

Education Report: Encouraging micro-credentials and other short, flexible tertiary education and training options

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| To: | Hon Chris Hipkins, Minister of Education | | |
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| Messaging seen by Communications team: | No | Round Robin: | No |

Purpose of Report

This report outlines actions that education agencies plan to take within current government policy settings, to promote the uptake of micro-credentials, individual courses, and other flexible tertiary education and training options. s 9(2)(f)(iv)

We recommend that you refer this report to Employment, Education and Training Ministers for their information and identify any items about which you require further information.

Summary

To promote lifelong learning in a dynamic economy, New Zealand's education system needs to do more to support micro-credentials and other short flexible tertiary education and training options. The current labour market disruption caused by the COVID-19 pandemic highlights the need to help people upskill or retrain and quickly redeploy to new jobs. More flexible learning options will also help our economy respond to long-term *Future of Work* trends in technology, climate change, demographics and trade.

Education agencies propose four actions to improve access to micro-credentials and other flexible short education and training options. These actions also address recommendations in the Productivity Commission's April 2020 *Technological Change and the Future of Work* report which are consistent with the reform of vocational education (RoVE) and the Government's draft Tertiary Education Strategy. These actions are broadly supported by sector leaders we have consulted, and in submissions received by the Productivity Commission. They are also consistent with proposals offered by the Council of Trade Unions and Business New Zealand through the *Future of Work Tripartite Forum* to promote upskilling and lifelong learning.

- **Action 1 – Clarify that students can enrol in single courses and get tuition subsidies.** Tertiary Education Organisations' (TEOs) willingness to enrol students in individual courses appears to be limited by a widespread misunderstanding of current funding rules, across the tertiary education sector and within the education agencies. The mistaken view is that to attract tuition subsidies, students must enrol in a full programme leading to a NZQF qualification, or in a training scheme or "certificate of proficiency" awarded by the provider. In fact, the Tertiary Education Commission (TEC) can fund students enrolled in

single courses. The Ministry of Education and the TEC will work to clarify the rules with providers so they are more likely to offer and promote individual course options to learners.

- **Action 2 – Ease TEC funding rules for micro-credentials and short programmes.**
To encourage providers to invest in developing new micro-credentials and other short flexible programmes, the TEC will review its current rules limiting funding for such delivery, with a view to removing unnecessary restrictions while continuing to manage risks.
- **Action 3 – Give more support to parties seeking to develop micro-credentials, and clarify how micro-credentials can be “stacked”**
Education agencies will coordinate efforts to support tertiary education providers and industry/sector organisations to consider if micro-credentials may be appropriate for their learners and workforces. The New Zealand Qualifications Authority (NZQA) can clarify how registered micro-credentials can be “stacked” or credited towards larger credentials and qualifications.

The three actions above can be undertaken within current policy settings.

- s 9(2)(f)(iv)

A range of ongoing and future work will support uptake of micro-credentials and flexible learning options, including: simplifying and modernising the vocational qualifications system, establishing Workforce Development Councils (WDCs) as bodies that can create micro-credentials, and ongoing reviews of other policy settings and rules to improve responsiveness.

Recommendations

Clarify that students taking individual courses can receive TEC tuition subsidies

- a. **Note** that contrary to an apparently widespread misunderstanding, no current government policy or rule prevents the TEC from paying tuition subsidies to providers for domestic students who enrol in individual courses and not in a longer programme.
- b. **Note** that the Ministry and the TEC intend to clarify for TEOs that:
 - i. current ministerial funding determinations (mirrored in TEC funding conditions), allow the TEC to fund TEOs for students who enrol in individual courses,
 - ii. to be funded, *courses* must be drawn from a quality-assured programme or training scheme, but *students* need not enrol in the whole programme or training scheme,
 - iii. students who enrol in individual courses do not affect TEOs’ programme completion rate measures used in Education Performance Indicators (EPIs).

Ease restrictions on TEC funding micro-credentials and short programmes

- c. **Note** that current ministerial funding determinations require the TEC to limit the delivery of micro-credentials, training schemes and other short education and training options, but the TEC has discretion about how it does this.
- d. **Note** that the TEC is considering changes to its current criteria and operational policies that limit funding for and delivery of micro-credentials, training schemes and other short education and training options, including:

- i. removing the current 5 percent cap on the proportion of each fund that can be used for short programmes,
- ii. removing or limiting the application of the rule that limits each TEO's delivery of micro-credentials and short programmes to 5 percent of its total delivery by value, unless the TEC has approved an exception.

