

BUILDER SENTIMENT — 2026



CONTENTS

02

SUMMARY

03

WHO WE SURVEYED

04

TYPE OF PROJECTS

05

CURRENT CAPACITY BUILDERS
ARE WORKING AT

06

AVERAGE CAPACITY %

07

CONSTRUCTION PIPELINE:
PROJECT HOLDS &
CANCELLATIONS

08

CONSTRUCTION PIPELINE:
PROJECT HOLDS &
CANCELLATIONS BY SEGMENT

09

CONSTRUCTION PIPELINE:
PROJECT DOWNSCALES &
CANCELLATIONS

10

CONSTRUCTION PIPELINE:
LEADS & PROJECT STARTS

11

CONSTRUCTION PIPELINE:
LEADS & PROJECT STARTS BY
SEGMENT

12

BUSINESS & INDUSTRY
OUTLOOK

13

NET SENTIMENT: INDUSTRY
OUTLOOK

14

AMOUNT OF FORWARD WORK

15

AMOUNT OF FORWARD WORK
BY SEGMENT

16

MANAGING THE BUSINESS

17

STAFFING LEVELS

18

FUTURE HIRING INTENTIONS

ABOUT EBOSS

Established in 2006, EBOSS connects building product suppliers with New Zealand's architectural, design and construction community through their significant online product library, electronic publications, and industry events. EBOSS keeps the industry informed through their regular research programme, which includes past reports into BIM use in NZ and the Building Industry Supply Chain, Industry Sentiment Reports, and the EBOSS Pulse report which summarises demand indicators for residential and commercial construction.

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THE SURVEY

The data for this report was gathered in July 2026.

Note: Due to rounding, figures in some charts may not add to 100%.

BRANZ

This research was funded by BRANZ through the Building Research Levy. The EBOSS Sentiment Reports are one of a range of indicators contributing to [BRANZ Build Insights](#), helping provide a broader picture of activity, confidence and change across New Zealand's building and construction sector.

SUMMARY

This year's sentiment research summarises a difficult market for most builders, however it indicates some signs of recovery for the builder pipeline. Among builders, while net sentiment on new project starts is still negative at -17, the decrease in starts is smaller than the net -26 in 2025 and project leads lifted to -11, an improvement from -19 in 2025.

Utilised capacity has lifted to 70% on average, up from 64% in 2025, but this increase needs to be read against the 31% of builders who reduced staff last year. More work per person does not necessarily mean more work overall. The key indicator of new project leads is also weak, with leads still lower than they were 12 months ago. A positive for the builder pipeline is that holds and cancellations are trending down. The largest businesses (20+ employees) are turning the corner first, with sole traders and smaller firms still under considerable pressure.

While we're seeing the pipeline return in pockets, margins and cashflow remain tight. Two-thirds of builders say it's harder to maintain profit and margin requirements in 2026 than it was in 2025. As a result, builders are trying to do more with less and turning to AI tools to manage day-to-day back-office functions such as business admin, pricing, and marketing. Conversely, 31% don't have enough staff to meet future demand and are looking to hire. This is led by larger firms that focus more on commercial construction.

In summary, builders are operating in a tough market with higher optimism, driven by right-sizing, a focus on efficiency gains, and pockets of regions showing small signs of recovery. What's not included in this report is a more positive pipeline at the design phase of construction (refer to the 2026 EBOSS Architect Sentiment Report), which will eventually flow through to builders. For now, though, the builder market remains in a holding pattern: delicately managing a fickle market.

WHO WE SURVEYED

Of the 282 builders who responded:

- 12% are LBP Site 1
- 13% are LBP Site 2 or 3
- 26% are LBP Carpenters
- 17% are Project Managers
- 32% are in other roles*

Six in ten of the builders work in small businesses with five or fewer employees.

*These include quantity surveyors, and building control officers.

HOW THE SAMPLE WAS GEOGRAPHICALLY SPREAD

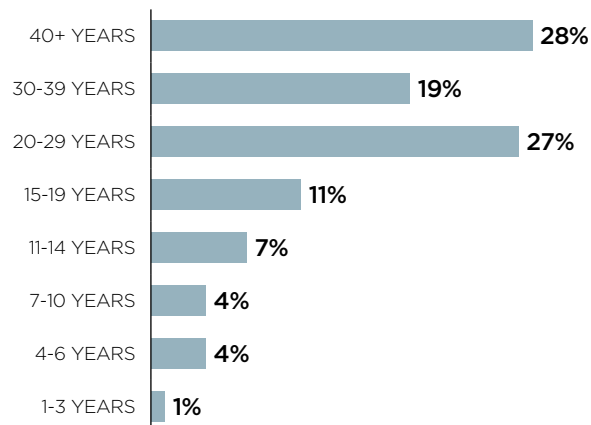
BASE: 282

NORTHLAND	7%
AUCKLAND	27%
WAIKATO	11%
BAY OF PLENTY	5%
HAWKES BAY	3%
TARANAKI	2%
MANAWATU - WHANGANUI	3%
WELLINGTON	13%
TASMAN, NELSON & MARLBOROUGH	3%
WEST COAST	1%
CANTERBURY	16%
OTAGO - SOUTHLAND	6%
OTHER	2%



