Te Tāhuhu o te Mātauranga
Ministry of Education

Report: Analysis of ISB Orders in Council pre-consultation engagement

To:	Hon Penny Simmonds, Minister for Vocational Education		
Cc:	Hon Erica Stanford, Minister of Education		
Date:	3/10/2025	Deadline:	7/10/2025
Security Level:	In-Confidence	Priority:	High
From:	9(2)(a) General Manager (Acting)	Phone:	9(2)(a)
Drafter:	9(2)(a)	METIS No:	1352098

Why are we sending this to you?

- You are receiving this advice because pre-consultation engagement on the content of Industry Skills Board (ISB) Orders in Council has been completed, and decisions will be required to issue drafting instructions to the Parliamentary Counsel Office.

What action do we need, by when?

- We would like to discuss the recommendations in this paper at your officials meeting on 7 October 2025.
- Please return the signed paper by 7 October 2025.

Key facts, issues and questions

- The pre-consultation engagement has demonstrated very high support from stakeholders for the proposed content of ISB Orders in Council.
- As a result of feedback, we are recommending some additions to the stakeholders an ISB must consult with when developing a Statement of Strategic Direction, but no other changes to elements confirmed with you at the beginning of September [METIS 1352459 refers].
- The Tertiary Education Commission has passed on requests from some Establishment Advisory Groups regarding the preferred formal name for their ISB that would be set out in the relevant Order.

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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. Once the Education and Training (Vocational Education and Training System) Amendment Bill (the Bill) has commenced, consultation will be required before the Orders in Council (the Orders) establishing each Industry Skills Board (ISB) can be made. To support a rapid consultation process, officials have undertaken pre-consultation engagement on some key proposed elements of these Orders [METIS 1352908 refers].
3. This engagement sought stakeholder views on, and tested support for, the non-'technical' elements of the Orders that were discussed and confirmed with you at the beginning of September [METIS 1352459 refers]. These would:
    3.1. Require ISBs to develop a Statement of Strategic Direction.
    3.2. Set measures to ensure ISBs maintain an operational divide between core standards-setting and temporary work-based learning activities.
    3.3. Establish requirements for industry and sector engagement.
    3.4. Require ISBs to collaborate with each other.
4. The engagement ran from 9 to 23 September 2025. Invitations to participate were emailed by the Tertiary Education Commission (TEC) to 368 stakeholders across the industries covered by the ISBs. A total of 86 unique responses were recorded; 71% (61 responses) were from organisations and 29% (25 responses) were from individuals.

There was strong support for the proposed elements of the Orders in Council

5. **Annex 1** contains a summary of engagement results. Overall, we consider that the engagement showed a high level of support for the proposed elements– several elements received almost universal support. The exception was the Statement of Strategic Direction, where most respondents suggested that other stakeholder groups should be included in addition to industries, the Minister, and VET providers.

Respondents favoured requiring ISBs to consult a broader range of stakeholders when developing their Statement of Strategic Direction

6. Each ISB will be required to prepare a Statement of Strategic Direction outlining how the Board intends to perform its functions and give effect to the Tertiary Education Strategy (TES), and how it will measure its performance in these respects.
7. It is currently proposed that a Board would need to engage with its industries and consult with both the Minister for Vocational Education and vocational education providers when developing its Statement. We asked if respondents supported this, believed that an ISB should only be required to engage with its industries, or if an ISB should also be required to consult with other types of stakeholders.
8. An Order will set out who an ISB must consult with in the Statement process; it will not prevent an ISB from engaging with any other stakeholders they believe are appropriate. When considering which other stakeholders to involve, an ISB will need to balance the value of engaging with that group against their available resources.

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9. Only five respondents opposed including requirements to consult with the Minister and vocational providers when developing a Statement. However, most (56%) proposed including additional stakeholders. The analysis in **Annex 1** discusses the stakeholder groups proposed by respondents.

10. We consider that most of the proposed groups, such as professional and industry bodies, other ISBs, and relevant regulators are either included under the existing umbrella of 'industry' or covered by collaboration requirements that will be in primary legislation.[1]

11. There are two groups proposed by respondents where we consider adding a requirement to consult is likely to result in ISBs producing stronger Statements of Strategic Direction.

Many respondents proposed requiring consultation with Māori stakeholders…

12. The largest single group of additional stakeholders suggested by respondents consisted of Māori, including iwi and Māori employers. This has been a theme in previous consultation, including the Select Committee process where some industry bodies such as Dairy NZ, Beef + Lamb, and Infrastructure NZ argued for strengthening recognition of Māori in legislation applying to ISBs.

13. If adopted, the Select Committee's proposed amendments to new section 370 (e) of the Bill will require ISBs to have "regard to the needs of Māori and other population groups as identified in the Tertiary Education Strategy". As one of the purposes of the Statement of Strategic Direction is to set out how the ISB will give effect to the TES, we consider that an ISB will need to consult with Māori stakeholders to develop an approach that will meet this statutory requirement and recommend adding a requirement to this effect. This requirement would also support ISBs to comply with section 4(d) of the Education and Training Act 2020.

14. Taking into account both section 370 (e) and Cabinet Office Circular CO (24) 5 on Needs-based Service Provision, we consider it would be appropriate for such a requirement to focus specifically on the Māori economy. For example, an ISB could be required to consult with representatives of Māori interests in the industries they cover. We would work with the Parliamentary Counsel Office (PCO) on appropriate wording as part of the draft Orders.

… and additional education stakeholders

15. Many respondents suggested the inclusion of other education organisations beyond VET providers. These included both schools and non-vocational tertiary providers in relevant areas; for example, requiring the Food and Fibre ISB to consult with universities that have significant agricultural science departments.

16. We also understand that the Minister of Education would prefer that ISBs are required to consult with the Secretary of Education and with schools. This aligns with the current proposal for ISBs to lead development of vocational subjects for use in secondary schools.

17. We consider that whether or not to consult with non-vocational tertiary education providers is a decision best made by each ISB. This will allow them to appropriately consider and balance the potential benefits of doing so against the resources required.

18. However, we believe there is a case for requiring ISBs to consult with the Secretary of Education and with schools. In addition to the likely future role of ISBs in vocational subjects, a strong and consistent theme from industries in consultation over the VET redesign work has been the importance of connections between secondary schools and

[1] New section 369 of the Bill will require ISBs to collaborate with providers (including Wānanga), other ISBs, NZQA, and any relevant regulatory board when performing their functions.

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the vocational education system. Requiring engagement when the Statement is developed would support ISBs to incorporate the needs of schools and education-to-employment pathways into their longer-term planning.

