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James Meager
Justice Committee
Parliament Buildings
Wellington
ju@parliament.govt.nz

Tēnā koe

Re: Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill

Thank you for the opportunity to submit on this Bill. This submission focusses on the proposals within the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill (the Bill) but does refer to the Referendums Framework Bill.

This submission reflects the views of Engineering New Zealand. As the country's largest professional body for engineers, Engineering New Zealand represents over 23,000 members. Engineering New Zealand also regulates the engineering profession, as the Registration Authority for Chartered Professional Engineers (Chartered Professional Engineers of New Zealand Act 2002).

Engineering New Zealand is an advocate for agreed long term infrastructure and environmental strategies that are supported by all political parties. Extending the political term to four years helps provide more social and economic stability and is line with global averages.

Our comments on the Bill are:

- Engineering New Zealand supports a 4-year term.
 - Having a longer Parliamentary term provides more time for the Government to consult, deliver and embed their policies before the electoral cycle begins. Having policy changes embedded makes it harder for an incumbent government to repeal without consulting the sector.
 - Less change and more time for things to embed would help reduce the burden and uncertainty for the sector. This will provide confidence to invest in adapting to policies (policy change often requires significant investment for the sector). The importance of political certainty for the infrastructure sector is outlined further below.
- We do not support a political term that can change election to election.
 - The proposal that extending the Parliamentary term to 4 years be contingent on the proportionality requirement (the overall membership of select committees being proportionate to the party membership in Parliament), will only result in confusion and uncertainty.
 - It is important for those impacted by government policy and particularly those engaged in government infrastructure delivery to have enduring certainty. We do not see the benefit of having a conditional political term. If the proportionality requirement is a priority for the Government, it should be made compulsory.
- We recommend the referendum enabled by the Referendums Framework Bill is amended to reflect an entrenched 4-year term.
 - Having a referendum on a 4-year term conditional on the proportionality requirement will only cause confusion and make it more challenging for people to engage with the referendum.

Context on the challenges of political volatility for engineers and the infrastructure sector

For many years, the infrastructure pipeline in New Zealand has become increasingly political. When governments change, the existing pipeline is reshaped. This process takes time and has a significant impact on New Zealand's infrastructure sector, the economy, and New Zealanders.

The infrastructure sector is currently experiencing the impact of a change in political direction. This government stopped and reviewed much of the previous government's infrastructure pipeline. While this government has committed to a record level of infrastructure investment, this takes time to manifest into work on the ground.

The halting of government funded work on infrastructure projects has significantly impacted skilled workers across the industry – with many losing their jobs or looking for opportunities overseas where demand is immediate. More than 500 redundancies have been reported across 60 engineering firms¹, and construction sector jobs have reduced by 11,141². We are worried that we will see another brain drain like what was experienced in the early 2000s. It took years to rebuild the specialist engineering skills that were lost.

On top of this, Aotearoa is suffering from a long-term shortage of engineers. New Zealand needs at least 2,300 new engineers every year to sustain its economic development but currently is only graduating 2,000 annually who will work in the profession – and that number is decreasing.

It is vital for the industry that there is stability and certainty in the infrastructure pipeline. Without this we will not be able to maintain the skilled workforce that is needed to help address our infrastructure deficit or deliver on the Government's ambitious infrastructure pipeline. While we are strong advocates for a bipartisan approach to the infrastructure pipeline, it is unlikely that the politics surrounding infrastructure will fully be removed (due to differing priorities).

A longer political term will also help the sector to respond and adapt to other systemic government reform programmes. A 4-year term would give more time for policy change to be scoped, consulted on and embedded. As an example, the sector has engaged with and prepared for Resource Management reform over successive governments. It is highly disruptive to have to reengage, build a new understanding and then adapt ways of working when governments change.

Conclusion

Thank you for the opportunity to submit on this Bill. To summarise, we support a four-year term but are not supportive of this being conditional on the proportionality requirement.

If we can be of any assistance or provide further information, please do not hesitate to contact us.

Nāku, nā



Dr Richard Templer
Chief Executive

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

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