



FINISHING TRADES

*Advice to the Tertiary Education Commission
for training investment in 2027*

Published November 2025



WAIHANGA ARA RAU

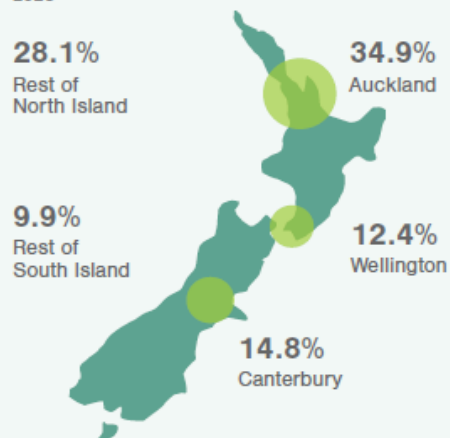
**Construction and
Infrastructure**

Workforce Development Council

FINISHING TRADES SECTOR

EMPLOYMENT BY REGION¹

2023



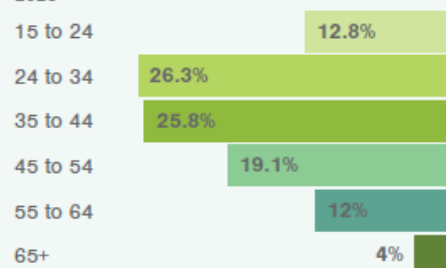
GENDER²

2023

84% Men
16% Women

AGE³

2023



12,200

TOTAL NUMBER OF BUSINESSES⁷

2023



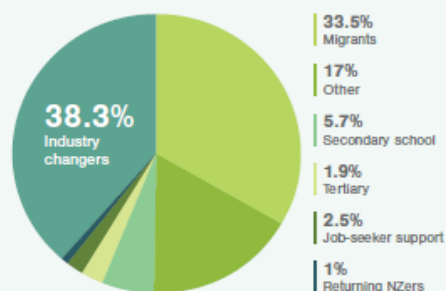
5,049

TOTAL NUMBER OF SOLE TRADERS⁸

2023

NEWCOMERS BY ORIGIN⁴

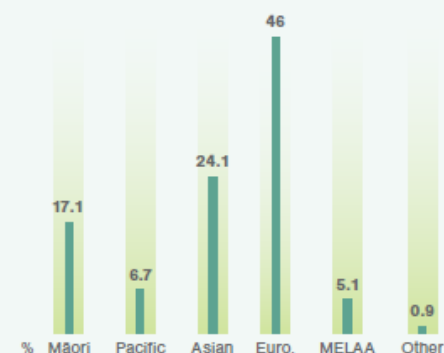
2023



22% of employees have been in the industry for less than a year.⁶

ETHNICITY⁵

2023



BUSINESS OWNERSHIP BY ETHNICITY⁹

2023



This data is extracted from StatsNZ IDI and IRD and displayed in the Workforce Information Platform. Figures are defined by those who work for or own a business with a relevant ANZSIC (industry) code. The infographic can be found at workforce.nz

FINISHING TRADES NARRATIVE

The Finishing Trades sector, like many parts of construction, has felt the impact of economic headwinds over the past two to three years. It is no secret that there has been, and continues to be, a drop in project activity and therefore corresponding training volumes, particularly in sub-industries such as Kitchen and Bathroom. While recovery timelines remain uncertain, there is cautious optimism across the sector, reflected in the sector applying a balanced approach of 5.9% growth.

Some areas, like Kitchen and Bathroom, anticipate that training and project activity may not rebound until 2028, though this is difficult to forecast with any level confidence at this stage. The sector's growth assumption reflects a belief in the strength of the future pipeline but also acknowledges the uneven pace of recovery across different sub-industries.

Upskilling the domestic workforce

The industry understands the real value of investing in workforce training. However, during tough economic periods, especially when businesses are forced to downsize and let people go, it's understandable that many owners choose to pause or reduce training investment. This is a rational response to immediate pressures, but it carries long-term risks.

There is a shared view across the sector that more needs to be done to promote the value of training, particularly in demonstrating the cost of not training. Business owners need clearer messaging and evidence around how workforce development supports resilience, productivity, and future growth even during downturns.

While migration can appear to be a short-term solution to fill critical workforce gaps, the sector is conscious that it is not a silver bullet. Migrant workers bring valuable skills and experience, but there is often a delay before they can contribute at full capacity. This is due to the need to contextualise their expertise to the New Zealand environment, including local standards, practices, and cultural nuances.

