

Submission by:



to the

Education and Workforce Committee

on the

Education and Training (Vocational Education and Training System) Amendment Bill

18 June 2025

SUBMISSION BY BUSINESS NEW ZEALAND ON THE EDUCATION AND TRAINING (VOCATIONAL EDUCATION AND TRAINING SYSTEM) AMENDMENT BILL (THE BILL).

1. INTRODUCTION

BusinessNZ¹ welcomes the opportunity to make a submission on the Education and Training (Vocational Education and Training System) Amendment Bill. It wishes to appear before the Select Committee to present its submission.

RECOMMENDATIONS

BusinessNZ recommends:

- 41 amendments are made to the Bill to strengthen the industry leadership role in the vocational education system. The detail on recommended legislative amendments are attached in Appendix One;
- The legislation is focussed on the strategic priorities of lifting the skill level of the workforce, improving productivity and generating employment outcomes for learners;
- In regards to polytechnics – ensuring that the legislation clearly reflects the applied nature of vocational education, notably by defining the scope of research activities as industry-focussed or practice-oriented; ensuring consistency of governance arrangements and enabling federation polytechnic services to be available widely to the sector via fee for service arrangements;
- Retaining the existing provisions for industry training levies in the Education and Training Act 2020;
- Inserting new provisions to build employer confidence in the vocational system, notably greater levels of accountability and transparency; including return of service provisions in training agreements to build confidence to invest; and broadening the scope of ISB functions and fee charging provisions to enable the organisations to be more responsive to a broad range of industry needs.
- In regards to ISB's – the scope and possible functions is expanded, there are requirements on government agencies to provide information to ISB's and industry to inform decision making on provision arrangements; and ISB governance is enabled to perform their roles without requiring agency or Ministerial intervention for matters they are responsible for.

2.0 COMMENT

2.1 BusinessNZ strongly support the need for change in the vocational education system to ensure it delivers the skills and capabilities that underpin New Zealand's economic performance and workforce resilience. As industries adapt to new technologies, consumer demands and workforce pressures, the vocational education system must be agile and industry-aligned and lift the technical skills of the workforce.

2.2 Vocational education in New Zealand has undergone a series of reforms over the past two decades, yet persistent systemic challenges remain. Chief among these are longstanding issues around financial viability, with many providers struggling to operate sustainably under fluctuating enrolments and funding models. Compounding this is a lack of clarity and consistency around the purpose and function of vocational education, leading to fragmented delivery and duplication across institutions. The system has been driven by a

¹¹ Background information on BusinessNZ is attached as Appendix 1.

compliance-oriented focus on funding and qualifications, rather than delivering meaningful, relevant, and coherent learning experiences that effectively transition learners into employment or further training. This misalignment undermines the effectiveness of vocational education as a pipeline for skills development and limits its value to both learners and employers. The declining performance of the vocational skills system and overall skill levels in the workforce is stark, noting a 20 point drop in adult literacy and numeracy skills in a 2024 OECD survey, and 63% employment outcome rate for polytechnic graduates, sourced from the last Te Pukenga Annual Report. There is strong labour market demand for vocational skills, evidenced by vocational level occupations representing the majority of work visas issued by Immigration NZ.

- 2.3 While the Bill signals a structural shift in the vocational education system, it falls short of enabling the significant change required to genuinely lift skill standards across the workforce. Key powers remain within government agencies, limiting the ability of industry to influence outcomes in a timely and meaningful way. There is no substantive change to the functions or levers that would signal a new expectation for the sector to become more responsive and adaptive to rapidly evolving skill needs. The leading vocational systems globally are 'industry led and government enabled'.
- 2.4 The Bill lacks clarity around the purpose and functions of the new organisational entities and how they will strategically drive improvements in workforce capability. The previous round of reforms led to considerable scope creep, role confusion, and duplication across the system. For the new model to be effective, it must be clearly defined, practically workable, and shaped in partnership with the sectors it is meant to serve.
- 2.5 The reforms proposed in this Bill carry a high degree of risk, particularly given the scale of organisational change and the absence of robust implementation detail. The Regulatory Impact Statements are insufficient to assess the operational, financial and workforce consequences.
- 2.6 Lifting the technical skill standards expected from graduates will lift business confidence in the vocational system. There is significant investment from industry in skills training, with a notable trend in recent years of companies choosing online, offshore or uncredentialed training that is better quality, lower cost, more relevant to industry need and delivered more efficiently. Businesses should be able to choose the best provision that meets the needs of its workforce and organisation and there will need to be a significant shift from both ISB's and polytechnics to demonstrate responsiveness to industry need and offer provision that is innovative and competitive in a global market.

