CONSTRUCTION SECTOR ACCORD

Māori Construction Business Capability Development

Current State Analysis Report

February 2024

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Te Kāwanatanga o Aotearoa
New Zealand Government

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Executive Summary

Section one

Executive summary

The purpose of this report is to provide a current state analysis of Māori businesses in the construction sector, describe their capability development needs, and provide insights that can enhance the existing services.

The construction sector plays an important role in the economy of New Zealand. In 2022, the construction sector employed over 290,000 New Zealanders and contributed to 7.1% of New Zealand's GDP. Māori are well represented in this sector making up 16.7% of this workforce and 10.95% of business owners. The growth of the sector, its workforce, and Māori businesses within it, therefore, provide great opportunity to support wider socio-economic outcomes for Māori whānau and communities.

This report describes the current state of Māori businesses within the construction sector and identifies potential opportunities to further support business capability development. While its focus is primarily on exploring issues of Māori owned businesses (defined as those with an ownership of at least 50% of people who have whakapapa Māori), it also includes data relating to significant employers of Māori (defined as those with at least 75% of the workforce are Māori) to provide a holistic understanding of Māori business issues across the sector.

To inform the findings in this report we have drawn on two primary quantitative data sources. Te Puni Kokiri's Te Matapaeroa research into Māori business, and Waihanga Ara Rau's Workforce Information Platform. We have undertaken qualitative interviews with a range of Māori construction business owners, and capability uplift providers to further supplement our knowledge of current needs and support. A desktop review of existing models of capability uplift services available to Māori construction businesses was also undertaken, along with a review on international models of development. Drawing on this data, we have developed both a set of high-level insights and detailed findings. The insights serve as key understandings of present opportunities to further target and grow Māori business capability in the construction sector. These insights are:

- **Insight Statement 1 – Maximising Opportunities through Growth:** Growth in Māori-owned small to medium sized businesses could enable their participation in broader opportunities within the construction sector.

- **Insight Statement 2 - Business and Financial Acumen:** Building business and financial acumen is a necessary capability need for Māori-owned small-to-medium sized businesses to flourish.

- **Insight Statement 3 - Collaborate and Grow:** Collective Support is key to developing Māori construction business capability enabling the achievement of broader social and cultural outcomes.

The insights serve as key themes that emerged across the different forms of data, and this is supplemented by the detailed findings, written in three sections, which profile business and workforce trends over time, challenges and barriers to Māori business growth and a view of the current state of business capability support services.

These insights and detailed findings, ultimately aim to pull together relevant information that will help create a specialised, viable, and enduring service targeted towards building the capabilities of Māori construction businesses. The long-term goal is to enable Māori-owned construction businesses to grow, overcome barriers, and contribute towards the thriving New Zealand construction industry.

Background and context

Section two

Background and context

- The Construction Accord originally developed this report to understand the current state of Māori construction business capability to support the development of a business capability uplift model. The focus has changed due to a shift in government priorities and now the report aims to frame the current state, inclusive of opportunities and challenges to understand and improve services targeted towards building the business capability of Māori construction businesses.

- The Construction Accord has a vision of 'a thriving and sustainable construction sector for a better Aotearoa New Zealand.' One of the six goals of the Accord is 'Greater Māori construction economy success.' The Accord chose this goal because they believe greater prosperity for Māori will create outcomes that will flow intergenerationally to tangata whenua. A priority for the Construction Accord is establishing 'a strong Māori economy' by authentically partnering with Māori in Aotearoa.

- The Construction Accord intends to initiate other activities to enable change in the construction economy that supports Māori wellbeing. The Construction Accord can use this report to inform our continued work to deliver better outcomes for Māori-owned construction businesses.

- Māori participation in the construction sector is significant with a high number of Māori workers and businesses. The construction sector has the highest number of Māori-owned businesses compared to any other sector (4,698); followed by agriculture, forestry, and fishing (3,864); professional services (2,625); and real estate services (2,073). In 2020, there were 4,698 Māori-owned construction businesses, making up 11.5% of all construction businesses (and 16.7% of the entire construction workforce). This means the construction industry is important to the economic, cultural, social, and environmental wellbeing of Māori.

[1] Construction Accord Transformation Plan 2022-2025.
https://www.constructionaccord.nz/transformation-plan/framework/

Insights statements and key findings

Section three

Insight statements and key findings

Approach, Purpose and Context

This report has drawn on quantitative and qualitative information to develop insights about the needs, strengths, and challenges of the construction sector.

Through the analysis of data it has been clear that different sized construction businesses have different needs. Because of the varied needs of construction businesses, they have been grouped into categories based on their size and complexity.

The way in which construction businesses have been defined within the insights section and throughout the report is within four tier categories based on the size of their business and scale of their work.
These tiers are:

Tier 1	Are well established medium-to-large business. They are often procured by a client as the prime contractor to deliver services, or are well established subcontractors delivering to a prime contractor.	101 employees or greater
Tier 2	Are established business providing contracting services to the prime contractor or client. They may participate in formal and informal procurement processes.	Between 21 and 100 employees
Tier 3	Are small established business, often the subcontractor providing services to other contractors. They may have participated in formal procurement processes.	Between six and 20 employees
Tier 4	Are sole traders or recently established businesses. They often have not participated informal procurement processes. Often, these businesses are engaged in residential and maintenance services.	Between one and five employees

Figure 1. Categories of construction businesses organised by scale.

Some insights grouped tiers together as explained below.

- Tier 1-2 businesses are large businesses providing contractor services.
- Tier 3-4 businesses are small-to-medium businesses or sole traders.

Insight statements and key findings

Insight Statement 1 – Maximising Opportunities through Growth: Growth in Māori-owned small to medium sized construction businesses could enable their participation in broader opportunities within the construction sector.

The term growth, when speaking with Māori construction businesses is broad. For some, it's about growing the size of their business, the number of employees and the amount of work they are able to undertake. For others, growth can be about understanding their purpose, undertaking work that aligns with their values and creating impact for employees, their whānau and the wider community.

The rate of Māori construction business growth (rate at which new businesses are emerging) does reflect that of the general population. The Te Matapaeroa 2021 dataset indicates that Māori business births have been stable across the period 2017-2021, and their rate of decline (deaths), is less than that of non-Māori construction businesses. This indicates that overall, the emergence of new businesses and their survival is stable.

The majority of Māori and non-Māori construction businesses are positioned within tier 3-4 businesses (98.54% and 98.03% respectively). We do see a slightly higher number of Māori sitting at the tier 3-4, and a slightly lower number of Māori owned construction businesses operating at tier 1-2 (1.46%). Comparatively non-Māori tier 1-2 operators sit at 1.87%, with this translating to a total of 3117 non-Māori tier 1-2 businesses, and 300 Māori owned tier 1-2 business.

Some interviewees said that for some, growth is relative, and they are happy with their current state of operations:

'Some (smaller businesses) are happy where they are. Happy with 4-5 staff and they are happy in that world'.

'An assumption that every entity wants to grow. This is not always the case – people's journey to success can be vastly different and non-linear…for Māori construction businesses that may not necessarily pertain to (business) growth'.

There is a perception by interviewees that public sector procurement processes are complex despite positive attempts by the government to encourage supplier diversity by adopting progressive procurement policy in 2020. This view is shared by some of the interviewees:

'We are seeing a bit of tokenism, not opportunities, where there is a lot of development going on, but Māori businesses are not getting the work'.

'The (opportunities) go to one or two big companies, so the small businesses miss out'.

Interviewees mentioned that progressive procurement and opportunities to partake in larger scale construction projects are more available now, however there are still barriers to these opportunities for Māori construction businesses. Some suggest that growing businesses, and growing capability in tendering for this work, will see the conversion of opportunities.

'Navigating the procurement process can be difficult … like trying to fit into a jigsaw… developing and growing your business means you can do this as opposed to working for someone else'.

Some interviewees noted that business growth does allow for Māori construction businesses to compete for larger contracts, however another means is to collectivise and work collaboratively. This theme is explored further in insight 3.

Insight statements and key findings

Insight Statement 2 - Business and Financial Acumen: Building business and financial acumen is a necessary capability need for Māori-owned small-to-medium sized businesses to flourish.

The majority of interviewees said the most important development area for Māori- owned businesses were financial management, business management and business development. While the interviewees said Māori-owned businesses are performing within the current environment, business capability uplift with a focus on business and financial management would support their continued growth. The interviewees said that key financial skills to develop should include managing: tax, cashflow, a sales pipeline, and corporate overheads. Key comments from interviewees include:

'There are constraints in business that you don't think about. Paying for staff, making sure there is enough income to stay afloat – not managing this is incredibly stressful'.

'Back-office support is integral to keep the business afloat, so you can be good in your trade'.

'Some go into business naively and don't know the ins and outs of running a business. Most important is an understanding the financials… bringing on administration support, sort pricing, and engaging an accountant to take a good look at numbers.

'(Māori business owners) ... need to have a good understanding of finances. If you're new into business, getting good advice on your taxes, on what you have to pay, and what you can claim against'.

'Need help to be more conscious and aware and intentional about their finances. Simply being more financially capable and conscious'

'Cyclic nature of construction – if you don't have a sustainable pipeline, the money won't flow'.

Interviewees discussed starting their career in construction before launching their own independent business. This often means that Māori in the construction sector become subject matter experts in their trade but require support to develop their business capabilities. Workforce related data also endorses, that qualification obtainment amongst Māori workforce is increasing (refer to page 20). This could be balanced with building business capability.

'Sometimes there is a lack of business acumen. Over promising and under-delivering and not understanding things such as contracting'.
'Have a mate who runs a small company, awesome on the tools… on the admin side, needs a lot of work, and has no guidance in that area'.

'(They're) doing the mahi, not being more deeply considerate of the strategy – not having the necessary systems and acumen… a system for keeping track of expenditure, invoicing, goods, operational record keeping and work pipeline'.

The interviewees said the second most important development area for Māori-owned businesses was strategic planning, marketing, and sales. Interviewees said, in their opinion, Māori business owners often rely on word-of-mouth to promote their businesses. The interviewees said Māori-owned businesses could benefit from capability uplift services that supported them to understand their business branding, marketing and sales.

Interviewees made the following comments to highlight why sales and marketing expertise was necessary:

'People are good at their trades but not good at their business, for example people don't know how to find work - don't know how to sell'.

'When starting out, I found out sales target were really important. If I know how much profit I need, I can support other things I am passionate about'.

Overall, the interviewees said financial and business experience should be focus areas for a future capability uplift service. The interviewees said the majority of Māori business-owners had previously worked within the business before taking over or founding their own company. This pathway, from subject matter expert to business owner, meant they were experienced at this craft, but would benefit from some additional support to run the business.

Insight statements and key findings

Insight Statement 3: Collaborate and Grow: Collective support is key to developing Māori construction business capability enabling the achievement of broader social and cultural outcomes.

The interviewees unanimously believed that the goal of Māori-owned businesses was to achieve a variety of outcomes including financial, social, and cultural benefits. Interviewees said while they'd established their businesses to financially support their whānau, they aspired to create positive change in their communities.

Interviewees also discussed that a need for Māori construction businesses and their continued growth, is for construction specific support networks that have strong cultural underpinnings and enable businesses to foster relationships across the sector, collaborating where possible.

The idea of support is broad. From a Māori perspective, it is rooted in whanaungatanga, the building of meaningful relationships, and the ability to lean on others for support and advice in times of need.

Collaboration and collectivising provides opportunities to not only foster and grow individual businesses by providing Māori business owners with a variety of skills and experiences to draw on, but also understanding where there are opportunities to collectivise for business opportunities.

The theme of collaboration is echoed through interview responses, with most realising how vital it is in building Māori construction business capability.

'(Need to) support these smaller businesses to either collaborate or grow'.

'Collaboration. Need to come together and build critical mass…also design a platform that provides f *support collaboration nationally'.*

'How do we look at bringing in multiple Māori trades, to work together to empower each other's businesses. Tuakana-Teina… businesses, as well as iwi'.

'(Māori business) need a strong support network … a support network could be there to pull you aside … there are mental health issues present because of the stress. We need whanaungatanga … businesses supporting other business and supporting others.

Whilst there are business capability uplift programmes for Māori businesses, many interviewees acknowledged that there is no targeted approach for Māori construction businesses, despite what many perceived to be high needs.

'(Need something) specifically designed for Māori construction businesses. We can touch base on things that businesses struggle with. For me it's the juggling that with getting the work'.

Some interviewees noted that Māori services do exist and should be promoted, with additional support services working to identify and fill gaps.

'Need to raise awareness and accessibility of support and capability providers, trusts, networks. Using existing suppliers to build capability. There are a lot of things out there, so we need to work in the spaces in between'.

Some interviewees believe that some support services may lack the ability to build relationships, connect with and understand Māori business, thus reiterating the need for meaningful support.

'Most advisors don't provide comprehensive advice. Could go on a growth trajectory, however, there is something more valuable about authenticity of connection. About understanding the client personally'.

This interviewee remarked that understanding the values and purpose of Māori construction businesses and building personal relationships adds to the capability uplift experience.

'There is so much value in the level of personal connection in the smaller market… (it's) about trust and safety'.

Some interviewees acknowledged positive capability uplift examples;

Provide funding to pre revenue businesses, will give them 6 hours with a business coach to develop a business plan. If they take it back and have some semblance of a feasible business, they will get funding. Some may use that money to continue to work with a business coach and then go to the next level of support.'

'Local Māori business network) …run as an entity and present (buyers) with different Māori businesses and pull trades together for opportunities.

Regional Māori business networks, appear to understand the needs of business and able to provide tangible support by also building relationships with businesses and buyers over time. Interviewees also mentioned agencies such as Te Puni Kokiri who provide capability uplift programmes as potential support mechanisms for Māori business. In supporting Māori construction business capability ensuring such a service works to build relationships with Māori businesses, connects businesses locally, is culturally appropriate and understands the needs of businesses is key.

The exploration of specific Māori construction business collectives and/or consortiums regionally, could be a mechanism to not only support Māori construction businesses in their aspirations for growth, but also a mechanism to engage businesses in current business capability uplift services. Outside of the business capability needs, there are examples of collectives being the mechanism for pulling together Māori construction SMEs to tender for larger contracts. Joining efforts within both the tender process and then supporting back office function if the contract is awarded, allow businesses to focus on the delivery of works.

Detailed findings

Section four - our approach

Our approach

Our approach

To inform the report, detailed findings and view of the current business capability support services, we have collated and analysed a variety of data. This is structured into business related data (sourced from Te Matapaeroa knowledge base) workforce related data (sourced from Workforce Information Platform), interviews with construction sector stakeholders, and desktop research inclusive of a literature review. This is described in more detail below.

- **Online data collection.** This report draws on publicly available information which was gathered from government websites, industry reports, and other articles about the Māori construction sector. Online research offered a wide range of data that enhanced understanding of the overall landscape and specific aspects of the sector.
- **Te Matapaeroa knowledge base.** A review was conducted of the Te Matapaeroa knowledge base managed by Te Puni Kōkiri. The knowledge base uses the Integrated data infrastructure (IDI) and the Longitudinal Business Database (LBD) which are managed by Stats New Zealand. In addition, information has been sourced directly from the Te Matapaeroa platform which is an online power BI dashboard.
- **Workforce Information Platform.** The Workforce Information Platform (WIP) managed by Waihanga Ara Rau was also analysed. The WIP allows access to specific workforce-related data essential for understanding the capabilities and challenges of Māori construction businesses.
- **Interviews.** Eleven one-on-one interviews with Māori-owned business owners and senior leaders representing different regions in New Zealand. Kōtuiā te Hono identified the interviewees based on their sector insights.

This list below identifies the regions and industries represented in our interviews.

REGION	INDUSTRY
Auckland	Residential housing
Auckland	Engineering
Christchurch	Business consultant to the construction sector
Taranaki	Residential housing
Hawkes Bay	Residential housing
Tauranga	Workforce planning
Christchurch	Business advisory
Auckland	Business consultant to the construction sector
Kapiti Coast	Specialist trade/subcontractor
Waikato	Specialist trade/subcontractor

Figure 2. The regions and sectors represented in the qualitative survey.

The Construction Accord also identified a list of construction sector representatives to inform the design of the future service, of which seven were also interviewed for the purpose of this report. The makeup of this group includes SME owners, iwi leaders, procurement intermediaries, and government agencies.

Interviews were conducted using a semi-structured interview guide in **Appendix E and F** which covered the following key themes:

- Performance and growth of Māori businesses regionally/nationally,
- Unique challenges for business owners,
- Existing business capability services they utilised,
- Knowledge of existing domestic/international business capability services,
- Their view about a fit for purpose, future state business capability service,
- The business capability requirements,
- How business capability services should be delivered.

Interviews were conducted online or face-to-face and took between 45-60 minutes. We collected qualitative and quantitative information from the interviews. All interviewees provided voluntary and informed consent to participate in the discussions. The following findings are categorised by the majority answers to the key questions asked and other information from interviewees.

This data was then collated and presented by thematic analysis.

Limitations

The data for this report was collected between August and December 2023 and contains the following limitations:

Regional representation

Businesses operating in multiple regions may have rolling mean employee counts that span different regions. As a result, these counts may not accurately reflect the overall employee count for a specific region. This limitation can lead to an incomplete understanding of the regional distribution of employees within the Māori construction sector.

Limited regional-specific data

The Te Matapaeroa dataset from Te Puni Kōkiri does not provide a detailed regional breakdown of Māori-owned businesses in the construction sector. However, when coupled with the Te Matapaeroa report, there is a greater level of comprehensiveness to the report.

Inactive businesses

The metadata used may include businesses that are not currently trading. This can impact the accuracy of data related to business activity and may not reflect the current state of the sector. It is essential to consider the distinction between active and inactive businesses when interpreting the analysis.

Data suppression and use as a relative measure

The Te Matapaeroa and Workforce Information Platform datasets both draw on data from the IDI (Integrated Data Infrastructure) and LBD (Longitudinal Business Database) which are derived from Stats NZ Tatauranga Aotearoa for institutional data. For privacy purposes, Stats NZ Tatauranga Aotearoa has suppressed some data in the datasets. This does not, however, affect the qualitative analysis, as the data being used still provides a comprehensive overview of the Māori construction sector. Additionally, some datasets will have higher counts. However, because the data is being used as a relative measure, the discrepancies in counts of the data are negligible, and the data provided for the purposes of the report will accurately depict the scenarios they are illustrating.

Interviewee selection

A limited number of representatives to participate in interviews. Possible limitations include bias, self- selection bias, and limited datasets.

Detailed findings

Section four - current state data analysis

Current state data analysis

Purpose

This section provides an overview of the current state of Māori-owned construction businesses including the number, size, and growth of these businesses. Additional captured data highlights workforce-specific insights, including on sole traders, significant employers of Māori, and employee distribution among construction trades. This section also presents specific regional data on Māori-owned businesses.

The purpose of this information is to provide analysis to support the enhancement of the existing capability uplift service developed for Māori-owned businesses. Data that shows the density of Māori-owned businesses in the regions, their sizes, their sub-sectors, and tiers, could inform where best to focus services and delivery.

National overview

This segment of the report focuses on providing an overview of the national data pertaining to Māori representation within the construction industry. Specifically, the number of Māori-owned construction businesses, the total number of Māori businesses across all sectors, the size and growth of the Māori construction businesses and workforce specific data, that looks at workforce requirements within the sector, as well as the count of construction sub-divisions and industry groups in Aotearoa.

Business data

The number of Māori-owned construction businesses:

As a percentage of the market share, Māori construction businesses have increased from 13.38% (4,209 out of a total of 31,452) to 13.97% (4,854 out of a total of 34,755) between 2017 and 2021 (see below at figure 3). 2 The data shows that during this time, we see the growth of the Māori construction businesses, despite a decrease in Māori owned businesses in other sectors, for example, the accommodation and food services which saw a 1% decrease in 2018, demonstrating the resilience of the construction sector (Te Matapaeroa, 2017-18). In 2021, both Māori and non-Māori businesses experienced a minor decrease, potentially in response to the impacts of COVID-19.

The data presented below in **Figure 3** demonstrates the number of Māori-owned construction businesses at a national level, compared to non-Māori construction businesses.

