

# Construction Sector Transformation Plan 2022-2025

An industry and government partnership to deliver a thriving, fair and sustainable construction sector for a better Aotearoa New Zealand



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI

**Te Kāwanatanga o Aotearoa**  
New Zealand Government

# Construction Sector Accord Ministers and agencies



**Hon Dr Megan Woods (Lead)**  
Minister for Building and Construction and Minister of Housing



**Hon Grant Robertson**  
Minister of Finance and Minister for Infrastructure



**Hon Chris Hipkins**  
Minister of Education



**Hon Andrew Little**  
Minister of Health



**Hon Nanaia Mahuta**  
Minister for Local Government



**Hon Stuart Nash**  
Minister for Economic and Regional Development



**Hon Michael Wood**  
Minister for Workplace Relations and Safety and Minister of Transport



# Co-governance

Industry and government working together is at the heart of the Accord, so we use a co-governance model to guide our actions.

Governance across the programme will be overseen by the Accord Steering Group with sub-sectoral engagement and transformation progress driven through sectoral reference groups.

These groups are made up of representatives from the residential, commercial and infrastructure sub-sectors. We have also convened the Kōtuiā te hono Māori reference group to drive delivery and advice on how the Accord can uplift the Māori construction economy.

The Accord Steering Group is made up of leaders from industry and government. The group’s role is to oversee the Accord’s transformational programme, and it has guided the development of the Transformation Plan 2022-2025. Accord Steering Group members act as champions for the sector’s transformation. The group includes the following members:

<b>Andrew Crisp (Co-chair)</b> Chief Executive Ministry of Housing and Urban Development	<b>Tracey Ryan (Co-chair)</b> Managing Director – New Zealand Aurecon
<b>Mark Evans</b> Chief Executive HEB Construction	<b>David Kelly</b> Chief Executive Registered Master Builders Association
<b>Nicole Rosie</b> Chief Executive Waka Kotahi NZ Transport Agency	<b>Carolyn Tremain</b> Chief Executive Ministry of Business, Innovation and Employment
<b>Bill Newson</b> National Secretary E tū	<b>Leonie Freeman</b> Chief Executive Property Council New Zealand
<b>Doug Johnson</b> Managing Director Tonkin + Taylor	<b>Steve Evans</b> Chief Executive – Residential and Development Fletcher Building
<b>Nathan Te Miha</b> Director of Construction ICONIQ Group	<b>Graham Burke</b> Executive Director New Zealand Construction Industry Council
<b>Katrina Van Houtte</b> Partner Dentons Kensington Swan	



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# The Transformation Plan

## 2022-2025 summary

### VISION FOR THE SECTOR:

A thriving, fair and sustainable construction sector for a better Aotearoa New Zealand

### MID-TERM GOALS

**01**

Increased capabilities of leaders to drive change

**02**

A more skilled and diverse workforce that is future ready

**03**

More thriving people and organisations

**04**

Greater Māori construction economy success

**05**

Reduced waste and embodied and operational carbon

**06**

Increased productivity through innovation, technology, and an enabling regulatory environment

### FOCUS AREAS

#### PEOPLE

- Leadership for change (Goals 1, 2, 3)**  
*To build the capabilities and capacities of large and small to medium enterprise (SME) leaders to lead business improvement and change.*
  - Building Leaders Advisory Service
  - Next-Generation Leaders Programme
- Workforce development (Goals 2, 3)**  
*To support the development, attraction, and retention of the workforce of tomorrow.*
  - Developing an Action Plan from the Construction Skills Strategy
  - Construction Diversity Roadmap implementation
- Strong Māori construction economy (Goals 1, 2, 3, 4)**  
*To authentically partner recognising the important relationship with Māori in Aotearoa.*
  - Māori end-to-end supply chains\*
  - Māori SME capability development
  - Kaiako Construction Mentorship Programme
- Wellbeing, health and safety for all people (Goals 1, 3)**  
*To enable thriving people at all levels, and continued focus on a zero-harm and fatality-free sector*
  - Thriving Infrastructure Pilot Projects
  - Construction Health, Safety and Wellbeing Strategy

#### CLIENT LEADERSHIP

- Procurement and contracting (Goals 2, 3, 4, 5, 6)**  
*Drive better outcomes through improved planning, procurement and delivery practices achieved through increased collaborative behaviours.*
  - Broader outcomes for public sector initiatives
  - Māori procurement panels
  - Improve and drive best practice procurement, contracting and contract management
  - Public procurement planning and phasing
  - Client and contractor relationships
  - Building Information Modelling (BIM) and digital engineering uptake
  - SME capability
  - Social, cultural and environmental outcomes for private construction projects

#### ENVIRONMENT

- Environmental and climate action (Goals 1, 5)**  
*To accelerate the adoption of carbon and waste minimising materials and practices.*
  - Sustainable Construction Cross-Sector Forum
  - Carbon and waste measurement tools
  - Commercialising environmental research for construction
  - Environmental performance measures for the sector

#### INNOVATION

- Advanced construction ecosystem (Goals 1, 3, 5, 6)**  
*To accelerate innovation ranging from incremental business performance improvement to disruption and value creation.*
  - Construction Digital Boost 2.0
  - A collaborative innovation eco-system\*
  - Supporting innovation focussed regulatory reform
  - Innovation investment strategy\*
  - Innovation Accelerator and Piloting\*
  - Advanced Construction New Zealand Study Tours

### ENABLERS

#### KNOWLEDGE

- Beacons (Goals 1, 2, 3, 4, 5, 6)**  
*To shine a light on new and innovative approaches that put the Accord's principles into action and inspire others to embrace change.*
  - Beacons 2.0
- Data, information and insights to assist decision-making (Goals 1, 3, 6)**  
*To enable the use of data and information for sound decision-making across the sector and to steer the work of the Accord.*
  - Construction Futures Think Tank
  - Public and private pipeline development
  - Construction Digital and Data Roadmap

#### EMERGING ISSUES & OPPORTUNITIES

- Response to emerging issues and opportunities (Goals 1, 3)**  
*To bring the industry and government together to navigate and manage emerging issues and opportunities in order to create space for transformation.*
  - Emerging and Topical Issues and Opportunities Bulletins
  - Accord Forum 2.0

#### NETWORKS

- Creating and leading networks (Goals 1, 2)**  
*To convene peer networks, advisory groups and platforms that enable sharing, learning and alignment.*
  - Construction Leadership Summit
  - Peer-to-Peer Advisory Platform
  - Accord Network 2.0

\*Denotes integrations with Forestry & Wood, Advanced Manufacturing or Digital Industry ITPs (Industry Transformation Plans)



## Message from the Construction Sector Accord Lead Minister

The construction sector creates the foundations for Aotearoa. It builds our hospitals, our schools and our homes. It provides critical infrastructure such as roads, rail, pipes and lines. It is also a significant part of our economy, employing over 290,000 New Zealanders and contributing about 7.6 percent of our economy's output.

Aotearoa New Zealand has already asked a lot of the industry, and demand for construction services shows no sign of abating. We need to build more homes, improve our infrastructure and prepare to mitigate the impacts of climate change on our built environment. We need to do all of this and more while keeping our people safe, reducing our carbon emissions, and dealing with workforce shortages and increasing material costs.

Since the Construction Sector Accord was formed in 2019, the industry has come together and grown stronger through one of the most turbulent periods in our recent history. The Accord's principles of trust, collaboration and collective responsibility were demonstrated right across the sector in the response to COVID-19. The Accord's leadership meant that workers and businesses were protected, disputes were handled amicably and the industry was able to bounce back once restrictions were lifted.

That is why I am optimistic about what is ahead of us. The Accord has created a platform for the sector to have constructive conversations about our present state to help build a stronger future together. It has also been an invaluable resource for Ministers to hear directly from industry how government policy impacts your projects and your businesses. Under the first Transformation Plan, the Accord made significant progress in the industry's transformational journey. It delivered on 28 of its 30 milestones, via initiatives aimed at standardising health and safety requirements, increasing transparency and fairness in contracts, boosting apprenticeship numbers and helping lift the digital capability and financial awareness of business owners. The two remaining milestones will be achieved during this plan's term.