3.0 Comment: Polytechnics

- 3.1 BusinessNZ supports the reinstatement of the polytechnics as individual entities, noting that the underlying financial issues were not resolved by amalgamation of institutions under Te Pukenga, and worsened in the case of a number of institutions.
- 3.2 It is important to note that by reinstating the autonomy of polytechnics, there is opportunity to utilise existing government levers more effectively. For example, the investment plan process for administering funding enables a more nuanced approach by TEC than is currently used, to design key metrics that are better suited to the challenges of

individual institutions and the needs of local industry and communities. Setting clear expectations for the strategic purpose for the new institutions and ensuring there is good quality leadership that is geared towards reinvigorating the institutions will be important.

- 3.3 The federation of polytechnics has been utilised in other countries with some success. Reducing costs through the sharing of good and services makes financial sense, however BusinessNZ recommends the federation is positioned as an opt-in and 'menu' option for all polytechnics that may be able to find efficiencies through some of the service offerings of the anchor polytechnic, rather than having to be designated as a federation polytechnic or anchor polytechnic. This could enable greater scale of some initiatives to drive greater cost efficiencies.
- 3.4 A key difference with international anchor polytechnics is the need for the institution to be a high performer with a broad range of expertise in all areas that fulfil a polytechnics purpose. For example, the Southern Alberta Institute of Technology offers a broad range of courses and delivery modes and has an applied research centre offering 80 industry researchers and over 70,000 square foot of laboratory space. There is a risk of applying this model to New Zealand, where institutions may have a specific regional or delivery specialty and a strong balance sheet, but cannot support the full suite of polytechnic functions as outlined in Part 314.
- 3.5 BusinessNZ recommends that the board's of federation polytechnics are limited to six members (or has another governance arrangement). Although the governance structure and duties is specified in the legislation, it is reasonable to expect tertiary governance to abide by the expectations for company directors. A key principle of this is autonomy of the board, which is reduced when legislation compels organisations to use particular services and reduces the decision-making ability of board members.
- 3.6 BusinessNZ recommends the polytechnic characteristics explicitly state that research at polytechnics is to be industry focussed or practiced oriented. Academic research is within the public scope of the Universities and Crown Research Institutes, with a review of polytechnic research activities showing that staff undertaking research appear to be doing so largely while completing PhD's under University supervision. Clarity on industry focussed or practice oriented enables students to gain research skills but makes explicit the applied nature of vocational education research.

4.0 Comment: Levy provisions

- 4.1 BusinessNZ strongly opposes the lowering of levy thresholds from a requirement for 60% agreement by affected industries to by consultation and agreement by the Minister. BusinessNZ is not opposed to the use of levies more broadly, however the case for setting levies in accordance with the Office of the Auditor General principles for levy setting have not been made. These principles are:
- Equity** – charging levies for vocational education creates inequity for vocational learners when compared to the way other forms of higher education are funded and delivered. University or polytechnics do not levy industry to fund the functions of these organisations to deliver graduates. Further, examples of training levy failures described below

demonstrate how introducing levies can negatively impact access and participation in vocational education.