Furthermore, with the increase in the number of Māori construction businesses (645 new businesses over five years), this could be a contributing factor towards Te Matapaeroa's finding, whereby the construction sector employs the highest number of Māori nationally.[3]

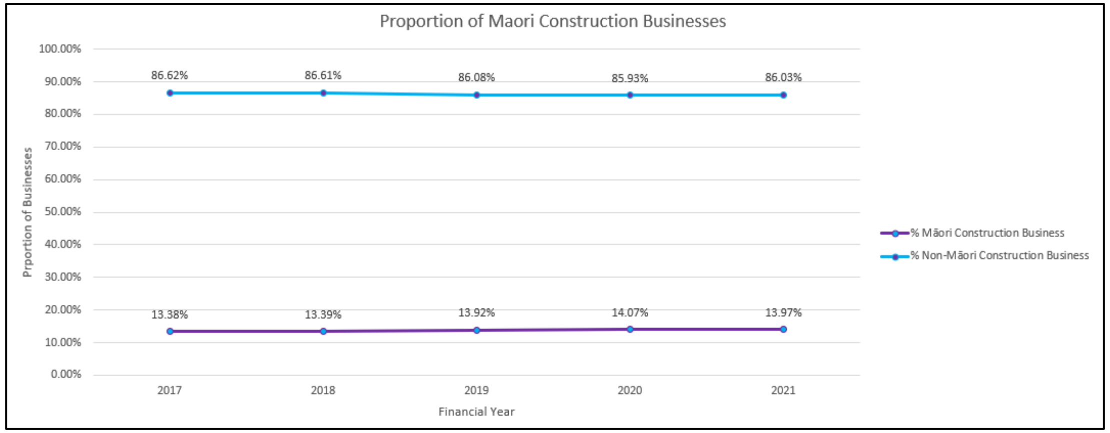


Figure 3. Proportion of Māori construction businesses in Aotearoa (2017-2021).

[2] Kulkarni, R., Prain, A. & Berg, M. (2023). *Te Matapaeroa - Māori Business Insights (National Construction Business)*. www.tpk.govt.nz.
[3] Te Matapaeroa 2020 (tpk.govt.nz)

Current state data analysis

The number of Māori-owned businesses in all sectors

Figure 4 provides a national overview of the proportion of Māori-owned businesses across all sectors, spanning a recent five-year period (2017-2021). [4]

During this time there have been minor fluctuations, however overall, the percentage across a 5-year span has increased from 10.61% (2017) to 10.95% (2021). remained between 10.50% and 11.00%. This steady growth across all Māori business, mirrors that of growth within the construction sector, which is a positive indicator regarding the overall health of Māori business.

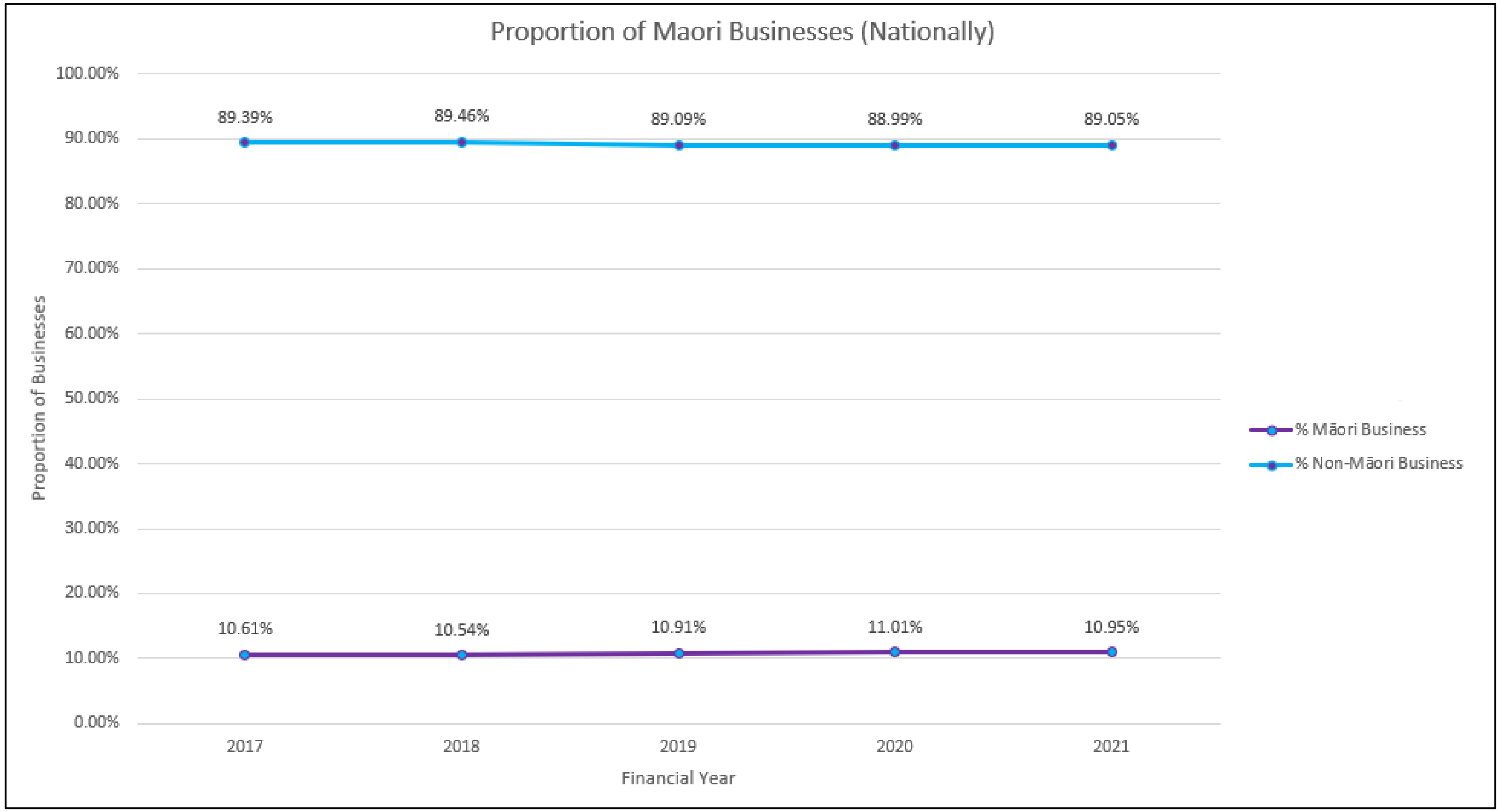


Figure 4. Proportion of Māori-owned businesses in all sectors of Aotearoa (2017-2021).

[4] Kulkarni, R., Prain, A. & Berg, M. (2023). *Te Matapaeroa - Māori Business Insights (National Level Counts).* www.tpk.govt.nz.

Current state data analysis

Firm sizes

Figures 5 and 6 illustrate the firm size of Māori construction businesses on a national basis across all sectors, in 2017 and in 2021. The figures compare the differences in the number of employees per firm between Māori and non-Māori construction businesses.

The sizes are split into tiers. These tiers are as displayed on the table on the right. The majority of Māori and non-Māori construction businesses are positioned within tier 3-4 businesses (98.54% and 98.03% respectively). We do see a slightly higher number of Māori sitting at the tier 3-4, and a slightly lower number of Māori owned construction businesses operating at tier 1-2 (1.46%). Comparatively non-Māori tier 1-2 operators sit at 1.87%, with this translating to a total of 3117 non-Māori tier 1-2 businesses, and 300 Māori owned tier 1-2 business.

The proportion of tiers remained fairly stable over the five-year span, with some minimal changes. Starting from 2017, there has been a small rise in the number of tier 1, 2, and 3 sized firms, resulting in a decrease in the number of tier 4 firms. Nevertheless, tier 4 firms remain the largest category in both Māori and Non-Māori construction businesses, accounting for 88% to 86% of the entire size distribution respectively[5].

[5] Kulkarni, R., Prain, A. & Berg, M. (2023). *Te Matapaeroa - Māori Business Insights (Construction Business Firm Size)*. www.tpk.govt.nz.

Tier 1	Are well established medium-to-large business. They are often procured by a client as the prime contractor to deliver services, or are well established subcontractors delivering to a prime contractor.	101 employees or greater
Tier 2	Are established business providing contracting services to the prime contractor or client. They may participate in formal and informal procurement processes.	Between 21 and 100 employees
Tier 3	Are small established businesses, often the subcontractor providing services to other contractors. They may have participated in formal procurement processes.	Between six and 20 employees
Tier 4	Are sole traders or recently established businesses. They often have not participated informal procurement processes. Often, these businesses are engaged in residential and maintenance services.	Between one and five employees

Figure 3. Categories of construction businesses organised by scale.

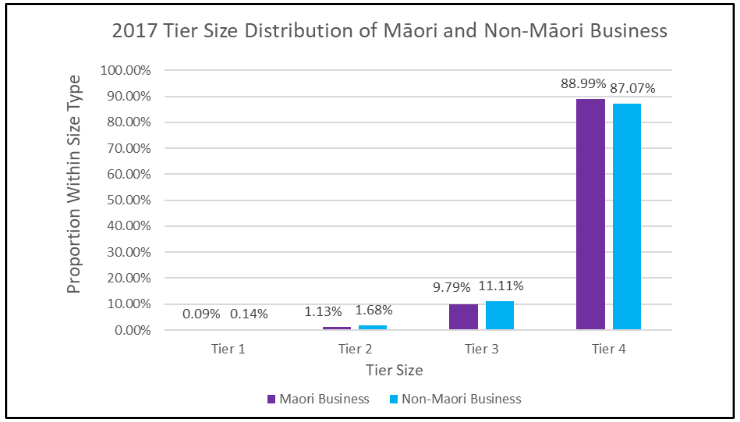


Figure 5. 2017 Construction firm size distribution (WP: Owner, RME: Rolling Mean Employees).

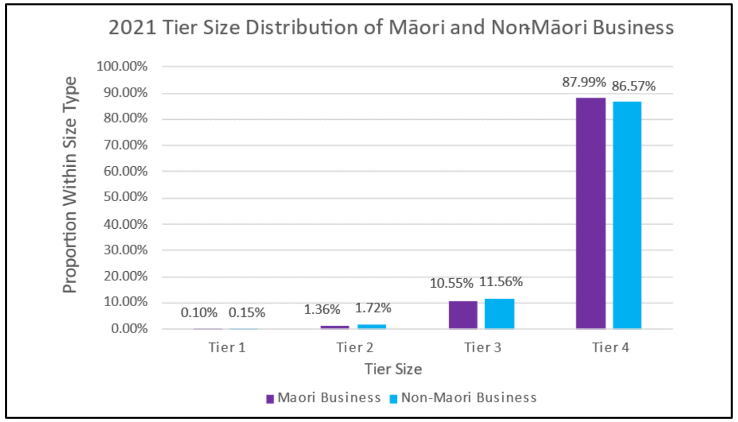


Figure 6. 2021 Construction firm size distribution (WP: Owner, RME: Rolling Mean Employees).

Current state data analysis

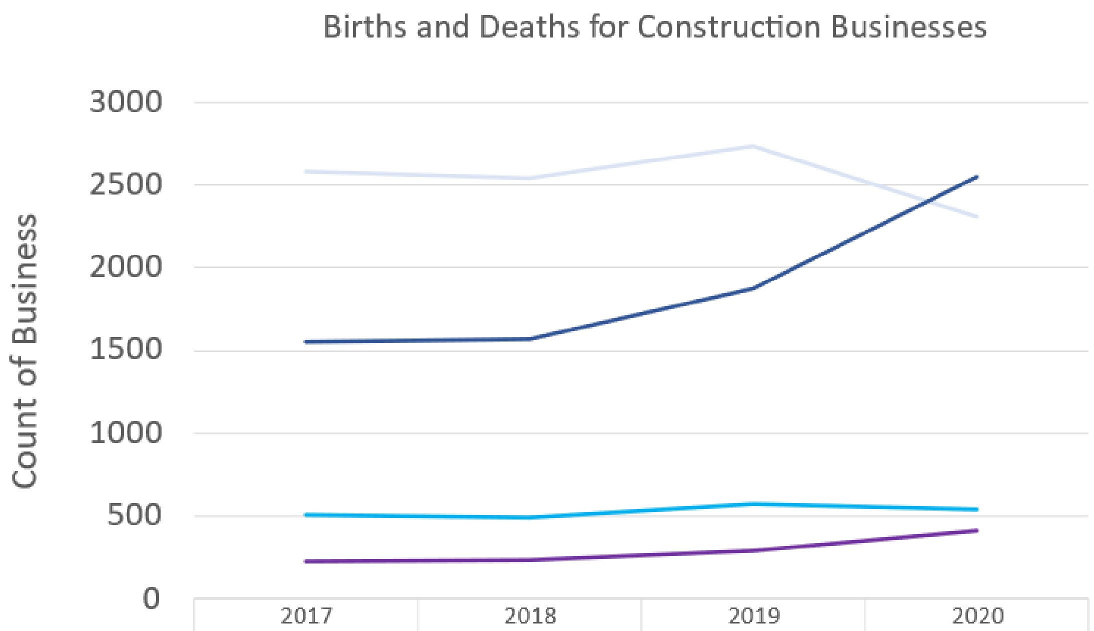
Sector growth (births and deaths of Māori construction businesses in Aotearoa).

The births and deaths of Māori-owned versus non-Māori-owned businesses between 2017-2020 is illustrated below in **figure 7**. The metadata defines the birth of a business as the first time they appear on any of the financial records (GST, Tax, etc.). While death is defined as the last time the business appears on any of the financial records (stops trading).

As below, the number of newly established Māori-owned construction businesses has risen from 504 to 534 (an increase of 20 total or 6%) over four years. However, the number of disestablished Māori-owned construction businesses has also increased from 222 to 411 (an increase of 189). This reveals the total number of closures has been six times higher than the number of new establishments over the past four years.

On the other hand, the number of newly established non-Māori construction businesses has decreased from 2,583 to 2,307 over the course of five years (a decrease of 276). Additionally, the number of closed non-Māori construction businesses has increased from 1,554 to 2,550 (an increase of 996).

This information shows, over a five-year period, Māori-owned construction businesses are closing faster than non-Māori businesses.



	2017	2018	2019	2020
Maori Construction Business - Birth Proxy	504	492	567	534
Maori Construction Business - Death Proxy	222	234	291	411
Non-Maori Construction Business - Birth Proxy	2583	2544	2733	2307
Non-Maori Construction Business - Death Proxy	1554	1572	1878	2550

Financial Year

Figure 7. The number of Māori and non-Māori construction business births and deaths (2017-2020).

Current state data analysis

Workforce data

Significant employers of Māori and sole traders[6]

Significant employers of Māori are defined as businesses where 75% of employees in the business identify as Māori. Understanding the trends in this data, helps build an understanding of the current state, whereby moving forward there is an opportunity to understand the contribution of both Māori-owned businesses and significant employers make towards Māori employment figures.

The data in **Figure 8** shows similarities in the distribution of construction business ages between significant employers of Māori and Non-Māori businesses, although at different scales, given the population discrepancies. Significant employers of Māori aged less than or equal to five years, for example, increased by 30% over the 2018- 2022 period. Meanwhile, non-Māori businesses increased by 20% over the same period. Both increases indicate a shift in the number of new businesses joining the industry, which is also reflected in **Figure 9**. Businesses who are significant employers of Māori have increased in numbers by 21%, while non-Māori have increased by nearly 15%[7].

Figure 8 also indicates that there is little shift where businesses are more mature, likely given their standing in their respective industries and adequate capital backing to weather financial hardships that have arisen throughout the period.

Interestingly, **Figure 10** also illustrates a similarly proportionate decrease in the number of Māori and non-Māori sole traders across the same period. The number of Māori sole traders has decreased by 15%, while non-Māori has decreased by 22%.

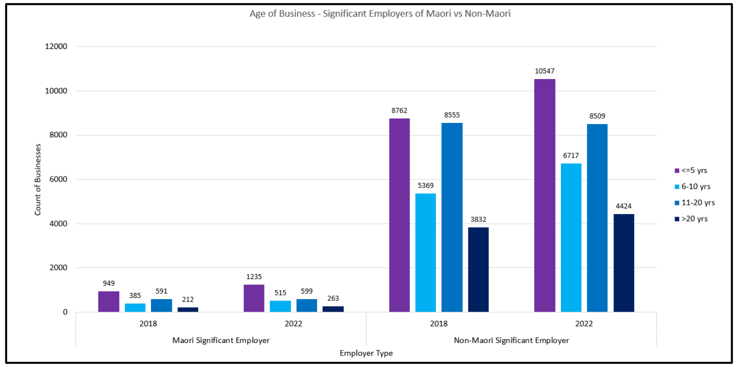


Figure 8. Age of Businesses: Significant Employers of Māori and Non-Māori (2018-2022).

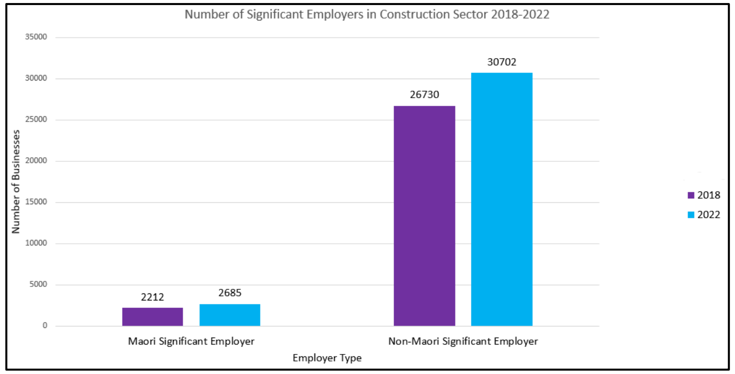


Figure 9. Total Number of Businesses: Significant Employers of Māori and Non-Māori (2018-2022).

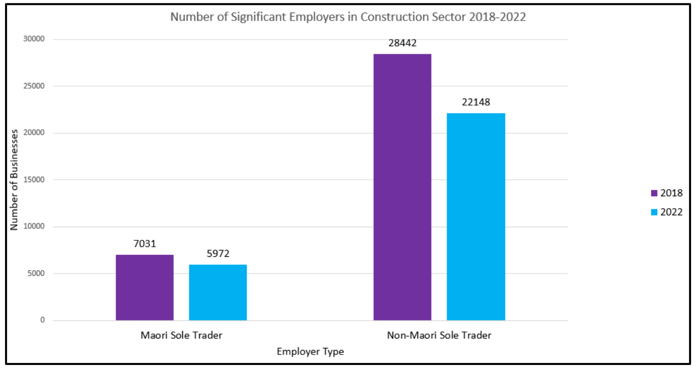


Figure 10. Total Number of Businesses: Māori and Non-Māori sole traders (2018-2022).

[6] Projects\Waihanga Ara Rau WIP\Business ownership by ethnicity\Maori owned businesses
[7] Projects\Waihanga Ara Rau WIP\Business ownership by ethnicity\Maori owned businesses

Current state data analysis

New entrant origins and leaver destinations

This section of the report considers at what point Māori employees are joining and leaving the construction sector. **Figure 11** below shows the origins for Māori entering the construction sector between 2018 and 2022.

There is minimal change in the number of Māori entrants to the construction workforce across the period. More people have opted to move into the construction sector from job-seeker support, and more young Māori are moving into the construction industry following secondary skill, which can cultivate growth in the sector. The number of tertiary graduates moving into the industry has fallen but that may allow them to work in the professional services industry and then move to the construction industry with a greater level of skill for which they can support the Māori construction economy. Interestingly, the number of New Zealanders returning to Aotearoa to work in the construction industry has remained constant at zero. This is something the service may look to address, to incentivise more skilled Māori to return and bolster the construction industry.

Between 2017 to 2021, an increasing number of Māori are changing industries and leaving the construction sector as per Figure 12.

There was also a near 20% increase in the number of those who left the industry to receive benefits, potentially in response to an increase in unemployed attributable to the negative effects of COVID-19. Positively, 61% less Māori made the choice to move overseas from the industry, indicating there is some improvement in the ability for construction firms to retain Māori talent domestically8.