But there is still much to do. The construction sector can still be much more productive and embrace technology and new methods of construction to revolutionise the way we build. We must support businesses to lower carbon emissions, adapt and be more resilient in the face of climate change. We must also work to incorporate te ao Māori, including in how we grow the Māori construction economy.

The Transformation Plan 2022-2025 is a step up, intended to build on the momentum achieved so far and to accelerate change in the sector. I want to see the construction sector in Aotearoa make ground on the world's most advanced economies. I'd like to thank the hundreds of you from across the sector who contributed to the development of this plan, reflecting the fact that the Accord continues to be a true partnership between government and industry.

The Accord's success is dependent on our willingness to commit fully and openly to this joint endeavour and recognise that our success depends on that commitment to action. It is in this spirit that I encourage all of you across the sector to read this plan and ask yourselves how you can contribute to this journey towards a thriving, fair and sustainable construction sector that delivers for a better Aotearoa New Zealand. It's no exaggeration to say that our children's futures depend on it.

Ngā manaakitanga



**Hon Dr Megan Woods**  
Minister for Building  
and Construction  
Minister of Housing

## The Accord's Key Achievements

Responded to COVID-19 disruptions in 2020, 2021 and 2022 – the Accord brought industry and government together, ensuring **clear communication** to and from the sector

Developed the **COVID-19 Roadmap** to enable a swift and considered response to how construction health and safety protocols could be applied to the COVID-19 Protection Framework

Facilitated the provision of **60 places per month** for critical construction workers under MIQ group allocations between August 2021 and March 2022

Published the **COVID-19 Construction Risk Management guidelines**

Helped Construction Health and Safety New Zealand (CHASNZ) develop **vaccination risk assessment protocols**

Developed the **Rapid Mobilisation Playbook**, with around 3,000 downloads since launch

Launched the **Accord Network** that now has hundreds of members from across the sector

Published nine **Beacon case studies**, shining a light on innovative approaches and exemplars of the Accord's principles

Presented the inaugural **Beacon Awards**

Completed the **Construction Sector Environment Roadmap for Action**

**Released guidance** on how to implement broader outcomes in construction procurement

**Published procurement guidelines** on how to reduce carbon emissions in building and construction

Supported Engineering New Zealand in establishing an **'Engineer to the Contract'** panel

Supported the review of the **NZS3910 construction contract** alongside Te Waihangā New Zealand Infrastructure Commission (Te Waihangā)

Developed the **Construction Skills Strategy** which will be released later in 2022

Supported **Infrastructure Skills Centre pilots** with industry – six-week pilots were delivered in Canterbury and Manawātū with 20 participants across both programmes

Supported the **Reform of Vocational Education** (RoVE), including creating the Construction and Infrastructure Centre of Vocational Excellence (ConCOVE) and the Waihangā Ara Rau Construction and Infrastructure Workforce Development Council

Developed the **Construction Diversity Roadmap**, set to be published in mid-2022

Funded MATES in Construction (MATES) and helped it expand **mental health support programmes** to reach more sites

Helped develop the **Tōtika health and safety pre-qualification scheme** with CHASNZ

Funded the development of the **BizRate specialist trades benchmarking tool**

Worked with **Digital Boost** to support greater online capability in construction

Held **12 webinars** attended by hundreds of people across the sector, covering a variety of strategic and relevant issues

Developed the **Client Leadership Framework Tool** to help construction clients review their own organisations and identify areas for improvement

Released research about **supply chain challenges** facing the construction and infrastructure sector

# Message from the Accord Steering Group Co-Chairs

We are a sector with many moving parts and many, many competing voices. That means we can be a fragmented sector and prior to the Accord’s existence there was a lack of leadership on the transformation we all know is needed. The Accord has brought that leadership. It’s become the go-to channel for industry to talk to government and vice versa.

We’re immensely proud of what we have achieved over the past three years, particularly considering where the industry was when we started: high-profile bankruptcies, legalistic contracts and no joined-up conversation about the industry’s future.

The first Transformation Plan made a great start at addressing key systemic challenges in the construction sector, despite COVID-19 throwing a wrench into our work programme. There are many achievements that we are proud of, and while we might not have solved all of the industry’s problems, we have certainly shown we can transform this industry for the better when we work together. The Accord’s achievements to date have laid down a foundation that we can continue to build upon in this plan.

However, we are under no illusions about the scale of the work required to reach the Accord’s ambitious transformation goals. It has been a busy past nine months, as we developed the Transformation Plan 2022-2025 while continuing to deliver the work set out in the first Transformation Plan. We have done a great deal of work to ensure that we build on our successes in the next three years. We have been talking to people right across the industry about their biggest concerns; we have evaluated our progress and reflected on our biggest successes and challenges over the past three years; and we have looked at other countries around the world to understand where the construction industry is headed and how governments and industry have most effectively worked together to achieve transformational change. Throughout this process, we have learned a few key things:

- › For many other countries (including the United Kingdom, Australia and Singapore), innovation and advanced construction are the primary focus of their transformation efforts, with the environment and climate change being central to their response.
- › The tools that really work to transform industries include creating learning networks for leaders across industry to learn from one another and identifying and supporting the people and businesses across industry who are doing good and innovative work.
- › There are plenty of good and innovative things happening across the industry, but too often they are in isolation. The Accord’s role is to help join the dots and to be the connector that enables transformation.
- › The Accord offers leadership but we are not doing this work alone and we need leaders to listen, lead and put into place actions to support our shared ambition. It’s a partnership.

We have updated the Accord’s framework to take these lessons into account, including our vision, principles, goals and focus areas. This new outlook will inform the types of initiatives we will undertake and how we will work together. It also reflects the more focussed path we want to take over the next three years. Under the new framework, we will aim to be more responsive and agile in the way the Accord intervenes in the industry. We want to get into an experimental space where the Accord can quickly test new ideas, assess them, and make decisions about whether to continue, readjust or replace them.



We’d like to acknowledge the outgoing co-chairs Peter Reidy of Fletcher Construction and Chris Bunney of the Ministry of Business, Innovation and Employment. The Accord’s success was driven in large part by their commitment, good judgement and ability to see this industry for what it is: a complex system made up of many different people and organisations, each with their own views and challenges, and which requires effective and pragmatic leadership to move forward.

So who is the Construction Sector Accord? It isn’t just us – the governance groups and core staff. It is you – the builder, the electrician, the consenting officer, the material supplier, the architect, the drain layer, the developer, the engineer. We believe this industry hasn’t yet achieved its full potential, and we need your ideas and energy to reach that potential. We are relying on all of you to contribute to this effort. That can be just small steps, such as considering the Accord’s values in your decision-making. For example, think about how you can protect the mental health of your colleagues on-site, how your design work can reduce carbon and waste, or share a lesson (good or bad) with colleagues, and even competitors.

We are relishing the challenge to deliver on our bold goals and continue this ground-breaking work in the spirit of partnership and collaboration, and we hope we can count on your support.

Ngā mihi



**Andrew Crisp (Co-Chair)**  
Ministry of Housing and Urban Development



**Tracey Ryan (Co-Chair)**  
Aurecon



# What is the Construction Sector Accord?

The Construction Sector Accord is a joint commitment from government and industry to work together to create a thriving, fair and sustainable construction sector for a better Aotearoa New Zealand. The Accord has become a platform to meet some of the key challenges facing the sector, including skills and labour shortages, climate change, unclear regulations, a lack of coordinated leadership, an uncertain pipeline of work and a culture of shifting risk.