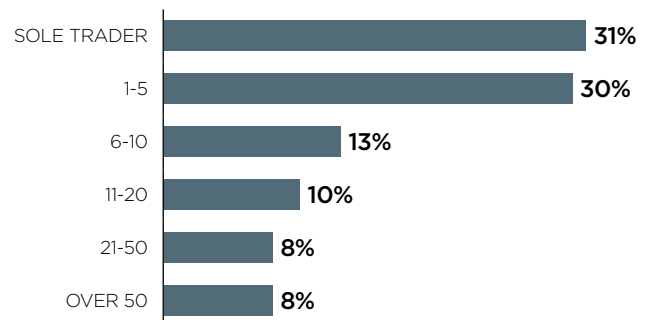
NUMBER OF YEARS IN BUSINESS

BASE: 282



NUMBER OF EMPLOYEES

BASE: 282

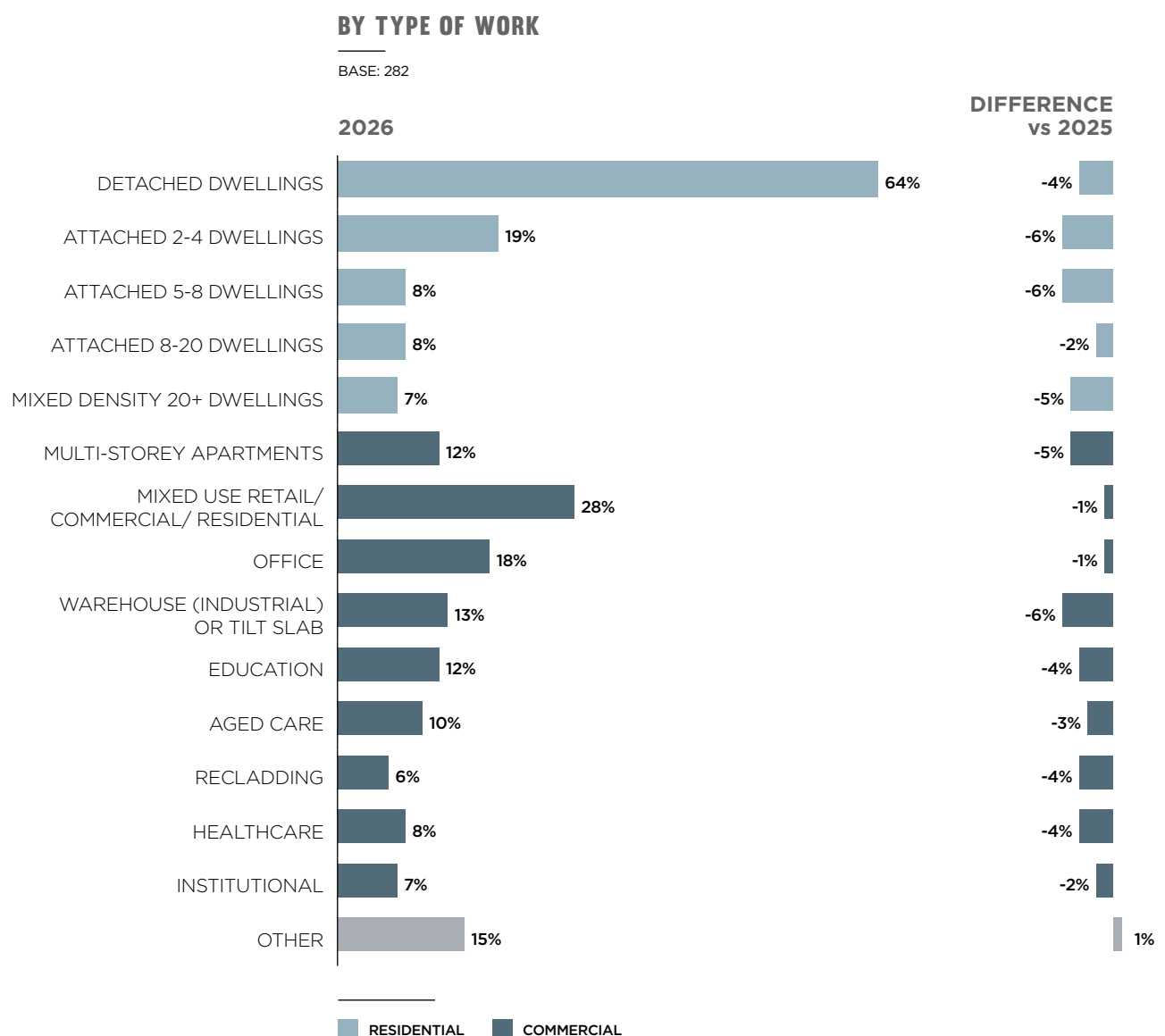


TYPE OF PROJECTS

A quarter (25%) of all builders surveyed work on both residential and commercial construction. This is down from 29% who worked on both in 2025.

Builders are working on fewer types of construction in 2026 — on average, they work across 2.4 different project types, down from 2.9 in 2025.

As we'll see later in the report, builders are trying to cast a wider net to win different types of work. However, this reduction in actual project diversity shows that the strategy may not be bringing in new work as yet.



Q: "WHICH OF THE FOLLOWING BEST DESCRIBES THE TYPE OF WORK THAT YOUR COMPANY TYPICALLY WORKS ON?"

CURRENT CAPACITY BUILDERS ARE WORKING AT

Workload capacity has lifted to 70%, recovering after declining continuously since 2022. However, it has not yet reached the post-COVID peak of 83% capacity.

In 2026, the proportion of builders working at less than 50% capacity dropped to 17%, while the proportion operating at 100% capacity increased.

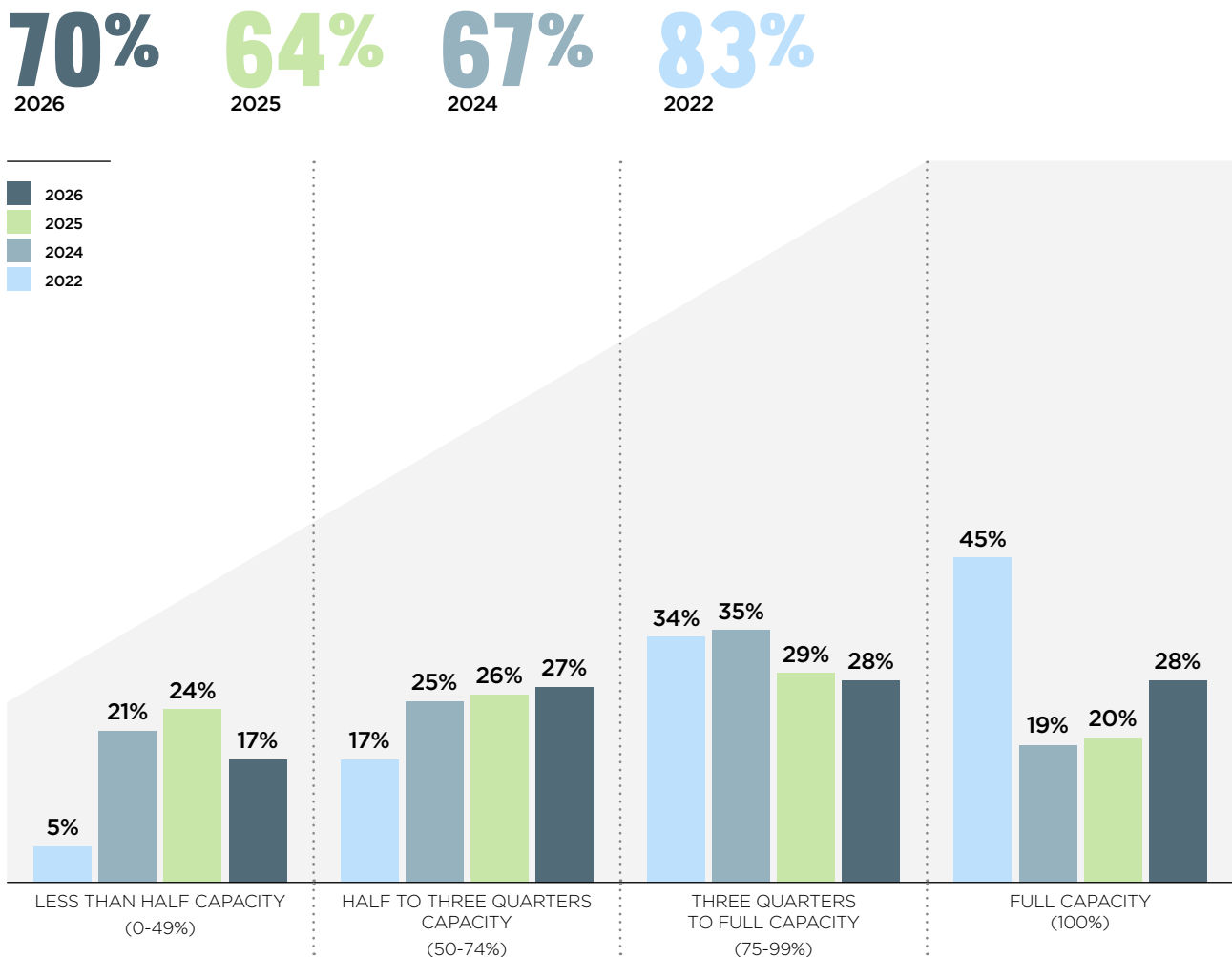
This data should be considered in the context of staffing levels: 31% of builders reduced staff numbers last year.

Those who decreased headcount are now operating at 67% capacity, whereas the 16% who increased staff are operating at 87% capacity.

With a net reduction in staff leading to a net reduction in overall capacity, the increase in workload utilisation may stem more from having fewer workers than from an absolute increase in work.