[8] Projects\Waihanga Ara Rau WIP\Industry Tenure and New Entrant Origins\Industry Tenure and New Entrant Origins (FO)

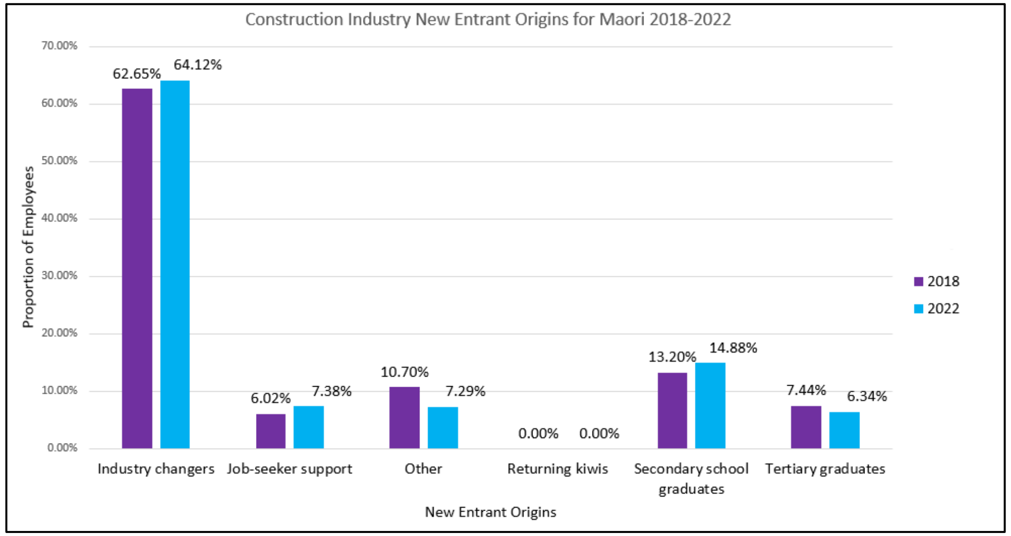


Figure 11. Construction Industry New Entrant Origins for Māori (2018-2022).

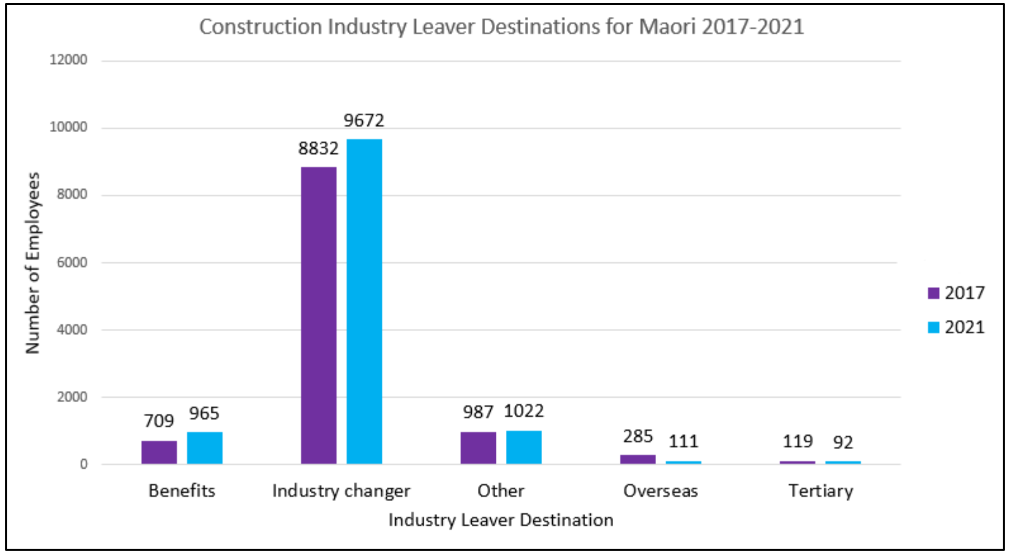


Figure 12. Construction Industry Leaver Destinations for Māori (2018-2022).

Current state data analysis

Highest qualifications for Māori construction industry employees

Over the last five years, the educational achievement for Māori entering into the construction sector has improved in every indicator, see above at **Figure 13**. The data illustrates strong improvement among school leavers. Employees who achieved NCEA L1 or equivalent has stayed steady, while the number of employees who have at least NCEA L2 or L3 qualifications has risen. Ability to obtain NCEA levels, could support employee progress, as they have the have experience in acquiring credits towards completing their apprenticeships. Meanwhile, the number of employees with no qualifications has fallen, indicating the level of capability among Māori is improving in the construction sector.

There is some reason for concern, however, given that the number of people with post school qualifications or diplomas has decreased over the same period by approximately -4%. This may be offset though by the significant rise in those for whom their highest qualification is unknown, with an increase of 3,265, or 45%[9].

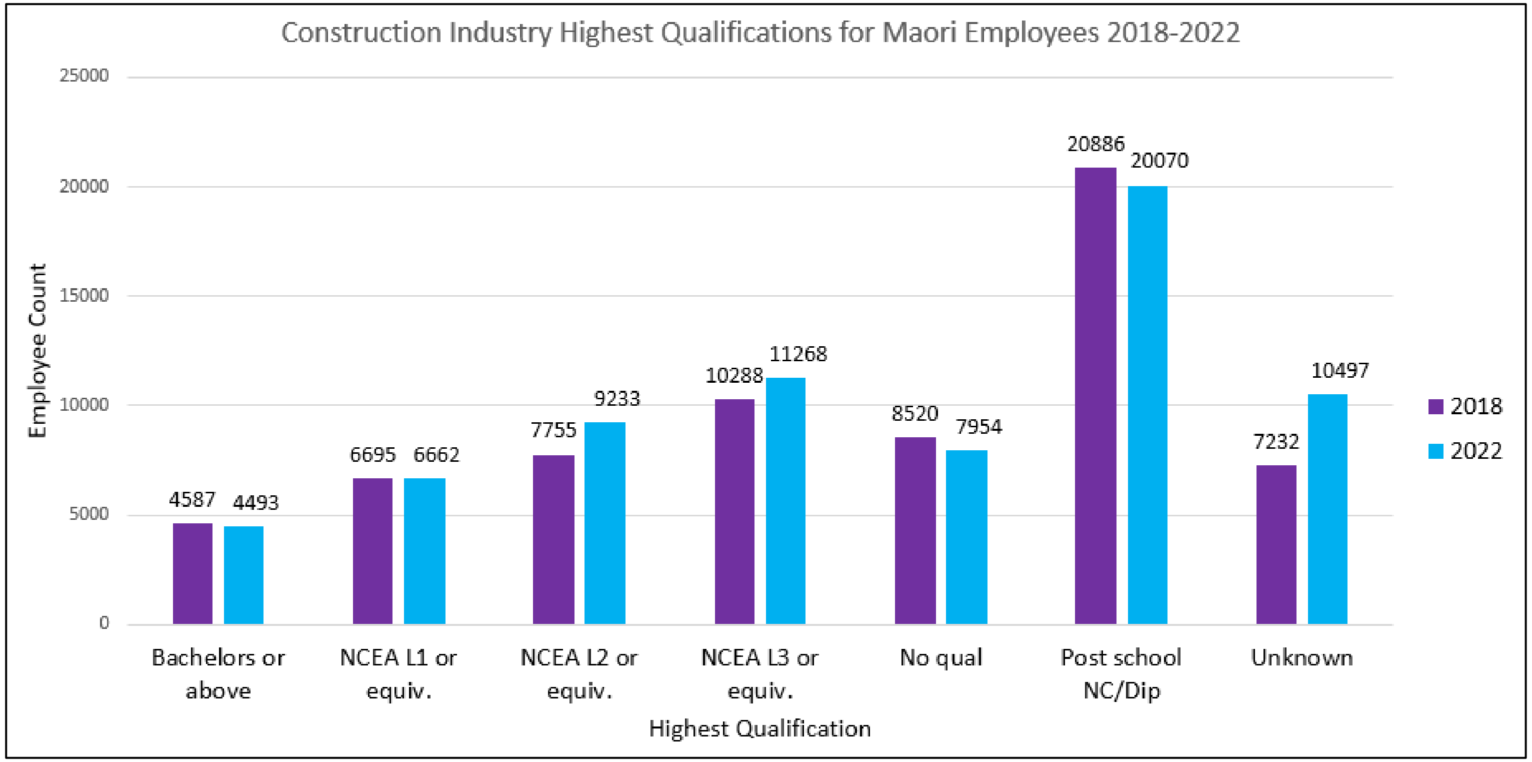


Figure 13. The Highest Qualifications for Māori Employees in the construction sector (2018-2022).

[9] Projects\WDCs - Workforce dashboards\1. Base query rerun\Annual workforce composition

Current state data analysis

National-level counts of construction sub-divisions & construction industry groups. 2017 & 2021

Figures 14 and 15 below show the distribution of Māori-owned construction businesses nationally from 2017 and 2021. Over the course of five years, the distribution of construction businesses has remained relatively consistent, with minor fluctuations. The strongest category is residential building construction, followed by building installation services, building completion services, and non-residential building construction represents the smallest sub-group within this sector. This distribution reflects the ongoing trend of significant residential developments taking place nationwide, driven by the government's commitment to addressing housing needs and ensuring an increased supply of residential properties[10].

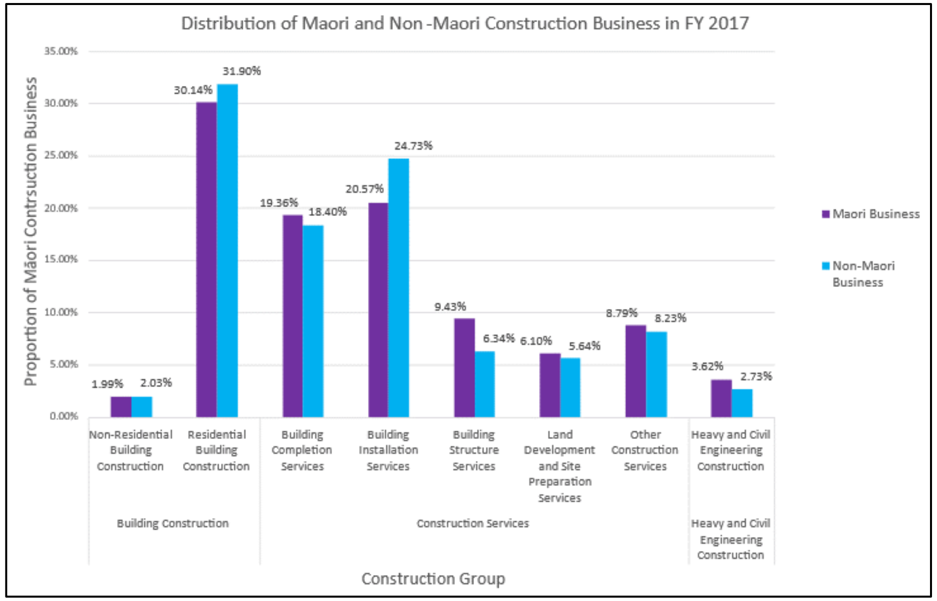


Figure 14. Distribution of construction businesses by sub-group (2017).

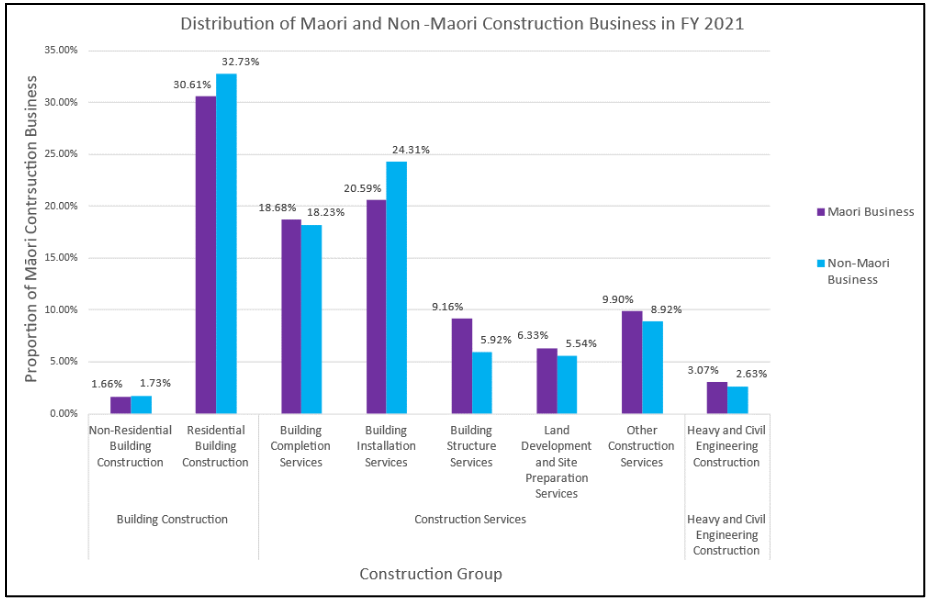


Figure 15. Distribution of construction businesses by sub-group (2021).

[10] Kulkarni, R., Prain, A. & Berg, M. (2023). *Te Matapaeroa - Māori Business Insights (Construction Group)*. www.tpk.govt.nz.

Current state data analysis

Regional Profiles

This section of the report provides an overview of regional data regarding the representation of Māori in the construction industry. We have examined various aspects such as the total number of Māori-owned construction businesses, the size and growth of the construction sector, and then followed this with the workforce requirements for each region across Aotearoa.

We have analysed the data and grouped regions based on the following localities.

- Te Tai Tokerau (Northland),
- Tāmaki Makaurau (Auckland),
- Waiariki (Bay of Plenty),
- Waikato,
- Taranaki,
- Te Tai Rāwhiti (Gisborne and Hawkes Bay),
- Te Whanganui-a-Tara (Wellington),
- Te Waipounamu (South Island, encompassing the of Canterbury, Marlborough, Nelson, Otago, Southland, Tasman, and the West Coast).

Profiles are available for each region, containing a more comprehensive and detailed analysis of the regional profile data in Appendix G.

Current State Regional Analysis

Throughout the five-year period between 2017-2021, Māori-owned construction businesses in all regions of the country increased in numbers, indicating a positive trend for this expanding sector.

In 2018, except for Tāmaki Makaurau (Auckland) and Te Waipounamu (South Island), every region experienced a favourable increase in the number of businesses compared to 2017. Subsequently, in 2019, every single region observed a rise in the overall number of Māori construction businesses.

Despite the challenges following the outbreak of COVID-19 in 2020-2021, several regions including Waikato, Taranaki, Te Tai Rāwhiti (Gisborne and Hawkes Bay), Whanganui-a-Tara (Wellington), and Te Waipounamu (South Island) managed to either maintain or increase their numbers of Māori-owned construction businesses. This resilience displayed during such a challenging period is a testament to their determination and adaptability.

Regional Workforce Distribution

In the Māori construction industry, the workforce distribution is primarily dominated by residential housing construction, employing 9,971 individuals across the regions of focus. Road and bridge construction come in second place with 5,391 employees, while other construction services not elsewhere classified (N.E.C.) follow closely with 4,308 employees[11].

[11] Kulkarni, R., Prain, A. & Berg, M. (2023). *Te Matapaeroa - Māori Business Insights (Construction Industry x Region)*. www.tpk.govt.nz.

Detailed findings

Section four - stakeholder interviews

Stakeholder interviews

Purpose

This section of the report describes the perceptions of Māori business-owners working in the construction sector about their understanding of the performance, challenges and capability needs of Māori-owned businesses in the construction sector. This information contributes to understanding the sectors view on business capability uplift needs across the construction sector.

These insights are not a conclusive view of the entire construction sector. The findings in this section were gathered through interviews as set out in the approach section. The insights are set out below and organised into common themes.

Detailed findings

Māori owned businesses face varied challenges within the construction sector.

The interviewees said Māori-owned businesses face a variety of issues within the construction sector. Some of the barriers identified by interviewees include: a high time cost required to participate in government tendering processes, a view that tier 1-2 construction businesses continue to win the majority of work, and a perception that public sector bureaucratic processes inhibit Māori owned businesses from participating.

Some of the interviewees noted that despite a focus on supplier diversity, buyers still prefer to engage with their preferred suppliers, making it difficult for Māori businesses to compete against other businesses established in the market. Some interviewees said, despite attempting to access progressive procurement opportunities, they experience barriers that prevent them from winning jobs. Some examples include not enough: capital, insurance cover, and track record. Some of the interviewees felt, despite having the capacity and capability to deliver work, Māori-owned businesses were prohibited from participating in tender opportunities because they failed to meet the strict minimum requirements. One participant said, '(their business) … tried to tender for work - but they want you to have a large bond, capital, to secure funds, as much as $90,000.00.'

Interviewees also said they experience challenges prevalent within the construction sector. The interviewees described sector-wide issues that make it difficult for new entrances into the construction sector. Barriers such as competitive profit margins, a high reliance on labour hire companies, random drug testing, and a limited number of workers with full drivers' licences all make it difficult to work in the sector.

Without appropriate support to secure contracts, economic challenges like small profit margins persist. Drug testing requirements and driver's licence restrictions also pose difficulties for Māori businesses. Competition in tendering processes and the need for mentorship and education on business and sales contribute to the challenges they face. Establishing networks and fostering engagement using Māori principles is crucial. Moreover, Māori businesses often struggle to be given opportunities to grow, as larger contractors prefer their existing subcontractors.

'Lack of pipeline for projects, increasingly small margins, subcontracting liability away. Entities that control products and projects. Happens with a lot of the major contractors. Best interest to subcontract out and hand the risk over.'

There is a national shortage of skilled workers, but the focus of hiring is primarily on school leavers rather than experienced individuals in the industry. This preference for fresh graduates is driven by the ability to train them from scratch and lower salary expectations. To address this shortage effectively, a balanced approach that values both school leavers and experienced individuals is essential.

'There is a trade shortage. Highly skilled workers who don't have formal qualifications. Businesses have got skilled people who don't have the formal quals. The only qualified person is the owner. We focus so much on school leavers, but not those who have spent time in the industry. The focus should be shifted onto them to support their business and their development. '

Tier 3-4 businesses need access to business fundamentals

Often, particularly for smaller Māori-owned businesses, interviewees stated they had started working within a construction business before going independent and establishing their own business. This pathway means the business owner is often technically experienced and delivering the technical work required, but they may not have a comprehensive understanding of how to operate a business.

'Need to have a good understanding of finances. If you're new into business, getting good advice on your taxes, on what you have to pay, and what you claim against'.

A majority of those interviewed said they had previously, or still struggle with, accessing high-quality advice to undertake standard business functions. They struggled with, for example, building a pipeline of work, meeting tax commitments, claiming tax benefits, and developing a long-term strategic plan. One interviewee said the systematic issues many Māori business owners struggle with relate to 'finance, processes, systems, having the right mindset, effective ICT systems, and corporate governance.'

Stakeholder interviews

Low wages make it difficult to attract talent

Interviewees said low wages in the construction sector are a salient issue for Māori. They said Māori were often overrepresented within the sector in low-skilled and low- paid jobs. They said the sector was attractive to youth, but the sector often lacked development opportunities for workers to move vertically within the sector.

Talent supply shortages

Another difficulty faced by Māori business owners (particularly regionally) has been attracting and retaining suitable employees. Shortages in the construction workforce have also made it difficult to employ long-term workers. Interviewees discussed issues with employees regarding literacy, numeracy and digital literacy skills, including the use of tablets/smartphones as part of their job. Some interviewees discussed the investment into staff to overcome these issues and how this is in addition to usual trade training, including instances of employers sponsoring restricted or full driving licences.

'We pay them their value, we invest in training someone when they come on board, we spend $5,000 training them up, but if they go somewhere else, after they return to us, all their training has lapsed'.

If Māori construction businesses are investing additionally into their workforce broader needs, how might a business capability uplift service, support this and consider this in its service. An understanding of services or organisations that support the broader needs of this workforce may be required, with examples such as the Ngāti Kahungungu/BCITO solution, that trains apprenticeships into construction roles.

Preparing Māori-owned businesses to win work

The interviewees said Māori businesses often collaborate with other Māori businesses within the construction ecosystem. This happens because they often have a common social and cultural background. These relationships are strengthened by reliably delivering high-quality work. This works successfully at the peer-to-peer level but does not translate between buyer-and-seller relationships.

When trying to scale upwards, interviewees said Māori-owned businesses struggle to make the transition to work outside their existing network. Some interviewees hold the view that Māori-owned businesses rely on word-of-mouth and their reputation to win work, but this isn't enough to tender for larger roles. One interviewee said:

'Buyers won't even look at a business that doesn't have a website, at least a Facebook page, or an About page to build confidence and legitimacy'.

Some interviewees discussed businesses relying on their informal business networks to find work, and not a substantial perceived effort invested into other mechanisms traditionally used to win work. Another interviewee said:

''Do they (Māori businesses) have CVs? No way, they're good at their jobs and their performance, but they're excellent pilots flying substandard machines.'