19. Obliging ISBs to engage with 'schools' (or 'secondary schools') as a broad category has potential to create significant burden and expense. It could in theory result in Boards expending more resources on this than on sector and industry engagement.[2]

20. We therefore recommend that this be framed as a requirement to engage with school representatives. This would direct ISBs to engage with key stakeholder bodies such as the School Principals Association, and relevant subject groups such as Careers, Technology, and Agriculture & Horticulture teacher associations. This would be both practical for ISBs and more likely to result in constructive feedback than school-by-school engagement.

Respondents strongly supported restrictions related to work-based learning

21. The Orders will include some restrictions on how ISBs approach their work-based learning functions during the temporary transition period. These are intended to prevent ISBs from mixing their temporary training management and their core standards-setting functions – including cross-subsiding this activity.

22. The engagement materials proposed that an ISB would need to use its work-based learning assets and income to support that learning, rather than mixing them with those for its 'core' standards-setting functions. An exception would exist to recognise the additional governance and management costs to the ISB of providing that training.

23. These controls were supported by 82% of respondents, although with an underlying theme that more restrictions would help ensure ISBs remained focused on core functions. Some respondents requested that the Orders set out additional or more explicit restrictions on how ISBs could use income from work-based learning. Six of the 14 respondents who opposed these elements stated that they specifically disagreed with allowing income and assets to be used for supporting any governance and management costs.

24. Based on the results of consultation, we do not recommend making any changes to these elements of the Orders. There is clear support for Orders to constrain ISBs from cross-subsidising their standards-setting through work-based learning. Setting more specific restrictions (such as capping expenditure on specific functions) would need further policy work that would significantly delay making Orders, and could prove inflexible in practice.

Respondents strongly supported all proposed industry engagement requirements

25. We tested four requirements for how ISBs engage with their industries, each of which received near-unanimous support:

    25.1. requiring an ISB to establish sufficient national industry advisory groups for its industries to provide input into the performance of the ISB's functions and duties (99% support);

    25.2. clearly specifying that these groups have a role in holding the ISB accountable for its performance for industry (92% support);

    25.3. requiring the ISB to engage with industry associations and peak bodies, to understand their plans and strategies, and to identify opportunities for the ISB to contribute to those plans and strategies (99% support); and

[2] There are currently over 370 secondary schools in New Zealand, and over 190 additional 'Composite' schools that include some secondary students.

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25.4. requiring the ISB to develop a mechanism for regularly engaging with, and reporting to, its industries beyond setting up its advisory groups (99% support).

26. Given the very high level of support for these proposed elements, we do not recommend any changes from the proposals.

27. Many respondents (40%) suggested that there should also be equivalent requirements for ISBs to engage with other stakeholders. The most commonly suggested group was Māori stakeholders such as iwi, hapū, Māori education providers, and Māori employers.

28. The ISBs will need to operate in a more streamlined and cost-effective way compared to Workforce Development Councils, and we do not consider it appropriate to set formal requirements to regularly engage with stakeholders other than their industries. An ISB will be able to develop and maintain specific relationships and approaches to engagement that it sees as adding value in the context of its priorities and available resources.[3]

There was near-universal agreement for the inclusion of a specific requirement for ISBs to collaborate with each other

29. Only one respondent opposed including the proposed requirement for ISBs to collaborate with each other to meet the needs of industries that sit across multiple coverage areas. We do not recommend any changes to this proposed element.

Names need to be finalised for each Order in Council

30. Each Order in Council will establish a legal name for that ISB. To date we have used the coverage designations set out in the July Cabinet paper as working names for each ISB (e.g. 'The Construction and Specialist Trades Industry Skills Board'). The Bill specifically requires consultation with industry representatives on an ISB's name.

31. Some Establishment Advisory Groups (EAGs) have discussed the future name of their ISB, and the TEC has passed on specific requests from these EAGs to us:

    31.1. The *Infrastructure* EAG has requested that this ISB be named the *Energy and Infrastructure Industry Skills Board*. This was discussed and agreed verbally at your officials meeting on 16 September 2026.

    31.2. The *Automotive, Transport, and Logistics* EAG has requested that this ISB be named the *Transport Industry Skills Board*. This ISB covers a diverse set of sectors including Maritime and Aviation, and the EAG considers that leaving any of these areas out of the name would potentially offend those sectors. However rather than attempting to add an exhaustive list of sectors to their name, they consider it would be more appropriate to use the overarching term 'Transport'. The EAG also noted that this name aligns with other government-recognised branding (e.g. the Ministry of Transport and the New Zealand Transport Authority).

    31.3. The *Health and Community* EAG has requested that this ISB be named the *Education, Health, and Community Industry Skills Board*. The EAG considers that adding Education into their name would be appropriate given the amount of education-related areas they cover; they consider it important that the education sector can see themselves in the name of the ISB.

[3] Assuming current proposals for ISBs to develop industry-led secondary school subjects are adopted, it would be appropriate to also require regular engagement with schools. These requirements can be developed following final policy decisions on these subjects, including the availability of funding to support such engagement, and added in 2026 by amending each Order in Council.

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31.4. The *Electrotechnology and Information Technology* EAG has, following the inclusion of creative sector coverage, requested that this ISB be named the *Electrotechnology, Information Technology, and Creative* ISB. The EAG considers that that this best reflects the full coverage of the ISB and reduces the risk of creative sectors getting left behind or devalued. You previously decided not to include Creative in the name of this ISB [METIS 1352908 refers]. However, as industry (represented by the EAG) has now requested it we consider there is now a strong case for this name change.

32. PCO has also raised concerns about using *Food and Fibre (including Aquaculture)* as the name of an ISB, and thus the title of the Order that establishes it; they have expressed a strong preference for avoiding brackets in titles unless absolutely required. We therefore recommend that this ISB be named the *Food and Fibre* Industry Skills Board. The importance of Aquaculture can be emphasised in the section of the Order that outlines this ISB's specified industries.

33. The Table below summarises the proposed names for the eight ISBs:

New Name Proposed	
Cabinet Paper Designation	**Proposed Name**
Infrastructure	Energy and Infrastructure Industry Skills Board *(agreed 16/09/2025)*
Automotive, Transport, and Logistics	Transport Industry Skills Board *(Proposed by EAG)*
Electrotechnology and Information Technology	Electrotechnology, Information Technology, and Creative Industry Skills Board *(Proposed by EAG)*
Food and Fibre (including Aquaculture)	Food and Fibre Industry Skills Board *(Proposed by officials due to PCO drafting conventions)*
Health and Community	Education, Health, and Community Industry Skills Board *(Proposed by EAG)*
No New Name Proposed	
Construction and Specialist Trades Industry Skills Board	
Manufacturing and Engineering Industry Skills Board	
Services Industry Skills Board	

Next Steps

34. Once we have discussed the results of engagement with you and confirmed your preferred name for each ISB, we will work with PCO to draft Orders in Council and provide them to you for feedback.