Support organisations seeking to develop micro-credentials, clarify how micro-credentials can be "stacked"

- e. **Note** that the Ministry of Education, the TEC and NZQA will coordinate efforts to support TEOs and industry/sector organisations that want to explore whether micro-credentials offer appropriate upskilling options for their learners and workforces.
- f. **Note** that NZQA will clarify how registered micro-credentials can contribute towards larger credentials and qualifications offered by the same provider, or (through credit recognition and transfer and recognition of prior learning) by other providers.

s 9(2)(f)(iv)

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h.

AGREE / DISAGREE

Ongoing and future work

- i. **Note** that education agencies are working on a range of other longer term policy, funding and regulatory issues and options that affect micro-credentials, including looking at the qualifications framework and quality assurance system, fee regulation, and wider student loan and allowance rules.
- j. **Forward** this report to Employment, Education and Training Ministers for their information and for noting or discussion at their meeting on 6 August.

AGREE / DISAGREE

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04/08/2020

Hon Chris Hipkins
Minister of Education

10/8/2020

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Introduction

Short-courses, such as micro-credentials are becoming increasingly important

1. To support upskilling and reskilling, our tertiary system needs to support more flexible and effective short education and training options to meet the needs of displaced workers and of employers reshaping their businesses.
2. The COVID-19 pandemic's impact on New Zealand's economy and labour market pose major challenges for the tertiary education and training system. More people will need opportunities to upskill and retrain quickly, while maintaining their attachment to the workforce so they can quickly take up new job opportunities.
3. Beyond the immediate pressures created by COVID-19, New Zealand's labour market and economy face ongoing change driven by new technologies, climate change, demographic trends and shifts in global trade. Through the tripartite *Future of Work* forum, the Government, Council of Trade Unions and Business New Zealand have all identified workforce skills development as a priority area.
4. The Productivity Commission's April 2020 report on its *Technological Change and the Future of Work* inquiry also highlighted the need for more flexible and responsive education and training options to meet the skills demands of a dynamic economy. The Commission's findings and recommendations concerning workforce skills and training are set out in Annex One. The actions proposed in this report respond to four of the Commission's recommendations. Other recommendations can be addressed as employment, education and training agencies advance other aspects of our work programme, and/or when a formal Government response to the Commission's report is developed.
5. Overall, New Zealand's tertiary education and training system is fairly well-equipped to respond to changing needs of learners and employers. However, there are opportunities for improvement that should be taken now, as the labour market disruption caused by COVID-19 drives a change in priorities towards supporting immediate employment outcomes.

More flexible lifelong learning options should not compromise the value of longer qualifications

6. For most people, especially young people and those with limited work experience, completing a substantial tertiary qualification early in their career offers the greatest long-term benefits, both in the labour market and in broader aspects of wellbeing. The income premiums offered by employers reflect the value of the transferable skills and deeper conceptual knowledge that longer qualifications can help people to develop.
7. However, shorter modular and job-specific training options can help people to progress in their chosen careers, to redeploy into new career opportunities, or to find an entry point into employment or further education. Such short courses and credentials can complement people's existing qualifications, and/or build towards further qualifications.
8. New Zealand has made some good progress in recent years developing systems to recognise and fund high-quality micro-credentials. However, progress has been gradual and cautious. Our tertiary education and training system is still broadly oriented towards multi-year full-time study. Providers are encouraged to focus on completion of longer qualifications, and funding for shorter programmes (including micro-credentials) has been constrained.

There are some 'quick win' actions we can take now to support uptake of micro-credentials

9. We propose four relatively quick changes to policy, regulatory and operational settings to support uptake of micro-credentials, promote lifelong learning, and to ensure that public investment in education and training is better-aligned with employer and industry demand for skills. These actions are consistent with the direction of change set by RoVE and by the Government's draft Tertiary Education Strategy.
10. Three of these actions can be undertaken within the current policy settings:
 - a. Clarifying that students can enrol in single courses and receive tuition subsidies, and that providers need not enrol people in longer programmes
 - b. Easing some TEC funding rules that restrict funding for micro-credentials, training schemes and other short programmes
 - c. Coordinating proactive support for organisations wanting to explore whether micro-credentials offer appropriate upskilling options for their learners and workforces. As part of this, NZQA can clarify rules and guidance for how micro-credentials can be "stacked" and credited toward larger credentials or qualifications.

