

Pipeline snapshot

September 2024

The National Infrastructure Pipeline

The **National Infrastructure Pipeline** (Pipeline) is New Zealand's national dataset of infrastructure project information. It provides an evidence base for how New Zealand maintains, renews, and improves the infrastructure we all rely on.

This snapshot report reflects the Pipeline at 30 September 2024, which included \$143.6 billion of active and planned projects from central government, local government, and private sector infrastructure providers from across the infrastructure system.

Minister for Infrastructure highlights importance of the Pipeline

The Government has requested that the Commission develop a **National Infrastructure Plan** (Plan) for New Zealand. The Plan will consider long-term infrastructure needs and compare these to current investment intentions. It will address what should be prioritised and how to lift performance of the broader system to deliver on longer-term requirements.

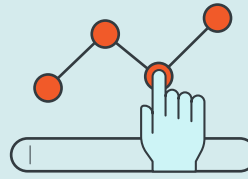
The Minister for Infrastructure has sent letters requesting that central and local government

infrastructure providers (including council-controlled organisations) support the development of the Plan by regularly updating the Pipeline with their investment intentions. This includes providing information about the construction of new infrastructure assets, and initiatives to renew and maintain their existing assets. The **Minister's letters** also invite organisations to submit proposals to the **Infrastructure Priorities Programme** for assessment.

To inform the Plan and decision-making across the system, it's crucial that the information in the Pipeline represents a complete picture of infrastructure investment activity. With the support of our contributors, we are working to rapidly expand the depth of information in the Pipeline for all infrastructure providers.

Please reach out to contribute or update data, or if you have a question regarding the information in the Pipeline email pipeline@tewaihanga.govt.nz.

Interactive tool



What's in the Pipeline? Project search

Search the Pipeline project list by upcoming procurement opportunities, project timings, sectors, regions, and more, and download Pipeline data on our insights platform.



Login or register for access at insights.tewaihanga.govt.nz

Total value in the Pipeline is \$143.6 billion

In September 2024 the Pipeline included information on almost 7,000 active and planned infrastructure projects for 135 infrastructure providers. The total value of these projects was \$143.6 billion. This total was down 2.7% (\$4 billion) from \$147.6 billion in June 2024 ¹. At the time of the update, \$2.7 billion worth of projects were recorded with a status of 'under review' or 'on hold'.

The Pipeline included projects and initiatives at various stages of planning and commitment. Almost 70% (\$99.8 billion) of the \$143.6 billion value is from projects that are funded, part-funded or have a funding source confirmed. Figure 1 highlights the funding status for projects in the Pipeline by value and project count.

\$100 billion of Pipeline projects are funded or have funding source confirmed

Pipeline value and project count by project funding status, September 2024

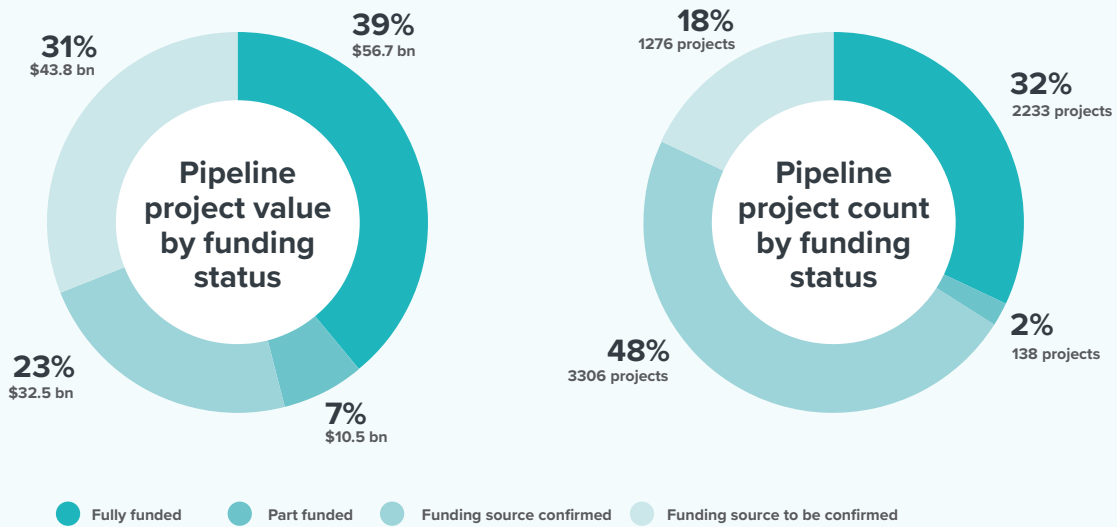


Figure 2 shows that 34% of all Pipeline value comes from projects valued up to \$100m (6741 projects or 97% of all projects in the Pipeline). This highlights the importance of smaller projects and programmes for achieving good infrastructure outcomes and in providing stability in the forward works program.