AVERAGE WORKLOAD CAPACITY

BASE: 206

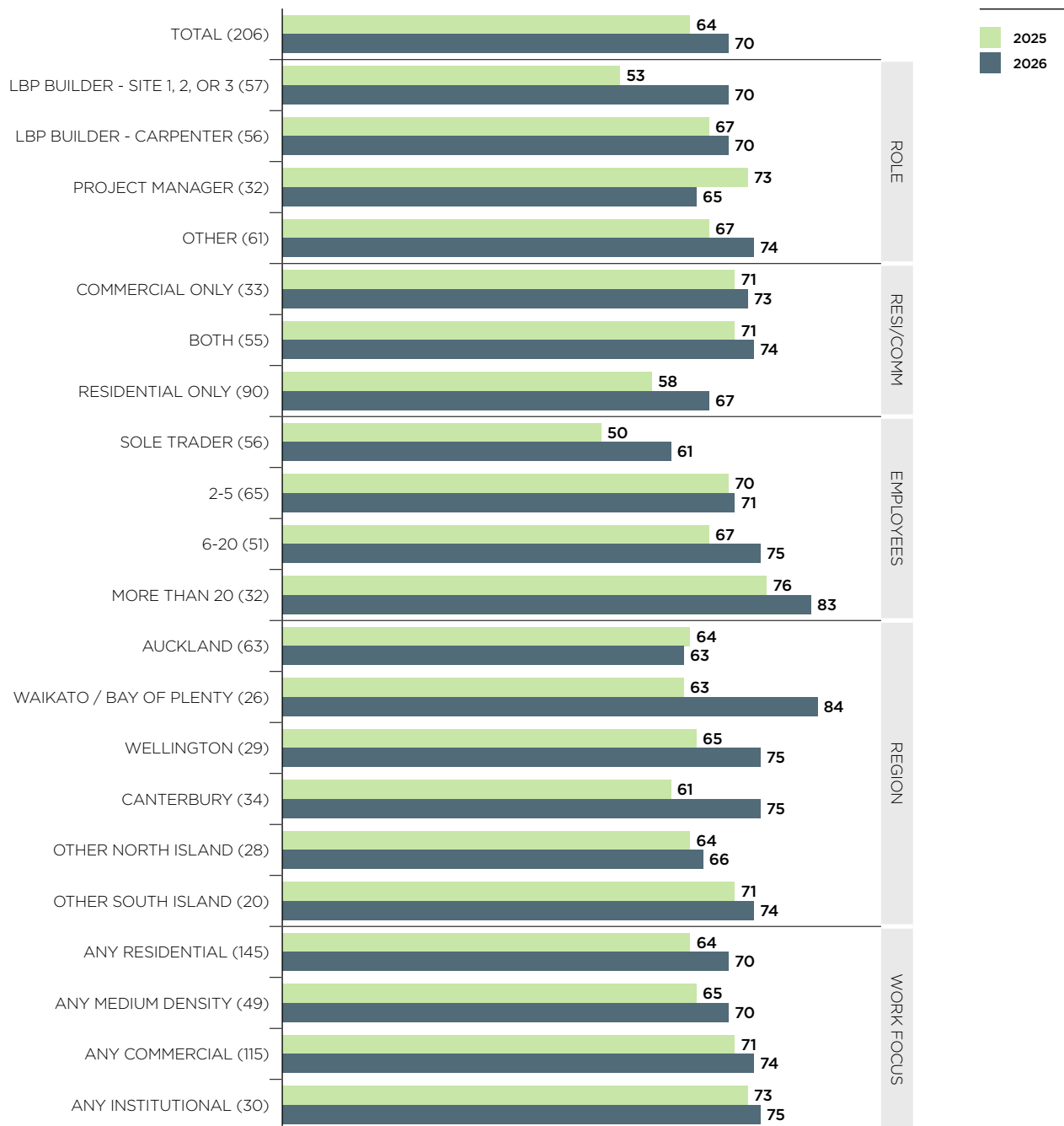


Q: "CONSIDERING THE RESOURCES AVAILABLE WITHIN YOUR BUSINESS RIGHT NOW, PLEASE ESTIMATE YOUR BUSINESS WORKLOAD AT PRESENT."

AVERAGE CAPACITY %

Capacity increases have been larger at both ends of the size spectrum: sole traders and businesses with 6+ employees. Firms with 2-5 employees have maintained a 70% level of workload capacity. Waikato and the Bay

of Plenty have made large strides in increasing capacity, though 35% have reduced staff, which may partly explain the rise.



Q: "CONSIDERING THE RESOURCES AVAILABLE WITHIN YOUR BUSINESS RIGHT NOW, PLEASE ESTIMATE YOUR BUSINESS WORKLOAD AT PRESENT."

CONSTRUCTION PIPELINE: PROJECT HOLDS & CANCELLATIONS

Project holds have improved slightly year on year. While 2025 saw a net 8% increase in projects going on hold over the prior year, this dropped to 6% in 2026. The proportion of builders experiencing project holds has also declined from 27% in 2025 to 24% in 2026.

Project cancellations have stabilised after the recent declines, with a net 0% experiencing more cancellations than the previous year, down from 8% in 2025.

Subsequent data in this report supports this, dropping from 21% of builders experiencing cancellations in 2025 to 11% in 2026.

HIGHER RATING = TOUGHER CONDITIONS

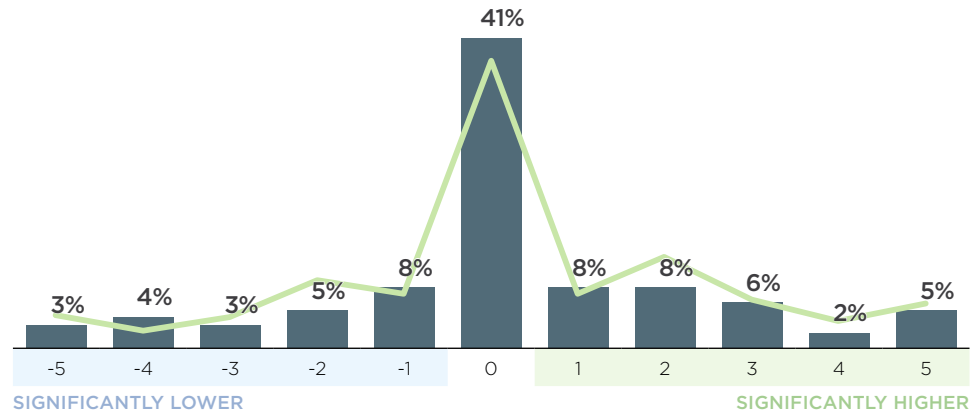
2026 2025

PROJECTS BEING PUT ON HOLD

BASE: 189

2026
Net +6
2025
Net +8
(CALCULATED SCORE)

THE NUMBER OF PROJECTS BEING PUT ON HOLD COMPARED TO 12 MONTHS AGO.

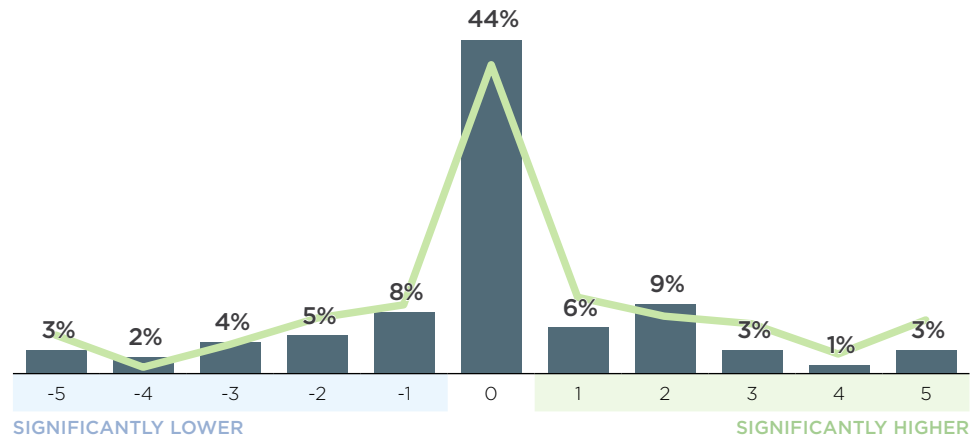


PROJECTS BEING CANCELLED

BASE: 189

2026
Net +0
2025
Net +8
(CALCULATED SCORE)

THE NUMBER OF PROJECTS BEING CANCELLED COMPARED TO 12 MONTHS AGO.

