



OFFSITE CONSTRUCTION

*Advice to the Tertiary Education Commission
for training investment in 2027*

Published November 2025

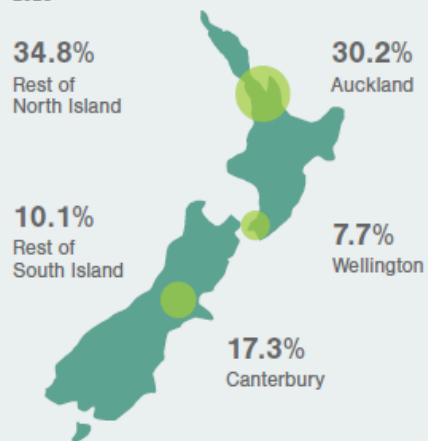


WAIHANGA ARA RAU
Construction and
Infrastructure
Workforce Development Council

OFFSITE SECTOR

EMPLOYMENT BY REGION¹

2023



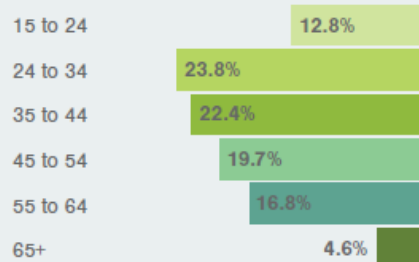
GENDER²

2023

82% Men
18% Women

AGE³

2023



916

TOTAL NUMBER OF BUSINESSES⁷

2023



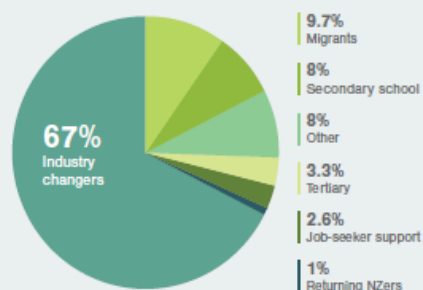
78

TOTAL NUMBER OF SOLE TRADERS⁸

2023

NEWCOMERS BY ORIGIN⁴

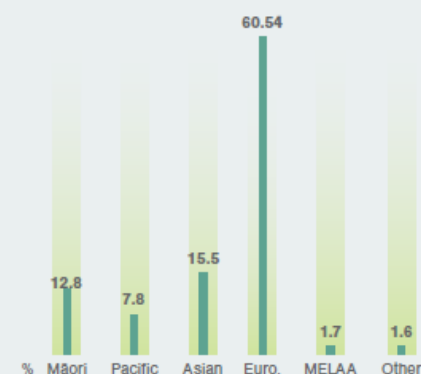
2023



22% of employees have been in the industry for less than a year.⁶

ETHNICITY⁵

2023



BUSINESS OWNERSHIP BY ETHNICITY⁹

2023



This data is extracted from StatsNZ IDI and IRD and displayed in the Workforce Information Platform. Figures are defined by those who work for or own a business with a relevant ANZSIC (industry) code. The infographic can be found at workforce.nz

OFFSITE CONSTRUCTION NARRATIVE

For most of 2025, the **Offsite and Onsite Construction Strategic Reference Groups** operated as a single combined group. While their advice documents remain separate, their perspectives have been captured in a unified narrative.

Initial pre-trade focus with a view to future training investment

The sector has expressed a desire for particular focus on pre-trade programmes (Level 2 and 3) to ensure a pipeline of learners is established. While the emphasis of this advice is on pre-trade, there is an expected eventual uptick in Level 4 programmes as learners progress through the pipeline. This may coincide with a pickup in project activity and serves as an early signal of potential demand. Although we anticipate this demand emerging in 2028, there is a slight chance it could surface in 2027.

Building Pathways project

Related to the above, we have been working on the Building Pathways project. The project was designed to improve the building qualification pathway for learners and employers. In March 2025, Waihanga Ara Rau produced the 'Building Pathways' report outlining insights and proposed solutions, including providing micro-credentials alongside existing qualifications and introducing new Carpentry skill standards. Work is ongoing and will progress up until the transition to ISBs.

The outcomes of this project may, over time, have an impact on future provision, particularly for the qualifications covered by the project. It encompasses some of the most widely used vocational qualifications in New Zealand (listed in the investment advice section below).

The SRG has emphasised the importance of recognising and highlighting alternative pathways, particularly in carpentry, where becoming a business owner can be viewed as the natural progression after qualification. For example, there is significant value in roles such as leading hand, where business-related skills, often not covered in a standard apprenticeship, can be developed on the job. Acknowledging these pathways is essential to supporting a diverse and capable workforce. The products in development listed below are expected to provide additional pathways that recognise advanced and specialised skills. This will also be an area that Waihanga Ara Rau will be recommending be investigated further by the ISB.

Aligning policy with workforce development needs

The Skilled Migrant Category Resident Visa is being updated. From mid-2026, two new pathways will support trades and technical roles:

- Skilled Work Experience Pathway: For those with 5+ years of relevant experience (2 in NZ at 1.1x median wage).
- Trades and Technician Pathway: For qualified tradespeople with 4+ years' experience (18 months in NZ at or above median wage).