The Pipeline currently includes 17 'mega-projects' each costing over \$1 billion. Six of these projects do not yet have a funding source confirmed.

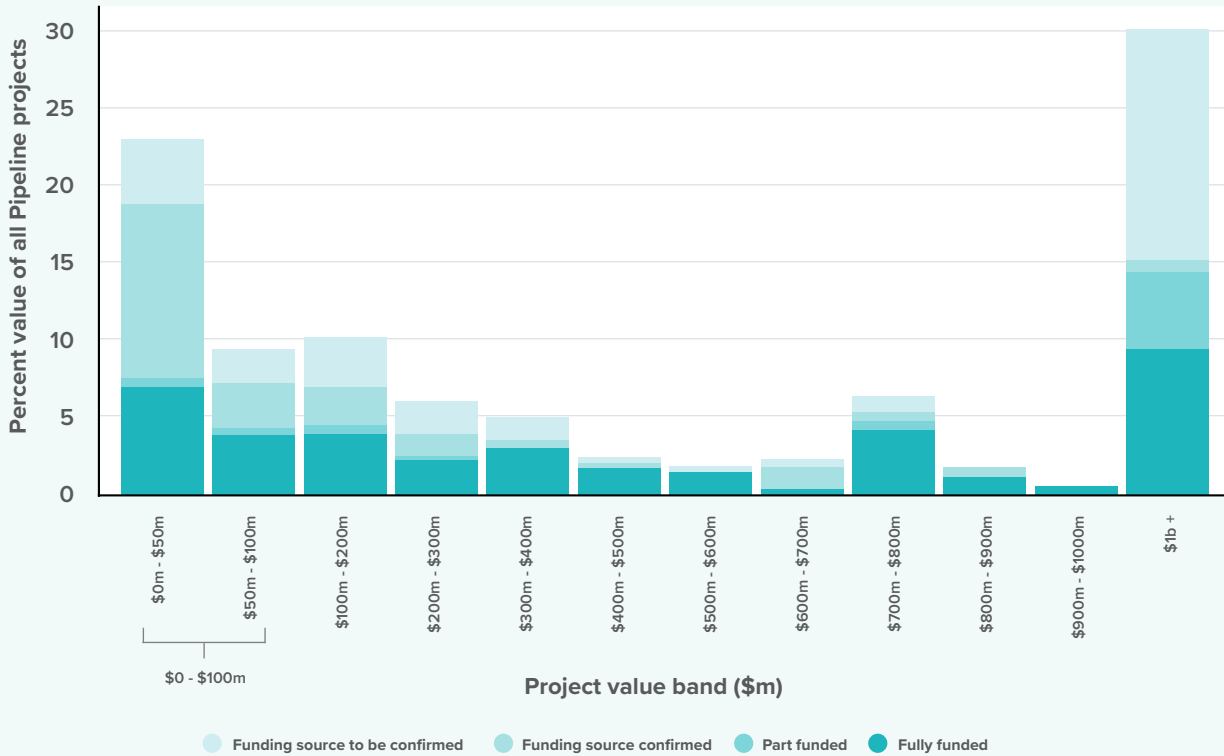
Of the projects recorded as fully funded, partly funded, or having a funding source confirmed, mega-projects account for 15% of the total \$143.6 billion Pipeline value, while projects with a value of up to \$100 million account for 27% of total Pipeline value.

¹ The Pipeline is a live system that is updated regularly. Our Snapshot reports are based on best known information at the time of publication. This may cause differences in reported values over time and between publications.

Figure 1:

Smaller projects and programmes account for a significant proportion of infrastructure investment

Distribution of initiatives in the Pipeline by project value



Drivers of change between quarters

The main drivers of the change in the total expected costs of projects and initiatives in the Pipeline from June 2024 to September 2024 are outlined in the list below and Figures 3 and 4.

Increases in total Pipeline value of active and planned projects.

- \$2.4 billion increase from new organisations providing project data.
- \$6.3 billion increase from additional projects from existing contributors.
- \$5.8 billion increase from a lift in the value of existing projects.

Decreases in total Pipeline value of active and planned projects.

- \$4.6 billion decrease from projects completed during the quarter.
- \$0.2 billion decrease from projects cancelled during the quarter.
- \$10.3 billion decrease from a reduction in the value of existing projects.

We are committed to working with Pipeline contributors to improve data quality. This resulted in a decrease of \$3.4 billion in Pipeline value due to improvements in data quality.