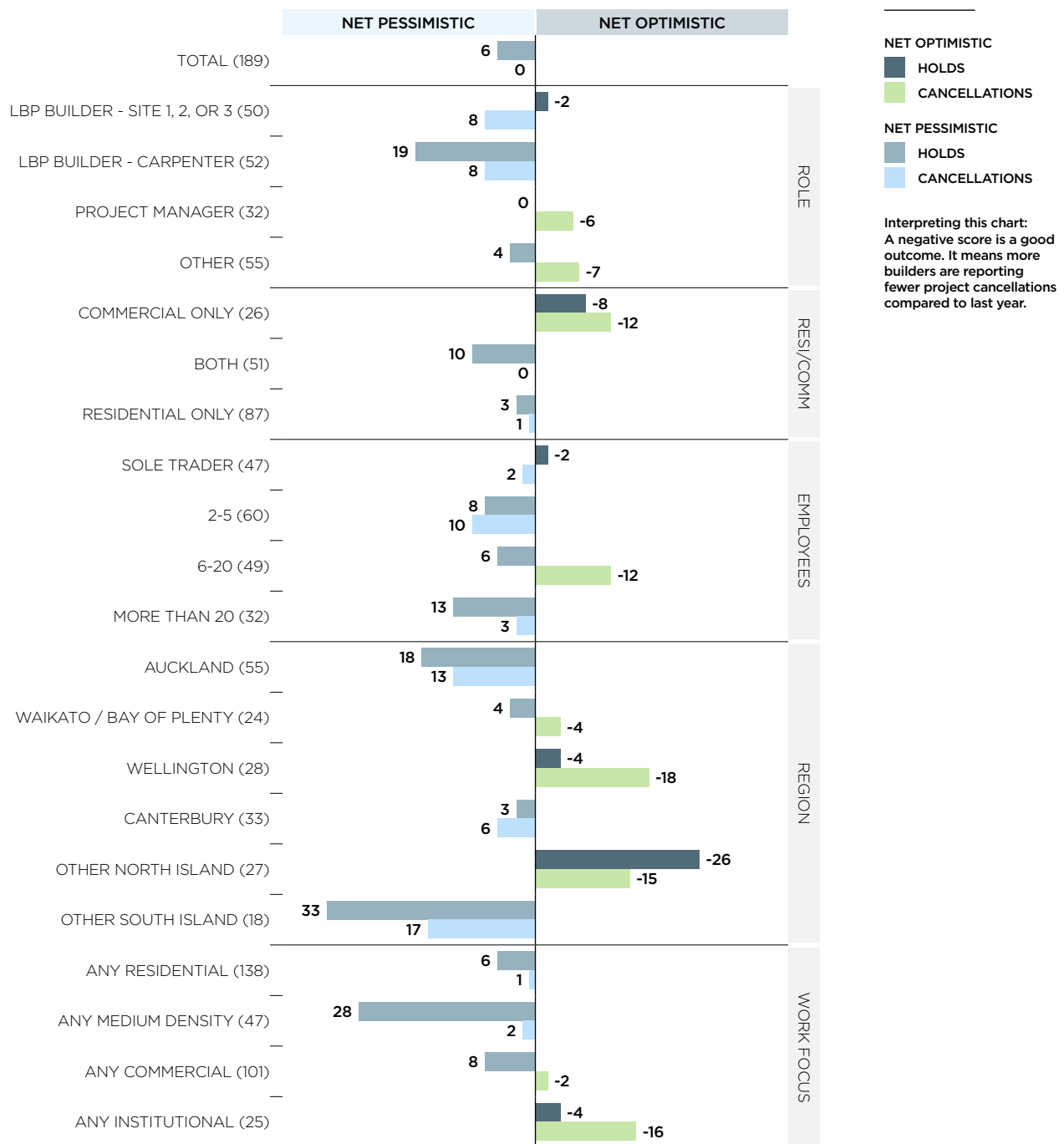


Q: "PLEASE RATE THE CURRENT STATUS OF YOUR BUSINESS IN EACH OF THE FOLLOWING CATEGORIES."

CONSTRUCTION PIPELINE: PROJECT HOLDS & CANCELLATIONS BY SEGMENT

Auckland continues to experience higher rates of project holds and cancellations than other regions. While Waikato and the Bay of Plenty are seeing fewer cancellations, project holds remain elevated year on year.

Commercial activity, and more specifically institutional projects, are seeing a turnaround in the level of holds and cancellations, which are now trending downward.



Q: "PLEASE RATE THE CURRENT STATUS OF YOUR BUSINESS IN EACH OF THE FOLLOWING CATEGORIES:
THE NUMBER OF PROJECTS BEING PUT ON HOLD COMPARED TO 12 MONTHS AGO.
THE NUMBER OF PROJECTS BEING CANCELLED COMPARED TO 12 MONTHS AGO."

CONSTRUCTION PIPELINE: PROJECT DOWNSCALES & CANCELLATIONS

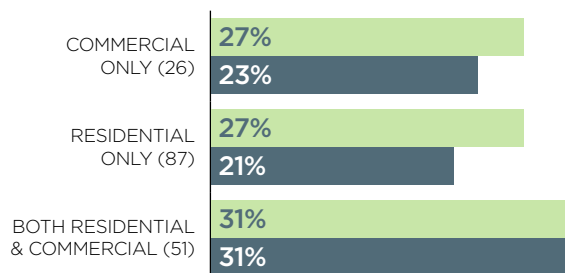
Fewer builders are experiencing projects being put on hold or cancelled in 2026, though a quarter of builders are still experiencing holds, and one in ten are experiencing cancellations.

Larger businesses and those outside the main centres are more likely to experience project holds, while businesses in Auckland and Wellington are more likely to experience project cancellations.

BASE: 189

24% DOWN 3%

HAVE HAD AT LEAST ONE PROJECT **DOWNSCALED** SIGNIFICANTLY POST-CONSENT



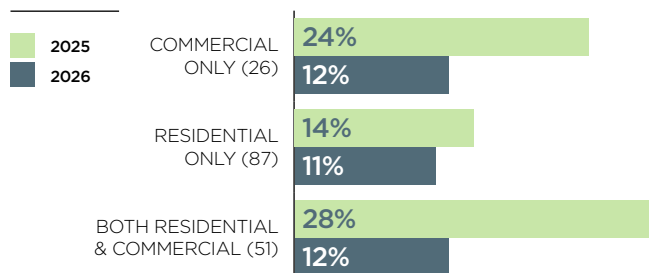
AMONG THOSE:

7.1

THE AVERAGE NUMBER OF PROJECTS **DOWNSCALED** SIGNIFICANTLY POST-CONSENT

11% DOWN 10%

HAVE HAD AT LEAST ONE PROJECT WHERE **CONSENT HAS LAPSED** AFTER BEING PUT ON HOLD



AMONG THOSE:

9.4

THE AVERAGE NUMBER OF PROJECTS WHERE **CONSENT HAS LAPSED** AFTER BEING PUT ON HOLD

Q: "IN THE LAST 12 MONTHS, HAVE YOU EXPERIENCED PROJECTS EITHER BEING DOWNSCALED SIGNIFICANTLY AFTER CONSENT IS ISSUED OR THAT HAVE HAD CONSENT LAPSE AFTER BEING PUT ON HOLD."

CONSTRUCTION PIPELINE: LEADS & PROJECT STARTS

Leads and enquiries are still lower year on year, with a net 11% saying leads are down and a net 17% reporting a drop in project starts. The rate of decline has slowed, however, with 27% of builders now reporting that project starts are

stable compared to last year. This paints a sombre picture of a tough market continuing in the short term before the increase in design work flows through into construction.

HIGHER RATING = EASIER CONDITIONS

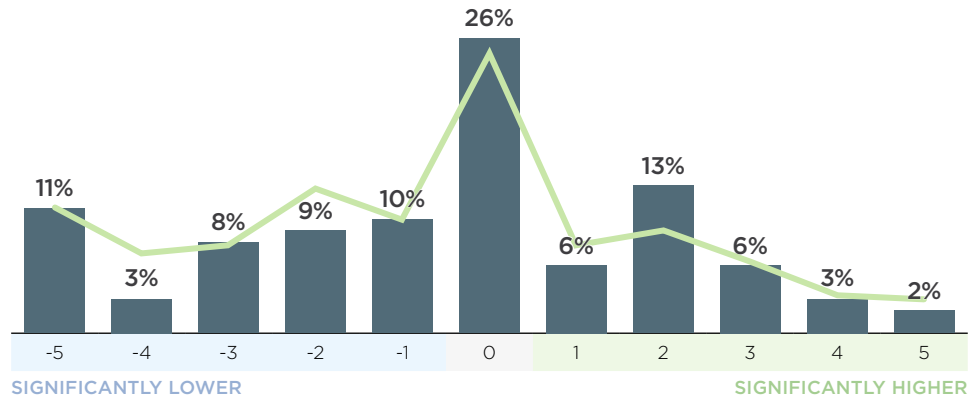
2026 2025

LEADS & ENQUIRIES

BASE: 189

THE NUMBER OF NEW LEADS AND ENQUIRIES COMPARED TO 12 MONTHS AGO.

2026
Net -11
2025
Net -19
(CALCULATED SCORE)

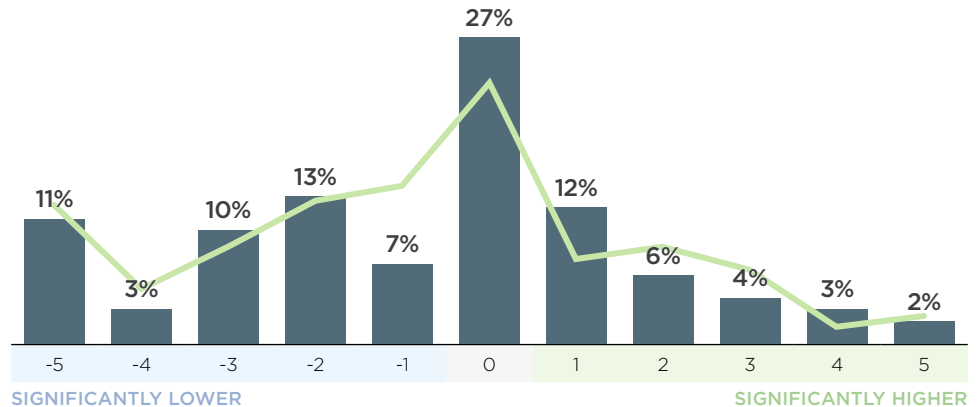


PROJECTS STARTING

BASE: 189

THE NUMBER OF NEW PROJECTS STARTING COMPARED TO 12 MONTHS AGO.

