

19 May 2025

Tertiary Education Commission  
Via survey portal

## Re: Consultation on Industry Skills Boards' Coverage

**Q. Overall, do you support the proposal to establish seven Industry Skills Boards? Please rate your level of support below.**

- ☐ **Very supportive**
- ☐ **Somewhat supportive**
- ☐ **Neutral**
- ☐ **Somewhat not supportive**
- ☒ **Not supportive at all**

**Q. What aspects of the proposal do you support, and why?**

*Engineering New Zealand appreciates the Government's commitment to strengthening the vocational education system. Engineering New Zealand is interested in maintaining the integrity of the vocational system. We want to ensure that nationally consistent high-quality training is developed to support and build the workforce of the future, and that the system leverages current expertise in the industry.*

*A core part of this reform must involve the voice of industry and its expertise on what is needed. We therefore support industry positions being on the governance structure alongside the Ministerial appointees. We are also happy to see that advice from ISBs to TEC has now been retained.*

*However, as discussed in question 3, we have strong reservations about the proposal to establish seven ISBs.*

**Q. What aspects of the proposals do you have concerns about, and why?**

**1. *There are too many ISBs being proposed***

*We do not believe seven is the optimal number of ISBs. Expecting a greater number of entities to deliver very similar functions as the Workforce Development Councils (WDCs), but with less resourcing, does not in our view seem achievable. We consider less ISBs would be more efficient and effective.*

*An additional benefit of reducing the number of ISBs would be engineering could be consolidated within less ISBs. Engineering is a cross-cutting discipline that was previously supported by two WDCs. Under the new proposal, it is fragmented across at least four ISBs: Automotive, Manufacturing, Building & Construction, and Infrastructure.*

*For instance, four ISBs could be configured as follows:*

- *Manufacturing, automotive, technology & information technology*
- *Infrastructure, building & construction*
- *Food and fibre industries*
- *Service industries, social and community industries.*

*The benefits of these four ISBs are that bigger entities would be more efficient and allow for economies of scale. Engineering would only be split over two ISBs. This grouping separates out software from other service industries and links with technology. This consolidated approach would also make industry engagement easier and more effectively attract representation from the industry.*

**2. Role of VEE.NZ should continue**

*The reforms have been silent on the role of the existing organisation Vocational Engineering Education, New Zealand (VEE.NZ).*

*We recommend the reforms leverage the expertise of VEE.NZ, rather than recreating their function in the new system. NZQA recognises VEE.NZ as the industry standards-setting body for the Level 6 and 7 vocational engineering qualifications related to civil, mechanical, electrical and fire engineering. VEE.NZ's standards setting role is recognised by Waihangara Ara Rau and Hanga Ara Rau, with both organisations represented on the VEE.NZ Board.*

*These qualifications prepare graduates for work in a range of industries and span several current WDCs. VEE.NZ's extensive network, which includes ITPs and PTEs across the whole of New Zealand, enables VEE.NZ to maintain a close relationship with the industry.*

*In our view, retaining the current VEE.NZ arrangements is the most effective and efficient approach to achieving your goals and ensuring a smooth transition for a group of engineering qualifications that are critically important to the engineering profession and NZ inc.*

**3. Happy to discuss options**

*Engineering New Zealand would welcome the opportunity to discuss these matters. There are alternative options that could be considered for the Engineering Diploma and how it fits into the new vocational model.*

**Q. Do you have feedback relating to a specific industry?**

- ☒ Yes
- ☐ No

**Q. Which industry or industries does your feedback relate to?**

- ☒ Food and Fibre industries
- ☐ Construction industries
- ☐ Infrastructure industries
- ☐ Manufacturing and Technology industries
- ☐ Automotive industries
- ☐ Social and Community Services industries
- ☐ Services industries
- ☐ Business and Administration industries
- ☒ Information Technology industries
- ☐ Creative Arts industries
- ☐ Other (please specify)
- ☐ Don't know
- ☐ Not applicable

**Q. Can you specify the name of the industry (a detailed industry name, NOT a broad industry grouping) that your feedback relates to?**

**Name of Industry:**

Engineering

**Q. Will your industry/sector be covered by an ISB or NZQA in the proposal?**

- ☒ **It will be covered by an ISB**
- ☐ It will be shifted to the NZQA
- ☐ I don't think it will be covered by either an ISB or NZQA

**Q. You reported that your industry is covered by one of the seven ISBs. How supportive are you of the decision to assign your industry to the ISB it has been allocated to?**

- ☐ Very supportive
- ☐ Somewhat supportive
- ☐ Neutral
- ☒ Somewhat not supportive
- ☐ Not supportive at all

**Please tell us more about the reasons for your answer.**

As discussed in question 3, engineering is fragmented across at least four ISBs, which risks undermining consistency and efficiency. Fewer ISBs would better support engineering as a cross-cutting discipline. The proposal is also silent on VEE.NZ, which plays a critical standards-setting role that should be retained.

**Q. Do you have any other feedback about the proposal?**

**1. Direction of the reform**

*We are disappointed that the WDCs are being disestablished and replaced with a structure that appears very similar. This approach creates unnecessary cost, disruption, and uncertainty for staff, while duplicating much of the work already completed during the establishment of the WDCs.*

*To support continuity and reduce transition costs, we strongly recommend that existing WDC staff be transferred into the new ISBs wherever possible. Retaining institutional knowledge will be critical to the success of the new system.*

**2. ISB temporary training role**

*We also do not understand the rationale for the temporary ISB training role and how it would work in practice. We consider this needs further discussion with the industry.*

**3. The industry levy**

*We are supportive of the concept of ISBs being able to charge providers for moderation and programme endorsement activities. However, we would like to see the ability for specialist bodies, such as VEE.NZ, to be able to utilise this levy or to receive the funding from it through some form of delegation arrangement from an ISB. VEE.NZ does not currently receive funding from other sources and future funding arrangements for the important standards setting function they provide, and it is important that they are formally recognised and compensated for the role they play in the system.*

*Additionally, it is important that the industry levy is used in conjunction with sufficient public funding. We have concerns that the industry may end up paying a disproportionate amount due to the desire to reduce overall public funding.*

*We are also unclear how the levy will work and be collected, particularly for diverse industries like engineering.*