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Hon Simon Watts

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Tēnā koe Minister

NEW ZEALAND IS LOSING ENGINEERS CRITICAL TO BE ABLE TO DELIVER ON GOVERNMENT'S PRIORITIES

Thank you for all your work to date across your portfolios'. Engineering New Zealand is supportive of the Government's commitment to long-term change and improving investment in critical infrastructure.

Engineering New Zealand is New Zealand's largest professional body for engineers, with more than 23,000 members dedicated to engineering better lives for the people of New Zealand. Engineering New Zealand also regulates the engineering profession, as the Registration Authority for Chartered Professional Engineers (Chartered Professional Engineers of New Zealand Act 2002).

We won't have the skilled workforce when we need it

While the Government has committed record levels of investment in infrastructure, this has not translated to work on the ground. Engineers across Aotearoa are struggling – with far too many losing their jobs and leaving for opportunities overseas where demand is immediate. More than 500 redundancies have been reported across 60 engineering firms¹, and we have lost 11,141 construction sector jobs². We are worried that we will see another brain drain like what was experienced in the early 2000's. It took years to rebuild the specialist engineering skills that were lost.

The risk to New Zealand's development and growth is significant. The engineering profession is critical to the delivery of our essential infrastructure and to our wider economic development.

¹ [How's Business Survey November 2024.pdf](#)

² [Employment indicators: September 2024 | Stats NZ](#)

Without engineers the Government will not be able to meet its ambitious infrastructure goals, including delivering a high quality three water system and a resilient energy sector. Funds need to hit the market immediately while the government prepares to deliver on the bigger multi-year projects.

Local government infrastructure pipeline is being delayed

The local government pipeline is of significant concern, projects are not being started, and we are hearing that councils are postponing much of their maintenance work until the later stages of their long-term plan. We believe this is to help manage the uncertainty around the Local Water Done Well reform programme.

It is important that maintenance work is not delayed. This is both for the engineering workforce and also for the New Zealand public. Regardless of the outcome of the reform programme, this work will need to be done.

We are hoping you can encourage councils to bring their maintenance and renewal work programmes forward to help support a thriving sector. We discussed this issue with Minister Bishop last week and understand he was going to raise it with you. Engineering New Zealand hopes to meet with you soon to discuss ways of doing this and how we can best support the industry.

Climate change and infrastructure resilience is important to all of New Zealand

Engineering New Zealand recognises the important role that engineers will play in New Zealand's climate change response. To help lead the sector we developed a programme to support engineers to take positive action to address climate change through mitigation, transition and adaptation (Engineering Climate Action).³

Related to this, we need to ensure New Zealand's infrastructure is resilient in the face of growing risk of extreme weather and natural hazards. Engineering New Zealand is committed to supporting the Government and the industry to build with the future in mind.

Infrastructure must serve both today's society and tomorrow's world. Often, engineers are commissioned to design for today's world and address today's challenges. We are reactive, taking the lead of public sector commissioning bodies. Government has the power to change this by changing the regulatory environment to help so New Zealand's infrastructure is future-focused and performs in the face of changing climates. An example of this is the Ministry of Business, Innovation and Employment's Building for Climate Change Programme, which has been widely supported by the industry.

Engineering New Zealand is interested in supporting a thriving energy sector

Engineering New Zealand is concerned about the state of the energy sector, as we know you are. Energy is the backbone of our economy as is central to the lives and businesses of New Zealand. The

³ [Engineering Climate Action | Engineering NZ](#)

costs of electricity are too high which has impacts on entire sectors like manufacturing, that is creating pressure for many businesses.

With growing demand and changing climates, energy security and having a resilient future focused energy network is essential to New Zealand. We need to enable modern methods of generation and lay the groundwork for future innovations.

Our members working in this space have asked us to do more to support the Government's efforts to create an energy sector fit for future generations. We would like to support you and your officials with this work.

Conclusion

Engineering New Zealand looks forward to being able to work with you across all your portfolios. We believe you are in a unique position to affect long-lasting change due to the collection of portfolios you hold and would like to support you to do so. Our members have expertise across a broad range of areas which we are able to leverage off.

An urgent priority for us is to help sustain our workforce by improving the flow of infrastructure funding to market. The stop-start nature of water and local roading work is contributing to this. We encourage councils to bring forward their maintenance and renewals work to help support the sector's viability.

We would like to meet with you to discuss your priorities and how we can best work with you to achieve our collective goals.

Nāku, nā

A handwritten signature in blue ink, reading 'R. Templer'.

Dr Richard Templer
Chief Executive