2026
Net -17
2025
Net -26
(CALCULATED SCORE)

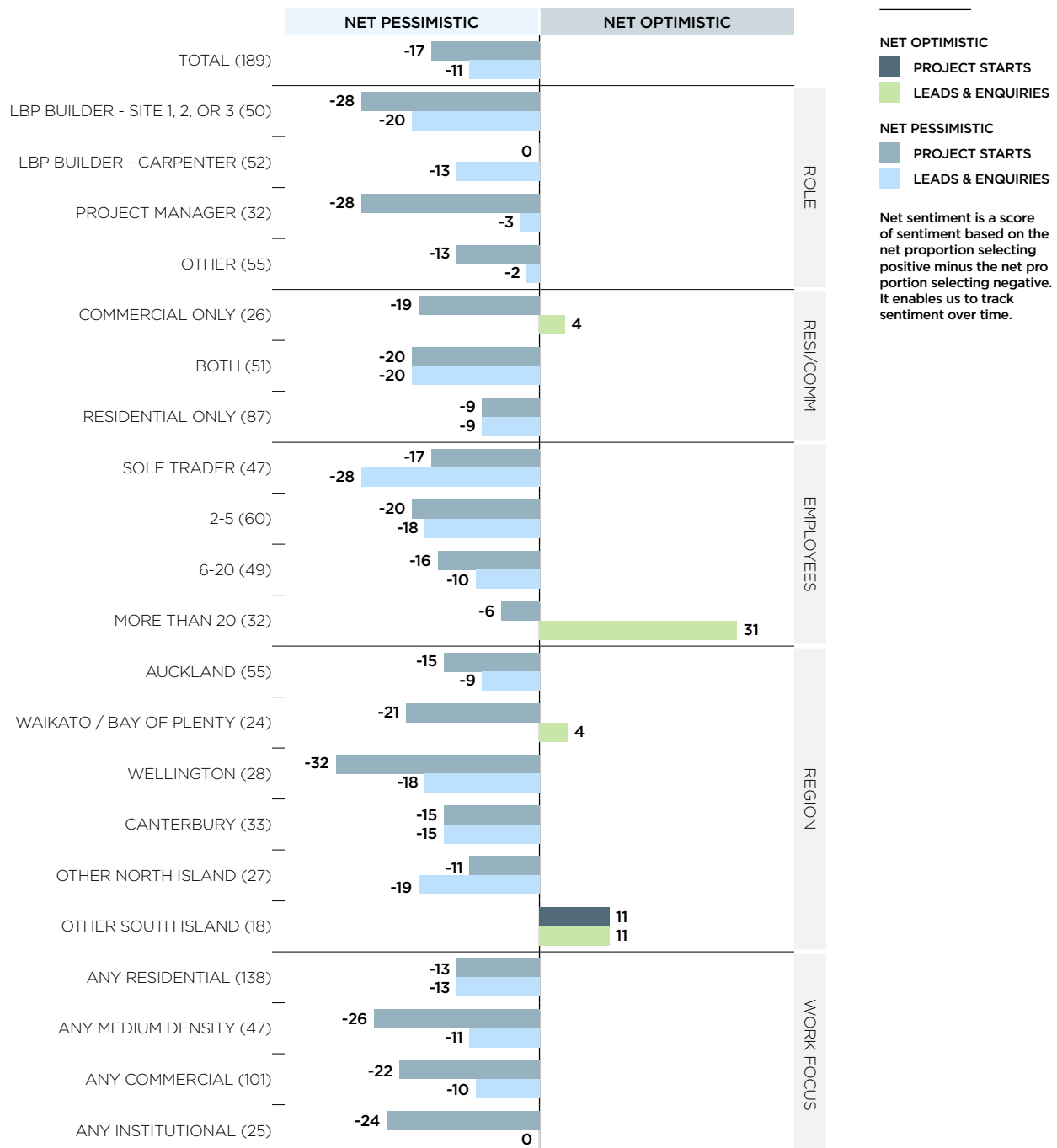


Q: "PLEASE RATE THE CURRENT STATUS OF YOUR BUSINESS IN EACH OF THE FOLLOWING CATEGORIES."

CONSTRUCTION PIPELINE: LEADS & PROJECT STARTS BY SEGMENT

The larger the building business, the brighter the picture on new starts and leads — though for most, the outcome is still net negative. The largest businesses (20+ employees) have turned the corner on leads with a +31 net score, indicating new starts should soon follow

into positive territory. Regionally, project leads and project starts have fallen in most areas, with the exception of Waikato/Bay of Plenty and the South Island (excluding Canterbury).



Q: "PLEASE RATE THE CURRENT STATUS OF YOUR BUSINESS IN EACH OF THE FOLLOWING CATEGORIES USING THE SCALE BELOW. THE NUMBER OF NEW LEADS AND ENQUIRIES COMPARED TO 12 MONTHS AGO. THE NUMBER OF NEW PROJECTS STARTING COMPARED TO 12 MONTHS AGO."

BUSINESS & INDUSTRY OUTLOOK

On balance, expectations for the next 12 months are neutral, with a net sentiment score of +1. Those who expect the industry to improve are largely centred on slight improvement. By contrast, there is far more variability among those who believe the industry will continue to struggle or weaken further.

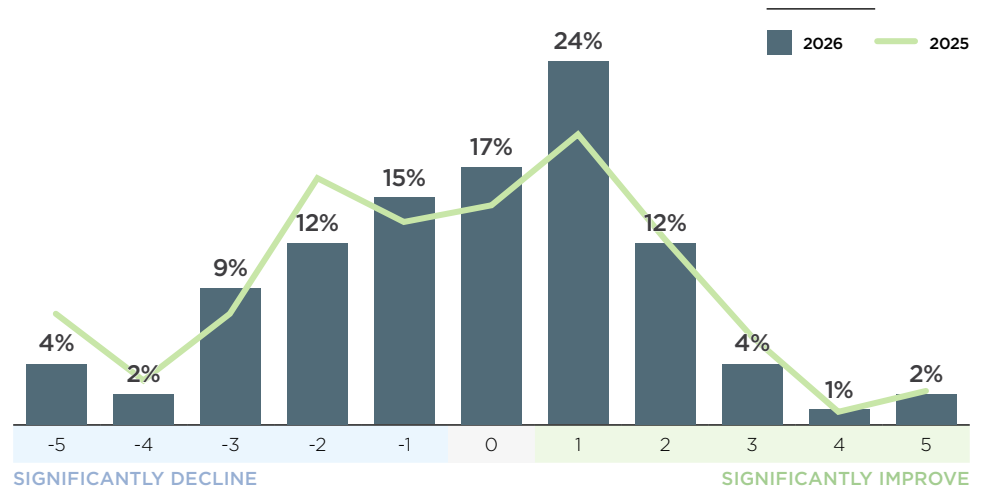
Builders focused on commercial and institutional projects tend to be a little more pessimistic, which is at odds with most other measures. Potentially, the upcoming election is dampening their industry expectations at a time when their workloads and pipelines are improving.