Efficiency – the cost of standard setting is not known and so value for money and efficiency measures can't be assessed. The government funding for the standard setting function has fluctuated between \$2.9 million per annum under the ITO model to \$65 million under the Workforce Development Council model. Under the current model, WDC's and officials have been unable or unwilling to provide BusinessNZ with an overview of how many new industry qualifications have been developed, how many programmes are being delivered against these new qualifications and enrolment data for these programmes. Further, BusinessNZ has requested the Ministry of Regulation undertake a review of NZQA compliance costs and barriers to entry as unnecessary compliance appears to be adding significant cost. The proposed legislation retains duplication of functions in regards to qualifications, with Industry Skill Boards having an 'endorsement' function that is replicated at the NZQA 'approval' level.

Justifiability – The proposed levy provisions in Schedule 16 note that the levy *Subclause (4)(b) does not prevent an industry skills board from:*

(a) using any part of a levy to publish or sell any educational, informative, or promotional material (whether or not for profit); or

(b) investing any part of a levy pending its expenditure.

It is clearly not justifiable to levy industry for uncosted and for profit activities that an ISB may undertake that is not related to its functions. Further, the levy can be triggered by the ISB and TEC identifying members of a levy group. The TEC has no structured engagement with industry and ISB's have no requirement to report or demonstrate their reach into industry. By contrast, levies that are in place currently, like the commodities levy for horticulture or viticulture are administered by industry associations which have a much better understanding of the businesses within their industry group.

Transparency – the consultation on levies throughout the consultation has been sparse, with no information about the international comparators, consultation on the legislative provisions for lowering the threshold or analysis of cost and anticipated impacts. The lack of transparency and lowering of the threshold from a majority of industry ballot decreases transparency of the possible decision making of imposing levies, particularly when only education agencies are involved, implying industry associations have no role.

- 4.2 Levies that have been imposed internationally are useful comparators for understanding how levies may work in a New Zealand context. The UK introduced a training levy in 2017, requiring 0.5% of the pay bill of companies with payrolls greater than £3 million. Since the levy was introduced, overall apprenticeship starts have fallen by 31%, from 494,900 in 2016–17 to 341,400 in 2022–23. The drop has been even more severe for young people, with the number of under-19s starting apprenticeships decreasing by 41%, from 131,400 in 2016–17 to 77,100 in 2022–23. Despite employers paying around £3.5 billion annually into the levy, nearly £1 billion a year is returned to the Treasury unspent, as rigid rules on eligible training prevent many employers from accessing their funds. This unutilised funding, coupled with declining participation rates, underscores the systemic issues that have significantly adversely affected young people and small businesses.
- 4.3 The 'gold standard' vocational education systems are considered to be Germany and Switzerland. In Germany, there is strong industry buy-in and levies are set by individual industries, at approximately 1.2% of payroll. The key difference however is that the direct cost to the employers is lower (Apprentices are able to start on 60% of minimum wage), the programmes are well structured with employers and providers enjoying a high level of co-ordination to deliver highly structured programmes, and the guild tradition means Apprenticeships are far more culturally embedded than in New Zealand, where modern Apprenticeships were created through the Industry Training and Apprenticeships Act 1992.

The key difference however is that the system is employer led – industry has a high level of buy-in and satisfaction with the system due to the high quality of graduates produced, which is reflected in the comparatively high productivity of the workforce. The New Zealand system has been under a constant state of flux for twenty years while productivity and educational achievement has been in steady decline.

- 4.4 The Swiss do not utilise levies, but still have one of the world’s best performing vocational systems. It is administered by industry associations and has strong industry buy-in due to high value for money returns for the companies, and being embedded culturally in the way of doing business. BusinessNZ considers that the Swiss model is where the strategic direction of vocational education needs to go – where industry and employers value and pay for vocational education because it delivers a well skilled pipeline of workers, and is demonstrably cost effective.
- 4.5 BusinessNZ recommends that if the government would like to proceed with a training levy, it is transparent and presents it as an additional tax on business.