Figure 3: Changes in total Pipeline value, June 2024 – September 2024



Project adjustments

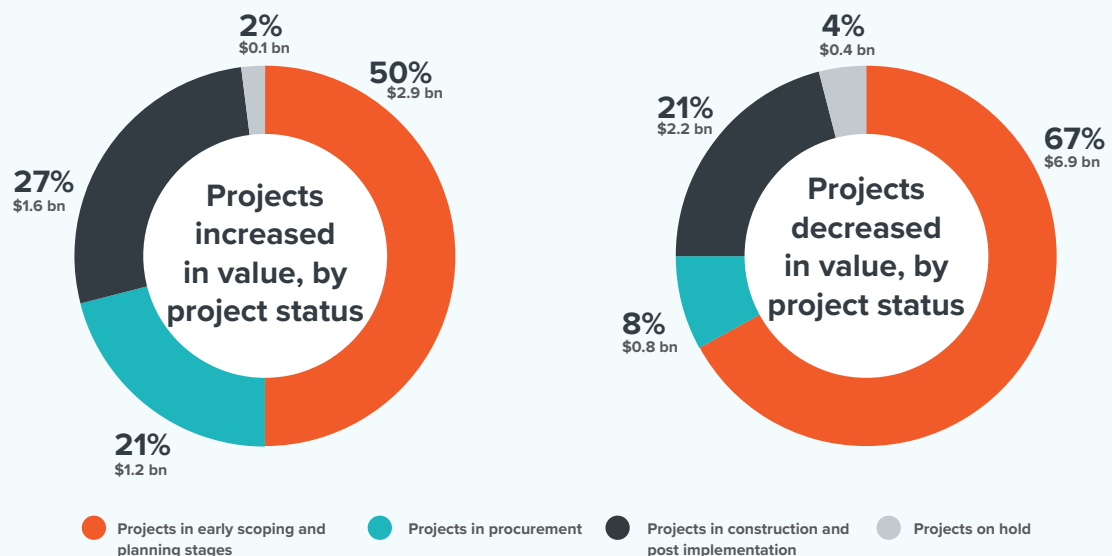
Of the \$5.8 billion lift in the value of existing projects, 50% of this increase came from projects in early scoping and planning stages, 21% from projects in procurement, and 27% from projects in construction and post implementation.

Of the \$10.3 billion decrease in the value of existing projects, 67% of this reduction came from projects in early scoping and planning stages, 8% from projects in procurement, and 21% from projects in construction and post implementation.

In some instances, decreases in project value are driven by a change in approach to reporting by selected contributors, rather than by a change in project scope or any new information on estimated project costs. We continue to work with contributors to standardise and align their reporting processes.