35. Following commencement of the Bill, the Ministry and TEC will manage the formal consultation required before an ISB is established. If third reading occurs on 15 October, this will run from 23 to 29 October. Delays in the third reading will move this date out.

Annexes

The following are annexed to this paper and attached separately:

Annex 1: *Establishment of new Industry Skills Boards: Summary of responses*

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Recommended Actions

The Ministry of Education recommends you:

a. **note** the results of pre-consultation engagement in Annex 1, showing strong support for the proposed elements of the Orders in Council.

Noted

b. **agree** that, when developing their Statement of Strategic Direction, an Industry Skills Board should be required to also consult with:

i. the Secretary of Education, and persons or bodies representing secondary schools

Agree / Disagree

ii. representatives of Māori interests in industries covered by the Industry Skills Board

Agree / Disagree

c. **agree** to use the following new formal names for the appropriate Industry Skills Boards:

i. Education, Health, and Community Industry Skills Board

Agree / Disagree

ii. Electrotechnology, Information Technology, and Creative Industry Skills Board

Agree / Disagree

iii. Food and Fibre Industry Skills Board

Agree / Disagree

iv. Transport Industry Skills Board

Agree / Disagree

d. **note** that final consultation with industry representatives will occur following commencement of the Education and Training (Vocational Education and Training System) Bill

Noted

Proactive Release:

e. **agree** that the Ministry of Education release this paper once the secondary legislation instruments have been issued and published with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

9(2)(a)

General Manager (Acting)

Te Pou Kaupapahere

03/10/2025

Hon Penny Simmonds

Minister for Vocational Education

4/10/25

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Te Tāhuhu o te Mātauranga
Ministry of Education

Establishment of new Industry Skills Boards (ISBs)

Summary of responses

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Te Kāwanatanga o Aotearoa
New Zealand Government

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Terminology

Acronym	Term
ISB	Industry Skills Board
SSD	Statement of Strategic Direction
TEC	Tertiary Education Commission
VET	Vocational Education and Training
WBL	Work-based learning

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Executive Summary

Context

The Education and Training (Vocational Education and Training System) Amendment Bill 2025 which will make changes to the design of the vocational education and training (VET) system, is scheduled to be enacted soon.

Under the Bill, the Government will be required to make Orders in Council that will constitute Industry Skills Boards (ISBs) as legal entities, describe their industry coverage, and set out other technical requirements.

Formal consultation on the Orders in Council will be undertaken in October 2025. Prior to this consultation, the Ministry of Education, supported by the Tertiary Education Commission (TEC), sought feedback on four key areas that would be covered in the Orders.

Managing Work-based Learning: it is proposed that an ISB should use its work-based learning assets and income to support work-based learning instead of mixing them with the assets and income linked to standards-setting.

Obligations to Collaborate: while there will be a requirement in the Act for ISBs to collaborate with each other, along with providers, NZQA, and occupational regulators, feedback is sought on whether there should be more specific requirements to collaborate in order to meet the needs of industries that cross over coverage areas.

Industry Engagement: it is proposed that each ISB would be required to engage with their industries, with consideration given to managing their costs, resources available and the needs of its sectors. The following has been proposed:

- Requiring an ISB to establish sufficient national industry advisory groups to provide input into the performance of the ISB's functions and duties
- clearly specify that the national industry advisory groups would have a role in holding the ISB accountable for its performance for industry
- Requiring an ISB to engage with industry associations and peak bodies to understand their plans and strategies, and to identify opportunities for the ISB to contribute to those plans and strategies; and
- Requiring an ISB to develop a mechanism for regularly engaging with, and reporting to, its industries beyond setting up its national industry advisory groups.

Statement of Strategic Direction (SSD): each ISB would be required to produce an SSD that sets out their strategic direction for the next five years, at least every three years. It is proposed the SSD would need to include:

- how the ISB intends to perform its functions
- how it will give effect to the Tertiary Education Strategy

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- the measures it will use to assess performance against the SSD.

In addition to the above, it is proposed that an ISB must engage with industry, the Minister and vocational educational providers when preparing their SSD.

Methodology

Responses were received by TEC either as completed surveys (via Microsoft Forms) or as email responses. All data was exported to Excel where thematic analysis was used to summarise respondents' key points and perspectives.

Overview of responses

86 unique responses were received. 61 responses were on behalf of organisations and 25 on behalf of individuals. Responses were received from various industries with a significant number from the Construction (18) and Education and Training (21) sectors.

Key findings

Work-based Learning

82% of respondents said they supported the proposal that ISBs would need to use the assets and income received from Work-Based Learning (WBL) to deliver those activities and meet governance and management costs.

Respondents said that this was necessary to ensure that there was no cross-subsidisation of standards setting functions by WBL income. Some respondents who supported the proposal wanted further controls or rules on how ISBs could use WBL asset and income, such as specified limits for allowable governance and management costs.

Some respondents opposed the proposal because they wanted a stricter requirement, where WBL assets and income are limited to delivering those activities only and did not support them being used for management or governance costs.

Obligations to collaborate

99% of respondents supported the proposal that there should be an obligation for ISBs to collaborate with each other, as well as with providers, NZQA, and occupational regulators.

Industry Engagement

99% of respondents supported the proposal to require ISBs to establish sufficient national advisory groups for industries to provide specific input into its work.

92% of respondents supported the proposal that one of the roles of a national advisory group would be to hold the ISB accountable for its performance. 7% did not support the proposal and the remaining 1% did not respond to this question.

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99% of respondents supported the proposal to require ISBs to engage with industry associations and peak bodies in their industry.

99% of respondents also supported the proposal to require ISBs to develop ways to engage with their industry, in addition to national advisory groups.

Of the 86 respondents, 57 respondents provided further commentary of proposed industry engagement requirements. These respondents commented that there should be requirements to engage with a wider range of stakeholders. Examples given were employers, WBL providers, learners and community organisations.

16 respondents expressed the view that there should be a specific requirement to engage with iwi, hapū, Māori providers and/or Māori employers. Respondents commented that this would give effect to partnership requirements under Te Tiriti o Waitangi and would ensure that standards meet the needs of Māori.

Statement of Strategic Direction (SSD)

60% of respondents supported requiring ISBs to engage with other stakeholders on the SSD (in addition to industry, the Minister and VET providers).

In addition to these stakeholders, respondents suggested further stakeholders be engaged - this included iwi, Māori and Pacific organisations (15 respondents), education providers (14 respondents), professional organisations (6 respondents), students (5 respondents) and local government or local communities (5 respondents).

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Overview

Introduction

Cabinet decided in December 2024 to establish Industry Skills Boards (ISBs) as industry-led standards-setters to replace workforce development councils. Once the Education (Vocational Education and Training) Amendment Bill is enacted, the Government is required to make Orders in Council to constitute each ISB as a separate legal entity. The Orders of Council will include technical aspects needed to set up ISB's and will describe their industry coverage. Formal consultation on the draft Orders is intended to be undertaken at the end of October 2025.

