Te Tāhuhu o te Mātauranga
Ministry of Education

Report: Standards-setting coverage for Creative industries

To:	Hon Penny Simmonds, Minister for Vocational Education		
Cc:	Hon Erica Stanford, Minister of Education Hon Dr Shane Reti – Minister for Universities		
Date:	12/09/2025	Deadline:	16/09/2025
Security Level:	In-Confidence	Priority:	High
From:	9(2)(a) VET Programme Manager	Phone:	9(2)(a)
Drafter:	9(2)(a)	METIS No:	1353095
Title ok for release	No		

Why are we sending this to you?

- You are receiving this because a potential change in industry standards-setting coverage would require Cabinet agreement.

What action do we need, by when?

- We are seeking your decision on a change in standards-setting responsibility for Creative Industries
- Please return the signed paper by 16 September 2025.

Key facts, issues and questions

- The Tertiary Education Commission has received a proposal from Creative sector stakeholders for coverage of this industry to be moved from the Services Industry Skills Board (ISB) to the Electrotechnology and Information Technology ISB.
- This proposal would represent a change from the proposals agreed by Cabinet in June, but would result in more balanced industry coverage across the ISBs as a whole.
- Agreement from Cabinet to this change can be sought at the same time as you present the finalised Orders in Council to Cabinet for their agreement.

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. In April and May 2025, the Tertiary Education Commission (TEC) consulted on the number and broad coverage of Industry Skills Boards (SBs) and provided advice to you [B-25-00650 refers]. Following this consultation, you decided that Creative industries would not be covered by the New Zealand Qualifications Authority (NZQA), as initially proposed, and instead have industry-led standards-setting.
3. In June, Cabinet agreed to the number and broad coverage of ISBs to be established on 1 January 2026 [SOU-25-MIN-0068 refers]. The paper Cabinet approved included the Services ISB having coverage for Creative industries, and Information Technology joining with Electrotechnology to form the Electrotechnology & Information Technology (E&IT ISB. The TEC had not recommended the establishment of a standalone Electrotechnology ISB following consultation, due to concerns about its scale [B-25-00650 and B-25-00338 refer]. These decisions were announced on 2 July 2025.
4. On 1 August you received an email from Paula Browning, Chair of the Creative industries representative body WeCreate, proposing that standards-setting coverage for Creative industries move from the Services ISB to the E&IT ISB.[1] Ms Browning stated that Master Electricians, IT Professionals NZ, and the Telecommunications Users Association of NZ supported this proposal.
5. On 19 August you had a brief conversation with officials regarding this proposal. The TEC has discussed this with industry stakeholders during initial engagement on coverage in August, and it appears to have received support. The TEC received feedback from nine organisations linked to the Creative sector, which showed strong support for this move.

This shift would balance scale between ISBs, at the cost of some coverage coherence for the E&IT ISB

6. This shift would rebalance the distribution of sectors across the largest and smallest ISBs. It will reduce the workload for the Services ISB, while broadening the industry base for the currently small and specialised E&IT ISB. We consider that this is likely to make both ISBs more sustainable in terms of income and their ability to carry out their functions.
7. The main downside of this shift would be reduced coherence of the E&IT ISB's industry coverage. This is a less significant issue for Information Technology, where there are already close links with Creative industries (e.g. in gaming, design, web publishing etc.) as well as Electrotechnology. However, much of electrotechnology consists of 'traditional trades' sectors where there is less crossover of common skills, knowledge, and employers with Creative sectors.

[1] This would not involve changes for the Hairdressing & Beauty or Recreation industries (both currently covered by the Toi Mai Workforce Development Council). These would remain with the Services ISB.

Moving Creative industries would be a change to Cabinet's coverage decisions in June

8. The Cabinet minute from June [SOU-25-MIN-0068 refers] does not specify sets of industries that must be covered by a specific ISB. However, Cabinet's agreement to establish eight ISBs including the E&IT ISB, and to not transfer any standards-setting responsibilities to NZQA, was based on broad industry allocations in the Cabinet Paper which stated that:

    8.1. Creative industries which would have moved to NZQA would instead be covered by the Services ISB.

    8.2. The E&IT ISB would have coverage only for sectors in the Electrotechnology and Information Technology industries.

9. Moving Creative industries will be significant for both the Services and the E&IT ISBs. It will significantly change the number of qualifications and standards they will develop and maintain, the providers and programmes they will need to engage with for endorsement and quality assurance, and the industries they will need to regularly engage with, and where their Board members come from. It will also affect the level of public funding they receive, their potential sources of fee income, and who they could seek levy income from.

10. The proposals would be an especially significant change for the E&IT ISB, whose coverage would now mainly cover Creative industries (including creative information technology areas such as software publishing and computer system design).[2] Annex 1 identifies the types of industry areas that would be added to the Board's coverage.

11. The June Cabinet Paper signalled that final decisions would be needed on some specific sectors within the ISBs where those could sit in multiple ISBs. For example, whether software publishing would be considered a 'Creative' or an 'Information Technology' sector or whether Aviation best sat under the Manufacturing and Engineering ISB or the Automotive, Transport, and Logistics ISB. This was not intended to reflect major changes in the broad industry coverage areas set out for Cabinet.

12. Because of these factors, we consider that shifting responsibility for Creative industries is more than a minor and technical decision, and Cabinet would need to explicitly agree to this change in coverage.