Figure 4: Most adjustments in project value occur in early planning stages

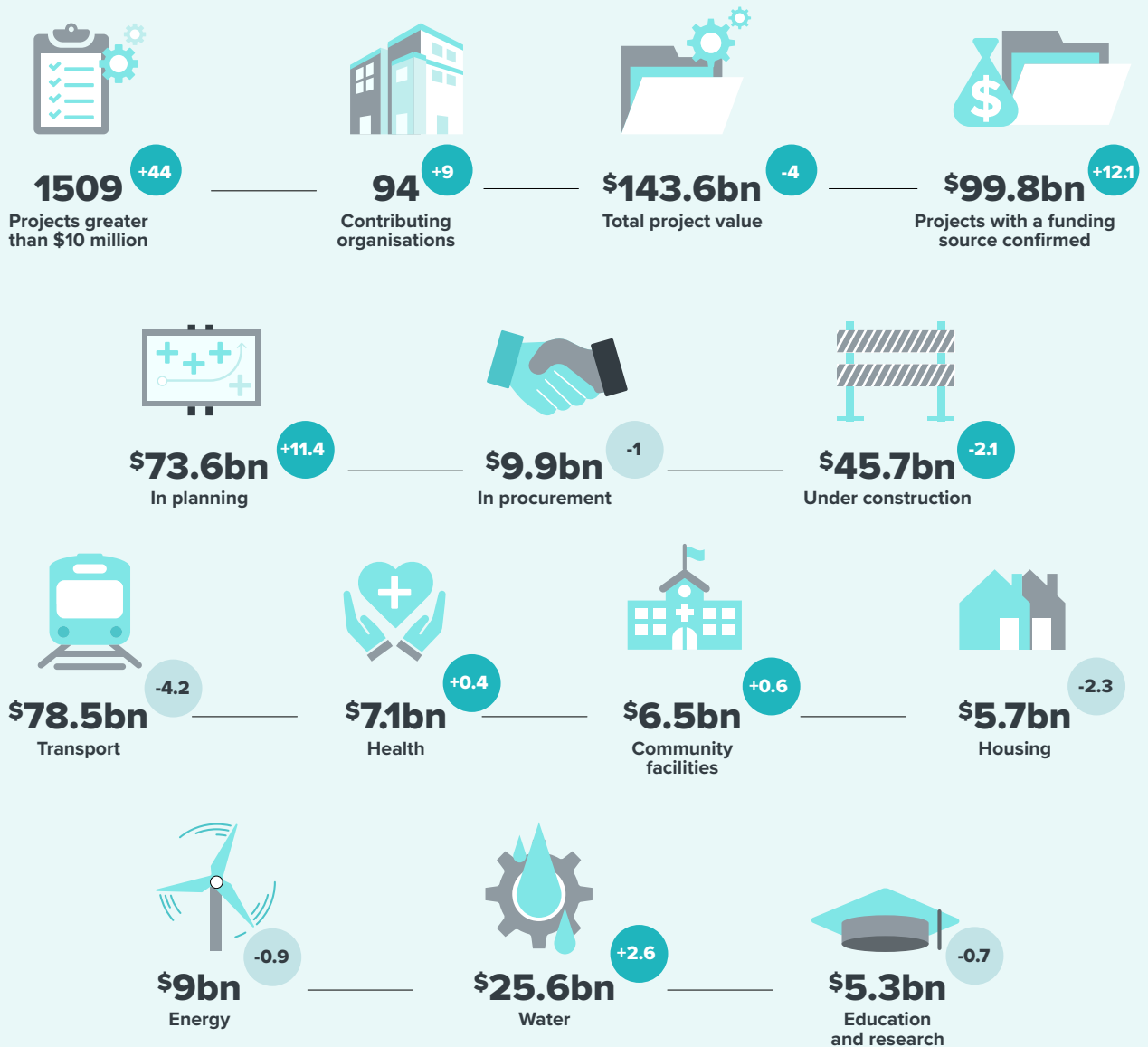
Adjustments in project value by project status, September 2024



New Pipeline contributors

Ninety-four organisations now contribute project information to the Pipeline. We thank our partners for their efforts and another strong response this quarter, with 88% of existing contributors providing project updates, making changes, or confirming their information.

With most long-term plans now completed we welcomed **Gisborne District Council, Invercargill City Council, Masterton District Council, Matamata-Piako District Council, Otago Regional Council, South Waikato District Council, Southland Regional Council, Tararua District Council** and **Wairoa District Council** who joined as new contributors during the quarter.



Using the Pipeline

The Pipeline provides an important evidence base to help inform Government demand and supply-side decisions (e.g. increasing or curtailing demand through funding and other settings, and increasing supply through economic, education, and employment initiatives).

Infrastructure providers use the forward view of infrastructure activity the Pipeline provides to inform prioritisation, coordination, planning, and decision making across sectors and regions. Our stakeholders within the construction market use the Pipeline to understand upcoming business opportunities, and the workforce capability and capacity that will be needed to deliver infrastructure projects. Regional economic and employment agencies use the Pipeline to understand when they need to draw skills to their region.

Projects entering procurement

The September 2024 pipeline update indicates that 395 active projects valued at \$9.9 billion were in procurement at the time of the update. A further 359 projects valued at \$5 billion (including \$1.9 billion of projects that are fully funded or have a funding source confirmed) are expected to enter procurement during the 12 months from 1 October 2024. The projects in procurement and expected to enter procurement in the next 12 months are projected to add between \$0.4 to \$0.8 billion spend per quarter through to 2027.

The Pipeline includes a further \$64.1 billion in value for projects that are expected to enter procurement after September 2025 (or currently have no expected procurement dates scheduled). These projects are projected to add \$0.4 to \$1.7 billion spend per quarter through to 2029.



Where to learn more

Learn more on our **insights platform** where you can gain access to a growing range of Pipeline insights and tools:

- Pipeline project list searchable by project timings, sectors, regions and more
- download Pipeline project list data
- interactive Pipeline workforce projection tool



Login or register for access at **insights.tewaihanga.govt.nz**

Projected spend by sector

A more complete Pipeline becomes a powerful tool to support assessment of project deliverability or decisions on supply side policy settings. Each quarter we model the projected future spend to deliver projects in the Pipeline. Figure 5 highlights these spend projections across the infrastructure sectors.

Project certainty and demand naturally decreases over the planning horizon and this rate varies across infrastructure sectors. Factors such as the relative size of an individual project (to the size of the market), project scope, and project complexity influence how far ahead projects are planned within each sector.

These spend projections continue to evolve as projects are completed, new projects are planned and added to the Pipeline, and as new contributors provide project information.