INDUSTRY OUTLOOK

BASE: 281

2026
Net +1

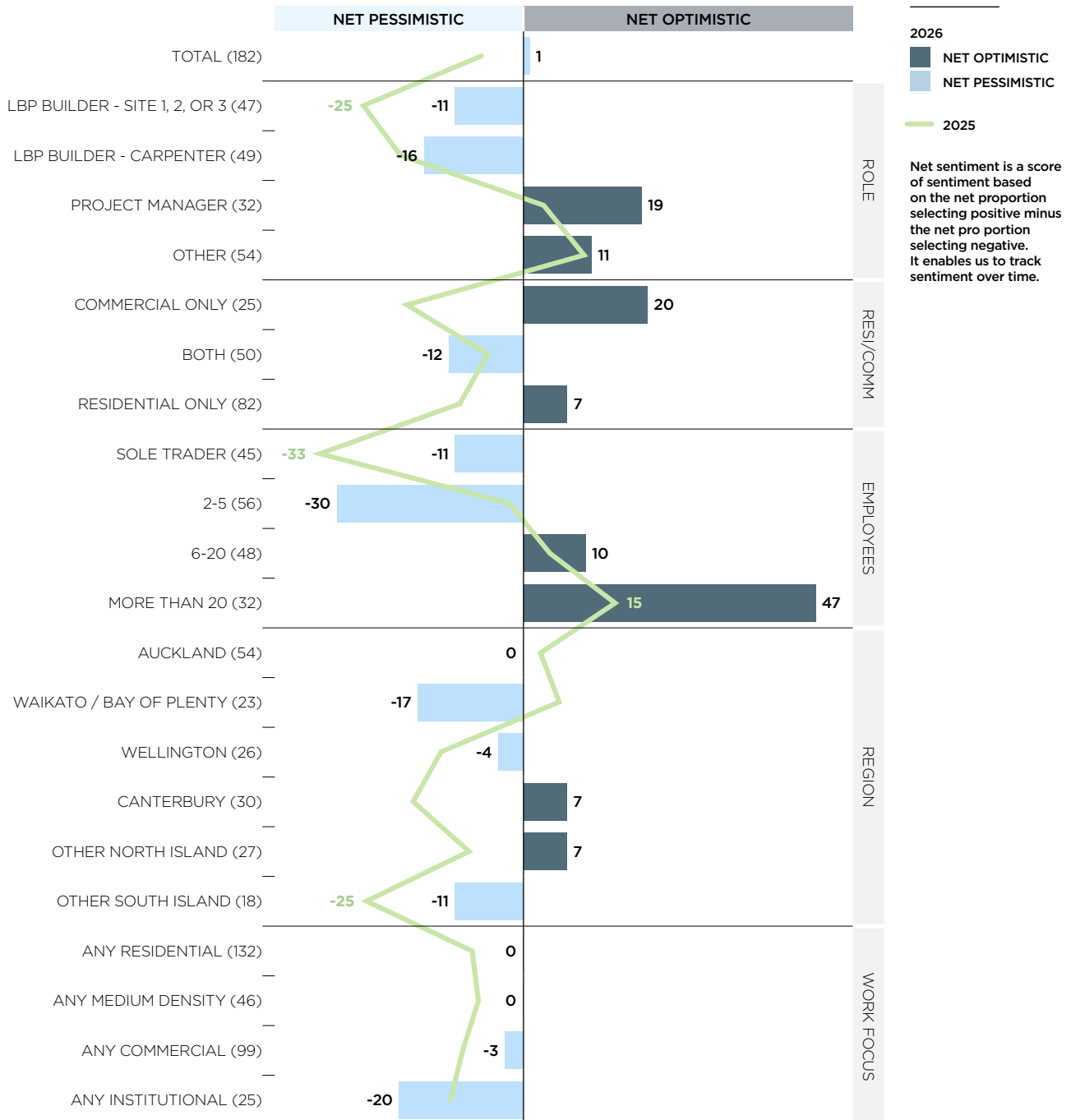
2025
Net -6
(CALCULATED SCORE)



Q: "HOW DO YOU ANTICIPATE THE OVERALL CONDITION OF NEW ZEALAND'S CONSTRUCTION INDUSTRY WILL CHANGE IN THE NEXT 12 MONTHS?"

NET SENTIMENT: INDUSTRY OUTLOOK

Larger businesses are the most optimistic about the industry outlook over the next 12 months, while businesses with 2-5 employees are the most pessimistic.



Q: "HOW DO YOU ANTICIPATE THE OVERALL CONDITION OF NEW ZEALAND'S CONSTRUCTION INDUSTRY WILL CHANGE IN THE NEXT 12 MONTHS?"

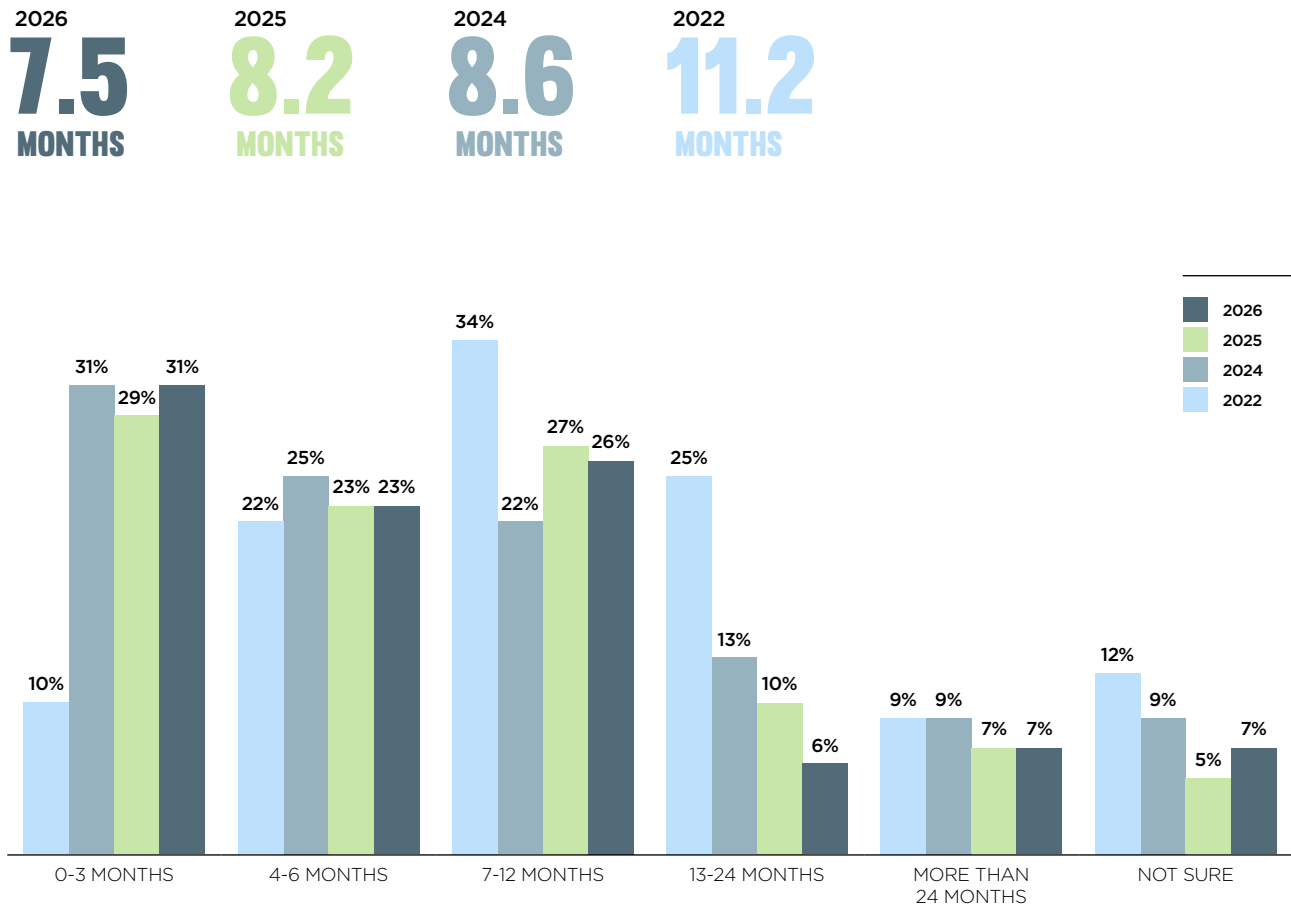
AMOUNT OF FORWARD WORK

The volume of forward work (measured in months) has continued to slide even as capacity increases, highlighting the lag in refilling construction pipelines. As in 2025, three in ten builders have three months or less of work ahead, and only 13% have more than a year ahead (down from 17% in 2025).

Among builders with three months or less of work ahead, sole traders face the shortest pipeline visibility: 55% report having just 0-3 months of work secured ahead.

