

# Position Paper 2026:

## Education to Employment – Empowering Aotearoa’s Future Workforce

### Executive Summary

As TUANZ marks 40 Years championing a brighter digital future for every New Zealander, we stand at the threshold of a massive economic opportunity. Our technology sector is already a powerhouse, serving as the nation's second-largest export earner and generating over \$17 billion in annual exports. To maintain this momentum and harness the \$76 billion potential of Generative AI across the whole economy, we must ensure our people are equipped to lead.

Aligning with our 2026 Action Plan, TUANZ advocates for a robust “Education to Employment” pipeline that treats talent as critical national infrastructure. We celebrate the foundational progress made through world-class connectivity and record tertiary funding, but we must now bridge the “capability gap”. By investing in home-grown talent, embedding digital literacy in our schools, and dismantling cultural barriers for rangatahi, we will ensure every New Zealander has a place in our thriving digital economy.

### The Current Landscape

New Zealand’s digital workforce is characterised by high ambition and a rapidly evolving relationship with technology.

- A Foundation of Success: Aotearoa ranks 20th globally for government digital engagement, and our businesses are slowly adopting AI, with 93% of early adopters reporting increased worker efficiency.
- The AI Paradox: While AI tools allow staff to work faster, they have created a “reverse multiplier” effect where senior experts must spend more time quality-assuring the work of juniors who may not yet spot “AI hallucinations”.
- The Global Talent War: Despite an easing in the general labor market, there remains a very real scarcity of “deep tech” skills in areas like data architecture and cybersecurity, compounded by a persistent “brain drain” to Australia.
- Cultural Insights: Our Te Ara Hihiko programme has revealed that for many Māori and Pasifika rangatahi, the barrier to tech careers isn't a lack of interest, but a perceived lack of psychological safety in traditional corporate environments.

## Our Position

TUANZ is the strong independent voice for users navigating a digital world. We assert that a prosperous Aotearoa is built on a foundation of inclusive, high-value employment.

Consistent with our Action Plan for 2026, our position is that New Zealand must shift from just "buying" talent offshore to "building" it at home. We believe that education must be a lifelong journey of upskilling that starts in primary school and continues through the workplace. When we get this right, we don't just grow the economy; we provide every citizen with the tools to live and thrive in a digital future.

## Recommendations for Action

To secure our future talent pipeline and unlock the benefits of a skilled digital nation, TUANZ recommends the following four actions:

- **Mandate Technology Upskilling in the Core Curriculum:** The Government must elevate digital literacy to the same status as reading and mathematics. This includes embedding essential digital skills from primary school through secondary levels to ensure every student enters the workforce "digital-ready".
- **Incentivise "Home-Grown" Capability and Digital Apprenticeships:** We call for the expansion of industry-led reskilling programmes and digital apprenticeships. The Government should provide tax credits or subsidies for businesses that invest in internal academies to train junior talent, specifically targeting regional New Zealand as well as roles in "deep tech" areas where shortages are most acute.
- **Encouraging the development of diverse leadership:** The Government needs to take the lead in developing career pathways that attract diverse talent, specifically supporting programmes that encourage Māori, Pasifika, and Wahine into tech education and roles to ensure our workforce represents our population.
- **Closing the SME Digitalisation Gap:** SMEs are the backbone of our economy but are slow to digitise and are the weakest link in our cyber defence. We must lower the barrier to entry for SMEs to improve their use of digital services and cyber security. We want to see government-backed financial incentives for SMEs.

## Conclusion

The path from Education to Employment is the most critical bridge New Zealand must build this decade. By addressing the AI Paradox and identifying alternative career pathways for our youth, we can transform our economy into an engine of universal prosperity. The benefits of doing this as a nation are profound: we will reduce inequality, boost our global competitiveness, and create a resilient society where no one is left behind.

TUANZ is committed to working with Government and industry to make this vision a reality, ensuring that the digital future of Aotearoa is powered by the talent and brilliance of all its people.