The September 2024 update shows a total of \$16.4 billion in projected spend for 2024 excluding projects 'under review' and 'on hold'. This spend equates to 4% of GDP and highlights the level of infrastructure activity in the Pipeline – at least over the near term.

The projected annual spend for 2025 is currently

\$13.7 billion. Three quarters of all projected Pipeline spend will occur within 6 years.

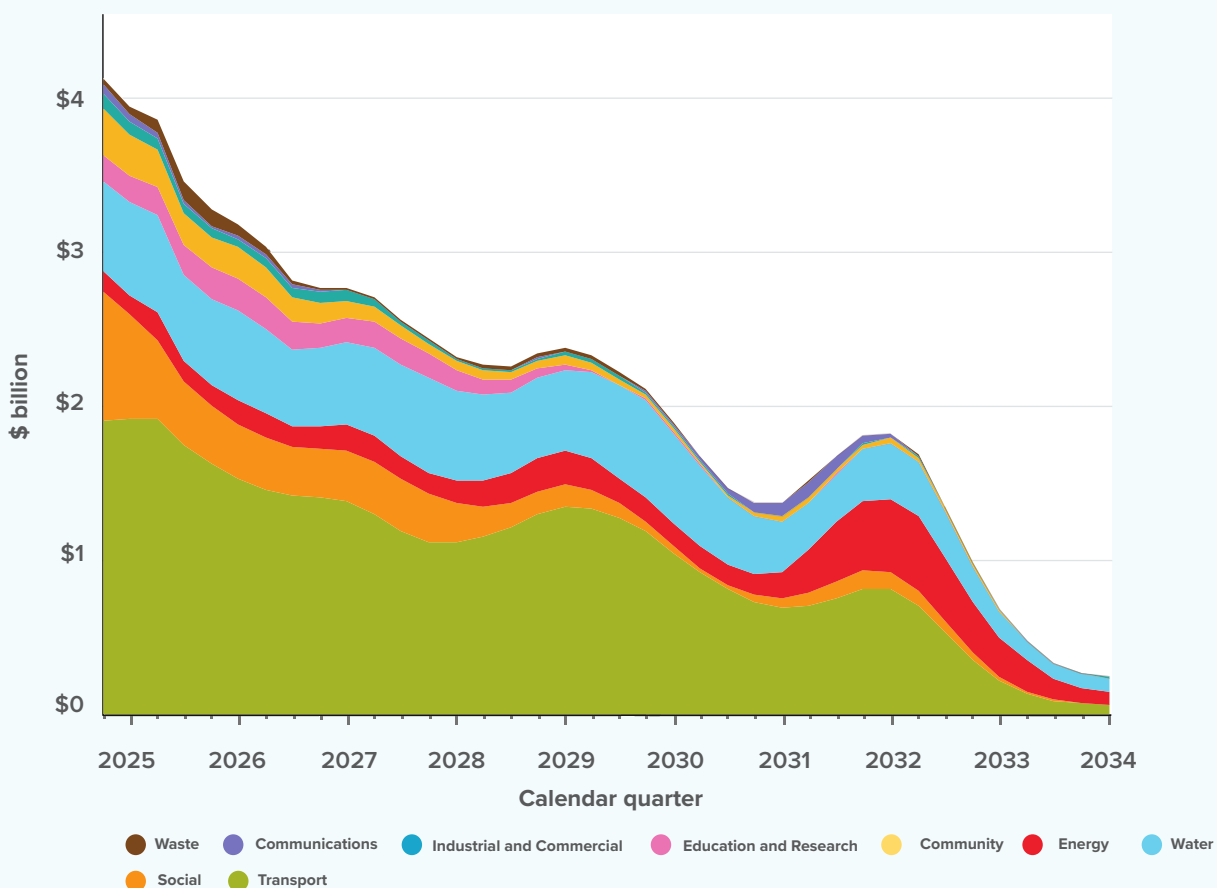
Spend in the transport sector (including road, rail, ports, and airports) dominates the Pipeline over the next 10 years. In 2024 transport spend accounts for \$7.4 billion or 45% of total projected spend. Spend in this sector remains above \$4.5 billion until 2030 when it drops to \$3.1 billion. Over the next 10 years the total projected transport spend is \$42.7 billion or 48.6% of spend across all sectors.

The social sector (including, health, housing, justice, and corrections) accounts for \$3.7 billion or 23% of projected spend in 2024. Projected annual spend in the social sector remains above \$1 billion until 2028 when it reduces to \$0.7 billion.

