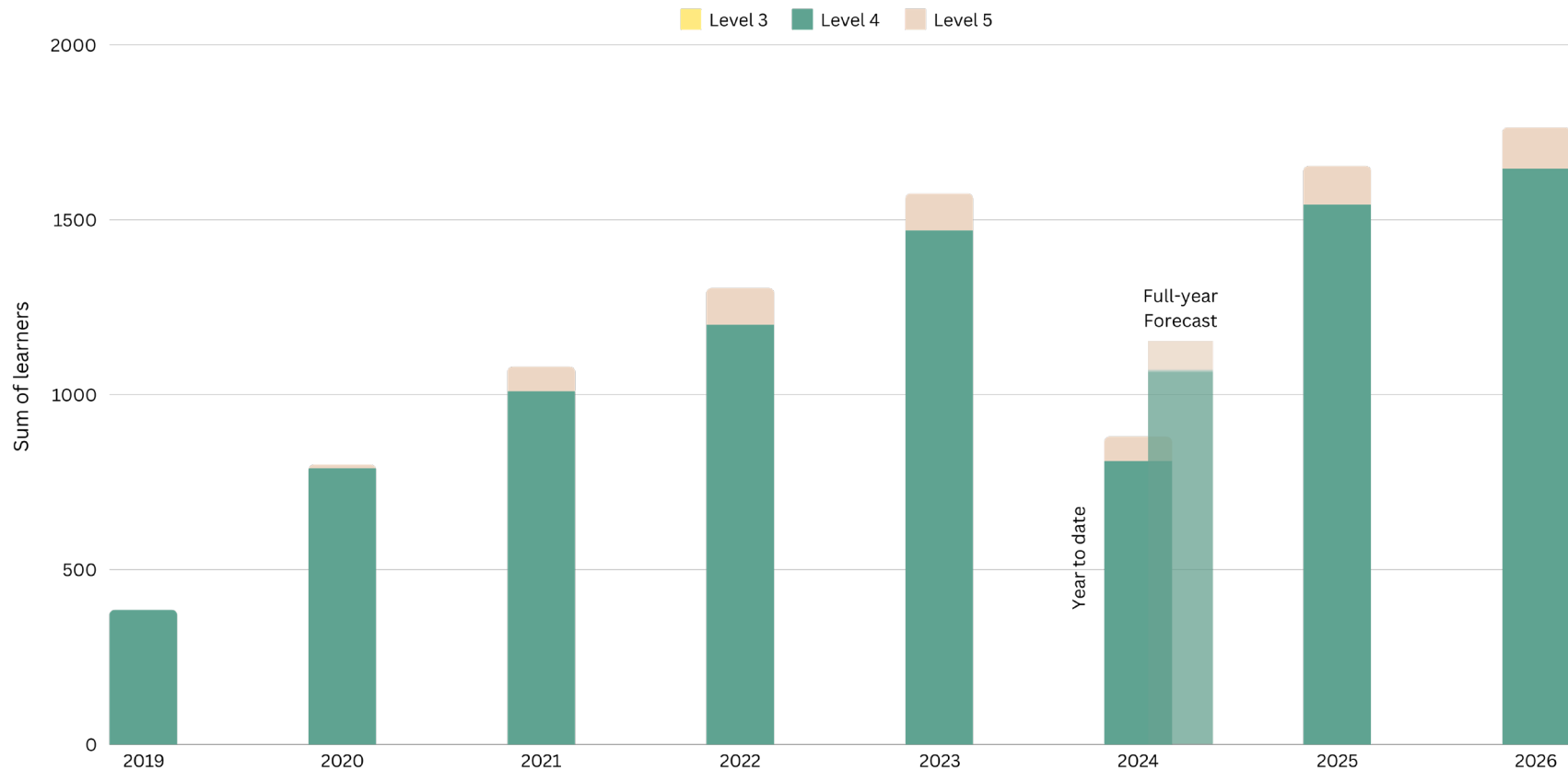
What is the five-year trend and three-year forecast for learner numbers?

We are using **2023 learner numbers as our baseline**, as this is the latest full-year training data.

While training interventions such as apprentice boost and fees free were still influencing learner numbers and the five-year pipeline of work was only just coming off its all-time high of approx. \$300B total in December 2022 and Infrastructure peak of \$64B in February 2023 learner numbers were starting to fall during 2023. Learner numbers in most industry sectors have continued to fall in 2024, but we anticipate government investment indicators and a falling Official Cash Rate (OCR) will see 2024 as the bottom of the training volume trough in both the civil infrastructure and construction sectors with enrolments building in 2025.

The 2026 projected learners numbers reflects the 12% infrastructure project pipeline increase between 2023-26, as highlighted on page 3. Please note that the Qualification codes and corresponding qualifications are shown in the *Section B1 TEC Investment Advice table*.

Actual and forecast learner numbers to September 2024 year to date and three-year forecast training numbers based on workforce indicators.



Investment Advice Table

Code	Qualification or credential	Mode	Region	2023 Learners	2026 Advice Provision
2240 ³	New Zealand Certificate in Water Treatment (Small Scale Systems) (Level 3) with strands in Drinking-water, and Wastewater	On job, face to face and/or extramural	National	0	0
3858 ⁴	New Zealand Certificate in Infrastructure Works (Pipeline Construction and Maintenance) (Level 4) with strands in Drinking-Water, Stormwater and Wastewater, and Trenchless Technologies			680	762
4138	New Zealand Certificate in Drinking-water Treatment (Level 4) with optional strand in Multistage Processes			380	426
4139	New Zealand Diploma in Drinking-water Treatment (Level 5)			75	84
4142	New Zealand Certificate in Wastewater Treatment (Level 4) with optional strand in Multistage Processes			245	275
4143	New Zealand Diploma in Wastewater Treatment (Level 5)			30	34
4216	New Zealand Certificate in On-site Wastewater Management Systems Design (Level 4)			110	124
4223 ³	New Zealand Certificate in Drinking-water Supply (Assessment)			0	0
4441 ⁴	New Zealand Certificate in Infrastructure Works Pipe Installation (Level 4)			35	40
-	Programme: LCP - Water Assessment (L4)			10	12
4399 ⁵	Onsite Wastewater Management Systems (Level 4) (Micro-credential)			10	12
Total					

Shaded cells in 2026 column represent changes to qualification provision which we reflected in our formal advice to TEC (see "Advice to TEC for construction and infrastructure training investment 2025").

³ Data extracted from Nga Kete (TEC) suggests that there were no registered learners in 2023.

⁴ There are crossovers with Civil Infrastructure. We will capture our final advice under the Water sector and add a note in the Civil Infrastructure advice.

⁵ There is a similar micro-credential which was supported by Waihanga Ara Rau, being [4927 On-site Wastewater Management \(Level 4\) \(micro-credential\)](#)

2024 Learner Snapshot

Age		Region		Gender	
Under 25	15%	Canterbury	19%	Female	2%
25 – 39	50%	Auckland	16%	Male	98%
40 plus	35%	Waikato	13%		