Prior to formal consultation on the draft Orders of Council, the Ministry of Education, supported by the Tertiary Education Commission (TEC) sought feedback on four key areas that are proposed for inclusion in each Order. These include:

Managing Work-based Learning: it is proposed that an ISB should use its work-based learning assets and income to support work-based learning instead of mixing them with the assets and income linked to standards-setting.

Obligations to Collaborate: while there will be a requirement in the Act for ISBs to collaborate with each other, along with providers, NZQA, and occupational regulators, feedback is sought on whether there should be more specific requirements in order to meet the needs of industries that cross over coverage areas.

Industry Engagement: each ISB will be required to engage with their industries, with consideration given to managing their costs, resources available and the needs of its sectors. The following has been proposed:

- ISB's establish sufficient national industry advisory groups to provide input into the performance of the ISB's functions and duties
- clearly specify that these groups have a role in holding the ISB accountable for its performance for industry
- require the ISB to engage with industry associations and peak bodies, to understand their plans and strategies, and to identify opportunities for the ISB to contribute to those plans and strategies; and
- require the ISB to develop a mechanism for regularly engaging with, and reporting to, its industries beyond setting up its advisory groups.

Statement of Strategic Direction (SSD) – it has been proposed that each ISB is required to produce a SSD setting out their strategic direction for the next five years, at least every three years. The SSD will need to include:

- how the ISB intends to perform its functions
- how it will give effect to the Tertiary Education Strategy
- the measures it will use to assess performance against the SSD.

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In addition to the above, it is proposed that an ISB must engage with industry, the Minister and vocational educational providers when preparing their SSD.

Methodology

Responses were received by the TEC as either completed surveys (via Microsoft Forms) or as email responses.

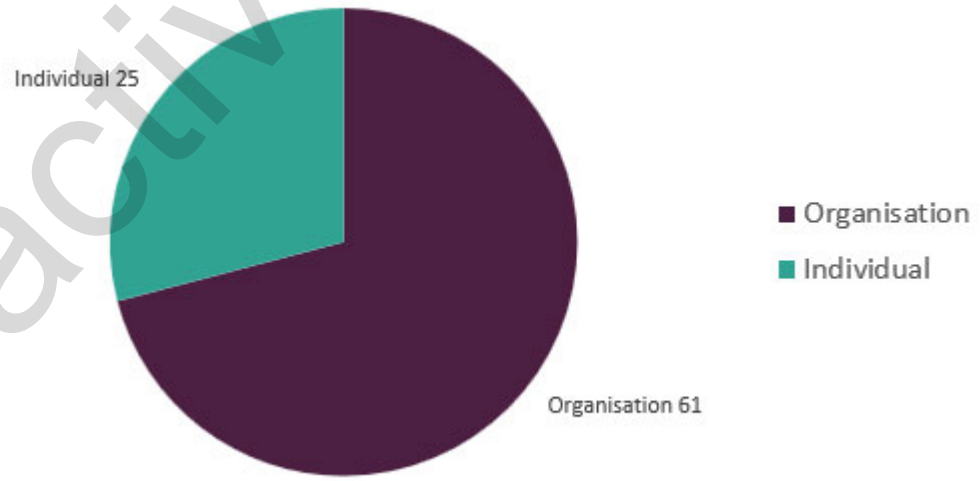
All data was exported to MS Excel where thematic analysis was used to summarise respondent's key points and perspectives. Illustrative quotes from responses have been used throughout the report, with any identifying information of individuals who responded removed.

Overview of responses

86 unique responses were received as part of this pre-consultation engagement. 84 were received via Microsoft Forms and 2 via email. A further 2 responses were received via email which were duplicates of the survey version. Some respondents chose not to answer all the questions; or did not provide free text responses when available.

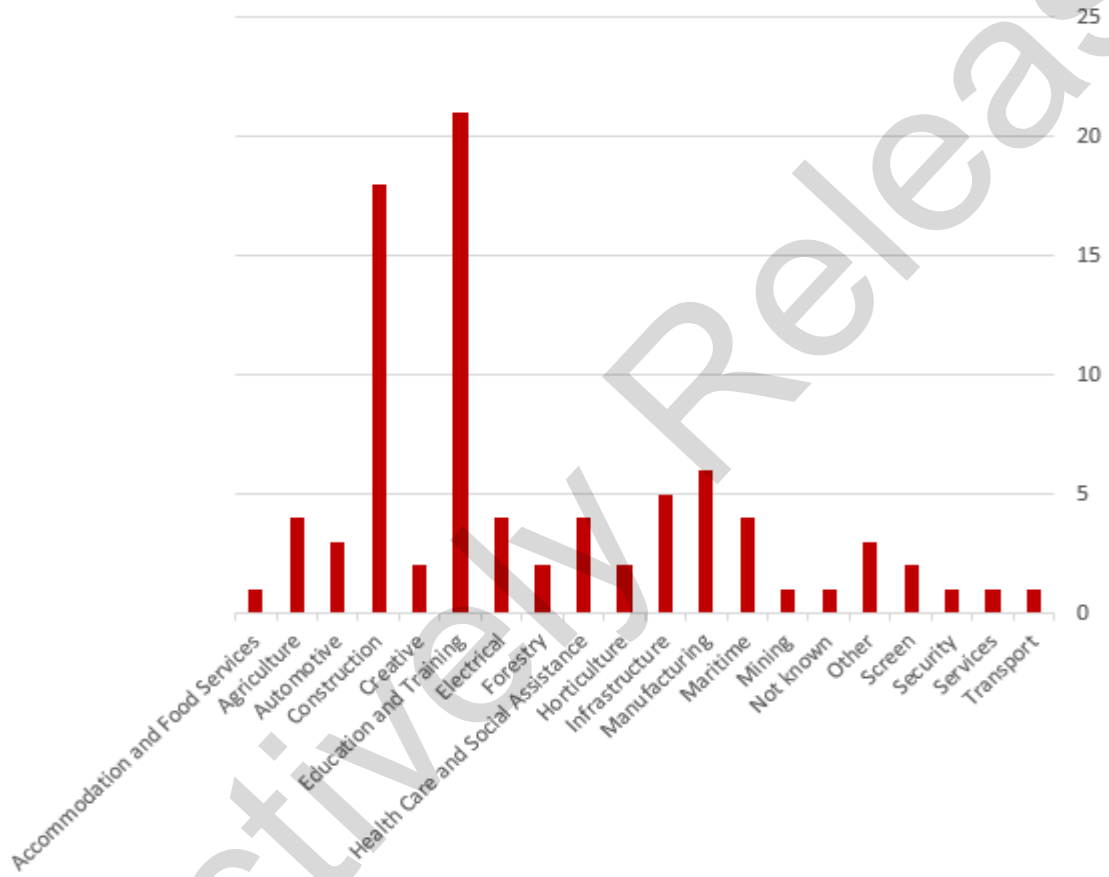
Demographics

Figure 1: Overview of respondents by type



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Figure 2: Overview of respondents by industry



Managing Work-based Learning

Respondents were asked

- Do you support the proposal that ISBs will need to use the assets and income they receive for WBL to deliver those activities and meet some governance and management costs? (Yes/No)
- Would you like to provide further information about the proposed requirement for how ISBs should manage assets and income for WBL?

