



Report: Draft Cabinet paper – Education and Training Act: system monitoring and reporting improvements

To:	Hon Erica Stanford, Minister of Education		
Date:	16/07/2025	Deadline:	21/07/2025
Security Level:	In-Confidence	Priority:	High
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Why are we sending this to you?

- The attached draft Cabinet paper seeks Cabinet agreement to mandate school participation in system monitoring studies and to include micro-credentials in reporting requirements via the Education and Training (System Reform 9(2)(f)(iv)) Amendment Bill (ERB).
- We are providing this draft Cabinet paper for your feedback and approval to begin Ministerial and agency consultation.

What action do we need, by when?

- We are seeking:
 - your feedback on the attached draft Cabinet paper by 21 July 2025,
 - your agreement to undertake wider Ministerial and agency consultation from 22 July – 1 August 2025.
- Please return the signed paper by 21 July 2025.

Key facts, issues and questions

- We intend to lodge the Cabinet paper on or before 7 August 2025 so that it can be considered by the Social Outcomes Committee on 13 August 2025. This tight timeline ensures the Education and Training (System Reform 9(2)(f)(iv)) Amendment Bill (ERB) remains a viable legislative vehicle for these proposals.

Alignment with Government priorities

1. This report aligns with the Government's priority to lift student achievement. Assuring New Zealand's continued participation in system monitoring studies aligns with your education priority for better use of data. Ensuring that students are properly recognised for earning micro-credentials supports the system to drive achievement.

Background

Participation in system monitoring studies

2. New Zealand's participation rates in system monitoring studies such as PISA, TIMSS, PIRLS and Curriculum Insights have been declining. We have now failed to meet minimum sampling standards twice and therefore missed out on valuable system performance data.
3. On 2 July, we provided you with advice on increasing participation in system monitoring studies [METIS 1349962 refers]. As a result, you:
 - 3.1. agreed to seek a new requirement in the Act, through ERB¹, that mandates school participation in studies named in a Gazette notice,
 - 3.2. directed the Ministry to explore additional/improved incentives for schools, including an assessment of the effectiveness of incentives, and report back to you on our findings.
4. You requested that we consult with the sector on these proposals. Due to the time constraints for this Bill, we have reached out to the New Zealand Principals' Federation (NZPF), the Secondary Principals Association (SPANZ) and Independent Schools NZ (ISNZ). We have asked for an opportunity to have an informal discussion and expect that these discussions will occur within the next week. We will update you on their thoughts and views before the final Cabinet paper is lodged.

Micro-credentials

5. In May, we advised you that NZQA had identified an opportunity to close a gap in students' Record of Achievement. We recommended that micro-credentials be included in reporting requirements to NZQA to ensure the completeness of a learner's Record of Achievement.
6. You agreed to amend section 452(1)(s) of the Act to include micro-credentials in credits reported on to NZQA [METIS 1346722 refers].
7. We consulted with the sector on this proposal in June. The consultation document was shared with groups and individuals involved in non-university tertiary education and the wider education sector, including:
 - 7.1. all registered tertiary education providers,
 - 7.2. Te Pūkenga divisions,
 - 7.3. Wānanga,
 - 7.4. Government Training Establishments.

Support was high, with 87% of respondents expressing strong support for the inclusion of micro-credentials.

Social Outcomes Committee

8. We have now prepared a draft Cabinet paper (attached) which seeks Cabinet agreement to amend the Education and Training Act 2020 (the Act) to:
 - 8.1. mandate the participation of schools in relevant system monitoring studies when they are selected by the studies' governing bodies to participate;
 - 8.2. include micro-credentials in the report requirements to the New Zealand Qualifications Authority (NZQA).

Risks

9. Using ERE█ as the legislative vehicle means that these issues will be addressed promptly. A mandate for school participation in system monitoring studies would come into effect before TIMSS 2027 (the next study that focusses on secondary aged students), and micro-credentials would be formally recognised swiftly.
10. However, the timeframe for ERB█ is tight. To ensure that the Cabinet paper is ready for lodgment on 7 August, Ministerial and agency consultation on the draft Cabinet paper will need to occur concurrently.
11. If we do not receive Cabinet approval for these proposals by mid-August, we will be limiting the Parliamentary Counsel Office's drafting time.
12. The Cabinet paper is proceeding to agency and Ministerial consultation ahead of the informal discussions with NZPF, SPANZ and ISNZ. Depending on the nature of their comments, we will have limited opportunity to amend the Cabinet paper if necessary. Their feedback will not be included in the RIA (which has already been considered by the Ministry's Regulatory Impact Analysis Panel and is also attached to this Report).

Next Steps

13. We propose the following timeline as set out below. We will send you a revised Cabinet paper on 5 August 2025, for lodgement at SOU on 7 August 2025.

Date	Activity
22 July – 1 August 2025	Ministerial and agency consultation
5 August 2025	Finalised Cabinet paper provided to Minister
7 August 2025	Cabinet paper lodged for SOU
12 August 2025	SOU
18 August 2025	Cabinet
30 June – 7 October 2025	Drafting by PCO

Annexes

The following are annexed to this paper:

Annex 1: Draft Cabinet paper - Education and Training Act: system monitoring and reporting improvements

Annex 2: Regulatory impact analysis – mandating participation in system monitoring studies

Recommended Actions

The Ministry of Education recommends you:

a. **agree** to provide feedback on the draft Cabinet paper by Monday 21 July 2025.

Agree / Disagree

b. **agree** to undertake Ministerial consultation on the draft Cabinet paper and RIA from 22 July – 1 August 2025.

Agree / Disagree

c. **agree** that the Ministry of Education undertake agency consultation on the draft Cabinet paper and RIA from 22 July – 1 August 2025.

Agree / Disagree

Proactive Release:

d. **agree** that the Ministry of Education release this paper once final Cabinet policy decisions have been made, with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

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Te Pou Kaupapahere

16/07/2025

Erica Stanford
Hon Erica Stanford
Minister of Education

21 /07/2025