



Report: Draft VET Cabinet paper: work-based learning arrangements

To:	Hon Penny Simmonds, Minister for Vocational Education		
Cc:	Choose an item.		
Date:	13/03/2025	Deadline:	17/03/2025
Security Level:	In-Confidence	Priority:	High
From:	Rachel Dillon VET Programme Manager	Phone:	9(2)(a) [REDACTED]
Drafter:	Bailley Verry Nyk Huntington	METIS No:	1343623

Why are we sending this to you?

- You are receiving this because you are scheduled to bring your Cabinet paper to Social Outcomes Committee (SOU) on 9 April 2025.

What action do we need, by when?

- We are seeking your feedback on the attached draft Cabinet paper by **17 March 2025**, so it can be appropriately revised and circulated for Ministerial consultation on **21 March 2025**.

Alignment with Government priorities

1. This report supports the redesign of the vocational education and training (VET) system, which is one of your priorities for the Vocational Education portfolio.

Background

2. You are taking a Cabinet paper to the Social Outcomes Cabinet Committee (SOU) on 9 April 2025. This will report back on targeted consultation and present the preferred option for work-based learning model, in keeping with December SOU decisions [SOU-24-MIN-0174 refers].
3. **Annex 1** of this report presents a draft of your paper for comments and feedback. **Annex 2** contains a statistical appendix that will be included in the paper. An additional appendix to the final paper will include a summary of the consultation results that we are providing to you separately [METIS 1344509 refers].
4. Following feedback, a revised final paper will be prepared in time for the ministerial and agency consultation that is required before a paper is lodged. You have approval for a shortened consultation period that will run from **21 March to 28 March 2025**, or six working days.
5. We will need to work closely with your Office on any changes necessitated by consultation, so that your paper is ready to lodge by **10am Thursday 3 March 2025**. This deadline allows three working days to finalise your paper after consultation closes.

Table One: Work-based Learning Cabinet paper timeline

Ministerial and agency consultation	21 to 28 March
Revisions	31 March to 2 April
Lodging	3 April
SOU Cabinet Committee	9 April

6. As it presents a draft for your consideration and feedback, this paper is not relevant to the delegations of other tertiary education ministers. It has not been circulated to the Minister for Universities or the Minister of Education.
7. The Minister for Social Development and Employment has joint responsibility with you for policy decisions that give effect to December decisions [SOU-24-MIN-1074 refers]. We recommend that you forward this report to her, noting that the attached paper is a draft on which we are seeking feedback.

This Cabinet Paper sets out your intention to implement the modified Independent Work-based Learning model

8. The draft paper has been based on discussions with you on 18 February, 4 March, and 11 March 2025. It presents the results of targeted consultation and describes your preferred approach: the Independent Work-based Learning model with a modified transition process.
9. The paper discusses why you intend to implement this model. This includes outlining the trade-offs involved in considering any future arrangements for work-based learning. The transition process is covered in some depth. We expect that your colleagues will seek assurance that any proposals result in a strong and stable work-based learning system. To have that confidence they will need to have sufficient detail on your intended approach.

Delays at the 9 April meeting will have a significant effect on your timelines

10. The 9 April SOU meeting is a critical decision point for the VET Redesign work programme and the future of work-based learning. Not getting agreement to your proposals on this

date negatively impacts our ability to include work-based learning in the legislation to be introduced this year.

11. 9(2)(g)(i) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
12. A way to mitigate this risk could be to present both transition options – the process outlined during consultation and the modified approach – for consideration in the paper. The modified approach would be presented as your preferred model, along with clear rationale.
13. We also note that the Parliamentary Counsel Office (PCO) requires Cabinet committee approval for “substantive new policy matters” before it will draft corresponding legislation, in order to avoid undermining Cabinet Collective Responsibility. To avoid any push-back from PCO during the drafting process, we have included a recommendation that SOU confirm that policy decisions and drafting instructions to implement this proposal fall within the scope of the authorisations you received in December.

Next Steps

14. Once you have reviewed the Cabinet paper and provided any further comments back to us, we will work with your office in the week beginning 17 March 2025 to finalise the Cabinet Paper before it is circulated on 21 March.

Annexes

The following are annexed to this paper:

- Annex 1: Draft April Cabinet paper on Work-based learning [attached separately]
- Annex 2: Draft April Cabinet paper on Work-based learning (Appendix 1) [attached separately]

Recommended Actions

The Ministry of Education recommends you:

- a. **note** that your Cabinet paper is due to be circulated for ministerial and agency consultation on Friday 21 March 2025, and lodged on Wednesday 3 April for consideration by the Social Outcomes Cabinet Committee on Thursday 9 April.

Noted

- b. **provide** your feedback on the draft Cabinet paper by 17 March 2025.

Yes / No

- c. **agree** to forward this report, including the draft Cabinet Paper, to the Minister for Social Development and Employment and discuss your proposed approach with her

Agree / Disagree

Proactive Release:

- d. **Agree** that the Ministry of Education release this paper once Cabinet decisions on the future of work-based learning have been announced, with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

Rachel Dillon

VET Programme Manager

Te Pou Kaupapahere

13/03/2025

Hon Penny Simmonds

Minister for Vocational Education

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