AVERAGE FORWARD WORKLOAD

BASE: 206



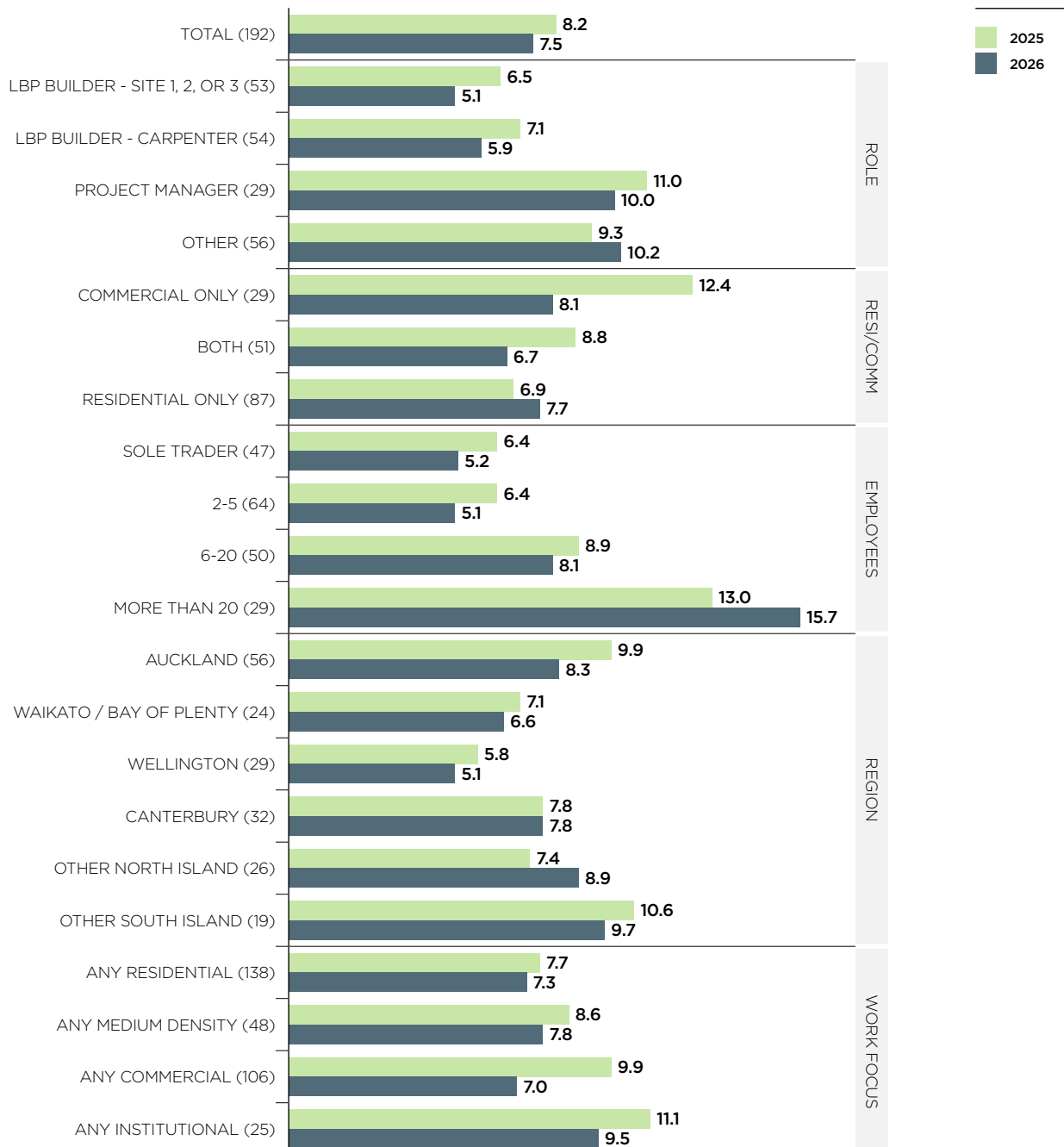
Q: "HOW MUCH FORWARD WORK DOES YOUR BUSINESS HAVE ON ITS BOOKS?"

AMOUNT OF FORWARD WORK BY SEGMENT

As in 2025, sole traders and smaller builders have shorter pipelines ahead of them. The largest firms (20+ employees) have seen the largest increase in pipeline, averaging almost 16 months of work ahead.

The declining pipeline is evident across all northern main centres, with Canterbury remaining stable from 2025 to 2026.

AVERAGE FORWARD WORK (MONTHS)



Q: "HOW MUCH FORWARD WORK DOES YOUR BUSINESS HAVE ON ITS BOOKS?"

MANAGING THE BUSINESS

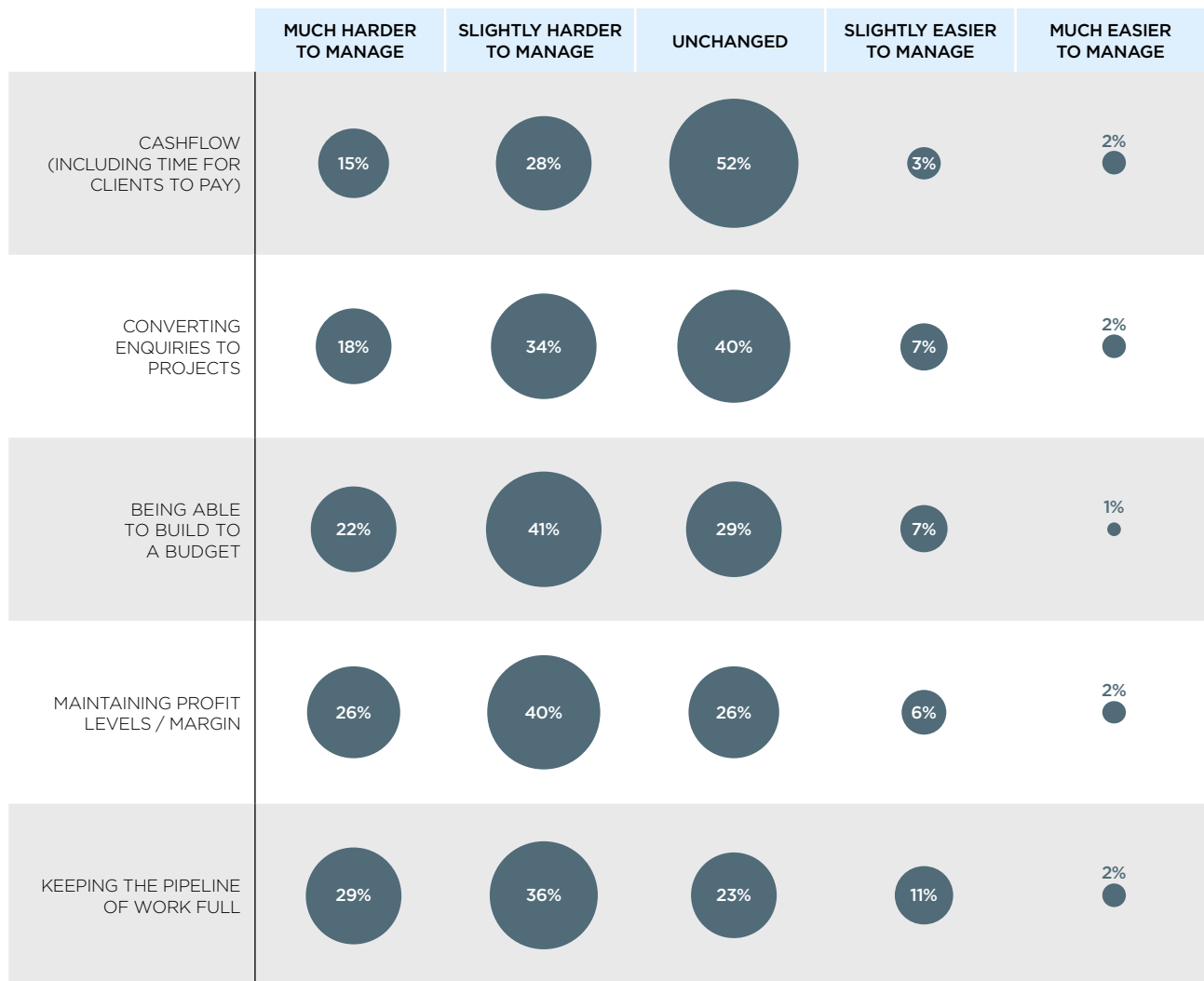
Unsurprisingly, keeping project pipelines full remains a major challenge in 2026. Concerns over pipeline replenishment and maintaining profit margins remain on par with 2025 levels, when 65% of respondents cited each issue as increasingly difficult to manage.

Maintaining a full pipeline is particularly challenging for commercial businesses (76% report it as much harder to manage), with mid-sized firms (6–20 employees)

struggling the most. Regionally, firms in Wellington are also finding it particularly hard to maintain a solid pipeline, with 77% saying it is much harder to manage in 2026.

Cash flow pressure has eased slightly, with half of builders reporting conditions are comparable to 12 months ago. While conditions remain tight, they are no longer actively worsening.