5.0 **Comment – Industry Skill Boards**

- 5.1 BusinessNZ supports the establishment of Industry Skill Boards, however considers the provisions for industry to influence the direction of vocational education and training need to be strengthened. As noted above, the best vocational systems are ‘industry led and government enabled’, however the legislation still gives significant levers to the TEC, Minister and NZQA to direct the activities of ISB’s, over and above the powers of the ISB boards.
- 5.2 Strengthening accountability and transparency in the system will go some way to helping industry take a leadership role. The transition plans rely heavily on government agencies and education providers agreeing. There is no network of provision and enrolment data publicly available to inform industry of what is being trained, where, and by who to enable industry to take decisions in regards to the workbased learning divisions and where the provision should go after 1 January 2026.
- 5.3 Under the current proposed legislation, the set of reforms is likely to encounter the same challenges as under the previous model of Workforce Development Councils, including (but not limited to):
- producing workforce reports but being unable to assess progress against them as government holds the relevant enrolment and achievement data.
 - a lack of innovation and responsiveness to industry need as WDC’s were 100% government funded and willing industry players able to pay for services being told they couldn’t accept industry funding.
 - identifying deficiencies in the system but not having suitable levers to change the system. For example, a report by Waihangā Ara Rau noted severe deficiencies in short course health and safety training, often undertaken for compliance purposes, and yet the organisation did not have sufficient levers available to address the issues.
 - Lack of transparency and reach into industry – it was very unclear how much reach and input industry had. While BusinessNZ received positive feedback about some of the sector reference groups and progress made by some industries, other sectors had never engaged with the WDC responsible for their industry and were unaware of their functions.
 - Duplication and overlap – lack of clarity of functions and levers led to frustration and duplication of functions in the system. Regional Skill Leadership Groups, WDC’s, industry associations were all undertaking workforce planning, without a

holistic view of the workforce (e.g including immigration data for different roles and sectors).

- 5.4 The vision for ISB's is to have organisations that are able to strategically lift the technical skill levels of the workforce, enhance productivity and create opportunities for individuals to navigate a rapidly changing labour market. Businesses are acutely aware of their workforce challenges and opportunities. ISB's should complement, not try to replace the functions of industry organisations. ISB's should be able to take a more sophisticated, holistic and nuanced view of workforce development, supporting major companies to deliver effective training and identify skill pipeline opportunities, supporting the capability of small firms to be excellent trainers, recognising occupations which it is not financially viable to deliver training for in New Zealand due to high capital expenditure or extremely low workforce numbers. The current labour market supply policies at a macro level do not reflect the changing global nature of the workforce – BusinessNZ considers a greater level of co-ordination across the social development, immigration and education pipelines and government agencies will go some way to improving labour market supply for industry rather than relying on unstable policy settings that fluctuate between governments.
- 5.5 Building in sufficient levers, accountability to industry (as well as government) and the system producing graduates with relevant skills and work readiness will rebuild confidence in vocational education. Lifting the standards will require a strategic focus over time, and examination of government levers. As noted in the initial consultation documents, BusinessNZ would like to see employment measures built into the key performance indicators for vocational education providers to ensure the system is focussed on meeting industry need for skills, and providing a return on investment for learners rather than being heavily focussed on the institutional viability of the polytechnics.
- 5.6 In regards to the levy provisions, this appears to have been driven by a narrative that employers don't train and that charging a levy will counter the 'free loader' effect. BusinessNZ considers this is a misdiagnosis of the problem – all businesses train to some extent, however there is a shift in preferences from firms to better quality training, increasingly by offshore providers or bespoke solutions, due to the polytechnic or industry training offerings not meeting business or learner needs. The onus should be on the sector to lift their game and rebuild business confidence in their ability to deliver the skills businesses need. BusinessNZ is of the view that the introduction of levies, on top of substantial structural change, will likely go in the same direction as the UK, reducing company engagement, opportunities for career starters and effective taxation of companies.
- 5.7 BusinessNZ has proposed workable alternatives. By broadening the scope of possible ISB functions, including under a fee for service model, it will enable ISB's to respond to industry needs and still includes a user pays component. If it is valuable to industry, they are willing to pay for the services. Including return of service provisions in training agreements, firms can be more confident that their training investment will get a return through retention of qualified staff. By making the network of provision and performance of providers transparent to industry to inform decision making, companies will be more aware of where to recruit talent from the skills pipeline and who can deliver the training that is right for their business.