11. s 9(2)(f)(iv)

We support a broadly enabling approach to micro-credentials, while managing risks

12. Some current policy settings and practices overly constrain tertiary education organisations' responsiveness, and limit learners' access to suitable education and training options. These constraints developed over time as part of efforts to direct investment in line with evidence about outcomes for learners, manage budget constraints, remove low-quality provision and improve qualification completion rates. While seeking to address genuine issues, these funding and regulatory changes have over time contributed to the system's tendency to favour full-time study in longer programmes, over part-time, short-cycle and work-integrated learning options.
13. Quality assurance and performance monitoring have strengthened in recent years. Poorly performing TEOs have exited or improved. Provider funding is less formulaic and more effectively managed within budget constraints. The establishment of the New Zealand Institute of Skills and Technology (NZIST) will shift the incentives and focus of the polytechnic network from competitive differentiation and fragmentation towards greater coordination and consistency. Under ROVE, a stronger voice for employers and industry will help to ensure that programmes, qualifications and government investment is focused on skills and capabilities that are valued in the labour market.
14. Adopting a more enabling approach to funding and regulating short flexible education and training options such as micro-credentials will help position New Zealand to respond to COVID-19 and longer-term economic and social shifts. Past issues and risks with short courses can be managed through:
 - a. the TEC's investment processes and performance monitoring of TEOs,
 - b. NZQA's regulatory roles to ensure quality; leadership and culture within the NZIST and other TEOs, and
 - c. close engagement with sector stakeholders (in particular WDCs) to monitor, evaluate and adapt to ensure these changes are effective and risks managed.

Action 1: Clarify that students can enrol in single courses and get tuition subsidies

TEOs are not required to enrol students in whole programmes to receive TEC funding

15. In some cases, selected individual courses may offer what people need to upskill, refresh their formal education, and gain specific new skills. This is particularly likely for people who have work experience and already hold a substantial tertiary education qualification, but it may also apply to people looking for a first taster of formal study.
16. The Productivity Commission's *Technological change and the future of work* report repeated a recommendation from its 2017 *New models of tertiary education* report:
To support a dynamic labour market, the Government should extend funding to tertiary education providers for adult students who do not intend to pursue full qualifications.
17. This recommendation was broadly supported by tertiary education organisations and employers. Education agencies support the intent of this recommendation.
18. However, current Government policy does not, in fact, prevent the TEC from funding providers for enrolling domestic students in individual courses. The Productivity Commission's recommendation reflects a widespread misunderstanding of current funding policy across the tertiary education sector and in the education agencies.

| What people think the rule is | What the rule actually is |
|--|---|
| To receive TEC funding for a student, TEOs <i>must</i> enrol them in a whole quality assured programme leading to a NZQF qualification (or in a quality assured training scheme leading to an award), even if they only want to complete a single course, or selected courses. | The TEC can fund TEOs for a student enrolled in a single course, <i>provided</i> the course is drawn from a quality assured programme or training scheme. |

19. The policy's intent is to ensure courses are subject to quality assurance as required the Education Act 1989. Quality assurance processes apply to programmes rather than to individual courses, so the way to ensure the quality of individual courses that TEC funds is to require that they form part of quality assured programmes or training schemes.
20. Current funding and reporting guidance for TEOs may reinforce the misperception that students must enrol in a programme to be eligible for TEC funding. It may also lead providers to offer individual courses as micro-credentials, COPs or CPIs when such awards do not offer additional value for learners, but are seen as a kind of work-around to comply with TEOs' understanding of the funding rules.

The Ministry and TEC are working to simplify and clarify funding rules dispel this misconception

21. Current policy and guidance about funding and reporting enrolments in individual courses is complex and difficult to navigate, leading to this misconception that TEOs must enrol students in whole programmes to receive TEC funding.
22. The Ministry is working with the TEC to simplify and clarify the rules. If this work identifies potential changes that would require ministerial or Cabinet decisions, we will report to you with advice and recommendations. No changes to current ministerial funding determinations for SAC Level 1-2 and Level 3+ are required to achieve this change. However, we will look to clarify the wording of future funding determinations to ensure the policy intent is more explicit.

Action 2: Ease TEC funding rules for micro-credentials and short programmes

23. The TEC is reviewing its current operational policy and funding conditions to give TEOs greater scope and certainty to invest in developing and expanding delivery of micro-credentials and other short programmes. These changes can be completed within existing policy settings.

The TEC can change its rules constraining the scale of delivery of micro-credentials, training schemes and other short programmes such as Certificates of Proficiency.