BASE: 185



Q: "FOR EACH OF THE AREAS LISTED, PLEASE ASSESS WHETHER THEY ARE EASIER OR MORE DIFFICULT TO MANAGE NOW COMPARED TO 12 MONTHS AGO."

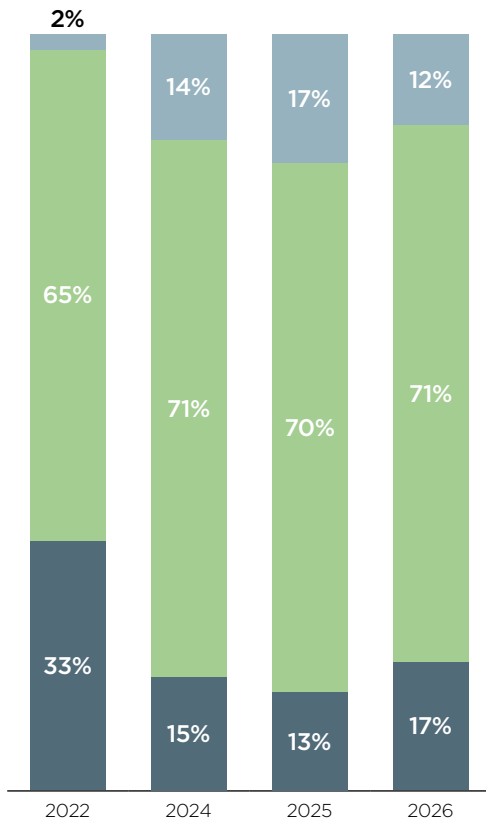
STAFFING LEVELS

With activity and market sentiment warming slightly, demand for labour is picking up. Currently, 17% of builders report lacking sufficient staff for current workloads, while 31% will require additional staff to meet future demand.

Across all business sizes, building firms lost an average of one staff member over the past 12 months. As activity increases those losses will start to be felt — 31% say they're planning to hire again in the next 12 months.

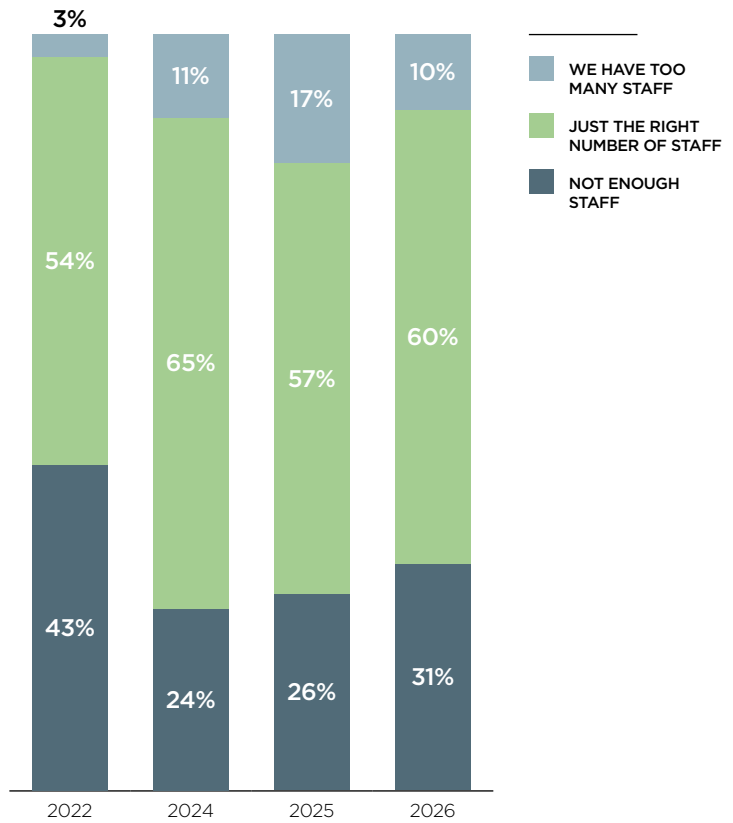
TO MEET CURRENT DEMAND

BASE: 172



TO MEET FUTURE DEMAND

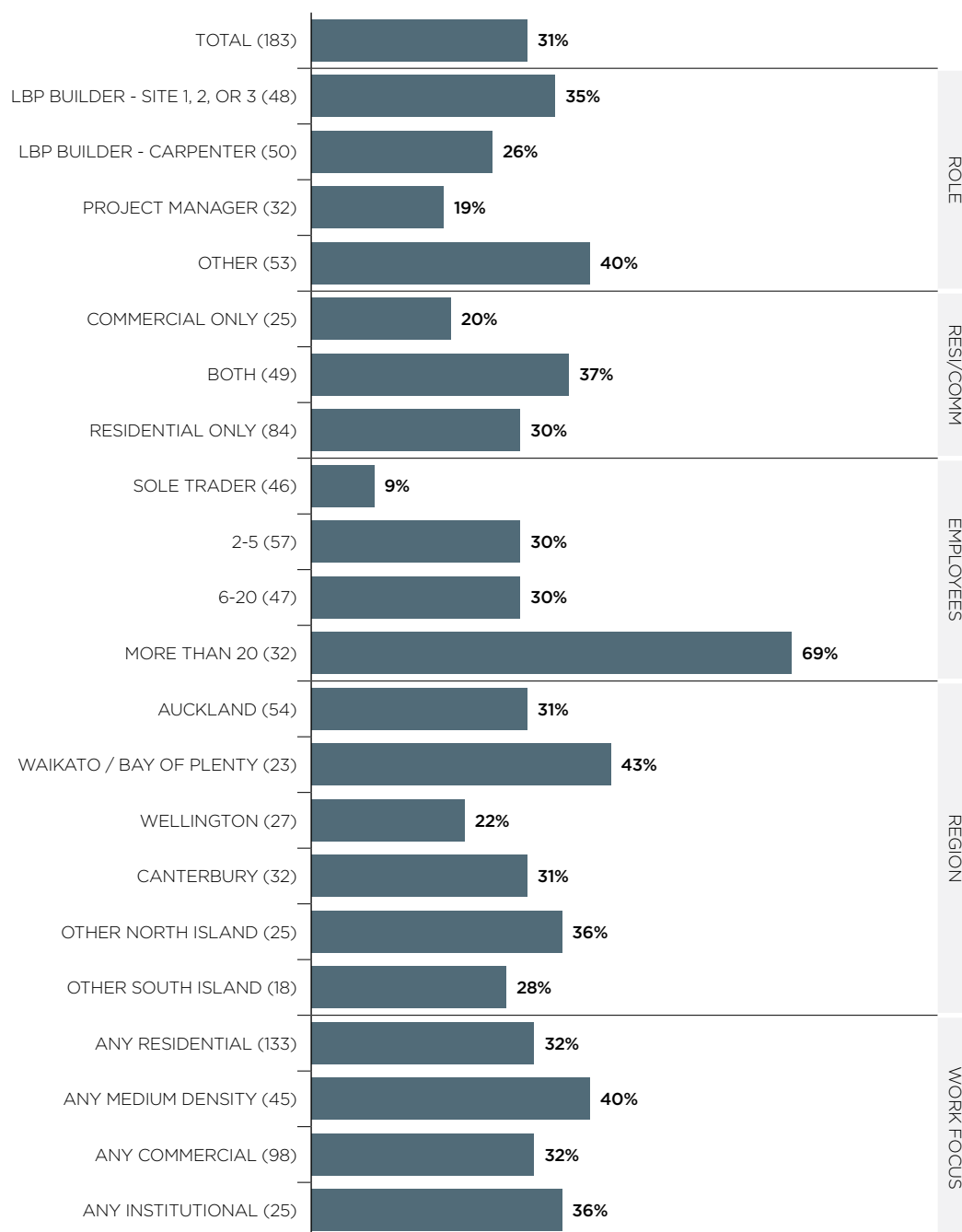
BASE: 172



Q: "WHICH OF THE FOLLOWING BEST DESCRIBES YOUR STAFF SITUATION WITH REGARDS TO BOTH CURRENT AND FORWARD WORK DEMANDS?"

FUTURE HIRING INTENTIONS

Nearly seven in ten larger businesses plan to hire over the next 12 months. Regionally, firms in Waikato and the Bay of Plenty lead in hiring intentions, while Wellington lags behind the average.



Q: "ARE YOU LOOKING TO HIRE STAFF IN THE NEXT 12 MONTHS?"