## The Accord’s commitment to transforming the industry

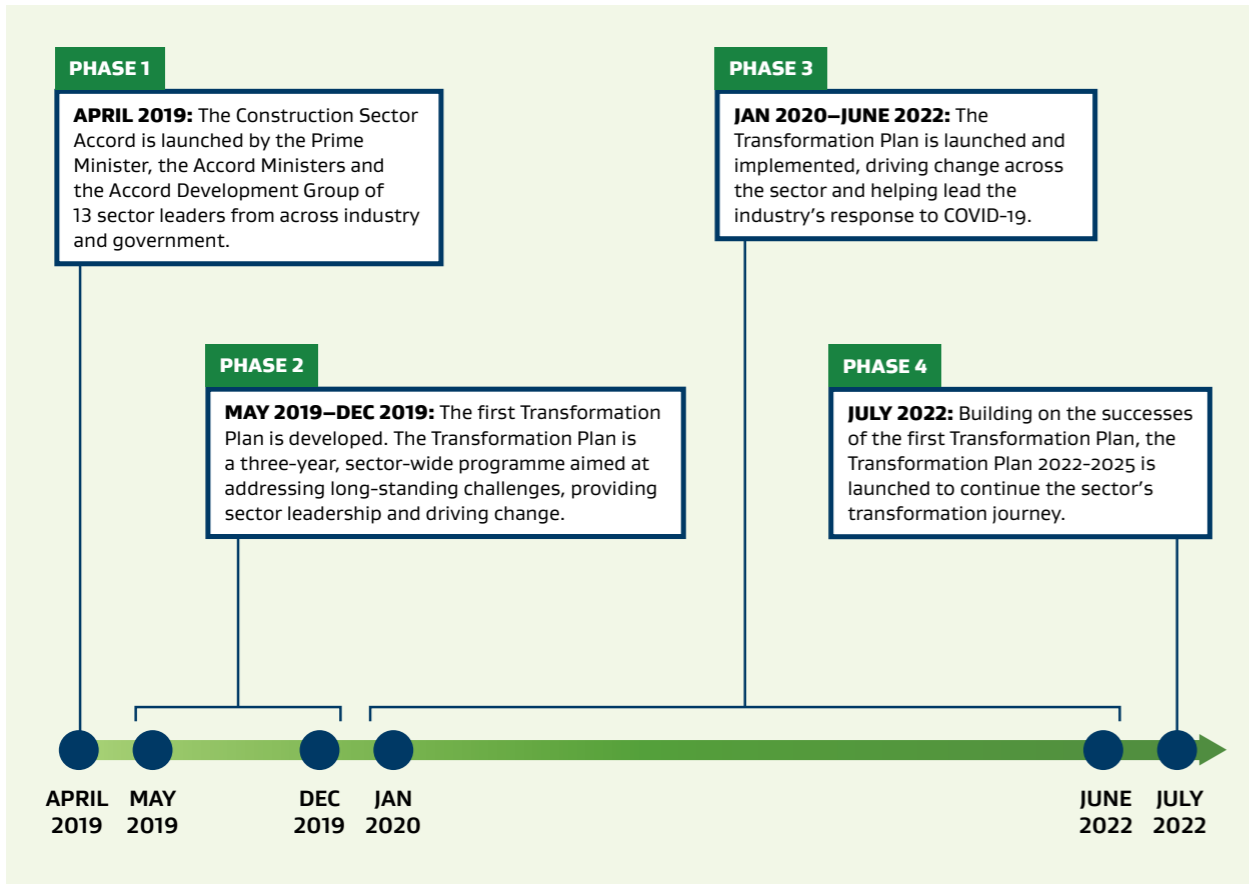
The Construction Sector Accord launched in April 2019 with the vision of ‘A high performing construction sector for a better New Zealand’. In January 2020, the Construction Sector Accord released its first three-year Transformation Plan which set out guiding principles for culture change and outlined initiatives to help the sector achieve the goals of increasing productivity, raising capability, improving resilience, and restoring the sector’s confidence, pride and reputation.

## An industry-government partnership

Through the Accord, industry and government have formed a partnership to work together to lift the performance of the construction sector.

The Accord is one of eight industry transformation plans (ITPs) established by government to transform key industries<sup>1</sup>. These industries have significant potential to contribute to a high productivity, high wage and low emissions economy. Their potential can only be reached through a partnership approach.

## The Construction Sector Accord journey



<sup>1</sup> The eight industries are: Construction, Agritech, Advanced Manufacturing, Digital Technologies, Food and Beverage, Forestry and Wood Processing, Fisheries and Tourism.

ITPs bring together key industry stakeholders to agree on a long-term vision for their industry and identify what actions can be taken by industry, government and others to realise this vision.

As the government’s first ITP, the Accord is a shining example of how government and industry can collaborate and share accountability for the construction sector. Through our industry-government partnership, the Accord has responded to critical issues and begun the sector’s transformational journey.

The Accord works closely with industry partners and government agencies whose work intersects with or relates to the Accord’s vision and goals. This ensures that we leverage existing work and do not duplicate or undermine others’ efforts.



## The Accord’s principles



### Value the people

- › Fostering careers to nurture the industry’s future
- › Recognising and rewarding effort and success
- › Embracing diversity and inclusion
- › Supporting better outcomes for Māori
- › Prioritising health, safety and mental wellbeing



### Āta: grow respectful relationships with people and the environment

- › Being accountable and building respectful partnerships
- › Acting with empathy and respect to the environment
- › Being transparent on the value and allocation of risk
- › Work with those with the energy to transform



### Be bold

- › Fostering innovation, and research and development (R&D)
- › Not accepting conduct and culture contrary to the principles of the Accord
- › Sharing success and learning from failure
- › Focusing on whole-of-life value when buying and building



### Act with collective responsibility

- › Planning for the long-term
- › Acting as a custodian for the sector’s future
- › Sharing knowledge and lessons learnt
- › Prioritising environmental sustainability



### Agility and flexibility

- › Open to learning from one another from within and outside the industry
- › Fostering networks of sharing and learning
- › Building the capacity of leaders to adapt

## Purpose of the Accord

Support people and organisations to transform the construction sector.

The Accord is enabled by **Networks** to support sharing, learning and alignment and **Knowledge** for sound decision-making across the sector and to steer the work of the Accord.



# The construction sector

The future of the construction sector is critical to the success of Aotearoa New Zealand. It is an important contributor to our economy, a major employer, a sector that employs many diverse people and a key industry supporting the wellbeing of all New Zealanders. The sector is an ecosystem of diverse participants: suppliers, constructors, designers, engineers, maintainers, regulators and customers. How the sector is organised, supported and led affects the many New Zealanders who work in it, as well as the rest of us who rely on the sector for warm, dry and efficient homes, good schools, modern hospitals, safe worksites, and high-quality roads and rail. Unfortunately, despite the progress we have made so far, our industry is strained and underperforming.

## Current state of the sector

The building and construction sector is a major contributor to New Zealand’s economy.

**The construction sector is facing unprecedented levels of demand** with the volume and value of building consents at record high levels – largely driven by applications for residential buildings.  
*Source: Stats NZ*

**The proportion of the construction sector workforce with a work visa increased from 1.6 percent in 2012 to 6.6 percent** by 2020. This proportion has remained relatively flat over the COVID-19 pandemic period.  
*Source: Stats NZ, HLFS and Migrant Employment Data*

**Construction has considerable ethnic diversity** 73.1 percent identify as European, 16.7 percent as Māori, 12.2 percent as Asian, 6.4 percent Pasifika, 1.3 percent Middle Eastern, Latin American and African (MELAA) and 1.1 percent as other ethnicities.  
*Source: Stats NZ, HLFS*

**Expenditure on R&D remains consistently low** for the construction sector, compared with many other sectors that have seen considerable increases in such spending. The construction industry made up only 0.6 percent of the total R&D spend across all industries in 2021. On average, the construction industry spent approximately \$13 million per year (however, in 2021 it spent \$33 million).  
*Source: Stats NZ, Building Operations Survey*

**The construction sector employed 292,800 people** at the end of 2021, accounting for 10.3 percent of the workforce.  
*Source: Stats NZ, Household Labour Force Survey (HLFS)*

**There were 70,629 total enterprises** in the construction sector as of February 2021. These are mostly small businesses, with only 2.1 percent of businesses employing more than 20 people and of that only 0.5 percent employing more than 50 people.  
*Source: Stats NZ, Tables*