Overall, respondents supported the proposal. 70 respondents responded yes, 14 respondents responded no, and 2 respondents did not respond to this question.

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Figure 3: Overview of respondents by type

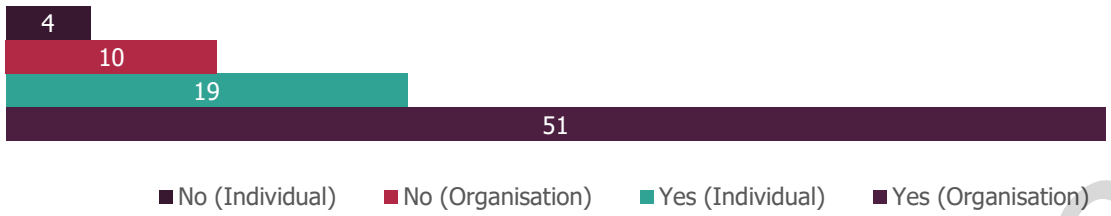
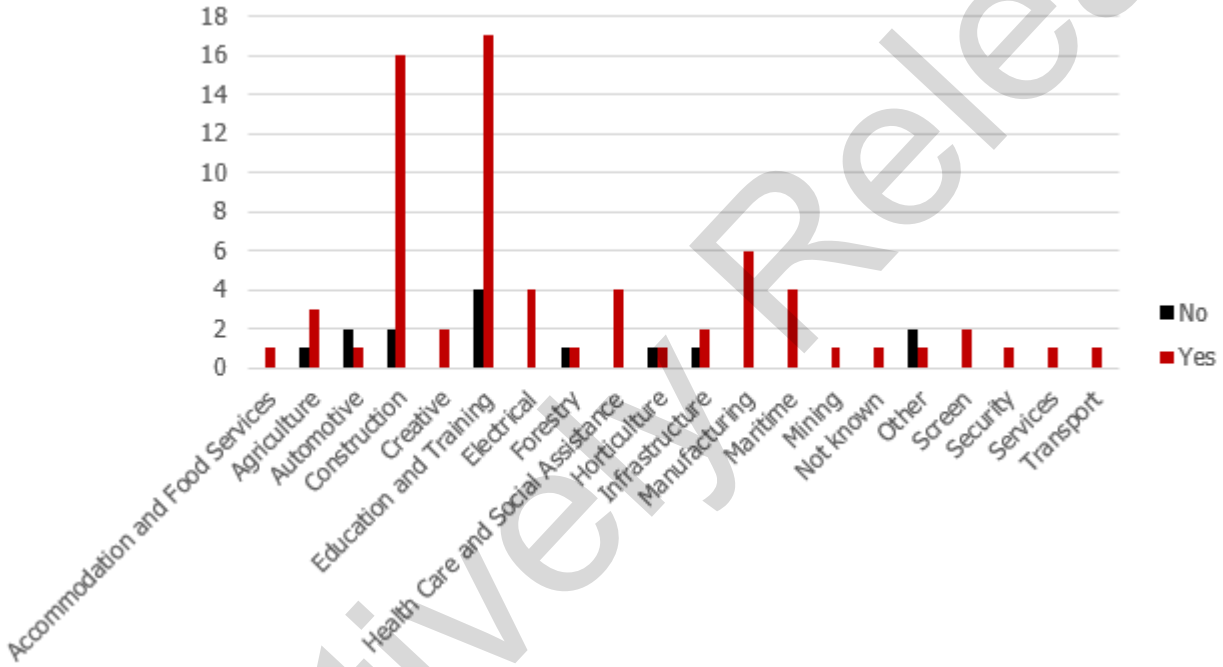


Figure 4: Overview of respondents by industry



Of the respondents who agreed with the proposal, 42 provided further information on proposed requirements. Of those respondents who disagreed with the proposal, 11 provided further information.

Further controls are necessary to ensure that WBL funds are used appropriately

18 respondents who agreed with the proposal commented that there should be additional controls in place to ensure that WBL funds are used appropriately. Suggestions for additional controls included, specified limits for governance and management costs, specific rules for shared asset access, and regular audits. Some of these respondents also suggested that the Orders in Council should provide further clarity on allowable management and governance costs, transparent reporting, principles to guide cost allocation, and limitations on competitive tendering.

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> *The amount available for governance and management of those activities should be capped at no more than 10 percent of the income received.*
>
> *(President NZ Marine, Lloyd Stevenson Boatbuilders, ID #16)*
>
> *We also acknowledge that ISBs may incur additional oversight costs while hosting WBL. These costs should only be recovered from WBL funding where they are clearly linked to governance and the functions the ISB believes it will have while hosting the WBL to ensure that costs are quantified, transparent and proportionate.*
>
> *(MITO, #94)*

The Meat Industry Association (MIA) specifically noted that the proposed coverage of ISBs and WBL transition would mean that standards development (Manufacturing and Engineering ISB) and training management (Food & Fibre ISB) for meat processing will not be contained in the same ISB. MIA stated that this created an increased need for oversight and transparency regarding spending of WBL funds.

ISBs need sufficient funding to ensure that WBL is delivered effectively

6 respondents who agreed with the proposal noted that there needs to be sufficient funding for ISBs. Respondents were concerned that there is not sufficient funding available to fund core ISB functions as well as to take on additional costs associated with WBL management and governance.

> *ISB's should have some compensation and incentive to deliver training, or trainees will be disadvantaged and have less time with [partners].*
>
> *(High School Teacher, #14)*
>
> *Evidence from Workforce Development Councils shows that there is already barely enough funding to cover the core functions of qualification-setting and standards maintenance, with little to no capacity to absorb the additional governance and management costs of WBL.*
>
> *(Tertiary Education Union, #85)*

Flexibility is required to ensure ISBs can meet industry needs

3 respondents who agreed with the proposal noted that there needs to be sufficient flexibility in the Orders in Council to reflect that each ISB will have different WBL learning responsibilities and challenges.