These changes are particularly relevant to the construction sector, as they recognise practical experience and trade qualifications, making it easier for skilled workers to gain residence. This directly supports businesses across the sector in addressing labour and skills shortages.

However, the sector is also acutely aware that immigration policies must be considered within the broader context of workforce development. Long-term planning is essential to understand sector-level needs, particularly the pipeline of work and upcoming projects. This enables targeted training of the domestic workforce with the right skills for both current and future demands. At the same time, migrant workers should complement the existing workforce by filling critical gaps.

In addition, employers need support to train and upskill their workforce. Initiatives such as Fees Free and Apprenticeship Boost have played a vital role in increasing participation in training over recent years. These programmes are important levers. Together, such efforts help build a resilient, sustainable pipeline of workers who can adapt to changes in the economy and project activity.

To ensure these efforts are targeted and effective, decision-makers would benefit from tools that clearly illustrate their impact. Developing an 'impact matrix' to assess initiatives like these would be valuable for evaluating investment, policy, training, and project needs. Such a tool could forecast the consequences of action or inaction, much like a cost-benefit analysis. For instance, failing to invest in apprentice training by 2027 could lead to workforce gaps and stalled projects.

Regulation and legislative changes

Several legislative and regulatory reviews are currently underway that will shape the construction sector and have significant implications for vocational education and workforce planning. These include updates to construction contract standards, reviews of occupational regulation for building practitioners and architects, amendments to payment and retention practices under the Construction Contracts Act, and ongoing changes to the Building Code, and associated regulations.

It is essential that these discussions are closely aligned with conversations about training and workforce development. Decisions made through these will inevitably influence the skills and qualifications required across the sector. Establishing a formal relationship between MBIE and industry groups, whether through the ISB or another mechanism, is critical, especially following the disestablishment of programmes such as ConCove and the Construction Sector Accord.

INVESTMENT ADVICE

Overarching narrative

This document should be read alongside the overarching narrative document. The overarching narrative document provides the introduction and overarching assumptions for Waihanga Ara Rau's 2025 investment advice to the Tertiary Education Commission (TEC), focused on training provision for 2027.

The sector versions outline our approach to qualifications relevant to each strategic sector, regardless of whether they meet TEC's investment threshold. This ensures that all stakeholders, from policymakers to industry leaders, can engage with advice that aligns with their areas of interest.

2027 Investment advice baseline year

We're applying a similar approach to the one used last year. **The baseline year is 2024**, which provides the most recent full year of training data. All active learners across the 2024 calendar year set the minimum level of provision we expect in 2027, with any recommended growth, reduction, or no change based on that starting point.

Investment advice threshold (for 2027 delivery)

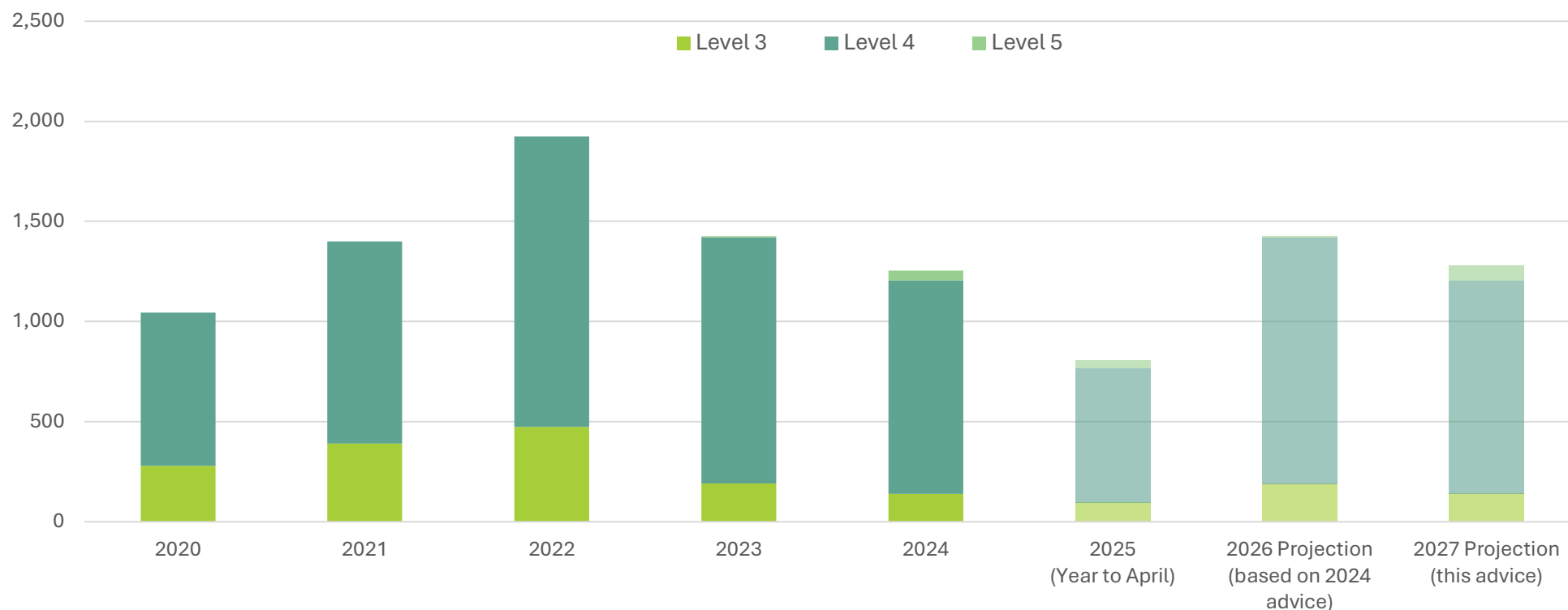
The threshold is intended to ensure our advice prioritises qualifications that could materially impact current TEC funding. Qualifications below the threshold generally fall within the margins of existing funding activity and therefore do not significantly affect funding availability. It is made explicit throughout that the overall growth percentage should be applied to all relevant qualifications, regardless of whether they meet the threshold. Publishing our approach for all qualifications under our coverage also enables providers to understand the provision landscape.

