

Hon Chris Bishop

Minister of Housing
Minister for Infrastructure
Minister Responsible for RMA Reform
Minister of Transport
Leader of the House
Associate Minister of Finance
Associate Minister for Sport and Recreation



07 APR 2025

Dr Richard Templer
Chief Executive, Engineering New Zealand

Helen Davidson
Chief Executive, ACE New Zealand

Alan Pollard
Chief Executive, Civil Contractors NZ

Dear Richard, Helen and Alan,

Thank you for meeting with me and infrastructure and transport officials on 27 February 2025 and subsequent letter of 10 March 2025. The discussion was robust and helpful, and I appreciate the time you took to raise the issues that your sector is experiencing.

As you know, we intend to be an infrastructure-focused government – because we know it is critical to boosting growth and increasing competitiveness. The Government has, and will continue to, invest a record amount in infrastructure. More than \$68 billion in capital is forecast to be spent by central government on infrastructure over the next five years. For comparison from 2019 to 2023, \$50.8 billion in capital was spent on infrastructure.

The latest update to the Infrastructure Pipeline, maintained by the New Zealand Infrastructure Commission, shows there are \$107.9 billion of infrastructure projects that have a funding source confirmed, an increase of \$8.1 billion from the previous quarter.

However, I acknowledge there can sometimes be a delay in funded projects translating into market activity. I agree we still need to confront immediate challenges around workforce retention and preparedness to respond to increased investment in the sector.

With this in mind:

- I have asked the New Zealand Transport Agency to consider how to bring packages of projects to the market quicker;
- I will encourage councils to use their budgets to prioritise spending on renewals and maintenance, for example through the Government's City and Regional Deals initiative that the Minister of Local Government and I are leading;
- I have asked my officials to provide advice on how Government could better measure actual and forecast project spend against the pipeline; and
- I will raise the concerns noted in the meeting and your letter with my Ministerial colleagues.

While I hope these actions will help address some of the current industry challenges, as you note in your letter, system changes take time. Infrastructure – particularly large-scale infrastructure – often involves lengthy planning, design and construction processes and the stimulative effects of these projects on the economy are not typically immediate.

I am looking to embed further system-wide changes through:

- The National Infrastructure Plan – which will provide a 30-year view of New Zealand's infrastructure needs, current investment intentions and priority system reforms.
- The Infrastructure Priorities Programme – an independent and standardised process to identify proposals and projects that will meet New Zealand's strategic objectives, represent good value for money, and can be delivered.
- Updates to the Better Business Case and Gateway frameworks to support high-quality investment planning and the efficient delivery of investments to the agreed timeframes, budget and scope.
- Creating a simpler and more efficient regulatory framework for infrastructure, for example through comprehensive reform to the resource management system.

The changes will help to reduce the cost and delays that currently plague infrastructure delivery and provide for a steady pipeline of projects in the future.

Thank you again for taking the time to write and I look forward to our continued engagement.

Yours sincerely



Hon Chris Bishop

Minister for Infrastructure
Minister of Transport

cc Hon Nicola Willis, Minister of Finance
Hon Simon Watts, Minister of Local Government