The sector acknowledges that more support is needed to help migrant workers transition effectively, and that investment in local training remains essential. Migration should complement, not replace, a strong domestic training pipeline. Promoting the value of training, especially during economic downturns, is critical to ensuring long-term workforce resilience.

The sector would like to see more work to promote diversity and inclusion, which is currently occurring on an ad-hoc basis but requires more effort. This was identified as a priority in their [Workforce Development Plan](#), which included overall promotion and targeted support for Māori, Pacific peoples, and women. Underlying this was the importance of improving the wellbeing of all those who engage with the sector, particularly mental wellbeing.

Incentivised training

Interventions such as Fees Free have had both positive and challenging impacts on the sector. The sector would welcome the return of similar interventions, but notes that these need to be carefully thought out because, on the one hand, they increase the number of trainees entering the pipeline, which is a welcome outcome. However, a by-product is a higher dropout rate, particularly among those who may not have a clear understanding of the sector or a strong commitment to the roles.

It's critical that those entering training do so with a genuine interest and passion for the roles and skills involved across the sector. Over the past few years, active promotion of career pathways has been a key focus for the sector, particularly among SRG members. Continuing this work is vital to ensuring that interventions such as Fees Free are more effective.

When learners are well-informed and motivated, these mechanisms not only increase participation but also improve retention and completion rates. This ensures that investment, from learners, businesses, and industry, delivers long-term value and supports a sustainable workforce pipeline.

Legislative change

MBIE has recently consulted on proposed changes to the regulation of waterproofing in internal wet areas, such as bathrooms and level-entry showers. The consultation focused on introducing a new Acceptable Solution under the New Zealand Building Code. This aims to provide clearer compliance pathways for designers and Building Consent Authorities, reduce uncertainty in the application of waterproofing systems, and address the high rate of building failures linked to internal moisture.

In response to persistent industry concerns, the Government has also announced the introduction of a new waterproofing licence class under the Licensed Building Practitioners (LBP)¹ scheme, expected to be implemented in 2026. This new class will ensure that only qualified professionals undertake waterproofing work in wet areas, improving accountability and lifting competency standards. The move is supported by industry data showing that up to 13% of tiling jobs fail, with 89% of failures attributed to installer error, most commonly due to poor waterproofing practices².

It is anticipated that **this will impact learner numbers through the development of a new credential** (see products in the developments section) and the upskilling of the existing workforce.

¹ [Upcoming licensing changes for Licensed Building Practitioners | Licensed Building Practitioners](#)

² [When tiling and waterproofing fails - PlaceMakers](#)

INVESTMENT ADVICE

Overarching narrative

This document should be read alongside the overarching narrative document, which provides the introduction and overarching assumptions for Waihangā Ara Rau's 2025 investment advice to the Tertiary Education Commission (TEC), focused on training provision for 2027.

The sector versions outline our approach to qualifications relevant to each sector, regardless of whether they meet TEC's investment threshold. This ensures that all stakeholders, from policymakers to industry leaders, can engage with advice that aligns with their areas of interest.

2027 Investment advice baseline year

We're applying a similar approach to last year's. **The baseline year is 2024**, which provides the most recent full year of training data. All active learners across the 2024 calendar year set the minimum level of provision we expect in 2027, with any recommended growth, reduction, or no change based on that starting point.

Investment advice threshold (for 2027 delivery)

The threshold is intended to ensure our advice prioritises qualifications that could materially impact current TEC funding. Qualifications below the threshold generally fall within the margins of existing funding activity and therefore do not significantly affect funding availability. It is made explicit throughout that the overall growth percentage should be applied to all relevant qualifications, regardless of whether they meet the threshold. Publishing our approach for all qualifications under our coverage also enables providers to understand the provision landscape.