5.8

The most critical part of the reforms will be getting industry buy-in. A high performing vocational sector could be an economic game changer – lifting productivity, encouraging the next generation of entrepreneurs and business owners and making New Zealand more attractive to international businesses seeking to locate in New Zealand due to availability of a highly skilled workforce.

Appendix One – recommendations for legislative amendment to the Education and Training (Vocational education and training system) Amendment Bill

- **Amend Part 314** Characteristics of polytechnics as follows:
 - **Include a definitive clause that polytechnics are employment-linked regional institutions of learning** to make explicit that the core purpose is to equip learners with the skills, credentials and experience to enter, remain in and progress through work, particularly within their local and regional labour markets.
 - **Amend 314 (c)** to specify polytechnics undertake industry focussed or practice oriented applied research to reflect that research needs to be undertaken with an industry partner to address 'real world' industry problems and does not seek to overlap with academic research in other sectors.
- **Amend Part 315** Establishment of polytechnics as follows:
 - **Amend 315 (2)** to include a requirement for the Minister to consult with regional stakeholders on the establishment of a regional polytechnic.
- **Add an additional clause to Part 317** Member of polytechnic boards as follows:
 - (c) a federation polytechnic board shall have no more than six members.
- **Add an additional clause to Part 327** Federation of polytechnics as follows:
 - (g) provide services, programmes and courses to polytechnics on a fee for service basis.
- **Retain sections 381 – 384 of the current Education and Training Act 2020 regarding levy provisions and remove section 385 of the Education and Training (Vocational Education and Training System) Amendment Bill** as the existing levy provision of 60% industry ballot and agreement is sufficient to ensure levies can be triggered if industry wishes to.
- **Add an additional clause to Part 381 Training agreements and apprenticeship training agreements part of employment agreement** as follows:

Reimbursement of employer-funded apprenticeship costs

An apprenticeship training agreement may include a provision requiring the employee (apprentice) to reimburse the employer for reasonable training-related costs, where—

- (a) the employer has paid fees or costs directly associated with the apprentice's education, training, or necessary equipment; and
- (b) the apprentice does not complete an agreed minimum period of employment with the employer following completion or termination of the apprenticeship (a "return of service period").

Any reimbursement provision must—

- (a) be in writing and included in the apprenticeship training agreement at the commencement of the apprenticeship;
- (b) clearly state—
 - i. the nature and amount (or method of calculating) the costs to be reimbursed;
 - ii. the length of the return of service period; and
 - iii. the method for calculating any pro rata reimbursement if only part of the period is completed; and
- (c) not require repayment of more than the actual costs incurred by the employer.

A reimbursement clause under this section—

- (a) must not impose a penalty;
- (b) must not be unreasonable or contrary to public policy; and
- (c) must comply with the Employment Relations Act 2000 and any applicable regulations or codes issued under that Act.

Disputes about the enforceability of a reimbursement provision may be referred to mediation or the Employment Relations Authority under the Employment Relations Act 2000.