> *The Orders in Council should allow flexibility, recognising that each ISB will have different levels of responsibility depending on the WBL division it hosts.*
>
> *(Service IQ, #59)*
>
> *… the creative industries have limited traditional WBL pathways compared to other sectors. Strict ring-fencing of WBL income risks entrenching disadvantages. ISBs must have flexibility to use WBL-related*

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> *funds to design innovative training models, micro-credentials and freelance-appropriate pathways.*
>
> *(New Zealand Writers Guild Inc, #74)*

ISBs should have obligations to use WBL funds to give effect to Te Tiriti o Waitangi and enhance equitable outcomes

2 stakeholders who agreed with the proposal commented that ISBs should have obligations to apply WBL funds to enhance equitable outcomes and to give effect to Te Triti o Waitangi.

> *We recommend that ISBs be required to … demonstrate how these resources are applied to achieve equity for Māori learners and to give effect to Article 3 of Te Tiriti o Waitangi (ōritetanga).*
>
> *(Ngā Ringa Kōtuitui, #86)*
>
> *If ISBs are to manage WBL assets and income, the OICs need to go beyond generic accountability and explicitly require equity.*
>
> *(Pacific Fono, #80)*

WBL funds should not contribute to management and governance costs

6 respondents who opposed the proposal commented that WBL funds should not be used for ISB governance or management costs. 3 respondents commented that governance and management costs should be funded through additional funding from TEC with WBL funding used solely for delivery.

> *WBLs already have mature management structures so there will be no need for ISBs to provide management level support.*
>
> *(Connexis GM #40)*
>
> *Given this is a two-year transitional arrangement, assets and income should remain independent between the WBL and the ISB.*
>
> *(Horticulture New Zealand, #89)*

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Obligations to Collaborate

Respondents were asked

- Do you support including specific obligations in the Orders in Council for ISBs to collaborate with each other? (Yes/No)

All respondents, with the exception of one, supported the proposal. 85 respondents responded yes directly through the survey and one responded no. Three respondents provided separate written responses and all responded yes.

As the question only required a yes/no answer, the respondent who responded no did not elaborate on why they held this view.

Of the three respondents who provided a written response, two provided further comments.

> *Care should be taken to frame this in a way which enables role clarity and prevents unnecessary duplication.*
>
> *(Meat Industry Association, #65)*

> *These collaborative efforts must not interfere with the WBL divisions' existing relationships and functions but should be structured to complement them.*
>
> *(New Zealand Motor Industry Training Organisation, #94)*

In response to Industry Engagement questions (part 3), 6 respondents noted that there should be additional mechanisms to ensure collaboration between ISBs, particularly where industries span more than one ISB. Respondents specifically raised the importance of this for Māori and Pacific industries.

> *… where Māori industries span more than one ISB (e.g. forestry, trades, creative industries), ISBs are expected to coordinate their engagement to reduce duplication and consultation fatigue for iwi and providers.*
>
> *(Ohu Ahumahi Workforce Development Council, #86)*

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Industry Engagement

Respondents were asked

- Do you support requiring an ISB to establish sufficient national advisory groups for its industries to provide input into its work? (Yes/No)
- Do you support clearly specifying that one role of these groups is to hold the ISB accountable for its performance? (Yes/No)
- Do you support requiring an ISB to engage with industry associations and peak bodies in their industries? (Yes/No)
- Do you support requiring an ISB to develop ways to engage with their industry in addition to the national advisory groups? (Yes/No)
- If you consider that the Orders need to specify other industry engagement requirements, please note those below.

Requiring ISBs to establish sufficient national advisory groups

85 respondents responded yes, and 1 respondent responded no.

Specifying the role of accountability

79 respondents responded yes, 6 respondents responded no, and 1 didn't answer this question.

4 respondents provided further information as to why they disagreed with the proposal.

> *The role of the advisory groups is to support standard setting, programme endorsement and QA functions, not to hold governance and leadership to account – that is the role of Industry and Employer body leaders.*
>
> *(NZ Ethical Employers Inc #71)*
>
> *The National industry advisory groups should definitely be providing feedback into the ISB board on whether their expectations are being met, however, in terms of holding the ISB to account, this should be the role of the funding provider for the expected outcomes of the ISB that they are funding them for.*
>
> *(Connexis and EarnLearn, #81)*

Engagement with industry associations and peak bodies

85 respondents responded yes and 1 respondent responded no.

Developing ways to engage with industry in addition to national advisory groups

85 respondents responded yes and 1 respondent responded no.

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Further information on proposed industry engagement requirements

57 respondents provided further information on proposed industry engagement requirements.

34 respondents of those respondents commented that there should be specific requirements for ISBs to engage with a range of other stakeholders. These included:

- Trade unions
- Iwi, hapū, and Māori providers
- Employers (beyond advisory group representatives)
- Secondary schools
- Independent earners and freelancers
- Pacific providers
- Community organisations
- Learners
- Small or niche employers and industries
- WBL providers
- Funding bodies

> *ISBs should also consult with WBL providers as they are more connected to industry on a regular basis than most industry body associations and have a deeper understanding of employer's requirements as not all are members of an industry association.*
>
> *(MAST Academy #13)*
>
> *Schools, whānau, iwi, and local communities must also have a voice to ensure equitable opportunities for rural, Māori, Pacific, disabled, and neurodiverse learners. ISBs should be accountable not only to industry but also to how well their engagement translates into accessible, relevant pathways for learners.*
>
> *(Careers and Transition Education Association NZ, #49)*
>
> *NZCTU therefore recommends the Orders in Council include provisions for proportionality, requiring the TEC to consider the number of industries, qualifications, and learners covered when setting expectations, monitoring performance, and allocating resources.*
>
> *(NZCTU, #62)*

Respondents also noted there should be a requirement to ensure engagement reflects regional perspectives as often the requirements and need of industry may be affected by their geographical location.

Of the 34 respondents who wanted engagement with other stakeholders, 16 respondents commented that there should be a specific obligation for ISBs to engage

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with iwi, hapū, Māori providers, and Māori employers. Respondents noted that this would give effect to partnership requirements under the Te Tiriti o Waitangi. Other respondents expressed that engagement with Māori would ensure that mātauranga Māori and the needs of Māori businesses and communities are central to ISB planning. Respondents also commented that there should be a requirement to ensure ISB engagement processes were culturally appropriate and accessible.

> *The Māori economy is growing at more than twice the pace of the NZ economy. This is amplified across health, technology and construction. Iwi must be regarded as a stakeholder and partner under Treaty obligations and also as an industry partner.*
>
> *(Te Runanga o Ngati Hine, Ngati Hine Health Trust, #61)*

7 respondents commented that there should be requirements on ISBs to not just engage but to show they have considered feedback.

> *ISBs should report publicly on who they have engaged with, how feedback was gathered, and what actions resulted, to build trust and accountability.*
>
> *(Hospitality New Zealand, #91)*

4 respondents commented that it was important to ensure the Orders in Council are not too prescriptive. Each industry is different so the ISBs will need to engage in a way that suits industry needs.

