



Report: Proposed Legislative Amendment to include micro-credentials in credits reported on to NZQA

To:	Hon Erica Stanford, Minister of Education		
Cc:	Hon Penny Simmonds, Minister for Vocational Education		
Date:	6/05/2025	Deadline:	9/05/2025
Security Level:	In-Confidence	Priority:	High
From:	Eleonora Sparagna Senior Policy Manager, Tertiary Policy	Phone:	9(2)(a)
Drafter:	Tejas Menon	METIS No:	1346722

Why are we sending this to you?

- You have received advice on legislative amendments to be included in the Education and Training (System reform 9(2)(f)(iv)) Amendment Bill (ERB) scheduled to be introduced at the end of October 2025 [METIS 1346421 refers].
- As the Minister responsible for the New Zealand Qualifications Authority's (NZQA) you are receiving this paper because NZQA has identified an opportunity to close a gap in students' Record of Achievement through a proposed minor and technical legislative amendment. This requires only one clause.

What action do we need, by when?

- We are seeking your agreement to progress the legislative process to amend the Education and Training Act under ERE or an alternative appropriate legislative vehicle.
- Please return the signed paper by Friday, the 9th of May.

Key facts, issues and questions

- Section 452(1)(r) and (s) enable NZQA to create rules for the reporting of completions and reporting the credit value of those completions. To ensure that a learner's Record of Achievement reflects this, NZQA recommend that 'micro-credentials' be added to the section 452(1)(s) reporting requirements by adding the word 'micro-credentials' to the provision.

Alignment with Government priorities

1. This legislative amendment aligns with the Government's priorities of implementing consistent modes of monitoring student progress and achievement.

Legislative pathway

2. As this proposal is a relatively minor and technical amendment, you could choose to progress it through ERE₁. ERE₁ is likely the last appropriate vehicle this term. This means that if you choose to wait for an alternative legislative vehicle, students will not have their micro-credentials accurately recorded on their NZQA Record of Achievement, and the gap in students' records will persist until at least 2027.
3. Treasury and the Ministry for Regulations have advised the Ministry that given the minor estimated financial impact on the sector¹, this appears to meet the criteria for a RIS exemption on the grounds that there are minor social, economic or environmental impacts.
4. If you agree to progress this proposal through ERE₁, we will provide suitable impact analysis to Cabinet to support approval of the change and seek Cabinet decisions to progress the legislative amendment in late June 2025.

Risks

5. NZQA are intending to undertake consultation on financial sustainability proposals from mid-May to late June and will include this proposal as well [OC01688 refers]. NZQA's consultation timeframes mean sectors' submissions will be collated at the end of June.
6. To manage this risk of this not aligning with ERE₁ timelines we are in discussions with NZQA to agree feedback relating to the proposed addition of micro-credentials to s452(1)(s) can be collated earlier.

Recommended Actions

The Ministry of Education recommends you:

- a. agree to amend section 452(1)(s) of the Education and Training Act to include micro-credentials in credits reported on to NZQA to ensure the completeness of students' Record of Achievement

Agree / Disagree

- b. agree to either:

- i. progress this amendment via the Education and Training (System reform ^{9(2)(f)(iv)}) Amendment Bill (ERE₁);

Agree / Disagree

OR

¹Data shows that micro-credentials equate to 0.28% of all credits achieved annually. With a current fee value of \$1.37 per credit, the estimated financial impact across all providers that reported micro-credentials would be \$49,110 in fees collection by NZQA annually.

ii. progress this amendment via an alternative appropriate legislative vehicle

Agree / Disagree

c. note that there is unlikely to be another appropriate legislative vehicle until next term of Government.

Noted

Proactive Release:

d. agree that the Ministry of Education release this paper once it has been considered by you with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

Eleonora Sparagna

Eleonora Sparagna

Senior Policy Manager, Tertiary Education Policy

Te Pou Kaupapahere

06/05/2025

not at the expense of my reform package
but understood this is updated for system health.

Erica Stanford

Hon Erica Stanford

DS/25