- **Remove Section 362 (2) (b) (ii) Establishment of industry skill boards** that allow for the ISB to be directed on how to use its assets by order in council on recommendation by the Minister.
- **Amend Section 362 (3) (a) Establishment of industry skill boards** to require consultation with all representatives of industry to be covered or proposed to be covered by an Industry Skill Board.
- **Replicate Section 366 Disqualification from office in subpart 4 – polytechnics** to ensure consistency in the governance arrangements and excluding criteria for governance appointments.
- **Amend Section 367 Functions of Industry Skill Boards** as follows:
 - **Add to Section 367 (1) (b)** to develop, set and maintain skill standards, *unit standards and achievement standards as appropriate and in agreement with other delegated standard setting bodies.*
 - **Add an additional provision to Section 367 (1)** to *Developing, setting and maintaining standards, qualifications, microcredentials and capstone assessments* to include 'may develop occupational licencing examinations in agreement with the responsible statutory body'.
 - **Amend *Endorsing programmes and moderating assessments* to *Approving programmes and moderating assessments*** in the title line and as referenced in Section 367 (1) (f).
 - **Amend 367 (1) (h) *Advisory and representative role*** from 'to advise TEC, as provided for in section 411, about the mix of vocational education and training needed for the 1 or more specified industries the industry skills board covers in the manner required by TEC' to 'to advise TEC, as provided for in Section 411, about the mix of vocational education and training needed for all of the specified industries the industry skills board covers, informed by current data provided by the TEC, NZQA and the Ministry of Education to the ISB on the current network of provision, enrolment data and demographics and provider performance and achievement.'
 - **Remove Section 367 (1) (i)** to represent the interest of specified industries, to reduce duplication of the role of industry associations.
 - **Add to Section 367 (1) (j) *Other functions*** to include a provision that any other functions that the Minister confers, the Minister must:
 - (a) ensure that appropriate funding arrangements are made available to enable the organisation to carry out that function; and
 - (b) notify the organisation in writing of the function and the associated funding arrangement at the time the function is conferred.

(c) An organisation is not required to carry out any additional function conferred by the Minister unless and until the funding arrangement referred to in subsection (1)(a) is in place.

(d) In this section, "funding arrangement" means a written agreement, appropriation, Investment Plan commitment or other mechanism that reasonably provides for the costs associated with performing the function.

○ **Add a new provision to Section 367 (1)**, as follows:

Section 367 (1) (k) An Industry Skills Board may set quality assurance requirements for education or training providers that deliver programmes leading to qualifications, credentials, or standards within the Board's specified industry coverage.

Without limiting subsection (1), such quality assurance requirements may include, but are not limited to, provisions relating to:

(a) the qualifications, experience, and professional registration (if applicable) of teaching and assessing staff;

(b) the availability and suitability of physical and digital assets, equipment, and facilities necessary for effective programme delivery; and

(c) any other quality assurance mechanisms the Industry Skills Board considers necessary to ensure that programmes are delivered in a manner that is educationally and occupationally effective.

Providers must comply with any such quality assurance requirements as a condition of programme approval, continuation, or funding eligibility under this Act or any related regulation.

The Board must:

(a) publish all quality assurance requirements in a form accessible to affected providers and learners; and

(b) consult affected parties before imposing or amending any substantive requirements.

○ **Add a new provision to Section 367 (1)**, as follows:

○ *Education Products and Services by Industry Skills Boards*

○ ISB's are enabled, with appropriate consultation and board direction, to **deliver education products and services** that support industry recognition of skills, both domestically and internationally.

○ An industry skills board may, at the direction of its governing board and following consultation with the relevant industry, the New Zealand Qualifications Authority (NZQA), and the Tertiary Education Commission (TEC), design and deliver

education-related products and services to support skills recognition and workforce development within the specified industries it covers.