24. Ministerial funding determinations require the TEC to limit funding available for training schemes, micro-credentials, and Certificates of Proficiency (COPs). This requirement aims to manage risks such as have arisen in the past where TEOs pursuing revenue growth from short programmes offered fragmented and low-quality offerings for learners and displaced employer investment in workforce training.
25. The TEC has discretion to decide the rules and criteria it uses to limit funding for this type of delivery. Under the current TEC rules:
- Total* funding for micro-credentials, etc, cannot exceed 5% of the total value of the Student Achievement Component (SAC) funds for Level 1-2 and Level 3+ provision.
 - Individual* TEOs' delivery towards micro-credentials, etc, must not exceed 5% of the dollar value of their total delivery, unless TEC approves an exception to this cap.

The Productivity Commission, TEOs, the Ministry, and TEC support easing restrictions on funding micro-credentials and short programmes

26. The Productivity Commission recommends removing both these 5 percent caps altogether. Submissions the Productivity Commission received from TEOs and employer/industry groups broadly supported this recommendation. The TEC and the Ministry also support the recommendation, especially regarding the provider-level cap.
27. The 5 percent cap on total SAC funding for training schemes and micro-credentials is not a binding constraint, in practice, as current delivery is well below this level. However, it may act as a signal that discourages providers from developing short training options, especially when combined with other messages emphasising the completion of qualification, such as in the 2014 Tertiary Education Strategy and through the history of developing and applying EPIs to rate TEOs' performance and prioritise TEC investment.
28. Although the TEC can and does approve case-by-case exceptions, the 5 percent cap on individual providers' delivery of micro-credentials and other short programmes can send a deterrent signal and create regulatory uncertainty. This may discourage providers from investing to develop new training schemes and micro-credentials, or seeking to identify and meet learner demand for short education and training options.
29. In developing new rules and criteria to limit funding, the TEC may choose to retain limitations on some TEOs' for this kind of provision to manage risks. This can be applied on an exceptions basis rather than as a default setting constraining all providers unless it is waived.
30. The purpose of the 5 percent caps in managing risks can be achieved with the separate constraint on funding for health and safety and other compliance programmes, the TEC's role in approving providers' investment plans and monitoring performance against these Plans, and through quality assurance processes.

Action 3: Give more support to parties seeking to develop micro-credentials, and clarify how micro-credentials can be “stacked”

31. The regulatory and funding frameworks for NZQA-registered and TEC-funded micro-credentials have been in place for nearly 3 years. However, to date the rate of uptake of micro-credentials by TEOs and industry organisations has been relatively low, despite ongoing discussion and interest in them as a way to meet industry skills needs and give workers faster more flexible upskilling options.
32. The Ministry of Education, NZQA and the TEC will look to take a more proactive and coordinated approach to supporting TEOs and industry or professional groups that want to explore whether micro-credentials may offer appropriate solutions for their learners and workforces. This will include working with other government agencies, so they can help actors in the sectors they serve to understand and navigate the process of developing new micro-credentials.
33. The Productivity Commission recommended that NZQA should modify its rules to permit “stacking” of micro-credentials towards larger qualifications (Rec 4.6). The Commission’s view is that current rules are overly restrictive, and stackable micro-credentials can be more valuable to learners and employers, as they can then be built up to achieve and demonstrate mastery of larger skill sets and fields of knowledge.
34. It is technically possible under current rules for micro-credentials to be stacked towards larger NZQF qualifications.
 - a. New NZQA approved micro-credentials can be included as components/courses contributing to the approved provider’s other larger programmes
 - b. Providers can use Credit Recognition and Transfer policies to award credit for NZQA-approved micro-credentials awarded by other providers, and
 - c. Providers can use Recognition of Prior Learning to award credit for relevant micro-credentials (including for micro-credentials that are not on the NZQA register).
35. However, since opening the micro-credentials register in 2018, NZQA’s criteria for recognising new micro-credentials have discouraged the duplication or fragmentation of existing programmes – new micro-credentials must fill gaps in the existing range of credentials and qualifications.
36. This precautionary approach has been appropriate as we explore how best to integrate micro-credentials in the regulated and funded tertiary education system. But it should be reviewed as we seek to more actively promote flexible education and training options. Providers should be allowed to package courses that form part of existing programmes as micro-credentials, if they can demonstrate that the micro-credential is coherent and will have value in the labour market.
37. NZQA can communicate more actively and clearly to providers that new micro-credentials on the register of micro-credentials can be “stacked” toward larger credentials and qualifications. Clarifying this may help to encourage providers to develop new micro-credentials and to design them as stackable components of larger programmes.
38. For the future, NZQA can consider easing current criteria restricting the creation of new micro-credentials from existing courses for other programmes, or with content that overlaps with existing programmes. However, this will need to be sequenced with work underway to review the vocational qualifications system (as discussed under future work below).