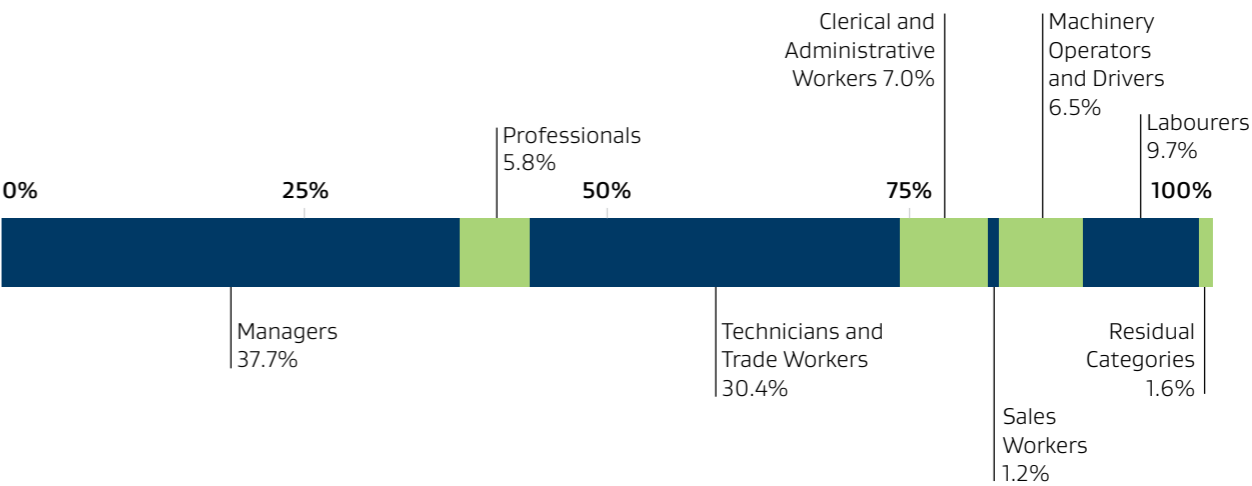
**The construction sector is our fifth largest sector** contributing 7.6 percent of GDP (\$22.5 billion) in 2020, up from 5.8 percent of total GDP in 2010.  
*Source: Stats NZ, Infoshare*

**Only 14.3 percent of construction workers are women** which is significantly lower than the average of 47.5 percent across all industries.  
*Source: Stats NZ, HLFS*

**The building and construction industry accounts for 9.4 percent of emissions that are produced domestically** (excluding imports and exports). If you include import and export trade, this figure increases to 15.1 percent.  
*Source: Thinkstep-ANZ*

## Composition of the construction sector

FIGURE 1: Occupations in the construction sector workforce (2021)



Source: Stats NZ, HLFS



Systemic challenges

There are several systemic challenges that are holding back the sector from higher performance. Some of these impact construction sectors across the globe, while others are unique to Aotearoa. These challenges include (but are not limited to):

**Fragmentation and minimal collaboration across the sector**

Most of the industry is made up of small businesses or sole traders and there are more than 150 industry bodies and sub-sector groups.

**Poor health and safety performance, including mental health**

The industry is responsible for the largest number of work-related claims to the Accident Compensation Commission (ACC). Mental health is a growing concern, with construction workers more than twice as likely to die by suicide than the rest of the workforce.

**High environmental impact**

From carbon intensive materials and processes, significant energy use and high waste production.

**Low profitability and high-risk practices**

Many companies operate on low margins to secure contracts – leaving less resilience when things change or go wrong.

**Cyclical boom-bust performance**

Economic expansion (boom) and contraction (bust) occurs repeatedly – both are harmful to business stability.

**Poor procurement and risk management practices**

Despite the progress made by the Accord, there is still a lack of risk maturity in construction projects and some procurers continue to choose the lowest cost over the best value.

**Low productivity**

The sector is slow to innovate and adopt new technologies or modern methods.

**Aging workforce and scarcity of skilled labour**

Creating capability and capacity constraints to deliver the growing pipeline of projects.

**Supply chain disruption**

While possibly temporary, the sector has been hit by cost escalation and building material shortages due to global trade constraints, partially attributed to the COVID-19 pandemic.

The scale of these challenges and the changes needed to address them are considerable. The Accord has made a conscious decision to direct its efforts towards challenges that require industry and government to work together to address them. The impact of these challenges become most visible through higher construction costs and more delays. They also affect the industry’s ability to provide the quality homes and infrastructure we need to support our growing population.

Over the last three years, the work delivered through the first Transformation Plan has made progress on addressing these challenges. By putting in place fundamental building blocks, such as standardised health and safety certifications, guidance for good procurement practice, and creating a platform for communication across the industry, the Accord is now in a position to help the industry take bolder steps forward.

Continuing our partnership approach is critical to the Accord’s success. Our work will be guided by perspectives and insights from across the industry and we intend to strengthen this by integrating sectoral reference groups into our governance framework – including representatives from the residential, commercial, infrastructure and Māori construction sub-sectors. The new plan will also place greater emphasis on the following areas, which are critical to the industry’s success:

<b>ADVANCED CONSTRUCTION AND INNOVATION</b>	<b>TE AO MĀORI</b>	<b>KNOWLEDGE AND DATA</b>	<b>NETWORKS</b>
An effective innovation ecosystem will stimulate the adoption of new technologies, products and processes to overcome industry pain points, reduce carbon and increase productivity.	A thriving Māori business sector and workforce mean a thriving Aotearoa New Zealand. Incorporating te ao Māori into the wider sector will also help us protect our environment for future generations.	The sector often makes decisions based on anecdotal evidence rather than real data. The right information at the right time will support leaders to make better decisions.	Leaders learn best from their peers. Therefore, the industry’s future success relies on creating strong networks where people can share their experiences and learn from others.



# The Accord’s framework

Our framework incorporates our vision, goals, focus areas, enablers and priorities, as well as how the sector will work together to deliver the Transformation Plan 2022-2025 and measure its progress.

**The Accord’s vision:**

A thriving, fair and sustainable construction sector for a better Aotearoa New Zealand

The Accord’s mid-term goals	Goal description
<b>01</b> Increased capabilities of leaders to drive change	Sector transformation requires leaders with the capability to lead their organisations towards better performance and increased resilience to cope with external and internal forces.
<b>02</b> A more skilled and diverse workforce that is future ready	The workforce needs to be able to deliver the work today and into the future. This will require both new capabilities and increased size in critical areas.
<b>03</b> More thriving people and organisations	Thriving is a sector marked by healthy growth where organisations and people are successful in achieving their unique goals and ambitions.
<b>04</b> Greater Māori construction economy success	Enabling greater prosperity and mana for Māori individuals and organisations will help better quality broader outcomes that will flow intergenerationally to tangata whenua.
<b>05</b> Reduced waste and embodied and operational carbon	In line with Aotearoa New Zealand’s environmental commitments, waste and carbon must be reduced in the sector.
<b>06</b> Increased productivity through innovation, technology, and an enabling regulatory environment	Lifting productivity will require public and private organisations of all sizes to adopt new practices, tools and products that can only be achieved through innovation ranging from incremental to disruptive.

## The Accord’s focus areas, enablers and priorities

This plan contains 11 priorities that sit within five focus areas and two enablers.

We will focus the majority of our effort and resources on the transformational focus areas – People, Client Leadership, Environment and Innovation - while reserving some of our capacity to respond to emerging issues and opportunities.

Our work will be enabled by improving our knowledge through the use of data and information for sound decision-making and creating powerful networks of like-minded people across the sector.

**PEOPLE**

1. **Leadership for change:** To build the capabilities and capacities of large and small and medium sized enterprise (SME) leaders to lead business improvement and change.

2. **Workforce development:** To support the development, attraction, and retention of the workforce of tomorrow.

3. **Strong Māori construction economy:** To authentically partner, recognising the important relationship with Māori in Aotearoa.

4. **Wellbeing, health and safety for all people:** To enable thriving people at all levels and continued focus on a zero-harm and fatality-free sector.

**CLIENT LEADERSHIP**

5. **Procurement and contracting:** To drive better outcomes through improved planning, procurement and delivery practices achieved through more collaborative behaviours.

**ENVIRONMENT**

6. **Environmental and climate action:** To accelerate the adoption of carbon and waste minimising materials and practices.

**INNOVATION**

7. **Advanced construction ecosystem:** To accelerate innovation ranging from incremental business performance improvement to disruption and value creation.

**EMERGING ISSUES AND OPPORTUNITIES**

8. **Response to emerging issues and opportunities:** To bring the industry and government together to navigate and manage emerging issues and opportunities in order to create space for transformation.

**KNOWLEDGE**

9. **Beacons:** To shine a light on new and innovative approaches that put the Accord’s principles into action and inspire others to embrace change.