The Cabinet Paper approving ISB Orders in Council could be used to seek agreement to this change

13. Following passage of the Education and Training (Vocational Education and Training System) Amendment Bill (the Bill), you will be taking a Cabinet Paper to the Cabinet Expenditure and Regulatory Review Committee (EXP) that seeks agreement to the Orders in Council for establishing ISBs and Polytechnics, as well as the Orders disestablishing Workforce Development Councils.

14. If you decide to shift coverage for Creative industries to the current E&IT ISB, we consider that Cabinet approval can be sought in this Paper. We currently consider that this paper will have sufficient space to discuss this change.

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[2] Of the 36 ANZSIC industry areas identified for inclusion in an E&IT Board with Creative sectors added, 21 (58%) are currently covered by the Creative, Culture, Recreation, and Technology Workforce Development Council.

15. While the June ISB proposals were considered by the Cabinet Social Outcomes Committee (SOU) and the Orders are being considered by EXP, we understand that this would not present a problem for amending Cabinet's initial decision.

16. As consultation with industry is required before an ISB's Order in Council is issued, all decisions around the final coverage set out in the Orders – including the potential shift of Creative industries – should be taken as being 'in principle', subject to the results of consultation.

If this shift was made we strongly recommend changing the coverage designation of the E&IT ISB to reflect its revised industries

17. With this shift, the majority of sectors covered by the ISB would no longer be included in the 'Electrotechnology and Information Technology' designation. We therefore recommend that the coverage of this ISB be described as 'Electrotechnology, Information Technology, and Creative sectors'. This would preserve the visibility of Electrotechnology and Information Technology areas in the ISB, while accurately reflecting the full range of industries it would cover.

18. An ISB's formal name, as set out in its Order in Council, does not need to be the same as the formal industry designation. The ISB Establishment Advisory Groups will advise on an appropriate name, and this will inform our advice to you on the final content of each Order.

This ISB may need closer monitoring during the initial establishment period

19. There are strong synergies between Information Technology and Creative industries (including the pace of industry development). However, the Electrotechnology and Creative industries have different histories, employer and stakeholder groups, key providers, and current patterns of education and training. This may create stronger competing interests for the ISB to manage than in other Boards. For example, the Creative industries have signalled in earlier consultation that they see a need to develop new products that support new ways of working and training in the sector (e.g. more work-based learning). The Electrotechnology industry, conversely, may more strongly prioritise the review and updating of its existing qualifications.

20. All ISBs will be required to balance different priorities and interests in this way, and we consider that any differences can be resolved. However, it might be appropriate for agencies to more closely monitor this ISB over 2026 to ensure that one set of industries does not unduly dominate governance, standards-setting, moderation or strategic workforce analysis and planning.

Risks and/or issues

21. The key risk from introducing a significant change to ISB coverage at this point is negative reactions from relevant industries. This would affect the credibility and authority of the new ISB if it was carried through. We understand that the TEC considers this change would likely to be well-received by key stakeholders concerned, significantly reducing this risk.

22. The timing of any Cabinet decision agreeing this change would occur too late to be flowed through into initial ISB Board appointments, noting that TEC intends to brief you on candidates for your Ministerial appointees to ISB Boards next week. In the event that Cabinet agrees to this change, the Board can appoint members representing the Creative industries as part of the balance of appointments – noting that up to four positions will be available to accommodate this.

23. On current timelines, there is only a short period between when Orders will be made and 1 January 2026, when ISBs are intended to begin operating. Introducing significant changes

to previous decisions at this point does increase the risk of delays in the Cabinet process. This can be mitigated through the normal process of ministerial and agency consultation for Cabinet Papers, and signalling an early intended change to your colleagues.

Next Steps

24. If you decide to propose shifting Creative industries into the current E&IT ISB, we would reflect this in the Orders in Council that will be consulted once the Bill has been passed. Notwithstanding the results of that consultation and your final decisions, the Order in Council Cabinet Paper would be drafted to include agreement to this change.

Annex

The following is annexed to this paper:

Annex 1: Creative sectors proposed for shifting

Recommended Actions

The Ministry of Education recommends you:

a. **note** that the Industry Skills Board proposals agreed to by Cabinet in June involved Creative industries being covered by the Services Industry Skills Board.

Noted

b. **note** that the draft secondary legislation instruments establishing Industry Skills Boards, including their coverage, will be consulted on once the Education and Training (Vocational Education and Training System) Amendment Bill has been passed.

Noted

c. **agree**, subject to consultation with industry, to seek agreement for most Creative industries to be covered by the proposed Electrotechnology and Information Technology Industry Skills Board in your Cabinet Paper on secondary legislation instruments establishing Industry Skills Boards.

Agree **Disagree**

d. **agree**, subject to consultation with industry, to rename the coverage area for this ISB as being the Electrotechnology, Information Technology, and Creative industries.

Agree **Disagree**

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)

VET Programme Manager

Te Pou Kaupapahere

12/09/2025

Hon Penny Simmonds

Minister for Vocational Education

13/9/25

Annex 1: Creative sectors proposed for shifting

1. Digital design and animation
2. Journalism and content creation
3. Creative writing
4. Creativity and Art
5. Dance
6. Entertainment and events including Audio engineering
7. Fashion
8. Floristry
9. Interior design
10. Jewellery
11. Music including DJ and music production, piano tuning
12. Performing arts including Costumes, Hair and Makeup (for stage and screen), Scenery, Acting and Drama
13. Photography