Ongoing and future work that will likely support uptake of micro-credentials

47. The four actions outlined above will help to improve the flexibility of tertiary education and training options, to meet the challenges of the current economic climate, support the RoVE and promote lifelong learning in a dynamic economy.
48. A range of other ongoing and future work can also support uptake of micro-credentials and flexible education and training options.

Simplifying and modernising the vocational qualifications system:

49. As discussed in your 1 July strategy session with education officials, NZQA is leading work on changes to the vocational qualifications system. Potential legislative, policy and functional changes include:
 - a. Reviewing the NZ Qualifications Framework - to recognise a wider range of credentials (including micro-credentials), make vocational skills and transferrable skills more visible, and simplify the range of credentials (eg: removing distinctions between micro-credentials and other training schemes),
 - b. Developing a new approach to the design and quality assurance of vocational qualifications and credentials: reflecting WDC's roles under RoVE; considering common national curriculum and teaching/assessment resources for core vocational qualifications; and considering removal of the 'programme' layer in the vocational qualifications system,
 - c. A law change to allow WDCs and other third parties to develop micro-credentials and training schemes that can be delivered by multiple providers. Under current law and subsidiary NZQA Rules, each micro-credential must be approved separately for each provider that delivers it.¹ And NZQA approval of a "package of learning" is combined with approval to deliver it, so that WDCs and other organisations that are not tertiary education providers cannot currently develop and seek approval for training schemes and micro-credentials.
 - d. Giving NZQA more flexibility to vary rules for approval and quality assurance of micro-credentials, such as the current annual review requirements.

Fee regulation for micro-credentials

50. You recently approved for consultation new draft rules regulating student fees for micro-credentials funded through the Student Achievement Component (SAC) funds [Consulting on tertiary fee regulation settings for 2021, 22 July 2020, Metis 1229901]. This is especially important where micro-credentials are eligible for Fees-Free support and, potentially, for student loans in future. Consultation will be completed in mid-August and we will provide advice on submissions so you can finalise decisions on fee regulation for 2021 by the end of August.

Student loan and student allowance eligibility rules

51. Training schemes, micro-credentials and courses that are not part of a *programme* for a NZQF qualification are not currently eligible for student loans and student allowances. As micro-credentials expand and more substantial micro-credentials are offered, we need to reassess whether current boundaries and criteria for accessing loans and

¹ Section 251 of the Education Act (1989), reproduced as section 416 of the new Education and Training Act (2020)

allowances are appropriate. This links to NZQA's work considering the removal of the "programme" layer in the vocational qualification system.

Resourcing for Workforce Development Councils and Providers to develop new micro-credentials

52. Workforce Development Councils will be responsible for qualification and standards development and review. We expect WDCs to prioritise their efforts when first established in line with the needs of their industries. For many this is likely to include ensuring shorter, smaller programmes are available for learners. Transitional ITOs have already developed a significant number of micro-credentials in response to industry needs.
53. The Ministry of Education will work with the TEC to assess whether to expand the scope of the current Qualifications Development Fund so that the TEC can use it to fund organisations wishing to develop micro-credentials. At present, this fund is available only to help develop new programmes leading to NZQF qualifications.

Ongoing review of other policy settings and rules to improve responsiveness

54. There is an ongoing review of other policy settings and rules to improve responsiveness, including:
 - a. Checking that NZQA's and TEC's rules and processes to recognise and fund micro-credentials are working well. For example:
 - Is the requirement that micro-credentials "not duplicate current quality assured learning approved by NZQA" achieving its aim (avoiding undue proliferation and fragmentation of programmes) without unduly constraining responsiveness?
 - Are clearer rules needed to ensure micro-credentials are not too narrowly focussed on teaching people to work with particular proprietary technologies, products or processes rather than developing skills that have broader application in an occupation or industry?
 - b. Considering whether to revise current policy settings, rules and conditions for other funds and forms of provision. For example:
 - Should rules for Maori and Pasifika Trades Training be revised to allow micro-credentials and training schemes to be included in the mix of provision, and/or to remove the current 40 year maximum age for students enrolling in MPTT?