In other words, the interviewee said Māori-businesses owners are highly skilled at the technical parts of their work in the construction sector, but they lack the necessary business infrastructure to scale their work. This interviewee said supporting Māori businesses to develop capability statements could help them to tender for public sector work.

The Construction Accord may want to consider how a capability uplift service could support Māori construction businesses to be 'job ready' so they can promote their services further to potential buyers.

Stakeholder interviews

Access to capital to drive growth

A common issue discussed by interviewees was limited access to the capital needed to grow their businesses. Most of the owners said they do not have the capital, or access to finance needed, that would enable them to scale their business. The interviewees felt like a lack of access to lending facilities was holding them back from competing against larger competitors in the market, 'we need resources to capitalise on opportunities, we are running businesses that are in direct competition with big businesses that are cashed up and ready to compete.' A need for Māori-owned businesses to access capital is a future design question for Kōtuiā te Hono.

Continued issues with procurement

Some other issues identified by interviewees result from their position within the supply chain and existing systems which at times incumber them from participating in procurement opportunities.

One interviewee said that Māori businesses are 'down the pecking order' and have no leverage to negotiate better payment terms, wages, or conditions for their workers. Another interviewee said, 'it's a race to the bottom,' with some Māori-owned businesses forced to compete for work at prices below minimum wage.

Some believed they missed out on commercial opportunities because of the nature of the current procurement process within the construction sector. One interviewee said they attempted to adopt innovative solutions, but they were constrained by the bureaucratic system:

'You see many issues… they (the public sector) makes things challenging, in terms of systems, business structures, pre-qualifications, insurances, retentions, contract structures, minimum liability requirements, this stifles Māori businesses from growing, there is an ongoing challenge from shareholders to get the balance right in terms of risk.'

The Construction Procurement Guidelines apply to mandated government agencies, requiring them to advertise new construction projects on the Government Electronic Tender Service (GETs) if they have an estimated value of $9 million or more.

However, the high cost and legal requirements related to these tenders are a perceived barrier for Māori businesses. As a result, some collaborate with larger organisations that have the scale and capability to deliver high-value projects, who often capture a sizeable percentage of the value of the contract.

Regarding a future business capability uplift service, the Construction Accord could consider how they might support Māori businesses to build their capability in tendering for work and ensuring equitable outcomes in pricing.

Existing support services that support Māori-owned construction businesses

The interviewees said there are few existing services available to support Māori businesses. The interviewees said they experienced barriers accessing existing support. One interviewee mentioned that before they could access support from a provider, they 'asked us (Māori-owned business) for two years of financial statements before they're willing to work with us.' For new businesses with no track record, this type of evidence is difficult to supply. Another interviewee said they'd experienced long wait times waiting for support. Overall, there were positive examples of existing support services, but some interviewees felt the existing barriers prevented them from achieving meaningful growth. Specific insights regarding the current services available to Māori construction businesses are captured in 'Current Business Capability Support Services' section.

Stakeholder interviews

Summary of the qualitative research

Interviewees did mention numerous challenges; however, the majority did not identify current services or organisations that they felt adequately support them in growing their businesses. Some said there is a sector need for this support.

The interviewees were unanimous in their view that it was difficult to manage a business within the construction sector. Interviewees said small and medium-sized Māori businesses have little leverage over larger buyers and tier-one construction businesses. As a result, project risk and low wages are often transferred down the supply chain, and Māori businesses must compete for low-paid work. The majority of interviewees were proud of the work their organisations did, but believed buyers needed additional support to understand the value of supplier diversity.

The capability uplift needs of interviewees ranged depending on their individual circumstances. For organisations in the start-up phase, they wanted access to support to effectively master the business fundamentals. Whereas more mature businesses wanted a future capability uplift service to broker relationships and a collective understanding of how mātauranga Māori can apply to the construction sector.

Specific feedback on future business capability uplift service features include:

- In person business fundamentals course based on construction subdivisions and tiers. The content could be tailored to specific regional needs and/or known opportunities within the construction sector.
- One-on-one business coaching, online or in person, depending on the needs of businesses.
- Regional and/or national based meetings between business owners, buyers, suppliers, and professional services to network and discuss regional /national issues.
- The inclusion of tikanga Māori (e.g., karakia, mihimihi, whanaungatanga), te reo Māori and Māori values would be important for some in considering the delivery of any capability uplift programme.

Current business capability support services

Section five

Current Business Capability Support Services

Purpose and context

The purpose of this report is to review the existing domestic and international services designed to support Māori-owned construction businesses. This information has been compiled through desktop research and stakeholder interviews.

Services to support business uplift in Aotearoa

There are numerous public and limited private sector, examples of services focused at supporting and building the capability of Māori-owned businesses. While we have come across cohorts of business development support targeted at construction services, it is ad-hoc and one off, and we found no examples of dedicated and ongoing support service focussed on the unique opportunities and challenges facing Māori businesses in the construction sector. There are examples of services for Māori businesses, and non-Māori business capability uplift programmes, and the following list represents known existing services focused on supporting Māori business.

The services listed do provide support to Māori businesses, including the capability uplift programme delivered by TPK. TPK also offered a capability uplift programme to support Māori businesses to be competitive in the government procurement space in 2020. On an ongoing basis, TPK offer a business fundamental course to Māori businesses and offer one on one business development support to Māori businesses. There have been instances of the business fundamental course being offered as a bespoke programme for a cohort of Māori construction businesses, however, this is not an ongoing offering, and was not tailored to Māori-owned construction businesses.

The services listed do provide support to Māori businesses, including the capability uplift programme delivered by TPK. TPK offer a comprehensive set of services tailored to Māori business including business fundamental courses and one on one coaching. TPK in 2023 also ran a business fundamental course being offered as a bespoke programme for a cohort of Māori construction businesses, however, this is not an ongoing offering, and was not tailored to Māori-owned construction businesses. There were only 6 registrations for this specific 2-day course, therefore if similar offerings were to be made, consideration needs to be given as to how to ensure there are viable numbers and if there is regional demand.

TPK service offering includes business capability uplift and progressive procurement advice and support, including:

Te Tomokonga: Businesses are placed with a regional advisor who undertake a discovery session with businesses using the online discovery tool Te Tomokonga, which seeks to examine how TPK can best support the business.

First pathway: This service connects businesses with local intermediary supplier connections. This is entry level support, therefore appropriate for tier 3-4 level construction businesses. This service focusses on building up tender and bid collateral and connecting businesses in with local community ecosystem. Referred over 300 businesses. 14 providers currently on board.

ORGANISATION	SEARCH PROVIDED	REGIONS
Amotai	Amotai is a supplier diversity intermediary that connects Māori businesses to suppliers. Amotai also builds the capability of buyers and suppliers.	National, with regional business partners
Business Mentors	Business Mentors is a New Zealand-based business mentoring service focused on supporting start-ups, small businesses, and social enterprises. They don't specifically focus on the construction sector or Māori businesses.	National
Callaghan Innovation	Callaghan Innovation partners with Māori businesses looking to invest in research and development.	National, with regional business partners
Inland Revenue	Provides eligible Māori organisations grants and advice about how to set up and wind down businesses.	National
Kāinga Ora	Engaging with Māori-owned construction businesses to respond to the government's progressive procurement capability uplift targets	National
Kōkiri	Māori business acceleration programme, based on Māori values, focusing on accelerating early-stage Māori-led startups primarily in the technology arena.	National
Māori Women's Development Inc	The Māori Women's Development Inc (MWDI) supports wāhine Māori business owners with finance, capability building, coaching,	National Wellington-based
Ministry for Business	MBIE funds a Māori Innovation Fund to support Māori collectives to build skills and knowledge of Māori collectives and trusts.	National

Figure 40. A list of businesses that design services to support Māori businesses.

Current Business Capability Support Services continued

Business capability uplift programme: Currently offer group-based business foundations course and one to one capability uplift programme. Also have a specific service focussed on bid writing and tendering. Most businesses within this specific service are however already with government organisations. Also have a health and safety pre-qualification offering to ensure businesses have the appropriate requirements, as TPK were seeing a large number of businesses not having health and safety pre-qualifications. As of last year, within this total programme of work 596 assessment were held with Māori businesses with 262 being in the construction sector, indicating a large portion of business seeking support are construction businesses. Whilst a specific construction cohort for the foundation course was held, volume was not high in terms of numbers enrolling. This is believed to be in part, due to the difficulty in businesses being able to take two days away from their core business.

A key consideration for TPK moving forward is working within the other government agencies and the construction sector on large scale contracts. These specific contracts require more work in terms of due diligence and contract set up, and key aspects of this mahi will be working alongside both the business and the client to negotiate how Māori construction businesses can work in with these processes.

In the qualitative interviews, out of the attached list, interviewees said they had accessed business support from the following organisations:

- Amotai
- Poutama Trust
- Te Puni Kōkiri
- Regional Māori business networks
- Private coaching or business mentoring
- Iwi entities if they hold a whakapapa connection.

As mentioned, the qualitative interviews are a sample of views from Māori across the construction sector and are not conclusive. There was however consensus from interviewees that the existing support system do not fully respond to their business needs. The interviewees said there was not an obvious support mechanism specifically for Māori construction businesses, focussed on growing their businesses, and providing ongoing support for Māori construction businesses. Interviewees often mentioned specific organisations that supported differing business needs, such as regional Māori business networks for general support and guidance from Te Puni Kōkiri and Poutama Trust for facilitating relationships, providing procurement advice and access to one-off grants. The interviewees said, in their experience, the most effective intervention to grow their business was engaging with a business coach to provide ongoing one-on-one support to assist them with specific goals based on their unique circumstances.

ORGANISATION	SEARCH PROVIDED	REGIONS
Innovation and Employment		
New Zealand Trade and Enterprise (NZTE)	NZTE has a global investment team that matches Māori businesses with potential overseas investors. They also support Māori businesses to access overseas markets.	National
Poutama Trust	Poutama is an independent charitable trust established to provide business development services to Māori. Poutama granted $1.9 m from the Provisional Growth Fund (PGF) to Māori construction businesses. The majority of this funding was for plant equipment.	National
Te Puni Kōkiri	Te Puni Kōkiri (TPK) provides a range of services to support Māori businesses including business capability uplift programmes, business fundamental courses, one on one business support, access to capability building and development, and grants. In 2020, TPK did support a one-off capability uplift programme supporting Māori construction businesses.	National
The Icehouse	Supports Māori trusts and iwi organisations looking to navigate business growth with training, coaching, and networks.	National
Whāriki	A community platform used to connect Māori businesses to network, access resources, attend business events, and gain exposure.	Northland, Auckland, Eastern Bays

Figure 40. A list of businesses that design services to support Māori businesses.

Current Business Capability Support Services continued

A key design consideration for the Construction Accord is to understand where effort is best place in balancing the providence of broad general business advice to many versus more intensive business coaching to those looking to scale their business.

Domestic research on capability uplift of Māori Construction Businesses

There is little published information about support services focussed on building the capability of Māori construction businesses. There is, however, some literature considering how progressive employment policy could affect positive social change.

Progressive procurement, or social procurement, differs from traditional procurement because it uses leverage to achieve extra social benefits to create social value in communities, in addition to the simple purchasing of products and solutions. Progressive governments have adopted versions of social procurement to overcome traditional barriers that prevent penetration of the construction sector.

In the early 1990s, the rise of Corporate Social Responsibility (CSR) considered how organisations can use their purchasing power to create social value. Governments can, for example, update its social procurement policy to require buy-supplier relationships to achieve positive downstream outcomes like increased employment outcomes, training, health benefits, wage increases, or other benefits outside what is legally required. These types of opportunities can create opportunities to target groups who are precariously employed.

The construction industry is the third biggest employer in New Zealand, with 295,300 employees (or 10.5% of all workers). Of this group, Māori make up 16% of the construction sector (or 47,248 employees). Despite being well represented within the sector, Māori are not represented within managerial and professional roles within the sector. Numbers are difficult to verify, but as little as 2% of registered engineers identify as Māori or Pasifika. The high number of Māori in low-skilled roles also means they have inequitable access to skills development. As a result, they are reliant on larger firms for work and skills development and cannot access career progression pathways.

Case Study: Pacific Business Trust

An example of a Pacific-centered initiative that aims to increase the business capability of Pacific owned businesses is enacted by the Pacific Business Trust [13]. The organisation provides tailored advisory services and financial support to Pasifika businesses, where entities may request a free business health check. If they meet certain criteria, the Trust will appoint an advisor to support them in the improvement of capabilities and facilitate growth in their respective sector. Additionally, the Pacific Business Trust provides procurement services, allocating custom support and tools to ensure businesses are better equipped to capitalise on tendering opportunities. This is managed through workshops, grants, and customised one-on-one support. The result is enhanced compliance knowledge and credentials, alongside development of connections with buyers and the overall business network.

Mental Health and Industry Intersection

Workers employed in the construction industry in New Zealand have one of the highest suicide rates in the world. A MATES in Construction Report 2021 said Māori made up 21.3% of all suicides in the sector (compared to 17.2% of all employed).

The causes of suicide are complex and intersectional, but contributing factors include low wages, hazardous work, low educational achievement, and limited access to sick leave. Often, this results in Māori experiencing disproportionate rates of health and safety outcomes.

In addition, Māori workers often have additional familial obligations, including caring for dependents who are children, elderly, disabled, experiencing abuse, or sick.

Māori workers are also concentrated around entry-level roles and are unable to access development opportunities to increase their earning potential.

The lumpy nature of the construction sector pipeline means construction companies prefer to use labour-hire companies to remain agile during peaks and troughs. This flexible approach transfers the risk from construction companies to labour-hire companies and their sub-contractors, which negatively impacts a workforce that is comprised of high numbers of Māori workers. This results from project-based work, tight margins, and high pressure to compete on projects.

[12] Ministry of Business Innovation and Employment, “Building and Construction: Sector Trends,” 2022.

[13] Pacific Business Trust, “Customised Support & Procurement”, 2024.

Current Business Capability Support Services continued

International research on indigenous approaches to business capability uplift

We could identify limited international examples of programmes designed to build the capability of indigenous construction businesses. In Australia, there is some literature considering how social procurement has the potential to benefit indigenous people. In the United Kingdom, there is also some consideration of the benefits of progressive procurement policy tools. In Canada, the Aboriginal Entrepreneurship Program provides access to capital and business opportunities for indigenous business owners. This example draws on the AEP and work conducted by Aboriginal Financial Institutions throughout Canada [14]. AEP is the product of collaboration between 53 AFI's across Canada's entirety – solely devoted to making capital and support accessible for indigenous entities – whether it be at a business level or an individual level. Their support is broken down into non-repayable grants in addition to loans which accrue an interest rate slightly higher than the average, due to the inherently higher risk. This risk is mitigated by the ongoing support that the entities are provided with. The entity fronts an initial capital outlay, and in turn, is provided with support ranging from a business plan, mentoring support, and management consulting services in addition to financial support. Furthermore, parallels are drawn between the needs of Māori enterprises in Aotearoa and the provision of services to businesses under the AEP [15].

Māori businesses are asking for services developed by Māori, more support, regionally based delivery, better access to capital, and centralisation of the service provider. These are all provided under the AEP programme in Canada. There are, however, no international examples of construction-specific indigenous capability uplift programmes that the Construction Accord could use as a template to enhance the existing services Māori construction businesses provide in New Zealand.

Like Māori in New Zealand, the indigenous peoples in Australia face barriers to entering the construction industry for various factors, including limited access to clients, business networks, industry incumbents, switching costs, economies of scale, industry reputation, industry knowledge, and track record. The Australian Security and Investments Commission (2014) said the construction sector in Australia is one of the riskiest industries with the highest insolvency rate compared to all other industries. Reasons cited include the cost of market entry, the market power of incumbents, access to capital, the state of the market, and the intensity of competition.

Australian academics argue that indigenous entrepreneurs also suffer because of poorer business experience, education, training, and racial prejudice compared to other entrepreneurs entering similar markets. Australia also has unique cultural circumstances which impact indigenous people, including alienation from their own indigenous community, clashes with cultural value sets, a lack of indigenous role models, language barriers, and a lack of access to finance because of their indigeneity.

[14] Dawn Madahbee Leach, "Introduction to Canada's Aboriginal Entrepreneurship Program (Indigenous Services Canada) & Aboriginal Financial Institutions (NACCA)", 2022
[15] Te Puni Kokiri, "Growing Indigenous Enterprise (SMEs) Aboriginal Enterprise Programme – Canada", n.d

Current Business Capability Support Services continued

In 2015, the Australian Government introduced its Indigenous Procurement Policy, but Australian states have exercised social procurement policies to drive social change for several years. Despite this, several indigenous businesses believe there are relatively low levels of support to access indigenous procurement policies, or at least its implementation on the ground has struggled to achieve any real traction [16]. Even when indigenous-owned construction businesses can enter the market, many businesses struggle to balance financial and non-financial goals. Australian academics discussed how indigenous people often engage in significant amounts of unpaid community work that is not recognised as employment. Without paid employment, indigenous people experienced a lack of self-confidence and self- esteem, reduced communication skills, and a perceived loss of respect from others within their community. This means any prospective training programme should aim to reaffirm indigenous identity, culture, and history to provide a safe space so people can acquire skills needed for business and self-development.

The difficulty reconciling personal and business values is also present in Samoa. Research with indigenous business owners showed Western business concepts were incongruent with the Samoan way, resulting in a failure for economic business success if it negatively impacted family status or social identity. Any future service must be mindful not to undermine the legitimacy of place-based indigenous cultural norms.

Studies into Australian progressive procurement policy has identified some of the following social benefits: poverty reduction, community economic development, social inclusion, training for marginalised groups, increased demand for minority- produced goods, and increased employment of racial monitories. Indigenous-owned businesses are more likely to employ indigenous people and invest the income from the business within indigenous communities.

In Australia, despite the identifiable benefits of progressive procurement, there is limited focus on building the capacity of subcontractors within the construction sector value chain, making it difficult to implement progressive procurement targets.
Instead, social benefit organisations, like social enterprises, undertake a disproportionate amount of the work to achieve social change. In New Zealand, for example, a social enterprise like TupuToa will match a limited number of Māori interns with corporate employment opportunities. But potentially, more transformational change could be realised if nationwide construction companies updated their subcontracting approach to partner with more Māori businesses.

In the United Kingdom, subcontractors have had limited input into the public discourse on the advantages and challenges presented by the implementation of progressive procurement outcomes. The lack of voices from subcontractors in designing progressive procurement systems is important because it's common for tier-one suppliers to pass the progressive procurement risks down the contract chain. Within the construction industry, existing governance, management, systems and high competition stimy innovation and creative solutions to procurement.

In general, it's also common in the United Kingdom for smaller construction firms to hire fewer women and indigenous groups because hiring priorities are guided by compliance and convenience rather than potential benefits associated with workforce diversification. Evidence suggests larger, more established companies have the resources and specialisation to prioritise. It's possible that this feature might also be represented within the construction sector in New Zealand, but it will require additional research.

[16] George Denny-Smith, 'Barriers to Indigenous enterprise in the Australian construction industry', 2019.

Current Business Capability Support Services continued

Summary of the literature review

The investigation into domestic and international examples of capability uplift programmes identified limited case studies to enhance the existing capability uplift services.

Several public and private sector services exist to support Māori businesses to build their capability. Typically, these services are located in the public sector and available to Māori businesses nationwide. The most relevant service is the one-off capability uplift work delivered by Te Puni Kōkiri in 2020. This work, however, was not focused specifically on supporting Māori-owned businesses in the construction sector.

Although internationally, there are no services designed to build the capability of indigenous businesses, Australia, Canada, and the United Kingdom have adopted progressive procurement policies to incentivise social outcomes or welfare services through cross-sector partnerships. Especially for minority groups, who are over-represented in precarious roles within the construction sector, progressive procurement has had a positive effect on the economic, cultural, and social wellbeing.

Compared to non-indigenous business owners, indigenous business-owners in the construction sector experience increased challenges operating and growing their businesses. Often, these challenges stem from universal issues such as limited access to education, finance, and business networks. However, indigenous business owners also face challenges because of their cultural backgrounds, such as racial discrimination and a desire to use their business to achieve social and community outcomes ahead of financial gain.

The research has revealed that indigenous-owned businesses are highly motivated to obtain the benefits associated with high-skilled, high-paid, and high-impact work.

A key challenge in supporting the business capability needs of Māori-owned construction businesses is ensuring that services not only deliver sector-relevant business fundamentals but do so in a way that considers the social and cultural needs of businesses with a view to build whanaungatanga and relationships between businesses, services and the wider construction sector.

