



# AIDE MEMOIRE

## Talking Points – establishing six Workforce Development Councils

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	19 March 2021	<b>Priority:</b>	Medium
<b>Security Level:</b>	Medium	<b>METIS No:</b>	1254299
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<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose of paper

This aide memoire provides you with talking points to support your discussion at the Cabinet Social Wellbeing Committee, on establishing six Workforce Development Councils (WDC).

### Talking points

- Six WDCs will give industry a central voice in New Zealand’s reformed vocational education and training (VET) system. They will:
  - Provide skill leadership to industry;
  - Set industry skill standards, qualifications and capstone assessments;
  - Endorse programmes and moderate assessments; and
  - Advise the Tertiary Education Commission on its overall investment in VET, and on the mix of VET needed for the industries WDCs cover.
- The Education and Training Act sets the broad regulatory framework for WDCs, including their core functions and duties.

- The Orders in Council (OIC) outline the WDCs governance arrangements, industry coverage areas, any additional functions and indicate how each WDC will engage with its industries.
- The development of each OIC proposal has been led by seven to eight industry and sector representatives who understand the context of their industries, such as the nature of workforce roles, skill acquisition challenges, and the depth of training cultures in their industries.
- I am proposing to prepare six OICs, which reflect the variations of governance arrangements and industry engagement requirements of each sector.
- This reflects industry input into the policy development and the needs of diverse sectors with different workforces and industry needs. A more standard approach has been taken to accountability arrangements and the technical details of governance.
- The proposals cover moderate sized councils (eight to twelve members), where appointments are made by either a selection or appointment committee made up of industry representatives, the council or in some cases the Minister.
- All councils need to have employer, Maori employer and employee representatives. For the employee representative, they must either be nominated or endorsed by a union. If an industry does not have a union then a person with a background in collective representation may be appointed.
- Similar provisions for industry engagement are included across all proposals.
- All the councils set a minimum requirement for the number of Māori members. These numbers vary from 2 members to half the council. In addition, a co-chair model is recommended in several proposals where one of the chairs must be Māori.
- The variation in the numbers of Māori members on each council reflects consideration given during the engagement and consultation periods to the needs and interests of Māori in these industries. Māori have been engaged and consulted on those proposals.

#### Back-pocket notes on Crown Law advice

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- Crown Law's preliminary view is that further work is needed to establish whether there is a robust explanation for the inconsistencies in the proposed Orders in Council as to provision for Māori involvement in governance arrangements, and evidence of consideration of Te Tiriti principles. Evidence showing consideration of relevant matters (in accordance with section 4(d) and 9 of the Act) will be critical in defending any application for judicial review.
- Officials consider that the variation in the numbers of Māori members on each council reflects consideration given during the engagement and consultation periods to the needs and interests of Māori in these industries. Māori have been engaged and consulted on those proposals.
- Crown Law has yet to consider this evidence and to assess the level of risk. If officials establish that further work is required to support the proposals, matters will be resolved ahead of the passing of the Orders in Council.