> *The industries covered by WBL are many and varied in structure, which means being too prescriptive in the Orders in Council could mean that some industries are not well served by the ISB.*
>
> *(President NZ Marine Lloyd Stevenson Boatbuilders #16)*

4 respondents noted that there needs to be adequate funding to support ISB engagement and to alleviate the burden on stakeholders from lots of engagement.

> *We also note that, while industry engagement is very welcome and necessary for the VET system, this comes at a cost to the organisations and individuals involved in the engagement and funding to support this should be allocated to the ISBs and by the ISBs to ensure equitable access.*
>
> *(WeCreate Inc, #60)*

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Statement of Strategic Direction

Respondents were asked

- Do you support requiring an ISB to develop ways to engage with their industry in addition to the national advisory groups? (Yes/No)
- If you consider that the Orders need to specify other industry engagement requirements, please note those below.

More than half of the respondents supported other types of stakeholders being consulted. 47 respondents responded yes, 36 respondents responded no, and three respondents did not respond to this question.

Figure 5: Overview of respondents by type

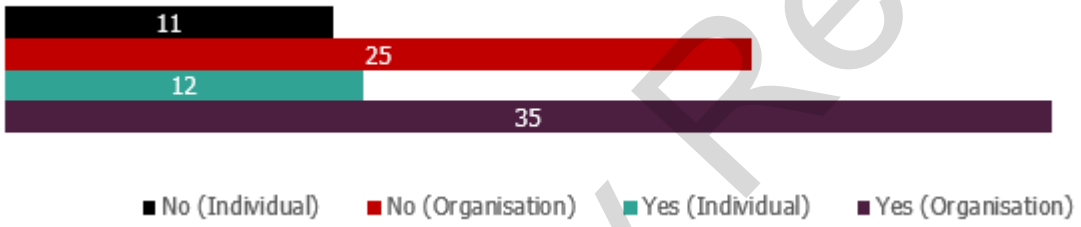
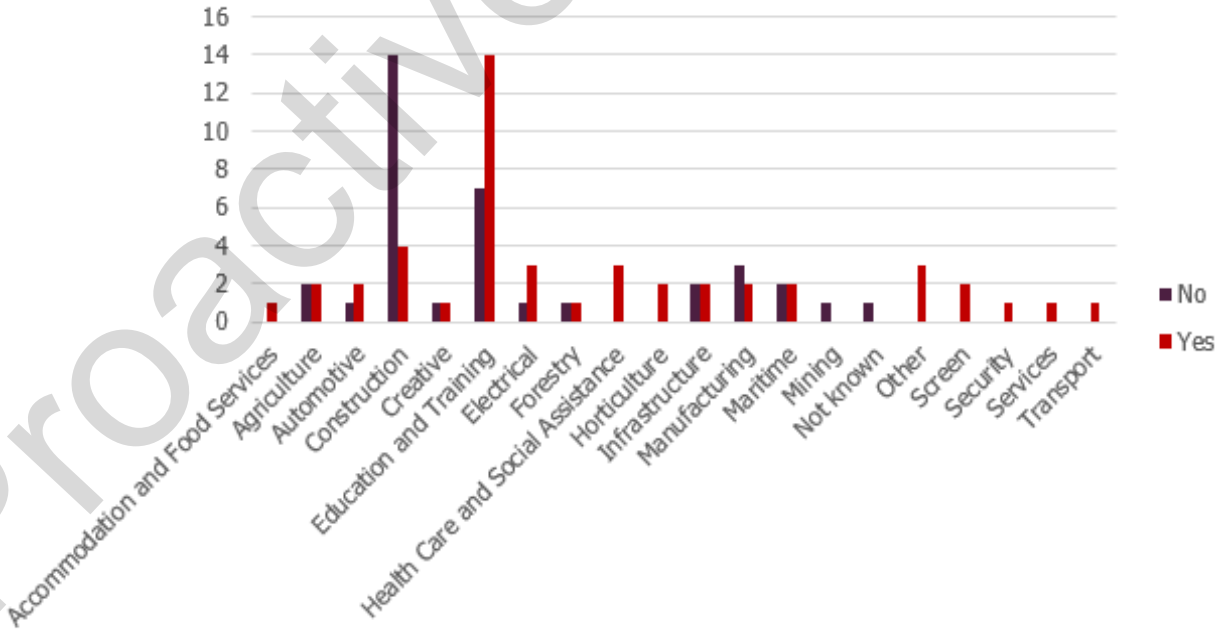


Figure 6: Overview of respondents by industry



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Of the respondents who agreed with the proposal, 48 provided further information on proposed requirements. Of respondents who disagreed with the proposal, none provided further information.

Iwi and Pacific organisations

15 respondents who supported the proposal commented that there is a need to engage more widely to ensure that Māori and Pacific organisations are represented to ensure equity and cultural responsiveness.

> *…plans and curricula reflect tikanga Māori and mātauranga Māori, making te reo Māori (Māori language) instruction available, and achieving equitable outcomes for Māori students.*
>
> *(Board Member responsible for He Rautaki Ngahere Māori 2040, #67)*
>
> *This inclusive approach ensures that strategic direction is restorative, future-focused, and anchored in whakapapa, innovation, and collective wellbeing.*
>
> *(Kaitohu, Director and Owner Operator, #70)*
>
> *Without explicit requirements, Pacific perspectives risk being overlooked, as seen during the WDC establishment phase and ISB establishment phase…*
>
> *(Ringa Hora (Services) Workforce Development Council, #88)*

Two respondents commented that consultation must include Māori stakeholders in order to give effect to Te Tiriti o Waitangi.

> *To give effect to Te Tiriti o Waitangi and section 4(d) of the Education and Training Act 2020, the OICs need to specify Māori stakeholders for consultation on each Statement of Strategic Direction (SSD).*
>
> *(Ngā Ringa Kōtuitui, #86)*

Education and training providers

14 respondents who supported the proposal commented that education providers have a role to play, and two further commented that education providers such as universities and schools are already in this space.

> *The education sector - schools and tertiary providers - what are we already doing in the spaces and how can we all work together for the betterment of the student.*
>
> *(High School staff member, #21)*
>
> *Other education providers such as tertiary institutions offering qualifications in adjacent or included competency areas.*
>
> *(Āpōpō, CEO, #34)*

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Professional or industry bodies

6 respondents who agreed with the proposal commented that associations representing individual industries, for example Careers and Transition Education Association of New Zealand (CATE NZ), who guide learners from school into further study, training or employment.

> *…career educators play a crucial role in ensuring that qualifications remain relevant, deliverable and accessible to young people within the school environment.*
>
> *(Kaiārahi, Careers and Transition Education Association NZ, #49)*
>
> *Engagement with health and safety organisations, such as WorkSafe, is essential to ensure programmes align with workplace safety standards and protect both learners and employees.*
>
> *(Motor Trade Association, #72)*

Recipients of training

5 respondents who agreed with the proposal commented that engaging with students or consumers of the training, or a sample of learners across the industries represented, should be considered.