Summary

Enhancing the existing services that support Māori-owned construction businesses.

When considering features that are most important to supporting the business capability of Māori construction businesses, there are several aspects to ensuring a service meets the needs of Māori business owners but is also accessible and appropriate. Qualitative interviews overall supported the need for construction focussed business capability services and aspects of desired delivery include:

- Face-to-face with homework between sessions
- One-on-one with regular regional networking meetings with other businesses
- An initial intensive course with regular follow-up meetings with a coach to report progress.
- Delivered business fundamentals but used case studies from the construction sector.
- Delivered business support in a way that affirmed Māori values, identity, and culture.

Whilst interviewees recognised that in building relationships, kanohi ki te kanohi is integral, there is a need to also recognise that some businesses cannot always allow time to attend in person workshops and would need a mixed medium of delivery to enable strong participation. The Construction Accord will need to carefully balance delivering a service that responds to the unique needs of individual businesses versus delivering a one-size-fits-all money-for-value service.

Interviewees said the most important development areas for Māori businesses were financial management, an understanding of legal requirements, and business development. Interviewees said the least important areas for development were regulatory requirements, contracting, te reo Māori and tikanga.

In general, based on the interviewees experience, they believed that it was essential to build their knowledge of business fundamentals before their businesses were in a comfortable position to focus on other purpose-aligned requirements. Despite te reo Māori and tikanga not ranking highly, most interviewees said it should be a fundamental part of the way in which a service is delivered to ensure it felt like that service is tailored to the needs of Māori and is culturally relevant.

The responses from interviewees typically differed depending on if they were a tier 1 or tier 2 business versus a tier 3 or tier 4 business. Smaller owner-operator businesses in a start-up phase wanted the service to focus on core business fundamentals. In contrast, more mature businesses in the growth lifecycle wanted a larger focus on environmental knowledge, tikanga Māori, and te reo Māori.

Tier 1 and tier 2 businesses felt that the differentiator between a Māori-owned business and a non-Māori business is the importance of social and cultural values, and these attributes should be emphasised to add value to buyers looking to achieve non-financial outcomes. This view was particularly different when comparing responses from interviewees across different industries. For example, the responses from interviewees who are engaged largely in the knowledge economy, where creative problem-solving is highly valued, believed a strong focus of the service should be responding to issues in a way that was aligned with tikanga and mātauranga Māori. Meanwhile, responses from businesses engaged in transactional work needed support with good business practice activities like pursuing opportunities, sales, and forecasting.

The Construction Accord, when enhancing the existing the support services, should carefully consider the dual needs of capability and relationship building across industries and regions in the construction sector.

While supplier diversity and progressive procurement efforts have created more opportunities for Māori businesses, the interviewees believe the potential of these initiatives have not yet been realised, and there is still scope to create further economic opportunities for Māori.

Examples of missed partnership opportunities exist, with an interviewee drawing on an experience, where a tier 1 business was leading a large-scale construction project across multiple regions, and some Māori owned tier 3-4 businesses by default were excluded, not having the scale to operate across multiple regions. With most Māori-owned businesses positioned within this tier, this effectively prevents tier 3 and tier 4 Māori businesses from tendering for this work.

If enabling supplier diversity opportunities remain a priority, it will be integral for the Construction Accord to continue efforts to build the capability of tier 3-4 suppliers to grow their businesses and build relationships with buyers and tier 1-2 suppliers.

Appendices

Section six

Appendix A and B

Appendix A: Databases accessed

- Te Matapaeroa Te Puni Kōkiri, https://www.tpk.govt.nz/en/o-matou-mohiotanga/maori-enterprise/te-matapaeroa-2020 , accessed October-November 2023.
- Waihanga Ara Rau Workforce, *Workforce Information Platform*, https://wip.org.nz/, accessed November 2023.

Appendix B: Interviewees engaged

Interviews

INTERVIEWEES	ORGANISATION	INTERVIEWEES	ORGANISATION
Nathan Te Miha	Iconiq Group	Alan Roberts	ELE Group
Richard Retimana	Cornerstone Living	Tari White	Seva Business
Steve Spooner	K3	Craig West	Downers
Seán Barnes	Esby	Dean Wiki	Waikato Scaffolding
Isiah Reynolds	Profound Group	Tamati Davis	All Area Scaffolding
Lochlan Hynd	Ruru Engineering	Chloe Mansfield	IC Scaffolding

Design rōpū

INTERVIEWEES	ROLE	INTERVIEWEES	ROLE
Ringa Dalton	Dalton Build	Arthur Stone	Arthur Stone Builder
Craig Trelor	Hawkins	Helmut Modlik	Ngāti Toa
Bob Barsdell	PlaceMakers	Renée Smith	ŌRUA
Mark Day	Accur Homes	Anna-Jane	Amotai
Josh Paku	Toa Civil	Mana Ashford	Kōtuiā te Hono
Paul Broughton	Tarehu	Courtenay Hurt- Suwan	TPK
Ben Law	ML Group	Amos Kamo	Kāinga Ora

Appendix C

Appendix C: Documents Reviewed for Report

- Build Force Canada, ‘Representation of Indigenous Canadians and Women in Canada’s Construction and Maintenance Workforce’2018. https://www.buildforce.ca/system/files/documents/Indigenous_Canadians_Wome n_in_Canadas_Construction_Workforce.pdf

- Courtenay Jade Patterson Hurt-Suwan, Martin Lukas Mahler, ‘Social procurement to reduce precarious employment for Māori and Pasifika workers in the construction industry’, Kōtuitui: New Zealand Journal of Social Sciences Online, 2021. https://doi.org/10.1080/1177083X.2020.1767164

- Cydee Miller, ‘Aspects of training that meet Indigenous Australians' aspirations’, 2005. https://www.ncver.edu.au/research-and-statistics/publications/all- publications/aspects-of-training-that-meet-indigenous-australians-aspirations-a- systematic-review-of- research#:~:text=These%20are%3A,the%20establishment%20of%20'true'%20pa rtnerships

- George Denny-Smith ‘Barriers to Indigenous enterprise in the Australian construction industry’, 2019. https://www.researchgate.net/publication/331701943_Barriers_to_Indigenous_ent erprise_in_the_Australian_construction_industry

- George Denny-Smith, Megan Williams, Martin Loosemore, ‘Assessing the impact of social procurement policies for Indigenous people’, Construction Management and Economics, 2020, https://web.p.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=1&sid=be2e7898- 76dc-4f49-ae0a-8769f2d6b0bf%40redis

- Katharina Ruckstuhi, Sequoia Short, and Jeff Foote, ‘Assessing the Labour Government’s new procurement approach through a Māori economic justice perspective,’ Aotearoa New Zealand Social Work, 2021.

- Maegan Baker, Leanne Cutcher, and Jarrod Ormiston, “The Bundian Way :An Indigenous-Led Cross-Sector Partnership in Place Through Time”, Journal of Business Ethics, 2023, 184:887-894, https://web.p.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=1&sid=e9f623b8- 2c75-4c03-90c7-94f1d8d9d1b5%40redis

- Martin Loosemore, Shuair Alkilani, and Robert Mathenge, ‘The risks and barriers to social procurement in construction: a supply chain perspective’, Construction Management and Economics, 2020. https://web.p.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=1&sid=03f34feb- e72a-4ced-af26-180ae6b961fd%40redis

- The Southern Initiative, ‘Māori and Pasifika Trades Training’.

  https://www.tsi.nz/mptt-page

- Troy Brockbank, ‘Building equity into the infrastructure-led recovery for Māori and Pasifika’, The Spinoff, 1 June 2020. https://thespinoff.co.nz/atea/01-06- 2020/building-equity-into-the-infrastructure-led-recovery-for-maori-and-pasifika

Appendix D

Appendix D: Table of figures

Appendix E

Appendix E: Interview guide for Māori-owned businesses

Kōtuiā te Hono – QUESTIONS – FOR BUSINESS OWNERS

Section 1: About you/your business:

These questions focus on your own business and experience in the industry.

1) **Tell us a bit about yourself and your business**.
   a. What is your business, size, age of business, region, key clients/segments, etc?
   b. What is your role within the business?
2) **Thinking about your journey to date**, what are the key challenges you faced to grow your business to this point? [Prompts…business/commercial, capability, market/customers, competitors, tendering, contracting, staff, other]
3) **Thinking about a specific challenge**:
   a. How did you overcome these challenges?
   b. What support (if any) did you have to assist you?
   c. What worked well?
   d. Did you have any challenges in accessing support?
   e. Is there anything that could have better helped you navigate this challenge?
4) **Switching focus to the future**: What are the key capability needs you have within your business to help you achieve your future goals?
   a. Have your needs/challenges changed?
   b. Are you aware of any services or support that can assist in this space?
   c. Are there any challenges in accessing support?
   d. What support would you like to see in this space?

Section 2: Wider context:

The next set of questions is about your observations of the wider region and industry.

5) Thinking now about the wider region/industry – from your observations, how would you evaluate the **current performance of Māori construction businesses**
   a. In your region
   b. More broadly/nationally
6) What do you see as the **key challenges facing Māori construction businesses** in the next 5 years? [Prompts…business/commercial, capability, market/customers, competitors, tendering, contracting, staff, other]
7) What do you see are the **capabilities these businesses need to strengthen/grow** to ensure their success?
8) Are there any specific **sector or cultural challenges** that are unique to these businesses that need to be overcome?
9) Are there any things that are **unique to you as a region**, that need to be considered?
10) Are you aware of any existing services to support these businesses grow their capability?
    a. If so, what do they do well?
    b. What could they do better?

Section Targeted questions:

These questions aim to understand what capability support services could deliver, and what they need to look like.

11) Can you rate the following based on a scale 1 to 10, with 1 being not at all and 10 being absolutely. How do you rate the need for Māori businesses in the following capability areas:
    a. Financial management
    b. People management

Appendix E

c. Business development/growing opportunities

d. Relationships/networking

e. Health and safety

f. Legal requirements

g. Regulatory requirements

h. Contracting

i. Strategy

j. Procurement

k. Tendering

l. Te Reo Māori

m. Environmental knowledge

n. Social Impact

o. Tikanga Māori

12) Are there any other areas that we've missed?

13) In terms of delivery methods, can you comment on the following:

a. How important is kanohi ki te kanohi vs. online/self-directed learning?

b. Group learning vs. one to one support?

c. Intensive short courses (2 days and under) or longer term but shorter hour commitments (e.g. 1-3 hrs per week over a period of months)?

d. General business support vs. construction industry focused business capability training?

e. General business support vs. Māori business capability training?

14) Are there any other things that are important to consider in the design of services for Māori business?

Closing question:

1. If you had a magic wand to change anything about the system of support for Māori construction businesses what would it be?
2. Any final comments?

Appendix F

Appendix F: Interview guide for the Design Rōpū

MBIE – questions – for business owners

Section 1: About the wider context

Start with whakawhanaungatanga and understand which region they are in, what business they represent, and their role in the business.

1) Thinking about the **wider construction sector**, how do you think Māori construction businesses are performing?
   a. In your region
   b. Across Aotearoa
2) In your view, what are the **unique challenges Māori construction businesses face** at
   a. A regional level
   b. A national level
3) Can you identify **existing support services available** specifically to support Māori construction businesses? Are there any gaps:
   a. In their cultural knowledge
   b. In their technical knowledge
   c. In their geographical coverage
4) Based on your knowledge, are there **other global business support models** that could be adapted to Māori construction businesses to enhance their capability and capacity?
   (e.g., can you name anything in Australia, Canada, US that we could adapt).

Section 2: Prepping for the wānanga in February 2024

These next set of questions are designed to help us use our time effectively at the wānanga next year.

1) **Thinking now about the wānanga**, do you have any key expectations or hopes for the hui?
2) What information do you want to see to help you prepare for your role in the wānanga?
3) What **attributes would define a 'fit-for-purpose' support service** specifically designed for Māori construction businesses?
4) Can you give us your **views on what an ideal future state** looks like for Māori construction businesses?
5) **How would you know that a future service designed to support Māori businesses was successful**? Any initial key performance indicators?

Section 3: Requirements for the survey

These questions aim to understand what capability support services could deliver and what they need to look like.

1) Can you rate the following based on a scale 1 to 10, with 1 being not at all and 10 being absolutely. How do you rate the need for Māori businesses in the following capability areas:
   a. Financial management
   b. People management
   c. Business development/growing opportunities
   d. Relationships/networking
   e. Health and safety
   f. Legal requirements
   g. Regulatory requirements
   h. Contracting
   i. Strategy
   j. Procurement
   k. Tendering
   l. Te Reo Māori
   m. Environmental knowledge
   n. Social Impact
   o. Tikanga Māori
2) Are there any other areas that we’ve missed?
3) In terms of delivery methods, can you comment on the following:
   a. How important is kanohi ki te kanohi vs. online/self-directed learning?
   b. Group learning vs. one-to-one support?
   c. Intensive short courses (2 days and under) or longer term but shorter hour commitments (e.g., 1-3 hrs per week over a period of months)?
   d. General business support vs. construction industry-focused business capability training?
   e. General business support vs. Māori business capability training?
4) Are there any other things that are important to consider in the design of services for Māori business?

Closing questions:

5) If you had a magic wand to change anything about the system of support for Māori construction businesses, what would it be?
6) Any final comments?

Appendix G: regional data

Northland/ Te Tai Tokerau

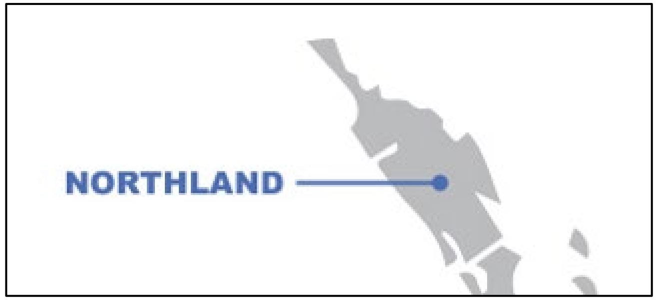


Figure 46. Regional boundary line for Te Tai Tokerau (Northland).

The data in **Figure 17** shows the number of Māori construction businesses in Te Tai Tokerau region, spanning a recent five-year period (2017-2021). As shown in the graph below, the growth in businesses were trending upwards, however, in 2021 there was a slight decrease from 414 to 399 businesses which is likely because of COVID-19 as seen across New Zealand and differing industries.

The number of Māori construction businesses in the region saw a period of growth in the initial stages of the five-year snapshot. However, the rate of increase which was observed in the beginning began to slow in the period which coincided with the COVID-19 outbreak. Finally, between 2020 and 2021, the number of Māori construction businesses in the region showed a gradual decline. Whilst it is unknown as to the specific cause of the decline, consideration should be given as to the whether business capability uplift services need to consider business resiliency and continuity plans during times of disruption, such as the global pandemic.

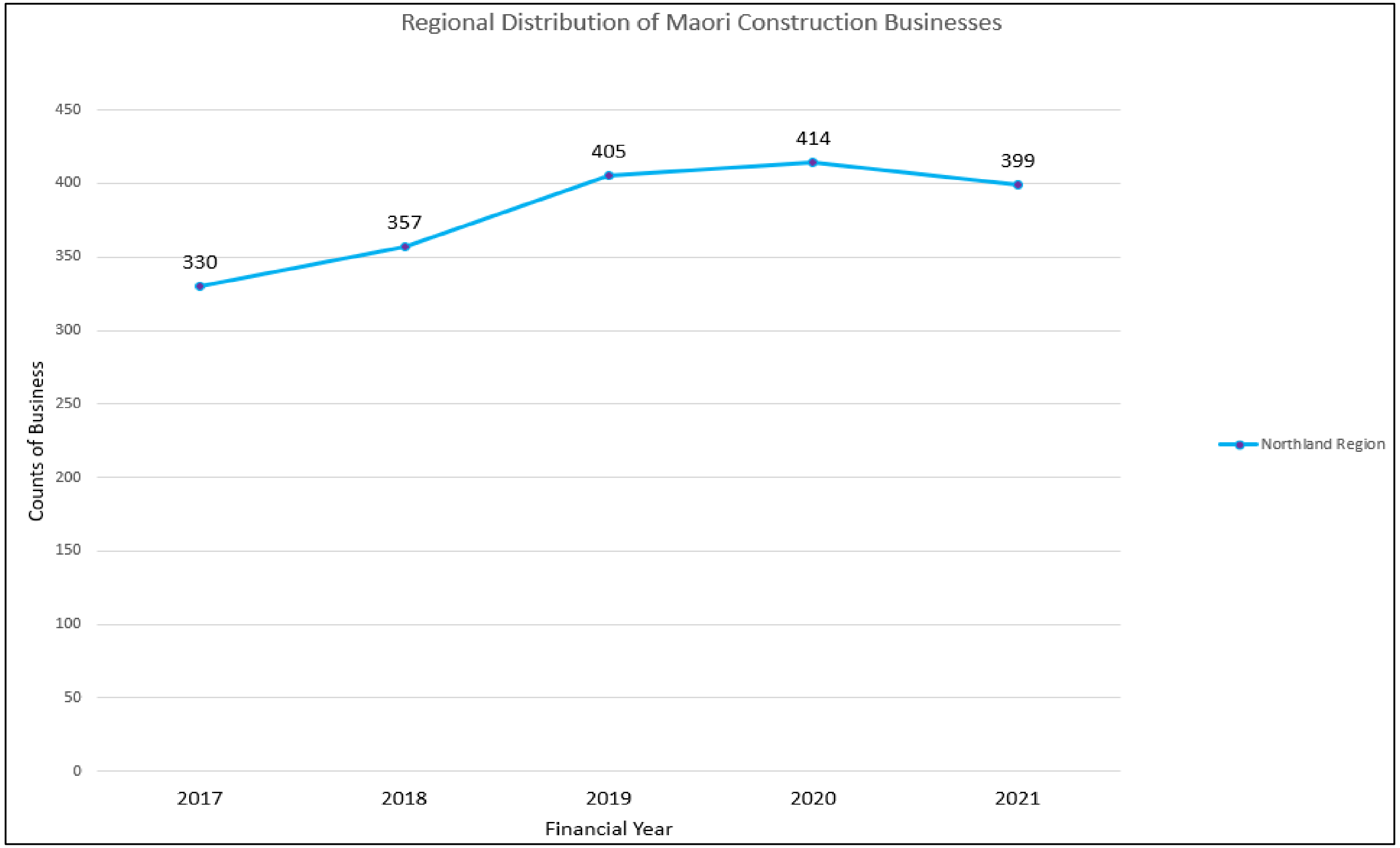


Figure 17. The total number of Māori construction businesses in Northland 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Te Tai Tokerau

Figure 18 displays the distribution of the workforce in the Māori construction business industry across Te Tai Tokerau, highlighting the top five areas. Residential housing construction has the largest workforce with 830 employees, which is more than twice the size of the next area, Other Heavy and Civil Engineer Construction, with 409 employees. Road and Bridge Construction closely follows with 390 employees.