Local councils are developing their water services delivery plans. The Pipeline provides a way to iterate their delivery programmes and coordinate their approach with neighbouring entities. The water sector accounts for \$2.1 billion or 13% of projected spend in 2024. Projected annual spend in the water sector fluctuates between \$1 billion and \$2.4 billion between 2024 and 2032 and drops to \$0.4 billion in 2033.

Spending in the transport sector continues to dominate over the next ten years

Projected quarterly spend by sector, 2024 – 2034



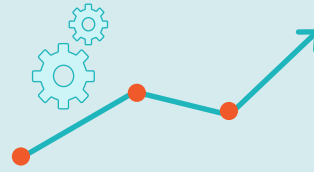
Interactive tool

The workforce needed to deliver the Pipeline

Even when faced with challenging market conditions, an early view of workforce demand is important for planning, coordination, and scheduling of work. It also helps training institutions, the construction sector, and regions to make more informed and careful decisions on workforce and capability investments and in attracting the workforce that will be needed.

Each quarter we model the workforce required to deliver projects in the Pipeline. Figure 6 illustrates the national workforce demand by occupation group ².

The workforce numbers presented in the projections, include estimates of both full-time and part time workers needed on projects ³. These workforce projections will continue to change, as new projects are planned across the horizon and this information is submitted to the Pipeline.



Pipeline workforce projections

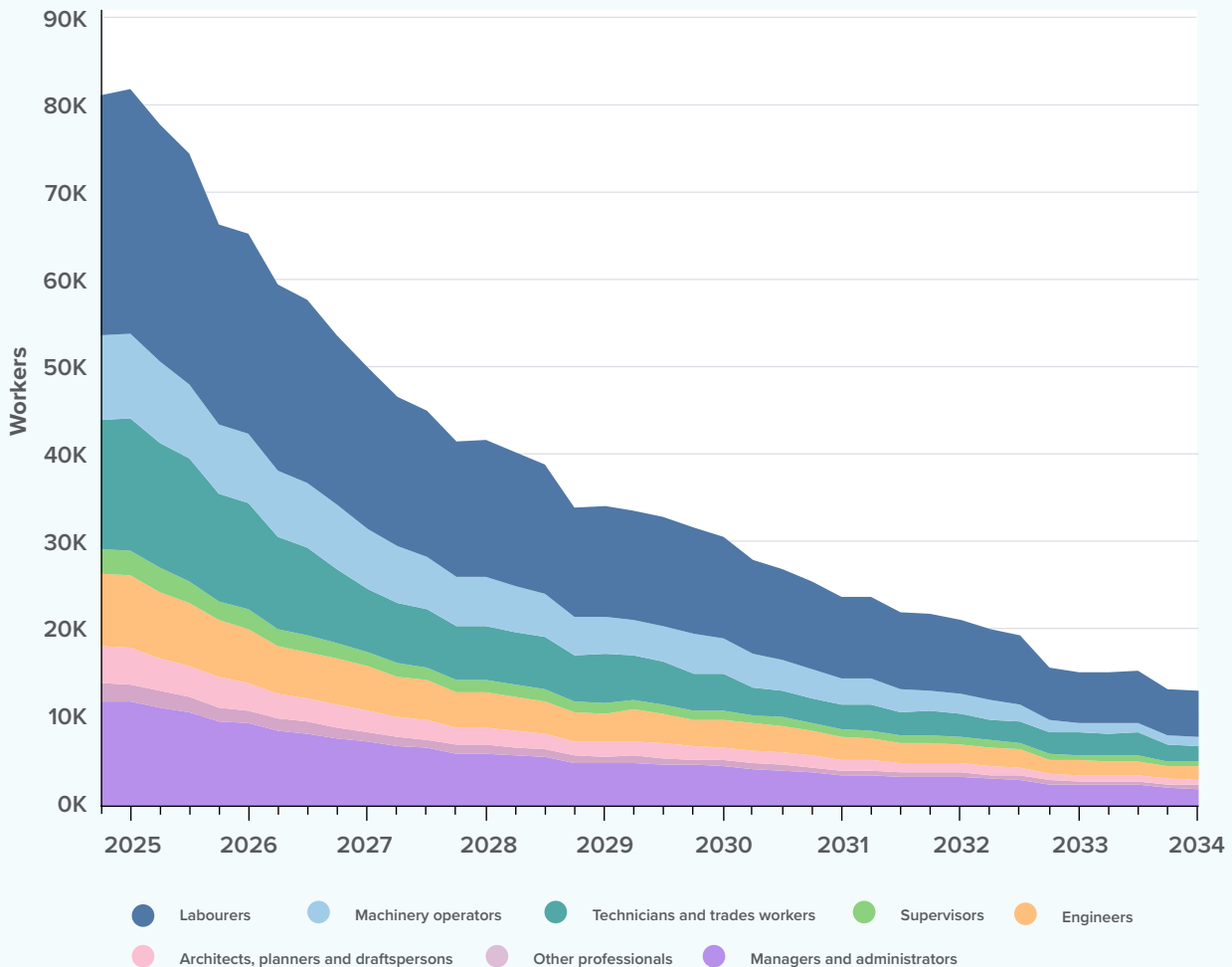
Learn about the projected workforce demand by occupation, for your region, sector, or industry on our insights platform.