10. **Data, information and insights to assist decision-making:** To enable the use of data and information for sound decision-making across the sector and to steer the work of the Accord.

**NETWORKS**

11. **Creating and leading networks:** To convene peer networks, advisory groups and platforms that enable sharing, learning and alignment.

### How the Accord will act

To achieve our goals for the sector, the Accord will deliver the plan's initiatives and priorities in several different ways, including:



**Accelerating:** Identify and support the innovators who can deliver disruptive and transformative change



**Creating:** Deliver initiatives that fill gaps in the sector that prevent progress, for example by developing guidance, procurement mechanisms, or business support tools



**Sharing:** Gather data and stories to help others learn and make better decisions



**Influencing:** Use partnerships and relationships to influence change and improve behaviours that are in line with the Accord's principles



**Funding:** Use our budget to fund the development and delivery of initiatives that can help achieve the Accord's goals

Example measures for each goal are as follows:

#### Increased capabilities of leaders to drive change

- › Confidence in construction market
- › Leader wellbeing
- › Pipeline visibility (public and private)

#### A more skilled and diverse workforce that is future ready

- › Workforce numbers and profile
- › Workforce diversity, equity, and inclusion
- › Training and education participation

#### More thriving people and organisations

- › Workforce wellbeing
- › Sector injuries
- › Workforce wellbeing
- › Sector employment reputation and profile
- › Procurement and contracting benchmarks
- › Business and project performance benchmarks
- › Access and adoption of business improvement practices

### Use of partnerships

The Accord will work with key partners to support the delivery of this plan. Accord partners share a common purpose and work together to achieve shared outcomes. As partners, we recognise the value in each other and that one organisation alone cannot tackle an issue that sits across organisational boundaries. The Accord will work closely with partners and sector stakeholders to scope out the initiatives and to identify the best way to achieve our shared outcomes.

### Measurement approach

A developmental evaluation approach will be applied to assess change over time. A range of measures will be reviewed to understand the plan's progress, and progress will be monitored and evaluated at both a programme level and an individual initiative level.

The Transformation Plan 2022-2025's mid-term goals will be the basis of a measurement approach that will give greater confidence and evidenced-based direction to the Accord's activities. The measurement approach will allow the Accord to continuously monitor initiatives to assess and improve the effectiveness of the Accord's actions.

#### Greater Māori construction economy success

- › Māori business numbers and sizes
- › Māori business performance benchmarks
- › Māori workforce numbers and profile

#### Reduced waste and embodied and operational carbon

- › Embodied and operational carbon
- › Waste production

#### Increased productivity through innovation, technology, and an enabling regulatory environment

- › Productivity and R&D investment
- › Start-up volume
- › Digitisation reach and access across the sector

### FOCUS AREA

## PEOPLE

People are the heart of the construction sector, which is why they need to be at the heart of the sector's transformation. For the industry to move forward, it needs to attract, retain, and develop leaders, have a skilled and engaged workforce, prioritise diversity, health, safety and wellbeing, and improve outcomes for Māori.

### PRIORITY: Leadership for change

Change is driven by leaders. We need to build the capabilities of current and future leaders so they can effectively create and adapt to change in the sector. The next generation of construction leaders will be key to driving ongoing transformation for the industry.

The vast majority of construction businesses are SMEs, which is why we need leaders of all businesses to understand how the industry needs to change, and to help them acquire the skills and knowledge to take their business on that journey.

#### Initiatives

- › **Building Leaders Advisory Service:** This one-to-one advisory service will support leaders of SMEs by providing training such as increasing resilience, adopting technology, and reducing emissions and waste. This will help prepare SMEs for the disruption our industry faces now and in the future, and will allow SMEs to transition to more sustainable, innovative and resilient business models.  
*Initiated: Year One*
- › **Next Generation Leaders Programme:** By identifying, developing, and supporting the next generation of construction leaders, this programme will help ensure the industry has a pipeline of talent that is equipped to lead the industry forward.  
*Initiated: Year One*

### PRIORITY: Workforce development

To create a culture of growth and innovation, the construction sector needs a resilient and empowered workforce. The construction workforce needs to develop so it can meet the increasing demand for homes, buildings and infrastructure.

The shortage of people and skills throughout the sector means there's not enough capacity to deliver the growing pipeline of construction projects. This shortage includes a variety of trades and professions, such as plumbers, electricians, builders, engineers, planners and project managers.

To build sustainability, the sector must promote and value diversity and ensure that everyone can choose a prosperous career in construction. Building and construction methods are also evolving in response to new technology, innovation, and environmental and policy changes. The workforce needs to adapt alongside these changes to ensure it has the skills to support a modern, productive industry.

#### Initiatives

- › **Developing an Action Plan from the Construction Skills Strategy:** Use the insights from the strategy, for government and industry to deliver a range of actions. These actions will ensure that the workforce is developing the skills that the industry needs now and in the future.  
*Initiated: Year One*
- › **Construction Diversity Roadmap implementation:** The sector needs to find new ways of recruiting and retaining a diverse workforce, including more women, Māori, Pasifika and people with disabilities. The Accord will continue to partner with Diversity Works New Zealand to implement the Construction Diversity Roadmap to drive this culture shift within the industry.  
*Initiated: Year One*



FOCUS AREA

CLIENT LEADERSHIP

**PRIORITY: Strong Māori construction economy**

The Accord wants to deliver better outcomes for Māori construction businesses, leaders and workers in order to create a thriving, fair and sustainable construction sector. Māori make up 16.7 percent of the construction workforce, however they are more likely to be in low-skilled positions and are underrepresented in leadership roles.

The Accord will partner with tangata whenua to enable change in the construction economy that supports Māori wellbeing and aspirations.

**Initiatives**

- › **Māori end-to-end supply chains:** There is an opportunity for Māori to have greater ownership in the building supply chain from access to raw materials (particularly timber), to processing, manufacturing and construction. The Accord will work with the Forestry and Wood Processing ITP and other partners to help Māori businesses, organisations and iwi collaborate and gain greater ownership across the supply chain.  
*Initiated: Year One*
- › **Māori SME capability development:** The Accord will provide support for Māori service providers and lead contractors – who are valuable in building the capabilities of Māori SMEs – to improve important business practices, such as tendering for larger and more complex work.  
*Initiated: Year One*
- › **Kaiako Construction Mentorship Programme:** This programme will help provide intergenerational knowledge – by Māori for Māori. Connecting Māori working in construction to experienced Māori leaders will help them build and grow their leadership and business skills from a te ao Māori perspective.  
*Initiated: Year One*

**PRIORITY: Wellbeing, health and safety for all people**

Good health and safety practices are critical to a successful construction industry. From October 2020 to September 2021, 14 construction workers lost their lives on the job in New Zealand. There were 654 injuries in March 2021 alone<sup>2</sup>. Each year, hundreds more get sick or die from conditions such as cancer and respiratory disease after exposure to chemicals, dusts and fumes, or develop heart conditions related to stress. The high demand and low stability of construction work has contributed to the construction industry having the worst record of mental health issues and suicide of any industry in Aotearoa New Zealand

Demands on the industry are only going to increase, which is why our wellbeing, health and safety practices, culture and performance must improve. We need to reduce the number of workplace accidents, create a more supportive work environment and improve the sector’s health, safety and wellbeing culture.

**Initiatives**

- › **Thriving Infrastructure pilot projects:** Culture change is needed to decrease the number of health and safety incidents in the construction sector. We will support the establishment of Thriving Infrastructure pilot projects led by WorkSafe and the Business Leaders Health and Safety Forum to find new and innovative ways of improving health and safety.  
*Initiated: Year One*
- › **Construction Health, Safety and Wellbeing Strategy:** Despite the importance of health, safety and wellbeing in construction, the sector lacks a cohesive vision for how to tackle high rates of serious injuries, deaths, suicides and poor rates of mental health. In partnership with CHASNZ, ACC, WorkSafe and MATES, the Accord will support the delivery of a health, safety and wellbeing strategy for the industry.  
*Initiated: Year One*

Clients come from a broad spectrum of organisations, including government agencies, private businesses, developers and iwi. Clients sit at the top of the supply chain and set the priorities for their projects. They can be leaders and agents for change by pushing for social and environmental outcomes, supporting innovation and requiring the use of advanced construction methods and materials. They can also set the project’s culture by using collaborative forms of procurement and making sure that priorities flow down to sub-contractors and others engaged in the project.