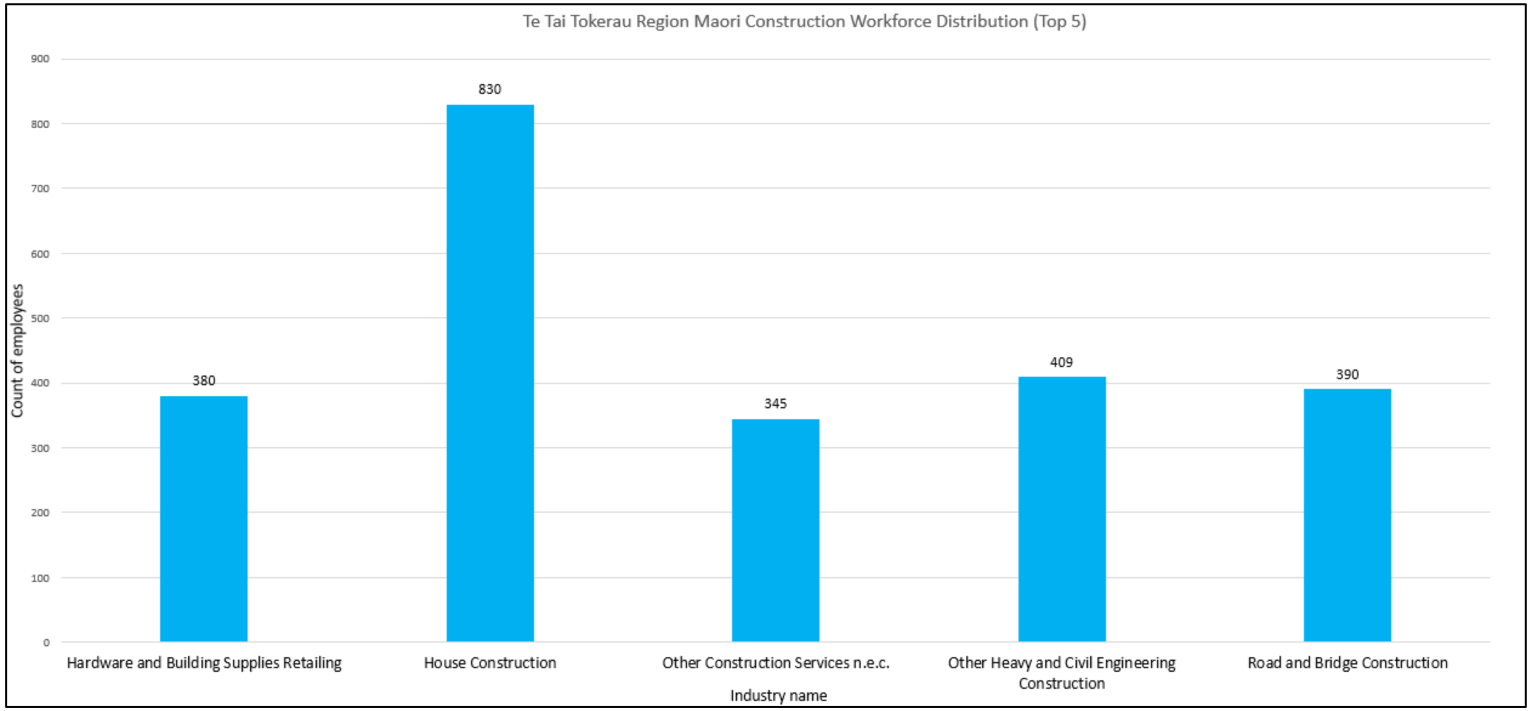


Figure 18. The workforce distribution of Māori employees engaged in different construction industries within the Northland region.

Appendix G: regional data

Tāmaki Makaurau (Auckland)

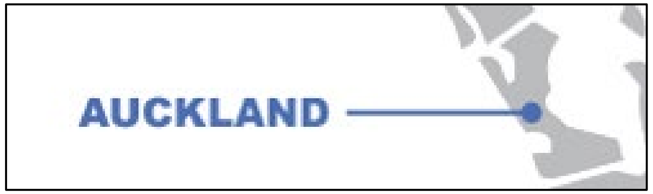


Figure 79. Regional boundary line for Tāmaki Makaurau (Auckland).

The data at **Figure 20** illustrates the number of Māori construction businesses in the Tāmaki Makaurau region, spanning a recent five year period (2017-2021). As shown in the graph below, from 2018 to 2020 we see a massive growth in business numbers from approximately 1,296 to 1,494, however in 2021 there is a drop in businesses from 1,494 to 1,413, which is likely an effect of COVID-19 as seen across New Zealand and differing industries. This mirrors Te Tai Tokerau trend of decline, following a time of relative growth. As stated cause of decline is not known, however given the business disruption caused by the global pandemic, consideration again could be given towards supporting business continuity during time of significant business disruption.

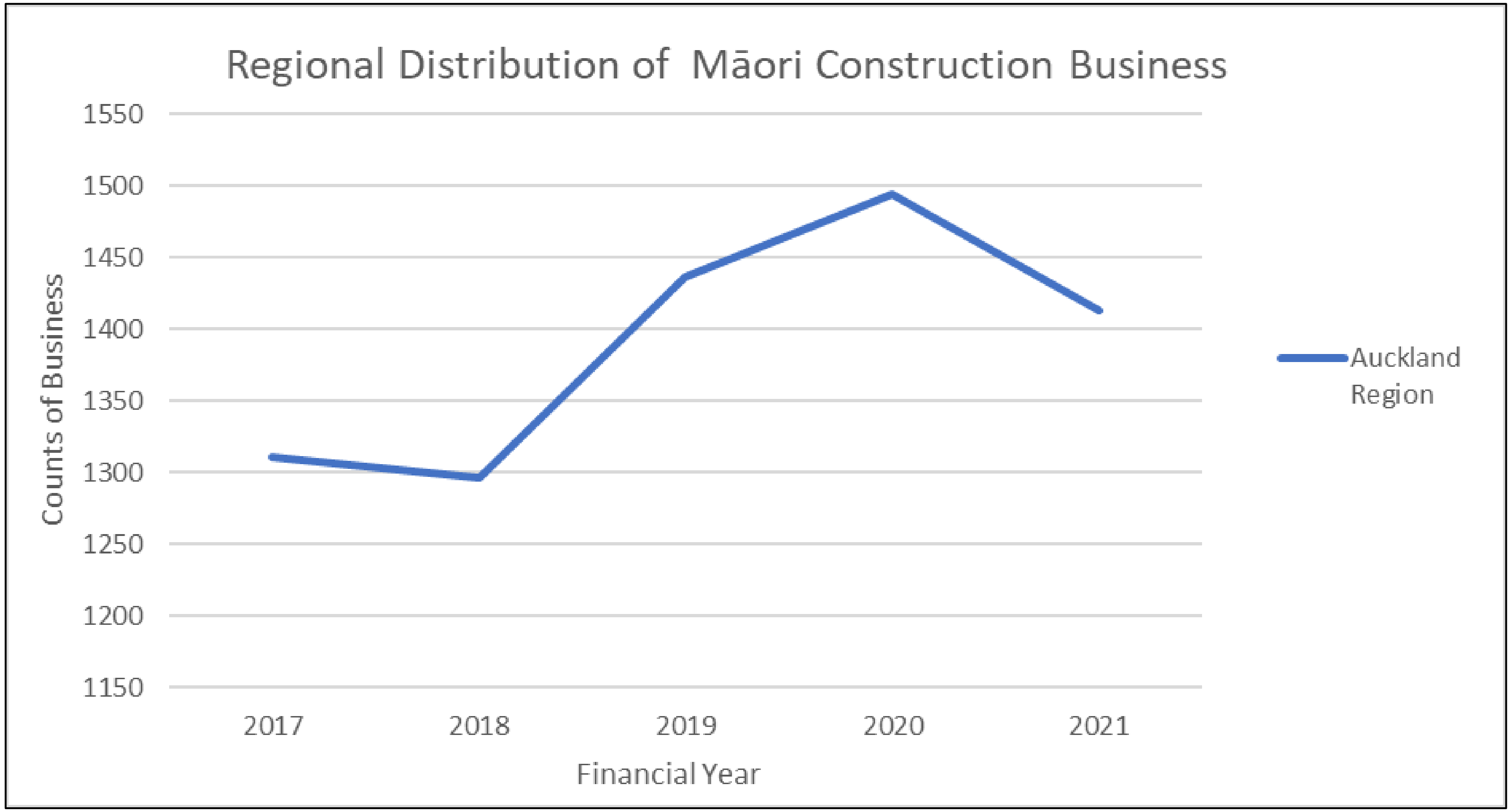


Figure 20. The total number of Māori construction businesses in Auckland 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Tāmaki Makaurau

Figure 21 displays the distribution of the workforce in the Māori construction business industry across the Tāmaki Makaurau Region, highlighting the top five areas. House Construction boasts the largest workforce, employing 2,670 individuals, which is slightly below twice the size of the next area, Other Heavy Construction n.e.c, with 1,440 employees. Road and Bridge Construction closely follows with 1,343 employees.

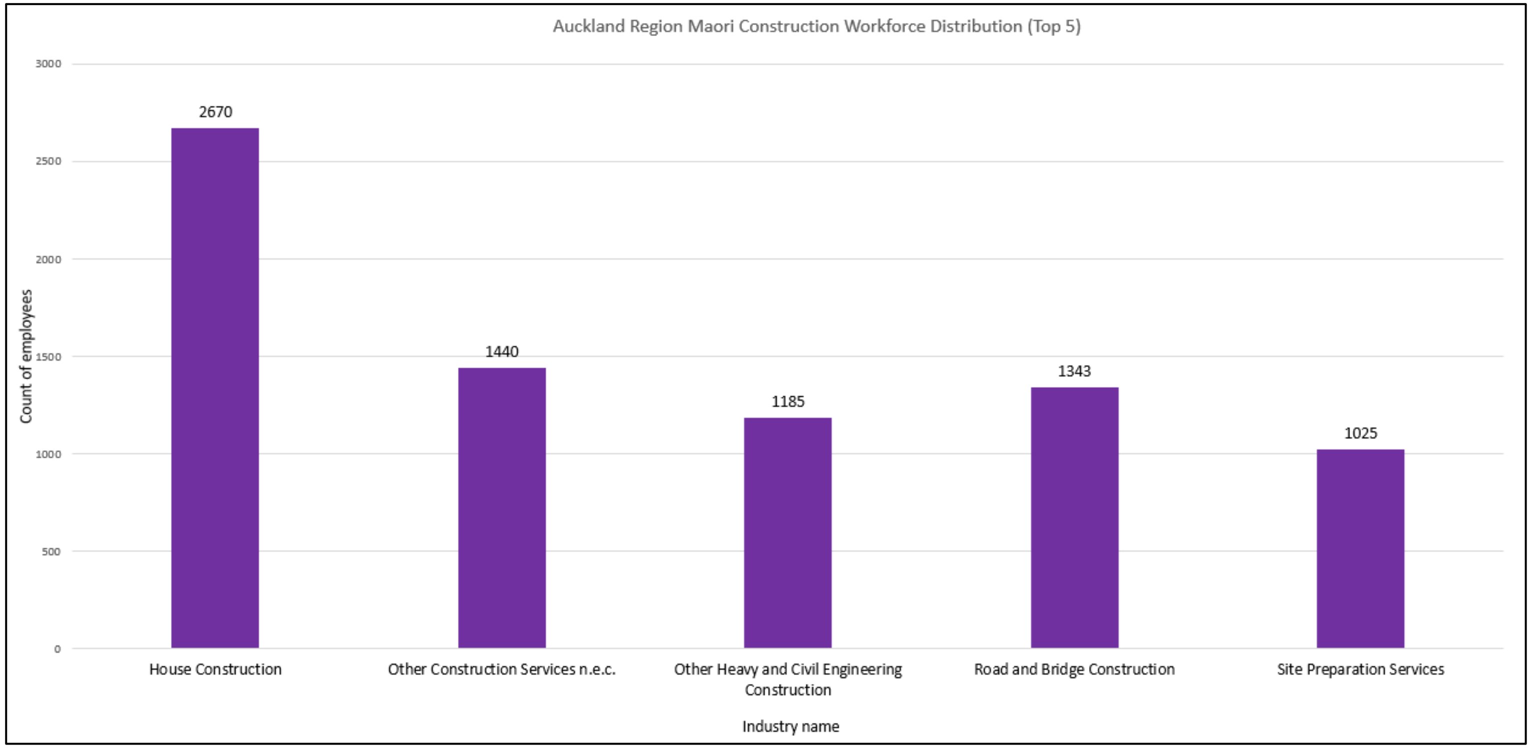


Figure 21. The workforce distribution of Māori employees engaged in different construction industries within the Tāmaki Makaurau region.

Appendix G: regional data

Waikato/Tainui Region

Figure 22. Regional boundary line for Waikato.

The data at **Figure 23** shows the number of Māori construction businesses in the Waikato region, spanning a recent five year period (2017-2021). As shown in the graph below, the number of Māori construction businesses has increased from approximately 501 to 633. Growth has stablised as of 2021, however overall the growth experienced of the five year period is positive.

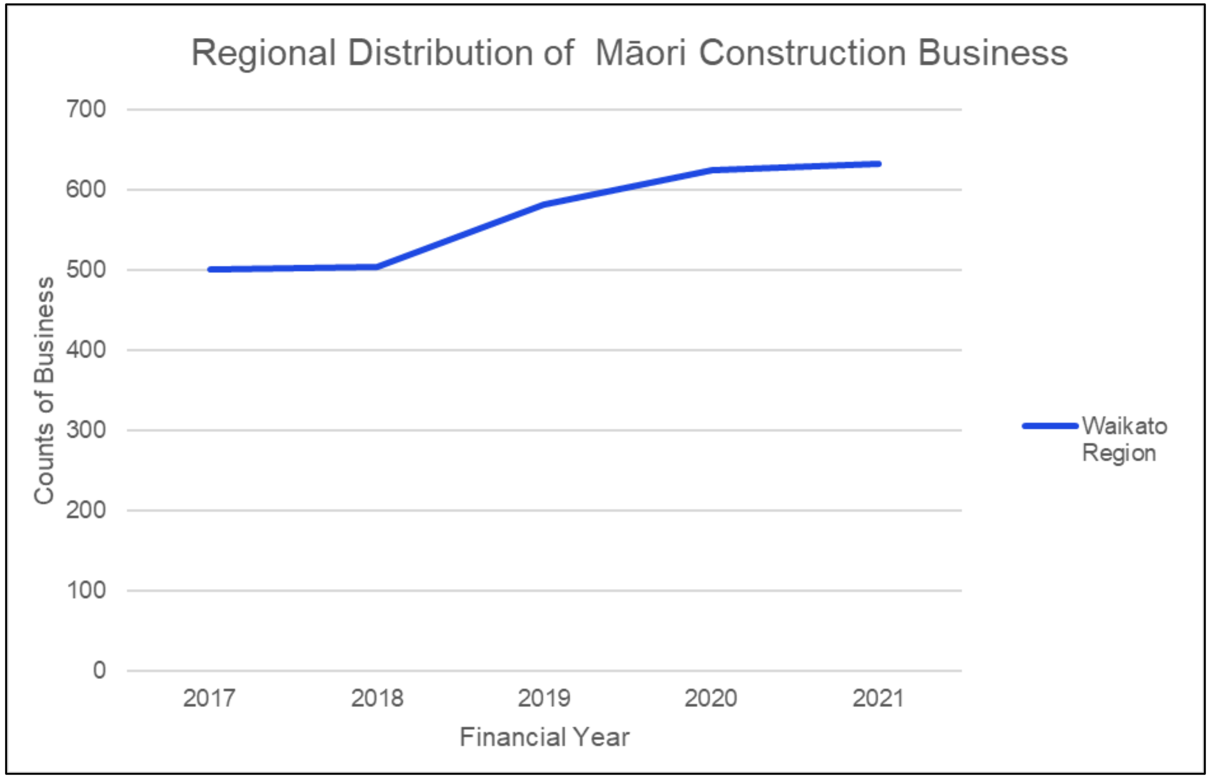


Figure 23. The total number of Māori construction businesses in Waikato 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Tāmaki Makaurau

Figure 24 displays the distribution of the workforce in the Māori construction business industry across the Waikato Region, highlighting the top five areas. House Construction has the largest workforce with 1390 employees, followed by Road and Bridge Construction with 819 employees. Site Preparation Services closely follows with 765 employees.

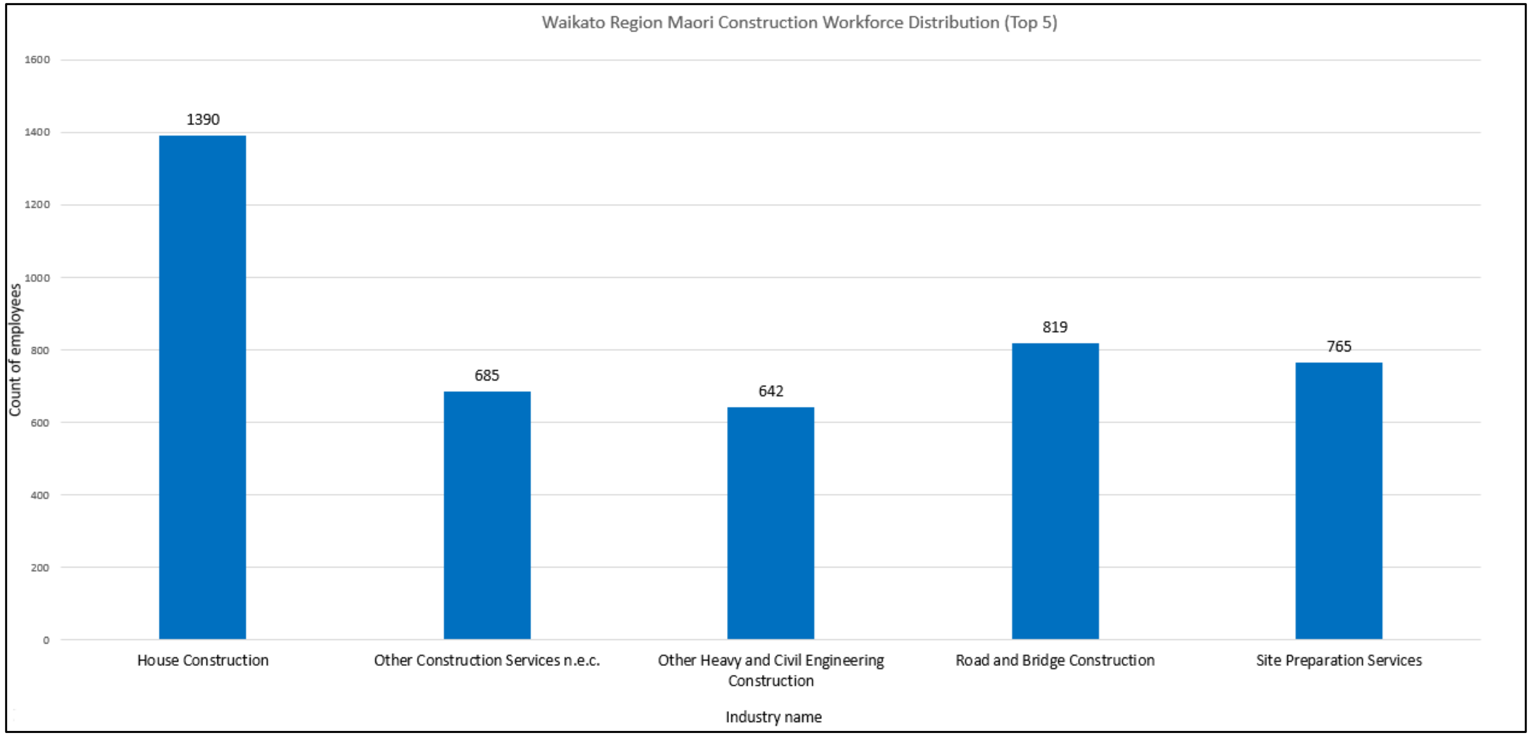


Figure 24. The workforce distribution of Māori employees engaged in different construction industries within the Waikato region.

Appendix G: regional data

Waiariki (Bay of Plenty)

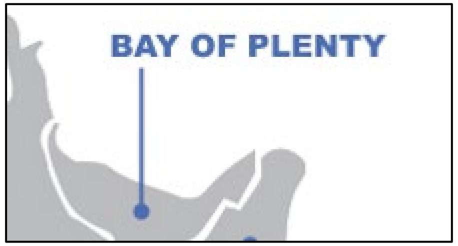


Figure 25. Regional boundary line for Waiariki (Bay of Plenty).

The data at **Figure 26** shows the number of Māori construction businesses in the Waiariki region, spanning a recent five year period (2017-2021). As shown in the graph below, from 2017 to 2019 we see a massive growth in business numbers from approximately 405 to 477. However, shortly after there is a slight decrease across the follow two years from 477 to 462, which is likely an effect of COVID-19 as seen across New Zealand and differing industries.