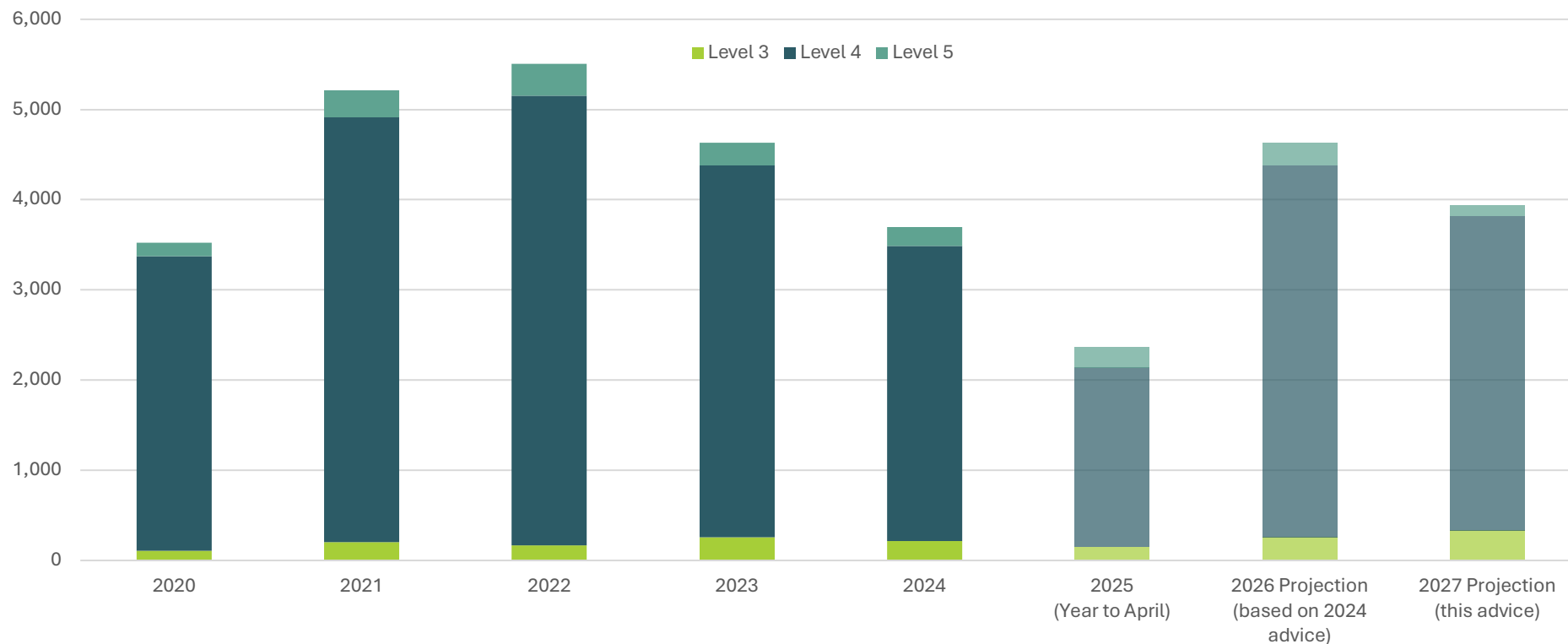
For qualifications within our scope, only those meeting the threshold are included in our formal submission to the Tertiary Education Commission (TEC). The 2027 threshold includes:

- Growth or reduction of more than 20 learners compared to the 2024 baseline.
- Not registered or not TEC-funded learners in 2024, but expected activity in 2027.
- Fewer than 20 learners in 2024, with projected growth that more than doubles by 2027.
- Qualifications where specific context and narrative are important to articulate are treated with particular attention.

This advice covers 18 qualifications and programmes within Waihangā Ara Rau's Finishing Trades sector. Together, these show a projected growth of 358 in 2027 based on the 2024 baseline. Of these, 11 qualifications meet the TEC advice threshold and are included in the formal advice document submitted to TEC, noting we are suggesting a decrease for one qualification.

Learner trends and projections (2020-27)

Like many parts of the C&I sector, Finishing Trades saw a significant increase in learner numbers during 2021–22, largely driven by Government interventions such as Targeted Training and Apprenticeship Fund, First Year Fees Free, and Apprenticeship Boost. With the conclusion of most of these initiatives, aside from Fees Free shifting to final years, learner volumes have returned to more ‘normal’ levels.



Notes:

- Learner data is sourced from TEC’s Ngā Kete as of April 2025. It includes all active TEC-funded learners within a calendar year and excludes non-TEC-funded training.
- **2025** data reflects learner numbers as of April. Based on sector conversations, end-of-year figures are expected to be similar to 2024 levels or slightly lower.
- **2026** figures are based on advice provided in 2024, which projected no growth on 2023 learner numbers.
- **2027** figures represent projected provision based on this year’s advice.

Context: Investment advice table

The Finishing Trades sector, like many others under the Construction grouping, feels the growth assumption may be optimistic given the current environment. While the dip was expected to recover and begin trending upward from 2026, they believe it may extend longer, even if current data doesn't fully reflect that yet. They acknowledge there is a pipeline of work, but it may not materialise until 2028. Despite this, they recognise the need for growth in provision now to prepare the workforce for the eventual demand and have decided on a **5.9% growth** (or 50% of the growth assumption).