International collaboration opportunities

55. Many jurisdictions are exploring ways to integrate micro-credentials into their formal tertiary education and training systems, and to improve access and flexibility of retraining options for displaced workers. Education agencies are engaged with international partners including through the OECD and trans-Tasman relationships. Australia's Commonwealth Government recently announced plans to develop a new national micro-credentials marketplace, which may offer opportunities for collaboration.

Micro-credentials and flexible short programmes in universities and higher education.

56. Through Universities New Zealand, we are engaging with university leaders to explore how universities could develop short and flexible programmes for mid-career people seeking to upskill and redeploy. Universities have considerable latitude to develop new credentials, but there may be ways that education agencies can support innovation such as work-integrated courses.

Options to ensure broad access to work-based and vocational training

57. Two other Productivity Commission recommendations concerning workforce training will be addressed in the context of the RoVE work programme:

a. *Access to work-based learning for trainees who are not employees*

The Industry Training Fund is currently limited to people who are employees with training agreements that form part of their employment agreement. This excludes employers, the self-employed, and many contractors and volunteers who may benefit from the same work-based and work-integrated training, and it has limited ITOs' ability to serve all workers and workplaces. We will explore options to expand the coverage of the current Industry Training Fund, and to ensure the future Unified Funding System is fit for purpose with a diverse and dynamic workforce.

b. *Ensuring that people with work visas continue to have access to industry training*

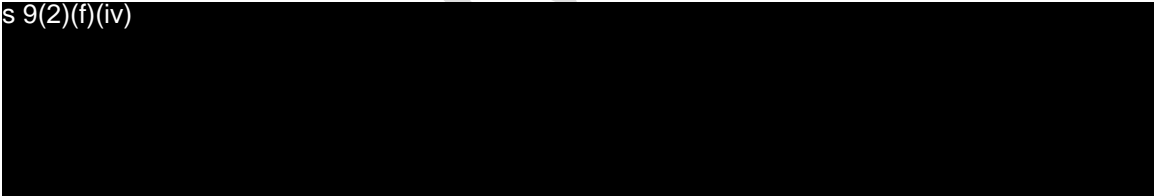
The Productivity Commission noted it is unclear how employees with work visas will be treated as the industry training system (where they are eligible for funded training) is integrated with provider-based delivery (where they would be treated as full-fee paying international students).

Next steps

58. We recommend that you forward this report to Employment, Education and Training (EET) Ministers for their information, and for noting or discussion at their meeting on 6 August.

59. We understand that the TEC Board may consider changes to its funding rules for micro-credentials and short programmes (Action 2) in early September.

60. s 9(2)(f)(iv)



Work to develop a formal overall Government response to the Productivity Commission's report has been deferred as Ministers and agencies have prioritised Covid-19 responses. However, agencies will consider and provide EET ministers with advice on the Commission's other findings and recommendations as we progress related work, including ROVE implementation, updating ministerial tertiary education funding determinations, and progressing the careers system strategy.

Other findings and recommendations related to workforce skills and training

Recommendation 4.7

In implementing its reforms of the vocational education and training system, the Government should widen access to work-based education and training to all people in the workforce and to volunteers, and avoid unnecessarily restricting access based on employment status.

Recommendation 4.8

In implementing its reforms of the vocational education and training system, the Government should ensure that migrants legally entitled to work in New Zealand:

- continue to have access to publicly funded work-based vocational education and training on the same terms as other workers;
- gain improved access to workplace-based literacy, numeracy and foundation skills programmes on the same terms as other workers; and
- have access to the same benefits and opportunities that other workers may gain from the reforms to the vocational education and training system.

Finding 4.6

Improving career advice and services is important for a dynamic labour market. Given current demands on the TEC, it may struggle to lead development of effective careers advice and services.

Recommendation 4.9

The Government should strengthen the TEC's mandate and resource it sufficiently to lead development of quality careers advice and services for New Zealanders of all ages.

Finding 4.7

Tertiary students face substantial and unnecessary barriers to changing course in tertiary education, often bearing high costs from initial mistakes or changing their mind. Tertiary education providers sometimes block credit transfers, and otherwise provide little information about credit transfer arrangements or make it time consuming and costly for students to negotiate.

Recommendation 4.10

The Government should use the conditions it attaches to government funding for tertiary education to encourage credit recognition and transfer systems that work in the interests of learners and employers, rather than in the interests of tertiary education providers.

The Productivity Commission's Technological Change and the Future of Work report and related material is available online at: <https://www.productivity.govt.nz/inquiries/technology-and-the-future-of-work/>