For qualifications within our scope, only those meeting the threshold are included in our formal submission to the Tertiary Education Commission (TEC). The 2027 threshold includes:

- Growth or reduction of more than 20 learners compared to the 2024 baseline.
- Not registered or not TEC-funded learners in 2024, but expected activity in 2027.
- Fewer than 20 learners in 2024, with projected growth that more than doubles by 2027.
- Qualifications where specific context and narrative are important to articulate are treated with particular attention.

Learner trends and projections (2020-27)

Like many parts of the C&I sector, Offsite Construction saw a significant increase in learner numbers during 2021–22, largely driven by Government interventions such as Targeted Training and Apprenticeship Fund, First Year Fees Free, and Apprenticeship Boost. With the conclusion of most of these initiatives, aside from Fees Free shifting to final years, learner volumes have returned to more ‘normal’ levels.



Notes:

- Learner data is sourced from TEC's Ngā Kete as of April 2025. It includes all active TEC-funded learners within a calendar year and excludes non-TEC-funded training.
- **2025** data reflects learner numbers as of April. Based on sector conversations, end-of-year figures are expected to be similar to 2024 levels or slightly lower.
- **2026** figures are based on advice provided in 2024, which projected no growth on 2023 learner numbers.
- **2027** figures represent projected provision based on this year's advice.

Context: Investment advice table

Offsite has taken a cautious approach to investment advice for the reasons outlined in this document and the overall narrative. This means a **no-growth approach – the 2027 provision should match the 2024 learner activity**. The qualifications that meet the threshold are shown below, with additional context given to qualifications that sit outside the overall sector growth percentage:

- **4515:** For Waihanga Ara Rau, this qualification falls within the coverage of the Construction & Infrastructure Services sector and also supports the Offsite sector. Accordingly, it is included in both the C&I Services and Offsite investment advice tables. Please note that the suggested provision of 25 learners in 2027 reflects the total number across both sectors, not 25 learners per sector.
- **5133:** Developed in 2024, with a provider programme now approved - we are holding on to our advice from last year.

Investment advice table

Code	NZQA Qualification Title	2027 Total Provision	Growth on 2024 base	Meets threshold
2085	New Zealand Certificate in Frame and Truss Detailing (Level 4) – <i>expiring at the end of 2025</i>	N/A	0	No
2343	New Zealand Certificate in Joinery (Level 4) with strands in Cabinetry, Timber Door and Window, Timber Stairs, Laminate Fabrication, and Cabinetry Installation (with optional strand in Computer Numerical Controlled Machinery)	825	0	No
4186	New Zealand Certificate in Concrete (Specialist) (Level 4) with strands in Concrete Sawing and Drilling, Prestressed Concrete, and Precast Concrete	25	0	No
4187	New Zealand Certificate in Concrete Production (Level 4) with strands in Batching, Dispatching, and Concrete Testing (with optional strand in Tensile Testing)	65	0	No
4188	New Zealand Certificate in Concrete Construction (Commercial and Civil Infrastructure) (Level 4) with optional strands in Premanufactured Elements, and Post-tensioned Concrete	140	0	No
4189	New Zealand Certificate in Concrete Construction Skills (Level 3) with strands in Formwork, Reinforcing, Placing and Finishing, Specified Concrete Finishes, Concrete Product Manufacture, Concrete Sawing and Drilling, and Precast Concrete Manufacture	5	0	No
4319	New Zealand Certificate in Timber Structure Manufacture (Level 3) with strands in Wall Frame Manufacture, and Roof Truss Manufacture	135	0	No
4377	New Zealand Diploma in Timber Structure Detailing (Level 5)	50	0	No

4515	New Zealand Diploma in Detailing (Structural) (Level 5) with strands in Light Steel Frame, Steel Reinforcing, Structural Steel, and Precast Concrete – <i>also included in C&I Services</i>	25	25	Yes
5133	New Zealand Diploma in Joinery Detailing (Level 5)	25	25	Yes
	Total	1,280	25	

Products in Development

Reference	Title	Type	Status	Likely Year
TBC	Timber Structure Estimator	TBC	Developing Idea	TBC