Login or register for access at insights.tewaihanga.govt.nz

Projected workforce required to deliver Pipeline projects

Workers each quarter by occupation group, 2024 – 2034



² Our workforce modelling currently uses a different model to the spend modelling and some differences may arise because of this. Over time we will integrate these two models.

³ Projections of the number of workers needed will generally be larger than the number of full-time equivalents needed due to the presence of workers that where their specialist skills only required for part of the time.

Figure 6:

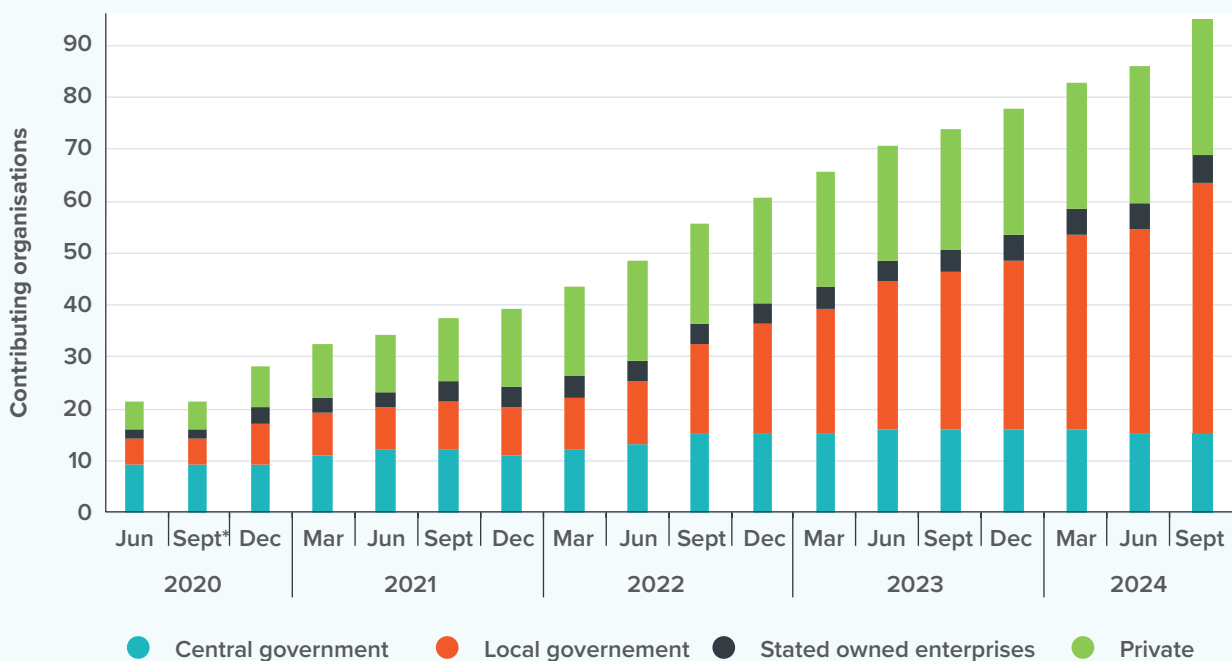
Towards a complete Pipeline of infrastructure projects

Te Waihanga first published the Pipeline in June of 2020 to support statutory functions required under the New Zealand Infrastructure Commission/Te Waihanga Act 2019.

The Pipeline continues to build towards a trusted and complete view of planned and current infrastructure project activity in New Zealand.

Pipeline contributors grew by 28.9% in the last 12 months

Pipeline contributors, June 2020 – September 2024 ⁴



⁴Pipeline project information was not updated in the September quarter of 2020

The September 2024 quarter lifted our contributors to 94 organisations, up 28.9% on 12 months ago. Pipeline contributors include 15 central government organisations, 5 State owned enterprises, 4 electrical lines companies covering 54% of the installation control points (ICPs) across New Zealand ⁵, and 48 council contributors.

Local government organisations are responsible for providing many important infrastructure services at a local and regional level. Our council contributors represent over 80% of all rates revenue collected and are illustrated in Figure 8.

⁴ In Figure 7 Central government includes Crown entities; state-owned enterprises include mixed-ownership models; private organisations includes council-controlled organisations and universities.