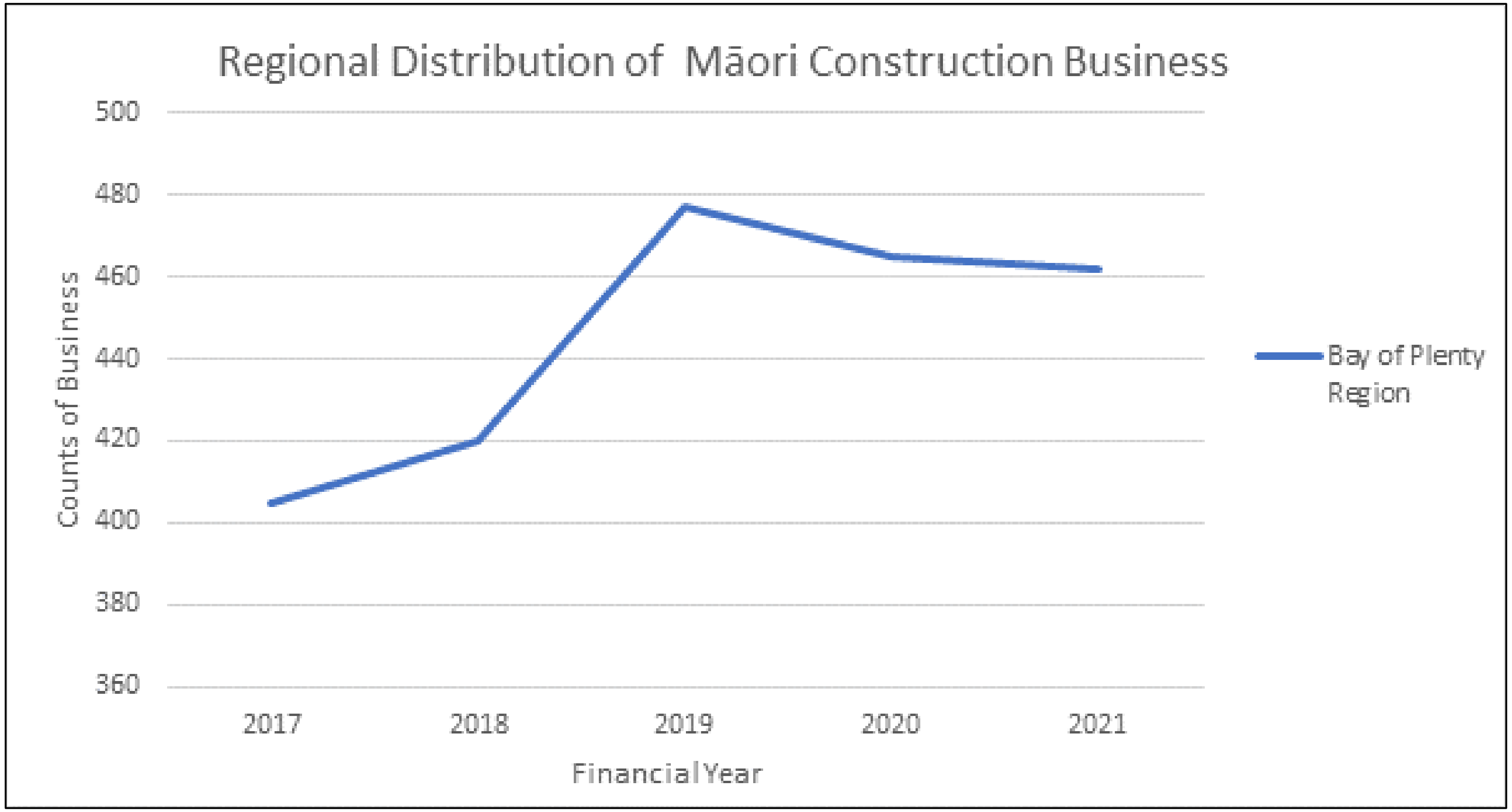


Figure 26. The total number of Māori construction businesses in the Bay of Plenty 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Waiariki

Figure 27 displays the distribution of the workforce in the Māori construction business industry across the Waiariki Region, highlighting the top five areas. House Construction has the largest workforce with 1,120 employees, followed by Road and Bridge Construction with 662 employees. Other Heavy and Civil Engineering Construction closely follows with 515 employees.

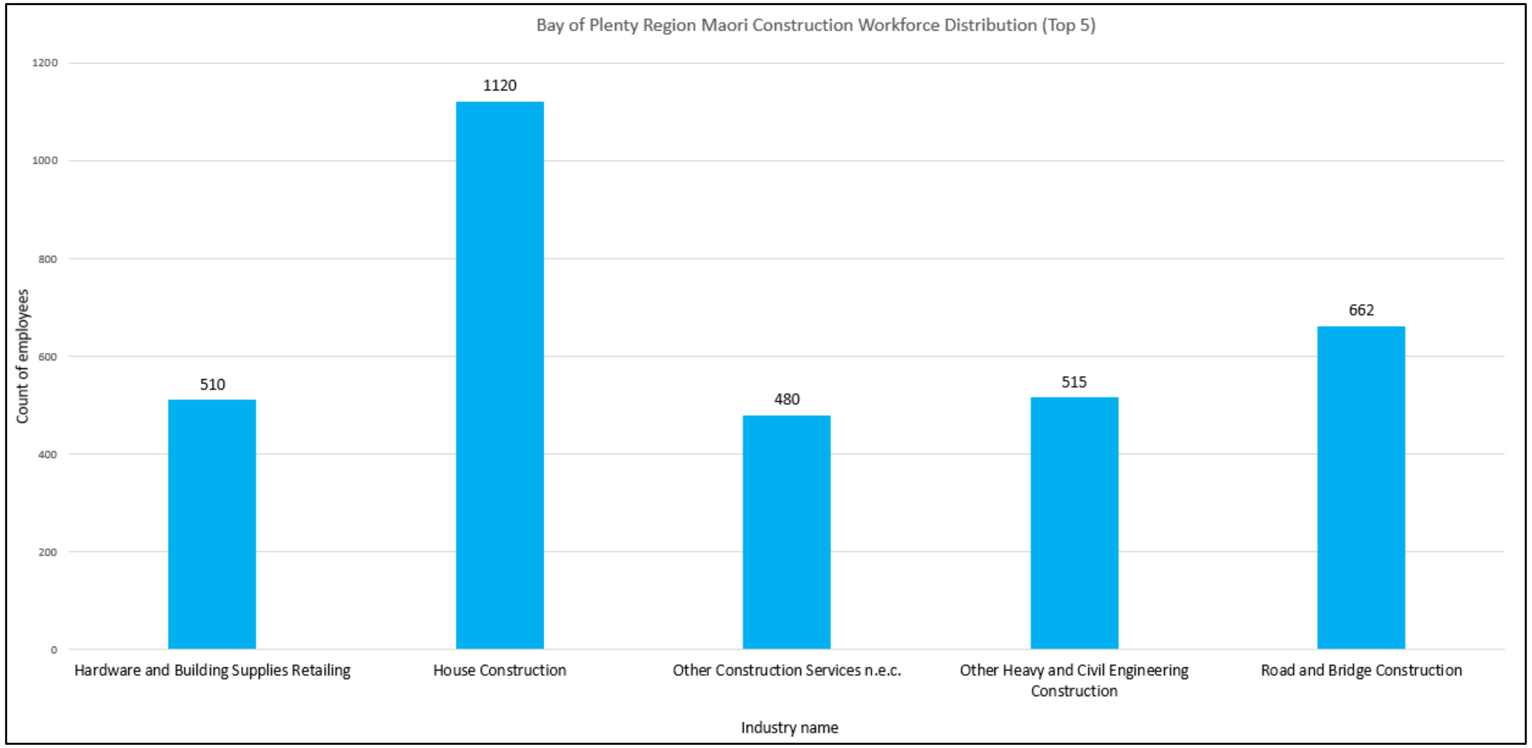


Figure 27. The workforce distribution of Māori employees engaged in different construction industries within the Bay of Plenty region.

Appendix G: regional data

Taranaki

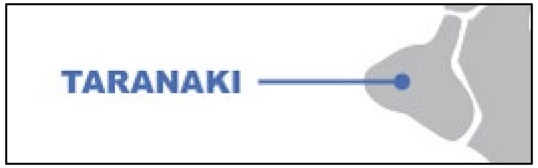


Figure 28. Regional boundary line for Taranaki.

Figure 29 shows the number of Māori construction businesses in the Taranaki region, spanning a recent five year period (2017-2021). As shown in the graph below, the number of Māori construction businesses has increased from approximately 100 to 120, where it has tapered off since mid-2019, likely attributable to the effects of COVID-19. However, this is still positive, given their resilience to a lack of work which would have occurred throughout that period.

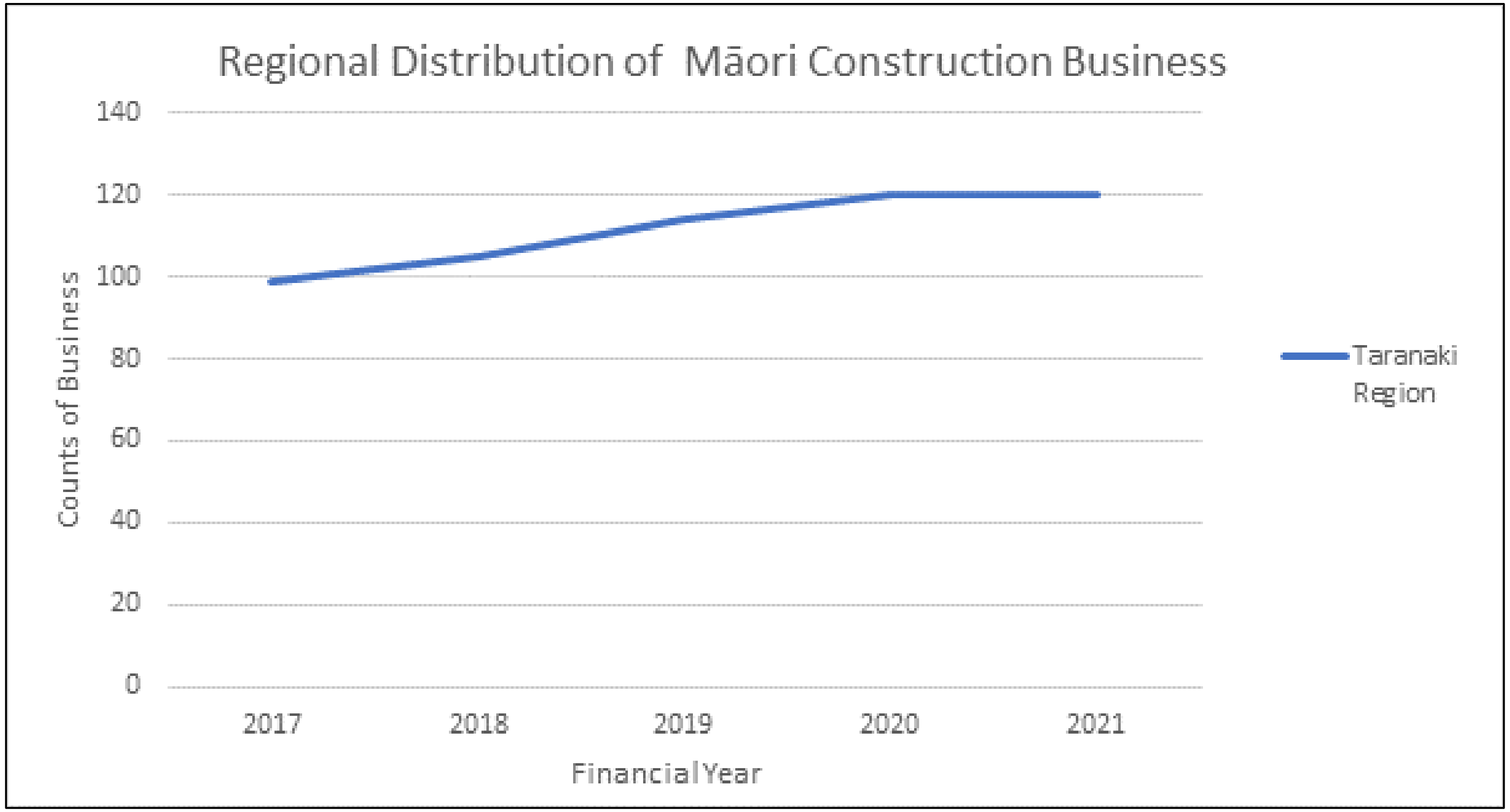


Figure 29. The total number of Māori construction businesses in Taranaki 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Taranaki

Figure 30 displays the distribution of the workforce in the Māori construction business industry across the Taranaki Region, highlighting the top five areas. House Construction has the largest workforce with 260 employees, followed by Road and Bridge Construction with 130 employees. Other Construction Services closely follows with 129 employees.

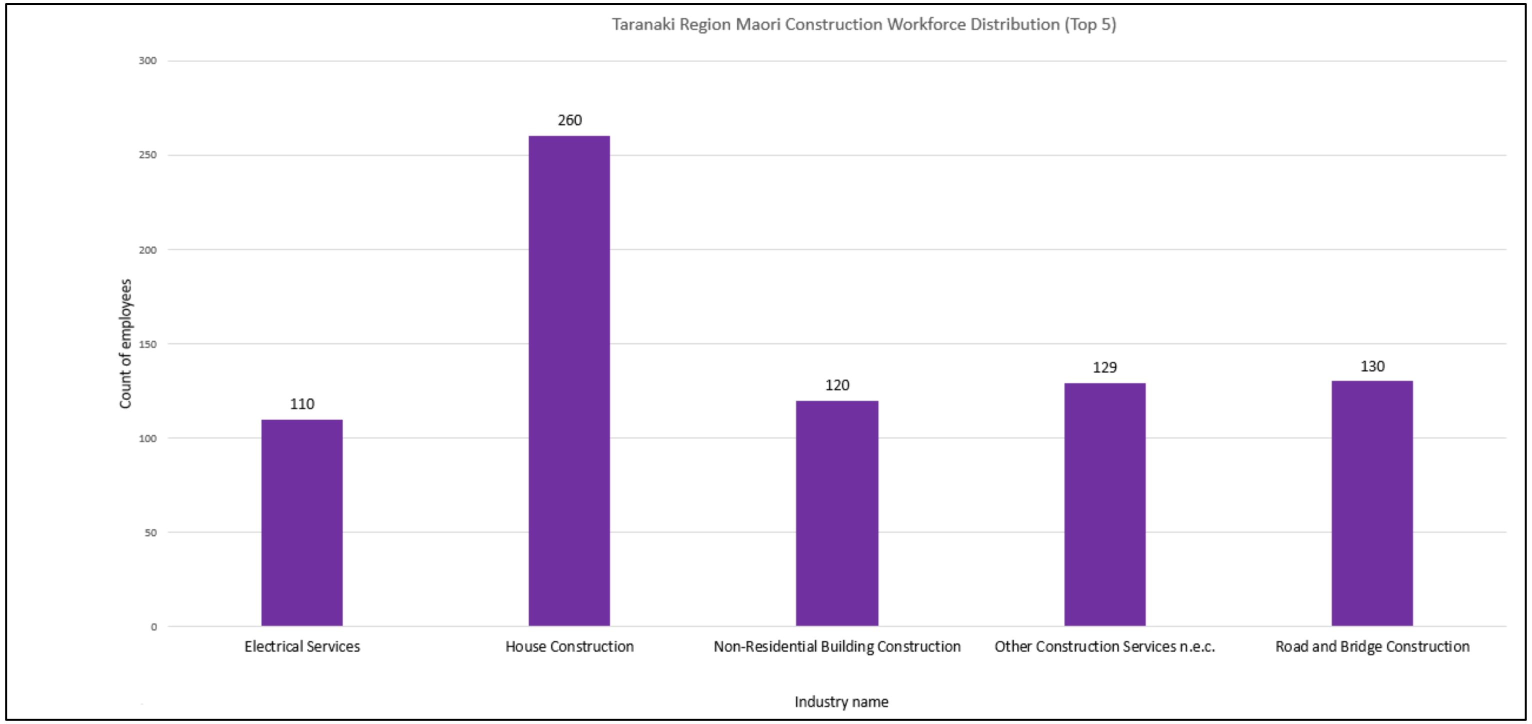


Figure 30. The workforce distribution of Māori employees engaged in different construction industries within the Taranaki region.

Appendix G: regional data

Te Tai Rāwhiti (Gisborne and Hawkes Bay)

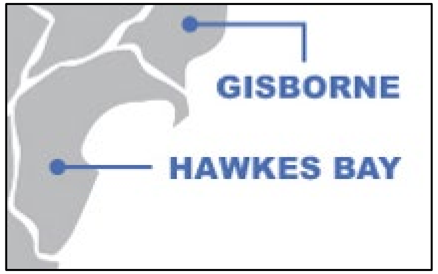


Figure 31. Boundary line for Te Tai Rāwhiti (Gisborne and Hawkes Bay).

Figure 32 shows the number of Māori construction businesses in the Te Tai Rāwhiti region, spanning a recent five year period (2017-2021). As shown in the graph below, the number of Māori construction businesses has increased from approximately 171 to 234. Both regions follow a steady upward trend that hasn't wavered downwards due to the effects of COVID-19 which is a positive sign as it shows resilience throughout that period. Particular attention should be paid to regions like Te Tai Rāwhiti where there are opportunities for growth as the sector recovers from the effects of the pandemic and the natural disasters.

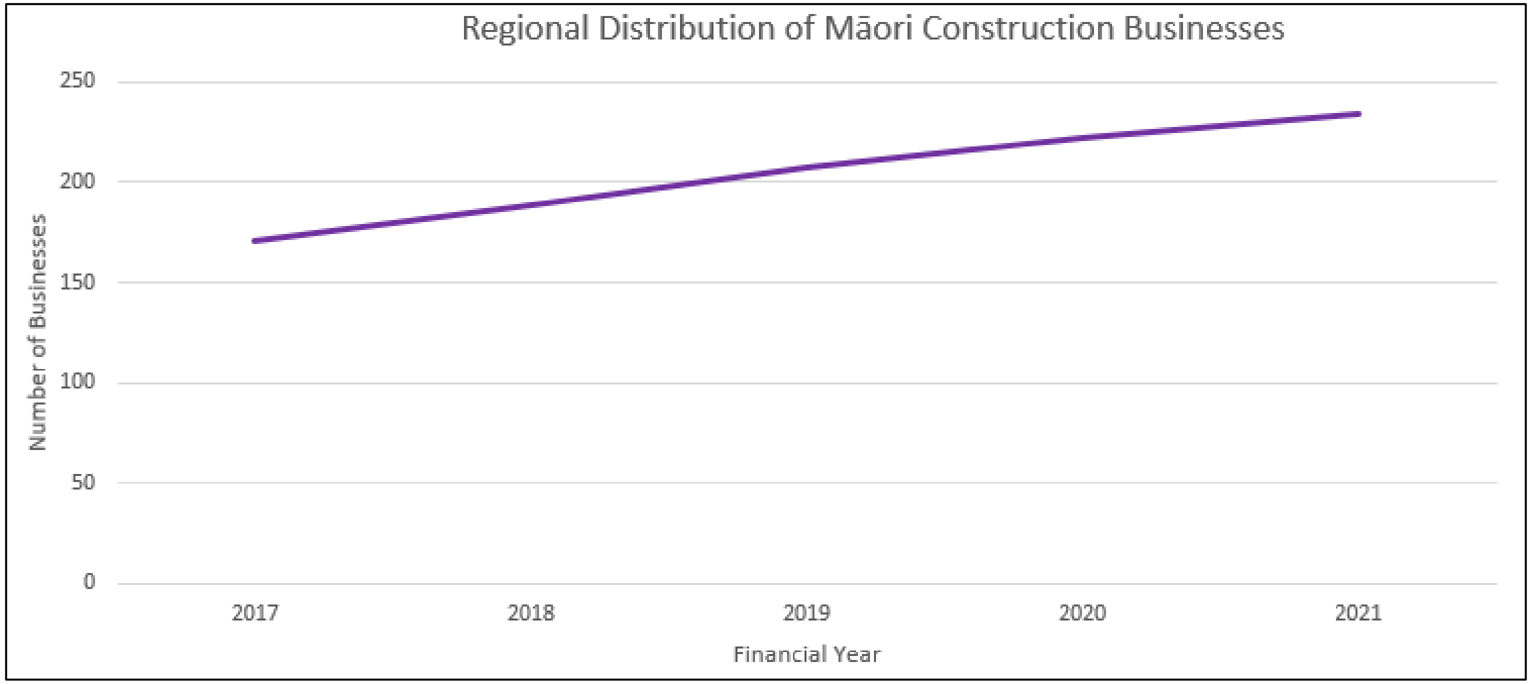


Figure 32. The total number of Māori construction businesses in Te Tai Rāwhiti 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Te Tai Rāwhiti

Figure 33 displays the distribution of the workforce in the Māori construction business industry across the Te Tai Rāwhiti Region, highlighting the top five areas. House Construction has the largest workforce with 648 employees, followed by Road and Bridge Construction with 648 employees. Site Preparation Services follows with 310 employees.