- Without limiting subsection (1), the education products and services an industry skills board may deliver include, but are not limited to:
 - (a) recognition of current competency (RCC);
 - (b) recognition of prior learning (RPL);
 - (c) evaluation of international training programmes, credentials, or qualifications against relevant New Zealand standards, qualifications, or frameworks; and
 - (d) development and implementation of any other education or assessment products required to recognise and validate workforce skills in the context of industry needs.
 - Any education products or services delivered under this section must:
 - (a) align with national qualifications and credentialing standards where applicable;
 - (b) be consistent with the quality assurance requirements established by NZQA; and
 - (c) not duplicate or conflict with the statutory roles of other education and training organisations, unless expressly authorised by regulation or agreement.
 - An industry skills board may charge fees for the provision of any products or services under this section in accordance with Section 373.
- **Amend Section 369 Duties of Industry Skill Boards**, as follows:
 - **Remove Section 369 (1) and replace with:** An Industry Skills Board may set or recommend quality assurance requirements for education or training providers that deliver programmes, standards, qualifications, or micro-credentials within the Board's recognised industry coverage to ensure programmes are delivered in a manner that is educationally and occupationally effective.
 - Before establishing or amending any quality assurance requirements relating to qualifications, standards, micro-credentials, or quality assurance systems, the Industry Skills Board must—
 - (a) consult with the New Zealand Qualifications Authority (NZQA); and
 - (b) provide NZQA with evidence of meaningful industry engagement and demonstrable support from relevant employers, industry groups, or stakeholders for the proposed requirements.
 - Providers must comply with such quality assurance requirements as a condition of programme approval, continuation, or funding eligibility under this Act or any related regulation.
 - The Industry Skills Board must:
 - (a) publish all quality assurance requirements in a form accessible to affected providers and learners; and
 - (b) notify NZQA of any substantive amendments to such requirements following consultation and industry engagement.

- **Amend Section 369 (2) (a)** to note that in performing its functions, and Industry Skills Board must take into account the needs and of employers and employees in *all* of the specified industries the industry skill boards cover.
- **Remove Section 369 (2) (c)** requiring ISB's to avoid adverse impacts on relationships with providers.
- **Amend Section 373** Industry skill boards may charge fees for quality assurance functions as follows:
 - **Remove the words 'quality assurance'** from the title line.
 - **Replace Section 373** with the following provisions:
 - *Fees for services provided by Industry Skills Boards*

An industry skills board may charge fees for performing any of its functions under this Act.

Any standard fees for services charged by an industry skills board must:

- (a) be publicly available, including via publication on the board's official website;
- (b) include a clear description of the services to which the fees apply;
- (c) specify the amount of the fee or the method by which it is calculated; and
- (d) be reviewed periodically to ensure the fees remain fair, reasonable, and proportionate to the costs of service delivery.

An industry skills board must not charge unreasonable or excessive fees and must ensure that all fees reflect the actual and reasonable costs of delivering the relevant services or functions.

Nothing in this section limits the ability of an industry skills board to waive or reduce fees in specific circumstances.

- **Amend Subpart 2—Provision of work-based training by industry skills boards for temporary period Section 155 (1)** from requiring written agreement to TEC for each individual enrolment in a transitional work-based learning division within an ISB to enrolments will be managed by the ISB board in accordance with agreed transition plans.

The BusinessNZ Network is New Zealand’s largest business organisation, representing:

- Business groups [EMA](#), [Business Central](#), [Business Canterbury](#), and [Business South](#)
- [BusinessNZ](#) policy and advocacy services
- [Major Companies Group](#) of New Zealand’s largest businesses
- [Gold Group](#) of medium-sized businesses
- [Affiliated Industries Group](#) of national industry associations
- [ExportNZ](#) representing New Zealand exporting enterprises
- [ManufacturingNZ](#) representing New Zealand manufacturing enterprises
- [Sustainable Business Council](#) of enterprises leading sustainable business practice
- [BusinessNZ Energy Council](#) of enterprises leading sustainable energy production and use
- [Buy NZ Made](#) - country of origin licensing organisation for NZ-made products, NZ-grown ingredients, and NZ-coded software services

The BusinessNZ Network is able to tap into the views of over 76,000 employers and businesses, ranging from the smallest to the largest and reflecting the make-up of the New Zealand economy.

The BusinessNZ Network contributes to Government, tripartite working parties and international bodies including the International Labour Organisation ([ILO](#)), the International Organisation of Employers ([IOE](#)) and Business at OECD ([BIAC](#)).