⁵ An ICP is an installation control point or the point of connection to an electricity network where an electricity retailer is deemed to supply electricity to a consumer.

Figure 7:

Figure 8:

Local government Pipeline contributor status

September 2024

Illustrated by territorial and regional boundaries

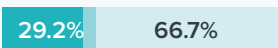
Metropolitan



Provincial



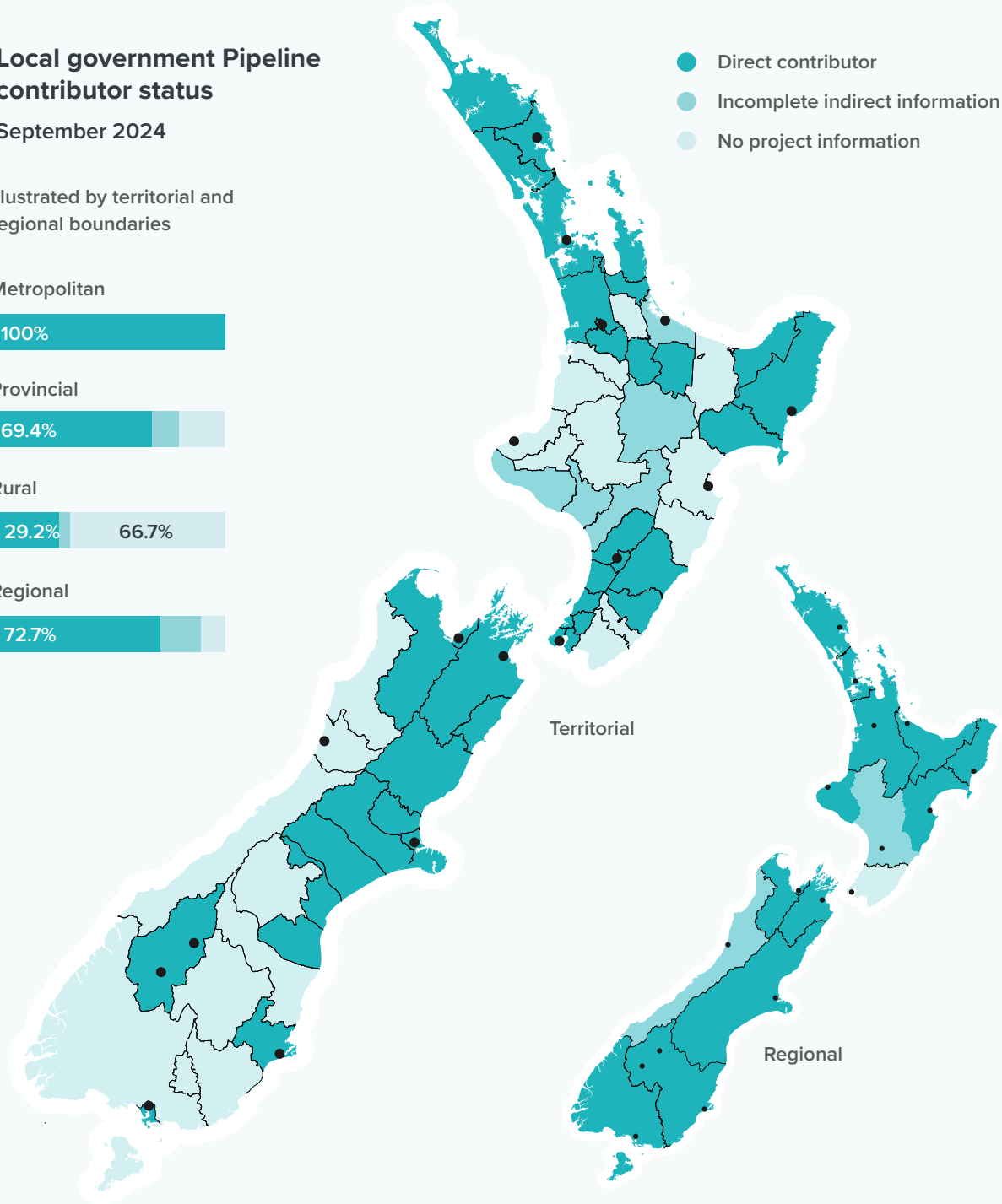
Rural



Regional



- Direct contributor
- Incomplete indirect information
- No project information



Join the Pipeline

If your organisation has project information that is not included in the Pipeline, or you are a current contributor and need a refresher, contact the Pipeline team via pipeline@tewaihanga.govt.nz to register for our next onboarding webinar covering the Pipeline's role, value to your organisation, submission process, and data requirements.

We appreciate your support to build a complete picture of infrastructure investment and project intentions around New Zealand.