**PRIORITY: Procurement and contracting**

Getting procurement right at the start of a project helps set it up for success and ensures quality outcomes and value for money in the long-term. Good procurement and contracting practices are essential to high performance in the sector. The billions of dollars spent on construction each year can also deliver a variety of environmental, social and financial outcomes.

In the Accord’s first Transformation Plan, our focus was primarily on improving central government procurement practices. This was important given that central government makes up around a fifth of construction spend across the country and can lead and improve procurement practices throughout the sector. We now need to expand this focus and improve procurement practices right across the industry.

**Initiatives**

- › **Broader outcomes from public sector initiatives:** By building on the information and decision-making tools the Accord has already developed, we will continue to support clients in embedding broader social, cultural and environmental outcomes into their business case, tender and contract management processes.  
*Initiated: Year One*
- › **Māori procurement panels:** Feedback from the sector indicates that Māori SMEs are struggling to make headway in procurement processes, despite policy changes that set clear targets for government agencies. We will explore options to enable Māori businesses to thrive, such as establishing Māori procurement panels.  
*Initiated: Year One*

- › **Improve and drive best practice procurement, contracting and contract management:** Poor and inconsistent procurement processes impact on the performance, productivity and outcomes of projects. We will continue to work across the sector to improve procurement activities and processes, seeking a greater level of standardisation and consistency where appropriate, whilst supporting greater innovation.  
*Initiated: Year One*
- › **Public procurement planning and phasing:** The lack of a clear pipeline of work is halting investment in innovation and broader outcomes, which is exacerbating the sector’s boom-bust cycles and making it harder for businesses to plan work and grow their capacity. We will coordinate discussions with public sector clients to improve visibility of their infrastructure pipelines and look at ways to phase government projects and ensure a steady demand for work, which should increase the sector’s confidence about the future.  
*Initiated: Year Two*
- › **Client and contractor relationships:** A lack of collaboration and fair risk allocation between clients and contractors can result in contracts prioritising lowest cost rather than best value. We will support tools and initiatives being developed that help establish fair and transparent relationships between clients and contractors.  
*Initiated: Year Two*

<sup>2</sup> WorkSafe construction dataset: [data.worksafe.govt.nz/focus/construction](https://data.worksafe.govt.nz/focus/construction)

- › **Building Information Modelling (BIM) and digital engineering uptake:** Clients need to understand the potential benefits of digital engineering and applying BIM to their projects. We will support procurers in using digital technologies, including providing access to demonstration pilots they can learn from.

***Initiated: Year Two***

- › **SME capability:** SMEs can learn a lot from the large contractors they work for and it's important that knowledge and new practices can be passed on throughout the sector. We will influence prime contractors to do more to support the smaller businesses they work with, such as improving SME tendering capability to win larger and more complex public sector projects.

***Initiated: Year Three***

- › **Social, cultural and environmental outcomes for private construction projects:** The Accord will look at what barriers are preventing private clients from embedding social, cultural and environmental outcomes in their construction projects, and identify what support, incentives or evidence might help encourage behaviour change.

***Initiated: Year Three***

## FOCUS AREA

# ENVIRONMENT

There are significant opportunities and challenges in addressing the construction sector's environmental impact. The Accord will promote culture and behaviour change within the sector, so as an industry we can effectively support New Zealand's climate commitments and other environmental aspirations.

## PRIORITY: Environmental and climate action

The construction sector is a significant contributor of greenhouse gas emissions and waste, from the production of building materials to the construction and operation of buildings and infrastructure. The sector needs to rapidly transition towards zero carbon, circular and regenerative practices to reduce this contribution to our changing climate and the destruction of our ecosystems.

If New Zealand is to achieve its environmental commitments, including being net zero carbon by 2050, the industry must play its part and adopt low carbon and waste minimising materials, practices and technologies. The building and construction sector has the potential to lead in the way New Zealand is innovating and adapting to low-emission methods.

The Accord will work closely with the Ministry of Business, Innovation and Employment's (MBIE) Building for Climate Change Programme to give effect to New Zealand's climate commitments, including via the Emissions Reduction Plan and the National Adaptation Plan. We will also build on the Construction Sector Environment Roadmap for Action, which was developed by the Building Research Association of New Zealand (BRANZ), to guide and shape initiatives.

### Initiatives

- › **Sustainable Construction Cross-Sector Forum:** This forum will bring industry and government together to share practices and identify opportunities for collaboration, leadership and co-ordinated action to improve the industry's climate response and sustainability practices.  
***Initiated: Year One***
- › **Carbon and waste measurement tools:** Businesses need to easily assess their emissions and waste

outputs to reduce their environmental impact. As part of the framework for reducing embodied and operational emissions, the Building for Climate Change Programme is developing a national database for building and construction emissions data, underpinned by assessment methodologies, emissions calculation tools, a data repository and appropriate guidance and education. We will support the development of this technical infrastructure to ensure that it is designed in a way that is meaningful and easy for the sector to use, and we will help construction businesses of all sizes to access carbon and waste tools and information, so they can understand and address their impact.

***Initiated: Year Two***

- › **Commercialising environmental research for construction:** To meet climate targets, the Accord will work with the academic and research sectors to ensure that research efforts are targeted at industry and business-led projects that try to implement innovative methods and technologies to achieve environmental performance targets. We will identify opportunities to commercialise research, such as through co-funding, to help reduce carbon and waste in the sector. This work will support [Climate Innovation Platforms](#) to accelerate the pace of innovation towards low-emission building materials and approaches.

***Initiated: Year One***

- › **Environmental performance measures for the sector:** There is no single set of measures to understand and track the sector's environmental performance. Through the Sustainable Construction Cross-Sector Forum, we will identify and agree on key construction sector environmental indicators to assess and monitor change across the sector to allow for more targeted action and interventions to be taken.

***Initiated: Year Two***



## FOCUS AREA

# INNOVATION

Construction hasn't changed very much in decades, if not centuries, and it's an industry that is notoriously resistant to change – particularly in adopting new technologies. We must break that cycle by creating an innovation ecosystem, where new tools, products, practices and technologies are constantly developed, tried and tested. Adopting these new developments needs to also be affordable and low-risk for businesses. The regulatory system must adapt to act as an enabler for innovation.

### **PRIORITY: Advanced construction ecosystem**

While there are pockets of innovation across the industry, it's still challenging for new ideas to break through and for businesses to adopt new technology or modern methods of construction, such as offsite manufacturing, advanced materials and automation. The lack of innovation has contributed to slow productivity and growth in the sector.

#### **Initiatives**

- › **Construction Digital Boost 2.0:** Digitalisation is a proven method for improving productivity, but it's difficult for businesses to find the time and resources to learn how to digitise their processes. This programme will support SMEs in growing their digital capabilities, such as managing finances, placing orders, and submitting and receiving invoices using digital tools.  
*Initiated: Year One*
- › **A collaborative innovation ecosystem:** Academia, research organisations, government and industry are all involved in funding, commissioning or creating innovative approaches, but we need to work more collaboratively. In line with the mission-led innovation approach set out for the Climate Innovation Platforms, the Accord will work with Callaghan Innovation, fellow ITPs, academia and the research sector to develop and execute strategies for specific productivity, sustainability and technological challenges that require innovative solutions.  
*Initiated: Year One*

- › **Supporting innovation focussed regulatory reform:** The government's regulatory system needs to allow room for innovation for the future of the sector. We will support MBIE's review of the building consent and regulatory system and relevant regulatory system reviews to improve the efficiency and effectiveness of the building regulatory system, including by creating more opportunities for innovation, which will in turn increase the industry's productivity.  
*Initiated: Year One*
- › **Innovation investment strategy:** Innovation funding is risky for investors and what is available tends to be spread across multiple funds, which makes it hard for start-ups and other innovators to access. We will develop a strategy to coordinate innovation investment and ensure that it's directed at solving the industry's biggest challenges.  
*Initiated: Year Two*
- › **Innovation Accelerator and Piloting:** The Accord can bring together industry, academia and government to work on innovation projects that could be transformational for the sector. We will create a platform for cross-sector collaboration to find solutions to our biggest challenges, including via digitisation and business improvements.  
*Initiated: Year Two*
- › **Advanced Construction New Zealand Study Tours:** Sometimes the best way to understand innovation is to see it in person. We will organise tours for sector leaders to visit progressive businesses and worksites across New Zealand to inspire others to use innovative products, processes and methods.  
*Initiated: Year Three*

## FOCUS AREA

# EMERGING ISSUES AND OPPORTUNITIES

When we released the first Transformation Plan in January 2020, no one anticipated how dramatically the world would change just a few months later. The COVID-19 pandemic created new challenges, and exacerbated old ones across the construction sector, and the sector continues to deal with the consequences.