The qualifications that meet the threshold are shown below, with additional context given to qualifications that sit outside the overall sector growth percentage:

- **756:** It has expired and has been replaced by qualifications **4296, 4297, 4298, 4299 and 4300**. The 2024 numbers for 756 have been distributed across these replacement qualifications and allocated according to the qualification strand.
- **2834:** This qualification is covered under Onsite Construction, with the learners included here for those who undertook Allied Trades strands. This qualification is currently under review and may affect the delivery of allied trade strands in the future.
- **3221:** The industry anticipates that project activity may recover before 2028, but there may be a delay in when this is reflected in training numbers. Added to this is the fact that many of the 2024 active learners were part of the fees free scheme. The suggested provision of 120 learners (a reduction of 90 learners) reflects the expected end-of-year 2025 learner activity, with some allowance for growth in 2027.
- **4299:** There was no activity in 2024 as the qualification was not available for enrolment. This qualification includes areas of specialisation that were previously unavailable. There is some activity in 2025 which supports our projection for modest growth by 2027.
- **5361 & 5362:** Have both recently been approved, and based on industry consultation, we expect to see at least 50 learners, based on activity in historical but similar programmes, and even more so if providers run a cohort delivery model based on similar programmes.
- **No activity** qualifications either had no learner activity in 2024 or data has been suppressed due to low numbers (fewer than 5 learners).

Investment advice table

Code	NZQA Qualification Title	2027 Total Provision	Growth on 2024 base	Meets threshold
756	National Certificate in Flooring (Level 4) with strands in Carpet Installation, Fine Sand and Finishes, Flooring Planning and Design, Resilient Flooring Installation, Substrate Preparation, Timber Overlay Installation, and Resin Flooring Application - <i>expired</i>	N/A	N/A	No
2834	New Zealand Certificate in Construction Trade Skills (Level 3) with Allied Trades strand	170	10	No
3060	New Zealand Certificate in Proprietary Systems Installation (Level 4) with strands in Proprietary Partitions, and Suspended Ceilings	202	12	No
3061	New Zealand Certificate in Interior Linings Installation (Level 4) with strands in Fixing, and Finishing (with optional strand in Fibrous Plaster Installation)	461	26	Yes
3062	New Zealand Certificate in Fibrous Plaster Manufacture (Level 4) with optional strand in Specialist Model and Mould Making	No activity	No activity	No
3137	New Zealand Certificate in Trowel Trades (Level 4) with strands in Floor and Wall Tiling, Proprietary Plaster Cladding Systems, Ferro-cement Tank Manufacture, Refractory Installation, and Solid Plastering (with optional strands in Fixing Cavities and Substrates, and Decorative Mouldings)	551	31	Yes
3221	New Zealand Diploma in Design (Level 5) with strands in Kitchen Design, and Bathroom Design (with optional strand in Light Commercial Design)	120	-90	Yes
3568	New Zealand Certificate in Painting and Decorating (Level 4) with strands in Specialised Spraying, Wallcoverings, and Specialised Coatings	1,705	95	Yes
3903	Kitchen Installation (Micro-credential)	11	1	No
4296	New Zealand Certificate in Flooring Installation (Level 4) with strands in Bonded Carpet, Conventional Carpet, Commercial Resilient Flooring, and Residential Resilient Flooring	409	109	Yes
4297	New Zealand Certificate in Flooring Planning and Design (Level 4) with optional strands in Estimation, and Site Assessment	75	30	Yes

4298	New Zealand Certificate in Resin Flooring Application (Level 4) with strands in Trowel Applied Resin Mortar, and Flow Applied Resin Finishes	32	2	Yes
4299	New Zealand Certificate in Flooring Surface Preparation (Level 4) with strands in Concrete Polishing, Mechanical Preparation, Moisture Treatment, and Underlayment Systems (with optional strand in Topical Coatings)	20	20	Yes
4300	New Zealand Certificate in Timber and Composite Flooring (Level 4) with strands in Bonded Installation, and Fine Floor Sand And Finishes	33	8	Yes
5361	Installing Carpet Tile Flooring Systems (Micro-credential)	50	50	New
5362	Installing Floating Floor Systems (Micro-credential)	50	50	New
-	Programme: Flooring Fundamentals	27	2	No
-	Programme: Introduction to Flooring Installation (Level 3) (Training Scheme) 126514-1	22	2	No
	Total	3,938	358	

Products in development

Reference	Title	Type	Status	Likely Year
TBC	Suspended Ceiling Design credential	TBC	Developing Idea	TBC
TBC	Undertile waterproofing (working title)	Micro-credential	Developing Idea	2026/2027