> *This wider engagement is essential… to reflect the diversity of learners and staff, and to recognise the vital place-based role of vocational education in supporting local development.*
>
> *(Tertiary Education Union, #85)*

Local government and community

5 respondents who supported the proposal commented that ISBs should engage with local government and/or community.

> *…to recognise the vital place-based role of vocational education in supporting local development.*
>
> *(Tertiary Education Union, #85)*

Government agencies/regulatory bodies

5 respondents who supported the proposal commented that government agencies such as MBIE, MSD, MPI, MOE, Statistics and Worksafe should be consulted. One respondent commented that agencies are key sources of strategy, insights and evidence and statistical information and also suggested that Economic Development Agencies are involved.

> *MBIE.... particularly Sector Workforce Engagement Programme (SWEP), employment skills and immigration policy branch.*

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(Horticulture New Zealand, #89)

These may have lesser consultation requirements (e.g. should take their views into account rather than must for industry, Minister and VET providers) but it is important to engage widely to ensure the system is working and a wide range of views are obtained to guide the ISB and ensure it is meeting its objectives.

(Beef + Lamb NZ, #77)

….it would be important to involve those in immigration, for example, the Minister of Immigration, Immigration NZ and other immigration-related bodies who could provide insight into immigration patterns and the migrant workforce. This could then impact how the ISB designs and provides courses.

(Federated Farmers of NZ, #79)

Other ISBs

2 respondents who supported the proposal suggested that consultation between ISBs should be considered as this would help maintain consistency throughout the system.

There are lots of cross over points between industries which need to be shared.

(HVAC sector individual, #43)

There should be a requirement to undertake regular stakeholder mapping

2 respondents who supported the proposal suggested that a stakeholder mapping exercise be conducted regularly.

ISBs should undertake regular stakeholder mapping exercises particularly in future focused and fast-growing industries, ensuring that engagement matches its strategic direction.

(New Zealand Writers Guild Inc., #74)

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Appendix A: Consultation questions

Managing Work-based Learning

1. Do you support the proposal that ISBs will need to use the assets and income they receive for WBL to deliver those activities and meet some governance and management costs?
2. Would you like to provide further information on proposed requirements for how ISBs should manage assets and income for WBL?

Obligations to collaborate

3. Do you support including specific obligations in the Orders in Council for ISBs to collaborate with each other?

Industry engagement

4. Do you support requiring an ISB to establish sufficient national advisory groups for its industries to provide input into its work?
5. Do you support clearly specifying that one role of these groups is to hold the ISB accountable for its performance?
6. Do you support requiring an ISB to engage with industry associations and peak bodies in their industries?
7. Do you support requiring an ISB to develop ways to engage with their industry in addition to the national advisory groups?

Statement of Strategic Direction (SSD)

8. In addition to its industries, the Minister and VET providers, are there other types of stakeholders that the ISB should be required to engage with on the SSD?

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Appendix B: Organisations that responded

Unique ID	Organisation name	Industry
#15	ACI	Manufacturing
#41	Apiculture New Zealand	Agriculture
#34	Āpōpō – Infrastructure Asset Management Professionals Incorporated	Infrastructure
#27	Arcwell Engineering Ltd	Construction
#9	Armstrong Smarter Security	Security
#42	ArmoaScience Training	Education and Training
#32	AWCI & IAONZ	Construction
#77	Beef + Lamb NZ	Agriculture
#38	Brosnan Ltd	Construction
#82	Careerforce	Education and Training
#49	Careers and Transition Education Association NZ	Education and Training
#81	Connexis and EarnLearn	Education and Training
#7	Cook Brothers Construction	Construction
#33	Downer NZ	Infrastructure
#76	Edubased Solutions Ltd	Education and Training
#78	EMA	Other
#79	Federated Farmers of NZ Incorporated	Agriculture
#69	Forest Owners Association and Forest Industry Contractors Association Joint Training Committee	Forestry
#75	Frame & Truss Manufacturers Association of New Zealand	Construction
#50	Glass and Glazing Institute of NZ, Window and Glass Association of NZ	Construction
#51	Hair & Barber New Zealand	Services
#73	Horticultural and Agricultural Teachers Association of New Zealand	Education and Training
#89	Horticulture New Zealand	Horticulture
#91	Hospitality New Zealand	Accommodation and Food Services
#13	MAST Academy	Maritime
#8	Master Cleaners Training Institute	Education and Training

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Unique ID	Organisation name	Industry
#87	Master Joiners Incorporated	Construction
#65	Meat Industry Association of New Zealand	Agriculture
#39	MinEx Health and Safety Council	Mining
#72	Motor Trade Association	Automotive
#6	NASH New Zealand	Construction
#55	New Zealand Arboriculture Association	Horticulture
#62	New Zealand Council of Trade Unions Te Kauae Kaimahi	Other
#74	New Zealand Writers Guild Inc	Screen
#67	Ngā Pou a Tāne National Māori Forestry Association	Forestry
#68	NHP Electrical Engineering Products Ltd	Construction
#64	National Kitchen and Bathroom Association	Construction
#71	NZ Ethical Employers Inc	Horticulture
#19	NZ Marine Industry Association of NZ Inc	Maritime
#86	Ohu Ahumahi Workforce Development Councils – Kahui Ahumahi	Education and Training
#12	Oji Fibre Solutions	Manufacturing
#56	NZIQS	Construction
#35	Plumbing & Gas Works	Construction
#44	Printing Industries NZ Inc	Manufacturing
#46	SCNZ	Construction
#59	Service IQ	Creative
#54	Solutionary	Education and Training
#53	Spada - Screen Producers NZ	Screen
#70	Tāne Mahuta NZ Limited and Ōhiwa Oysters Limited	Other
#61	Te Runanga o Ngati Hine, Ngati Hine Health Trust	Health Care and Social Assistance
#85	Tertiary Education Union	Education and Training
#47	Tourism Teachers Aotearoa NZ	Education and Training
#26	TR Driver Training	Transport
#84	Unitec and Manukau Institute of Technology	Education and Training
#45	Vocational Engineering Education NZ	Education and Training
#60	WeCreate Inc	Creative

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Unique ID	Organisation name	Industry
#80	Workforce Development Councils – Pacific Fono	Education and Training

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Te Tāhuhu o te Mātauranga
Ministry of Education

He mea tārai e mātou te mātauranga
kia rangatira ai, kia mana taurite ai ōna huanga.

We shape an education system that delivers
equitable and excellent outcomes.

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Te Kāwanatanga o Aotearoa
New Zealand Government