For example, COVID-19 has contributed to global supply chain disruption, which has resulted in building material shortages, price increases and long wait-times to receive products. The Accord brings industry and government together to find ways to mitigate the impacts and build greater resilience to emerging challenges, such as those we are currently dealing with in the construction supply chain. It's important that the Accord continues to help the sector deal with the shocks it will face in the coming years by providing a collaborative leadership platform.

### **PRIORITY: Response to emerging issues and opportunities**

For the construction sector to thrive in the future, it will need to have the capability, capacity and resilience to deal with emerging issues and opportunities that impact the sector. While we may not know what the future holds, industry and government can lay the groundwork for crises to be met with a coordinated response. The Accord's cohesive and collaborative leadership approach helped the sector navigate the impacts of the COVID-19 pandemic. Maintaining these capabilities will help us deal with future shocks.

#### **Initiatives**

- › **Emerging and Topical Issues and Opportunities Bulletins:** Discussions about issues are often disjointed and based around anecdote. The Accord will provide access to timely and meaningful intelligence, data and insights on emerging issues and opportunities to help leaders to be more informed.  
*Initiated: Year One*
- › **Accord Forum 2.0:** The Accord Forum was established in the wake of the COVID-19 lockdowns, and these sector-wide discussions were critical to forming a holistic response. We will continue to evolve the Accord Forum to effectively seek feedback, learn lessons and support a coordinated response to emerging issues and opportunities.  
*Initiated: Year One*



## ENABLER

# KNOWLEDGE

Access to knowledge helps leaders make better decisions, businesses to improve and industries to prepare for what's coming next. However, because our industry is relatively fragmented, there is no standard for capturing or using information. There is no agreed language for discussing project performance, costs, or specifications.

Business leaders learn most effectively from their peers – from learning about best practice to the lessons of failure – but a culture of avoiding blame has made it difficult to have open conversations about successes and failures the industry can learn from. The Accord will help change this culture, so that every high-profile project success or failure becomes an opportunity for the industry to learn.

### PRIORITY: Beacons

Since the launch of the first Transformation Plan, the Accord's Beacons case studies have been used to shine a light on new and innovative approaches that put the Accord's principles into action and inspire others to embrace change.

The inaugural Beacons Awards in 2021 provided a platform to celebrate the most progressive practices in the industry, but Beacons can do more. Our Beacons brand needs to be more widely known, the lessons can be more impactful, and they can be used to create communities of leaders who are all learning while doing.

#### Initiatives

- › **Beacons 2.0:** An expansion of the annual Beacons Awards will reach more people across the industry and acknowledge excellence in multiple categories. Case studies will be supplemented by additional learning tools, such as live learning from demonstration projects, deep dives into specific topics, and creating learning networks or communities of practice for leaders on similar journeys.  
*Initiated: Year One*

### PRIORITY: Data, information and insights to assist decision-making

The Accord will promote the use of information to support better informed decisions at all levels of the sector. We need to challenge conventional wisdom,

integrate new and disruptive thinking to solve our current problems, and prepare for global shifts and shocks.

Data, information and insights can vastly improve how construction businesses and projects operate. It can allow workers, businesses, iwi and government to make better choices about the critical issues facing the sector.

The Accord will use historical and current data, future-focussed forecasting and modelling, and other information and insights to enable evidence-based decision-making. This will drive innovation and contribute to social, environmental and economic progress.

#### Initiatives

- › **Construction Futures Think Tank:** Learning from other leading countries, the Accord will bring together a group of leaders from inside and outside the sector that will challenge conventional wisdom and consider how global mega-trends will impact the industry in Aotearoa. Their work will inform what we do, so we can future-proof the sector.  
*Initiated: Year One*
- › **Public and private pipeline development:** The construction sector lacks sufficient visibility of the long-term pipeline of work to have the confidence to plan, invest and innovate. The Accord will continue to work with Te Waihanga and other data providers to ensure the sector is getting the information and certainty it needs to plan for the future.  
*Initiated: Year Two*
- › **Construction Digital and Data Roadmap:** Digital engineering, automation, project planning software and other technologies have the potential to revolutionise construction and how data is gathered and used. An industry-wide roadmap will inform the types of technologies the sector can use and allow software providers to operate within a framework that ensures an easy exchange of data.  
*Initiated: Year Two*



## ENABLER

# NETWORKS

The Accord will set up peer networks within government and industry. The networks will enable sharing, learning and encourage alignment in the construction sector on key issues – while also ensuring our work is responsive to the needs and realities of the sector.

### PRIORITY: Creating and leading networks

As the past few years of the Accord have shown us, effective networks can make a huge difference to an industry. Launched in 2021, the Accord Network has created a community committed to positive change in the sector, by defining a strong set of cultural and practical expectations for the whole sector to work towards.

Over the next three years, we will continue building on the Accord Network and the Accord Forum. We will also develop and maintain new networks and reference groups to act as two-way channels between government and industry.

#### Initiatives

- › **Construction Leadership Summit:** We will work with industry partners to bring leaders together to share lessons and review best practice so they can learn and grow from one another.  
*Initiated: Year Two*
- › **Peer-to-Peer Advisory Platform:** Building on the Accord Network, this digital advisory platform will connect leaders with their peers to share key learnings and advice.  
*Initiated: Year One*
- › **Accord Network 2.0:** Launched in 2021, the Accord Network has created a community committed to positive change in the construction sector by defining a strong set of culture and practice expectations. Over the next three years, we will focus on improving the Network platform and growing the Network's membership.  
*Initiated: Year One*

# The Transformation Plan 2022-2025 in detail

	PRIORITY	INITIATIVE	POTENTIAL PARTNERS	MID-TERM GOALS	DELIVERY DATES
PEOPLE	1. Leadership for change	1.1 Building Leaders Advisory Service	MBIE Small Business team	› Increased capabilities of leaders to drive change › More thriving people and organisations	2022 – 2024
		1.2 Next Generation Leaders Programme	Infrastructure New Zealand, Accord Agencies	› A more skilled and diverse workforce that is future ready	2024 – beyond
	2. Workforce development	2.1 Developing an Action Plan from the Construction Skills Strategy	Waihanga Ara Rau Construction and Infrastructure Workforce Development Council	› More thriving people and organisations › A more skilled and diverse workforce that is future ready	2022 – 2025
		2.2 Construction Diversity Roadmap implementation	Diversity Works New Zealand	› A more skilled and diverse workforce that is future ready	2022 – 2024
	3. Strong Māori construction economy	3.1 Māori end-to-end supply chains	Forestry and Wood Processing ITP, Te Puni Kōkiri, Accord Agencies	› Greater Māori construction economy success › More thriving people and organisations › A more skilled and diverse workforce that is future ready	2022 – 2025
		3.2 Māori SME capability development	Amotai, Tātaki Auckland Unlimited, MBIE Small Business team, Accord Agencies	› Greater Māori construction economy success › More thriving people and organisations › Increased capabilities of leaders to drive change	2022 – 2024
		3.3 Kaiako Construction Mentorship Programme	MBIE Te Tumu Houkura team	› Greater Māori construction economy success › More thriving people and organisations › Increased capabilities of leaders to drive change	2023 – 2025
	4. Wellbeing, health and safety for all people	4.1 Thriving Infrastructure pilot projects	WorkSafe, Business Leaders’ Health and Safety Forum	› More thriving people and organisations › Increased capabilities of leaders to drive change	2022 – 2023
		4.2 Construction Health, Safety and Wellbeing Strategy	CHASNZ, ACC, WorkSafe, MATES, Accord Agencies	› More thriving people and organisations	2022 – 2025
	CLIENT LEADERSHIP	5. Procurement and contracting	5.1 Broader outcomes from public sector initiatives	The Treasury, Te Waihanga, Accord Agencies	› A more skilled and diverse workforce that is future ready › Greater Māori construction economy success › Reduced waste and embodied and operational carbon
5.2 Māori procurement panels			MBIE New Zealand Government Procurement (NZGP) team, MBIE Small Business team, Te Puni Kōkiri, Amotai	› Greater Māori construction economy success	2022 – 2024
5.3 Improve and drive best practice procurement, contracting and contract management			MBIE NZGP team, Te Waihanga, Accord Agencies	› More thriving people and organisations	2022 – 2025
5.4 Public procurement planning and phasing			The Treasury, Te Waihanga	› More thriving people and organisations	2023 – 2024
5.5 Client and contractor relationships			New Zealand Institute of Building	› More thriving people and organisations	2023 – beyond
5.6 Building Information Modelling (BIM) and digital engineering uptake			BIMinNZ Steering Group	› Increased productivity through innovation, technology, and an enabling regulatory environment	2023 – 2025
5.7 SME capability			MBIE Small Business team	› More thriving people and organisations › Increased productivity through innovation, technology, and an enabling regulatory environment	2024 – beyond
5.8 Social, cultural and environmental outcomes for private construction projects			New Zealand Property Council	› A more skilled and diverse workforce that is future ready › Greater Māori construction economy success › Reduced waste and embodied and operational carbon	2024 – beyond