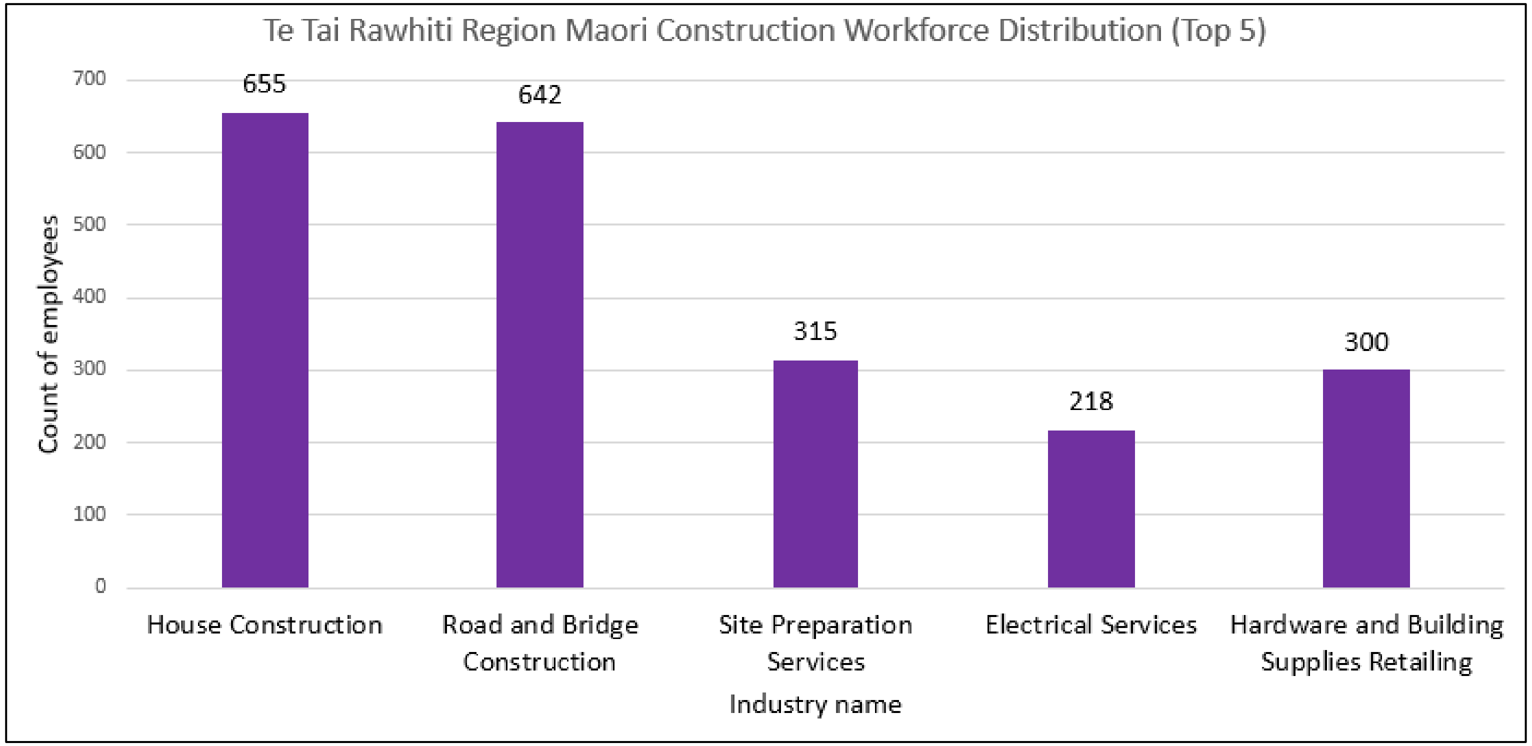


Figure 33. The workforce distribution of Māori employees engaged in different construction industries within the Te Tai Rāwhiti region.

Appendix G: regional data

Te Whanganui-a-Tara (Wellington)

Figure 34. Regional boundary line for Whanganui-a-Tara (Wellington).

Figure 35 shows the number of Māori construction businesses in Te Whanganui-a-Tara region, spanning a recent five year period (2017-2021). As shown in the graph below, the number of Māori construction businesses has increased from approximately 357 to 456, where it has tapered off since mid-2019, likely attributable to the effects of COVID-19. However, this is still positive, given their resilience to a lack of work which would have occurred throughout that period.

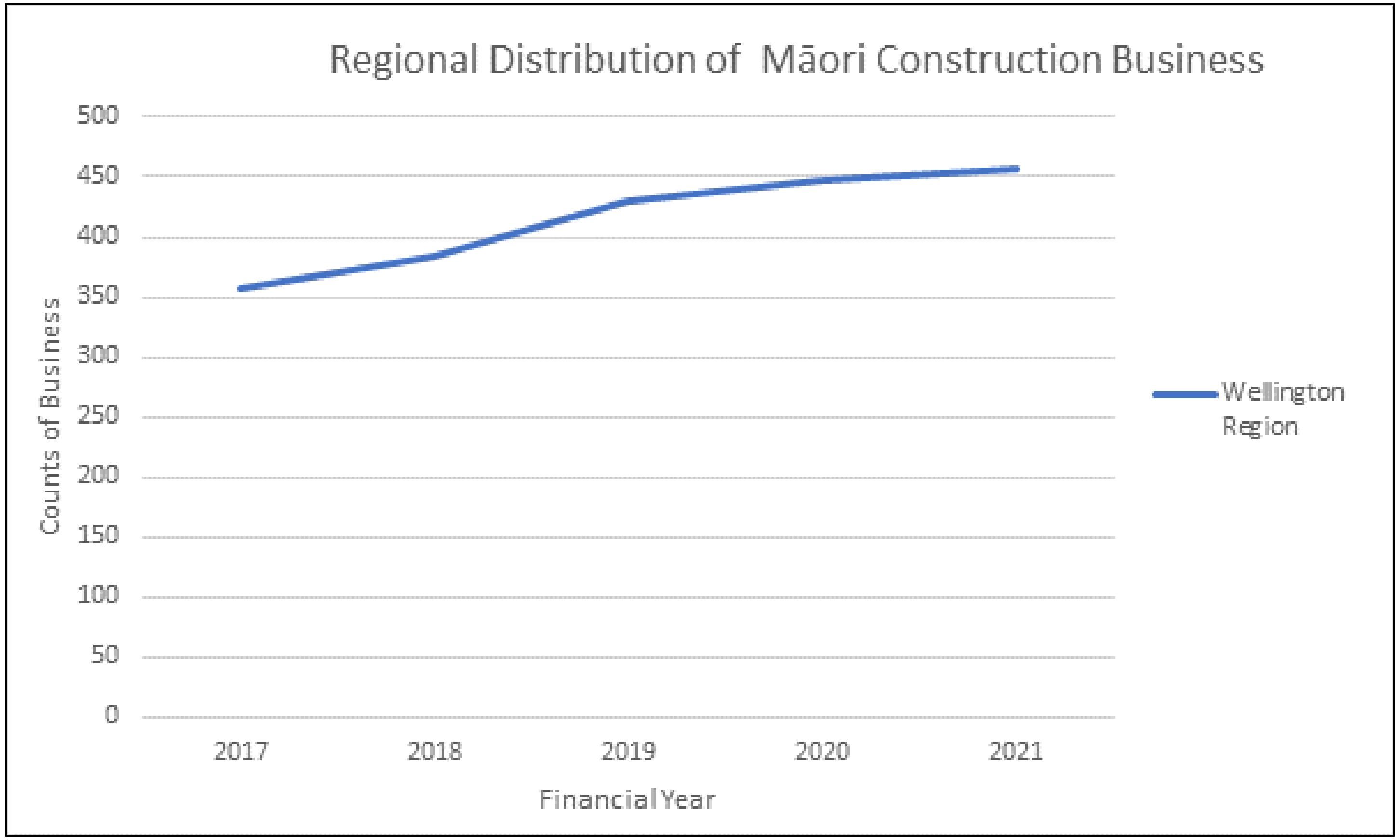


Figure 35. The total number of Māori construction businesses in Te Tai Rāwhiti 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Te Whanganui-a-Tara

Figure 36 displays the distribution of the workforce in the Māori construction business industry across the Te Whanganui-a-Tara Region, highlighting the top five areas. House Construction has the largest workforce with 1,313 employees, followed by Road and Bridge Construction with 540 employees. Hardware and Building Supplies Retailing follows with 450 employees.

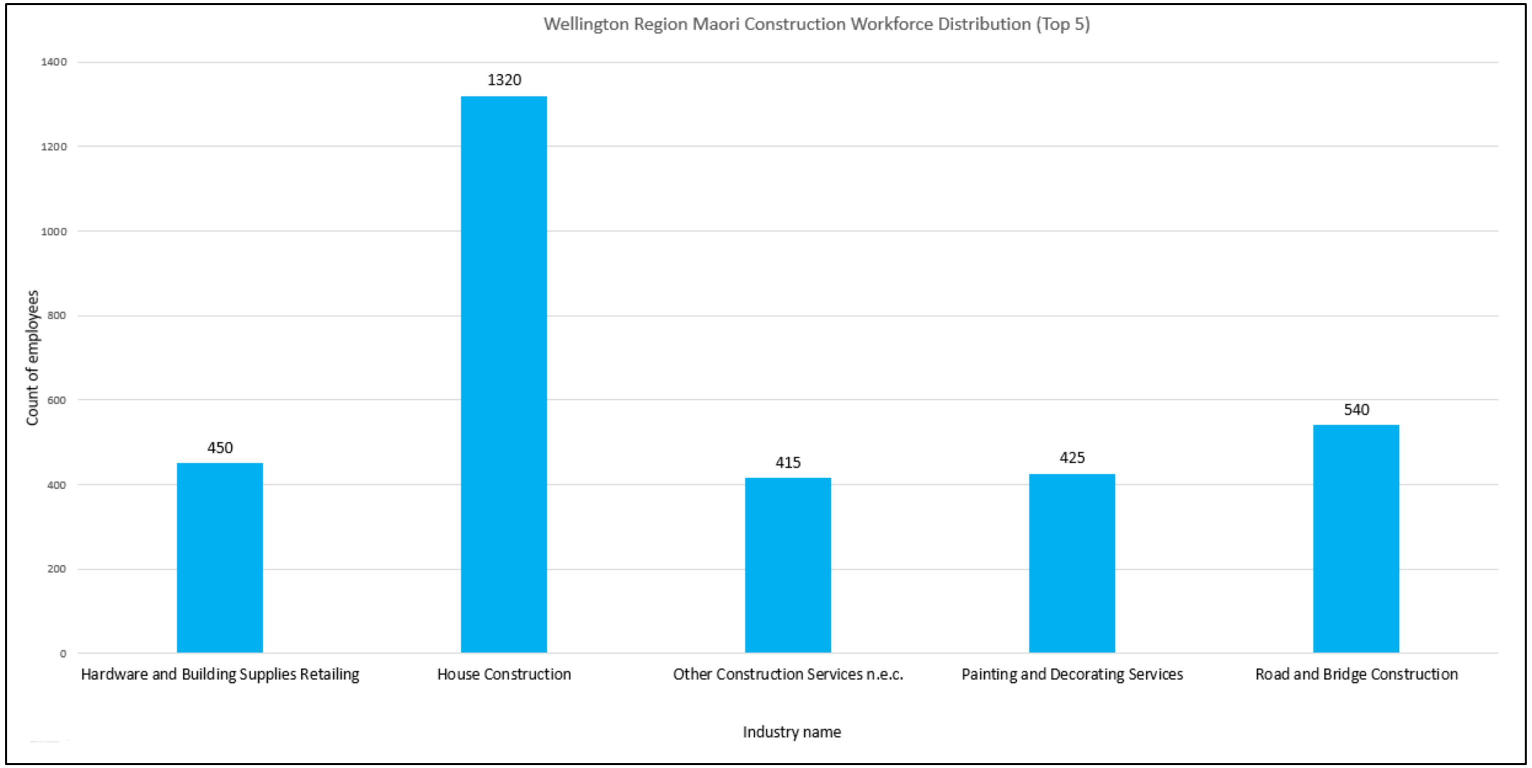


Figure 36. The workforce distribution of Māori employees engaged in different construction industries within the Wellington region.

Appendix G: regional data

Te Waipounamu (South Island)

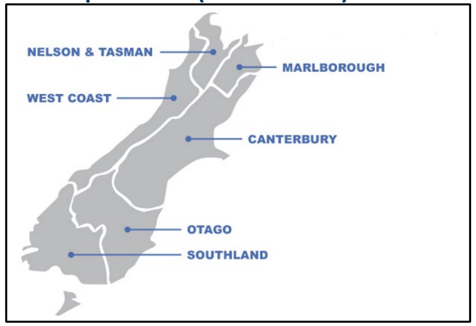


Figure 37. Boundary line for Te Waipounamu (South Island).

Figure 38 illustrates the number of Māori construction businesses in Te Waipounamu, spanning a recent five year period (2017-2021). As shown in the graph below, from 2017 to 2018, there was a dramatic decrease from 897 to 858, however after from 2018 to 2021 Te Waipounamu were able to move from 858 to 987, an overall increase across the five years. This shows that they were able to remain resilient through out COVID-19 where a lack of work had occurred.

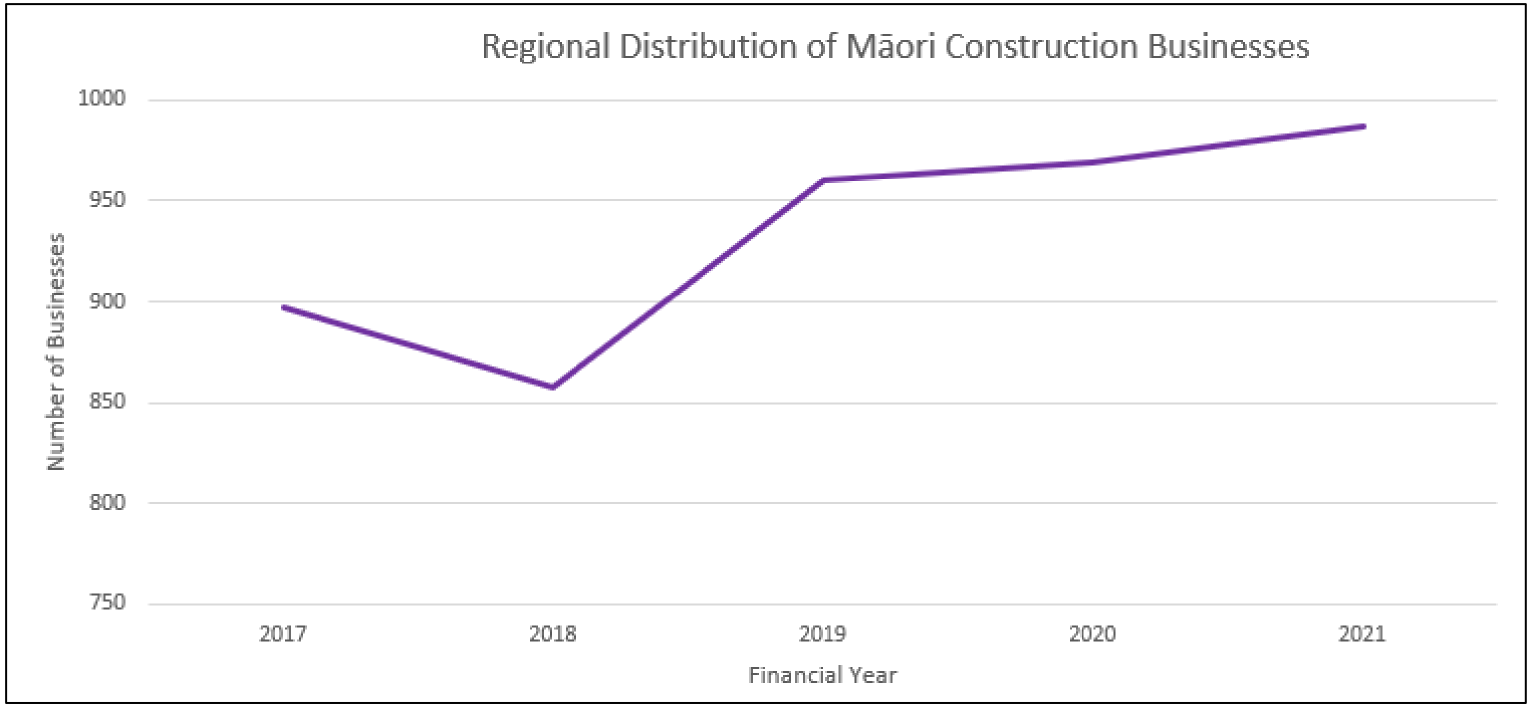


Figure 38. The total number of Māori construction businesses in Te Waipounamu 2017-2021.

Appendix G: regional data

Māori Construction Workforce Distribution in Te Waipounamu

Figure 39 displays the distribution of the workforce in the Māori construction business industry across the Te Waipounamu Region, highlighting the top five areas. House Construction has the largest workforce with 1740 employees, followed by Road and Bridge Construction with 850 employees. Other Construction Services n.e.c follows with 630 employees.

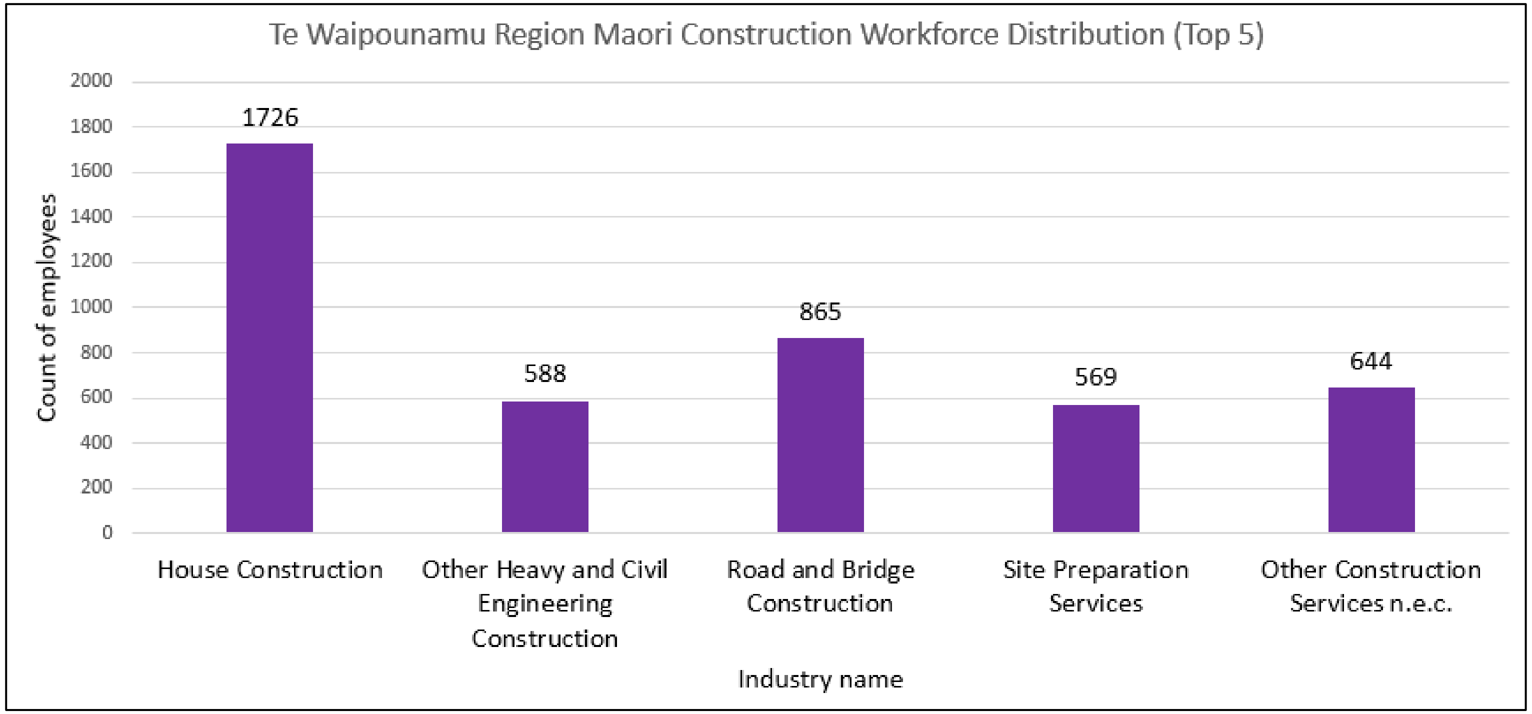


Figure 39. The workforce distribution of Māori employees engaged in different construction industries within the Te Waipounamu region.