	PRIORITY	INITIATIVE	POTENTIAL PARTNERS	MID-TERM GOALS	DELIVERY DATES
ENVIRONMENT	6. Environmental and climate action	6.1 Sustainable Construction Cross-Sector Forum	MBIE Building for Climate Change team, BRANZ, Callaghan Innovation, Forestry and Wood Processing ITP, Accord Agencies	<ul style="list-style-type: none"> <li>› Reduced waste and embodied and operational carbon</li> <li>› Increased capabilities of leaders to drive change</li> </ul>	2022 – 2025
		6.2 Carbon and waste measurement tools	MBIE Building for Climate Change team, BRANZ, Association of Consulting Engineers New Zealand, Engineering New Zealand, Accord Agencies	<ul style="list-style-type: none"> <li>› Reduced waste and embodied and operational carbon</li> </ul>	2023 – beyond
		6.3 Commercialising environmental research for construction	MBIE Building for Climate Change team, BRANZ, Callaghan Innovation, Academia, Accord Agencies	<ul style="list-style-type: none"> <li>› Reduced waste and embodied and operational carbon</li> </ul>	2022 – beyond
		6.4 Environmental performance measures for the sector	MBIE Building for Climate Change team, Accord Agencies	<ul style="list-style-type: none"> <li>› Reduced waste and embodied and operational carbon</li> </ul>	2023 – beyond
INNOVATION	7. Advanced construction ecosystem	7.1 Construction Digital Boost 2.0	MBIE Small Business team	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> <li>› Increased capabilities of leaders to drive change</li> <li>› More thriving people and organisations</li> </ul>	2022 – 2023
		7.2 A collaborative innovation ecosystem	Callaghan Innovation, Advanced Manufacturing ITP, Forestry and Wood Processing ITP, Digital Technologies ITP, Academia, Accord Agencies	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> </ul>	2022 – 2025
		7.3 Supporting innovation focussed regulatory reform	MBIE Building Systems Performance team, Forestry and Wood Processing ITP, Accord Agencies	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> </ul>	2022 – 2025
		7.4 Innovation investment strategy	Callaghan Innovation, Advanced Manufacturing ITP, Forestry and Wood Processing ITP, Digital Technologies ITP, Academia, Accord Agencies	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> <li>› More thriving people and organisations</li> </ul>	2023 – beyond
		7.5 Innovation Accelerator and Piloting	Callaghan Innovation, Massey University, Waikato University, Canterbury University, Auckland University of Technology, Advanced Manufacturing ITP, Forestry and Wood Processing ITP, Digital Technologies ITP, Accord Agencies	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> <li>› Reduced waste and embodied and operational carbon</li> </ul>	2023 – beyond
		7.6 Advanced Construction New Zealand Study Tours	Infrastructure New Zealand, Callaghan Innovation, Kāinga Ora	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology and an enabling regulatory environment</li> <li>› Increased capabilities of leaders to drive change</li> </ul>	2024 – beyond
EMERGING ISSUES AND OPPORTUNITIES	8. Response to emerging issues and opportunities	8.1 Emerging and Topical Issues and Opportunities Bulletins	MBIE Digital and Data team	<ul style="list-style-type: none"> <li>› More thriving people and organisations</li> <li>› Increased capabilities of leaders to drive change</li> </ul>	2022 – 2025
		8.2 Accord Forum 2.0		<ul style="list-style-type: none"> <li>› More thriving people and organisations</li> <li>› Increased capabilities of leaders to drive change</li> </ul>	2022 – 2025

	PRIORITY	INITIATIVE	POTENTIAL PARTNERS	MID-TERM GOALS	DELIVERY DATES
KNOWLEDGE	9. Beacons	9.1 Beacons 2.0		<ul style="list-style-type: none"> <li>› Reduced waste and embodied and operational carbon</li> <li>› More thriving people and organisations</li> <li>› Greater Māori construction economy success</li> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> <li>› Increased capabilities of leaders to drive change</li> <li>› A more skilled and diverse workforce that is future ready</li> </ul>	2022 – 2025
	10. Data, information and insights to assist decision-making	10.1 Construction Futures Think Tank	MBIE Chief Economist’s Unit, Canterbury University, Massey University, Callaghan Innovation, Accord Agencies	<ul style="list-style-type: none"> <li>› More thriving people and organisations</li> <li>› Increased capabilities of leaders to drive change</li> </ul>	2022 – 2025
		10.2 Public and private pipeline development	Te Waihanga, Accord Agencies	<ul style="list-style-type: none"> <li>› More thriving people and organisations</li> </ul>	2023 – 2025
		10.3 Construction Digital and Data Roadmap	BIMinNZ Steering Group, University of Auckland, Callaghan Innovation	<ul style="list-style-type: none"> <li>› Increased productivity through innovation, technology, and an enabling regulatory environment</li> </ul>	2023 – 2025
NETWORKS	11. Creating and leading networks	11.1 Construction Leadership Summit	Master Builders Association, Infrastructure New Zealand, Accord Agencies	<ul style="list-style-type: none"> <li>› Increased capabilities of leaders to drive change</li> </ul>	2023 – beyond
		11.2 Peer-to-Peer Advisory Platform		<ul style="list-style-type: none"> <li>› Increased capabilities of leaders to drive change</li> <li>› A more skilled and diverse workforce that is future ready</li> </ul>	2022 – 2025
		11.3 Accord Network 2.0		<ul style="list-style-type: none"> <li>› Increased capabilities of leaders to drive change</li> <li>› A more skilled and diverse workforce that is future ready</li> </ul>	2022 – 2025

## Getting involved

The Accord aims to achieve a broad set of outcomes for workers, customers, businesses, the government and all New Zealanders. The initiatives in this plan have been selected and designed to help achieve these outcomes. For this plan to be a success, we need people right across the sector to embrace our vision for the industry's future. We want you to consider how you can help support this journey within your own organisation.

We invite you to join a growing list of businesses, agencies and industry organisations that are working together to create a better construction sector for Aotearoa New Zealand. Industry representatives and government have partnered to improve the sector on your behalf, and we need your support to make it a success.

Join the Accord Network and play your part in the sector's transformation. The Accord Network is a collective of organisations committed to the Accord vision of a thriving, fair and sustainable construction sector for a better Aotearoa New Zealand.

The Accord's work will also be supported by advisory and reference groups on specific focus areas and initiatives within the Transformation Plan 2022-2025. If you want to contribute more directly, for example by joining the advisory and reference groups shaping the initiatives within this plan, please get in touch by emailing us at [accord@mbie.govt.nz](mailto:accord@mbie.govt.nz).

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