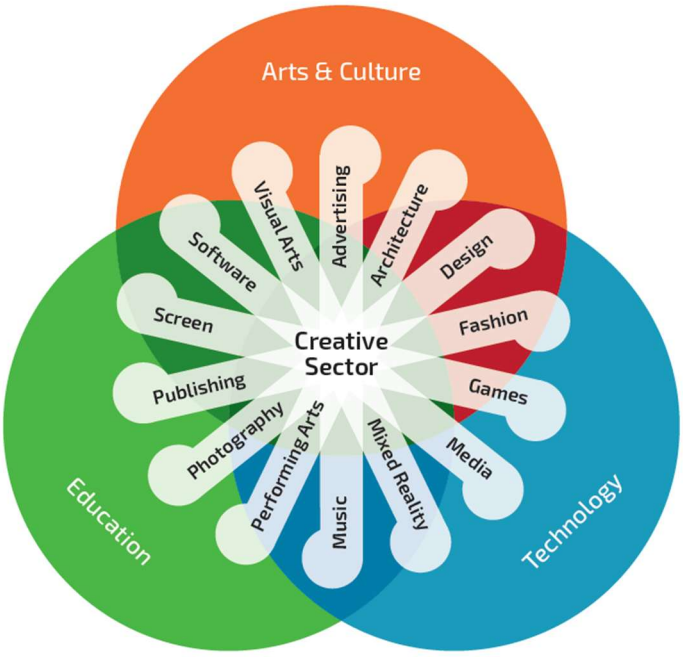
Submission to Education and Training
(Vocational Education and Training System) Amendment Bill
June 2025

BACKGROUND

WeCreate is the alliance of Aotearoa's major creative industry associations and organisations (representing 30,000+ Kiwi creators, support people, and creative businesses), which was founded in 2014 to propel growth in the sector and increase its contribution to New Zealand's social, cultural and economic wellbeing. The creative economy contributes $17.5b[1] to New Zealand's GDP and, with the right policy settings, could be worth $25b by 2030. Our sector is an ecosystem and much of the talent we have is fostered in and by arts and culture organisations, as shown in the diagram below.



Context for this submission:

1. **One third** of New Zealanders in creative occupations work **outside the creative sector**.
2. Creative skills, like tech skills, are needed **across the entire workforce**.
3. Creative[2] and tech are **high growth industries**, and those most likely to propel New Zealand's economic prosperity.
4. The vocational education and training (VET) needs of the creative, cultural, and tech sectors differ significantly from those of most other sectors. Many of **the roles in these sectors are highly digital**, and **30.3% of the workforce is self-employed** (compared to 15.5% of the rest of the workforce).
5. Prior to the establishment of the Workforce Development Council, Toi Mai, **the sector did not have an industry training organisation (ITO)**, and no workforce planning or insights.
6. Our work with Toi Mai has shown us that a smaller, agile, responsive WDC (or ISB) is more able to be connected to, and responsive for, industry's VET needs.

[1] Arts and creative sector profile 2024 - Infometrics report summary
[2] Future of NZ Inc: What Will New Zealand Be Known for in 2050? | BCG

Key Points in this Submission

1. **The stated goal of the reform is to ensure industries have a skilled workforce. This legislation will not deliver this outcome for the creative and tech sectors, or for the creative and tech skills that all industries need.**
2. **This legislation will not deliver a VET system that is agile and responsive to the needs of industry and that keeps pace with the development of technology.**
3. **The legislation will not deliver an accessible, affordable and future-focused skills training and re-training system for New Zealand.**
4. **The legislation will entrench an already broken VET system where incentives and fragmentation and a one-size-fits-all approach is applied to skills development.**

SUBMISSION

The Bill proposes to amend the Education and Training Act to:

1. disestablish Te Pūkenga—New Zealand Institute of Skills and Technology (Te Pūkenga)
2. re-establish a network of regional polytechnics
3. establish industry skills boards (ISBs) to replace workforce development councils (WDCs)

Our submission focuses on the replacement of WDCs with ISBs. However, we note that an **appropriately funded, sustainable network of polytechnics** (alongside other vocationally focused tertiary providers including PTEs and Wānanga) are essential as part of the delivery mechanism in the VET system.

At the time of preparing this submission, the **creative and tech sectors are excluded** from the industries that have been allocated to ISBs. We have sought information from TEC to help us understand the basis for this exclusion, and none has been provided.

In the short time that our sector has had the experience of working with a WDC, we have seen the impact of an industry-led approach to the development of current and future VET needs. We have also been able to observe the challenges the WDC has experienced in trying to change the parts of the VET system that are **not agile, adaptive or responsive to the speed of change that occurs in the creative and tech sectors**. This includes resistance to new skills-training models, new approaches to work-based-learning, and much shorter timeframes for qualification approvals in order to keep pace with technology developments. In a world where artificial intelligence systems are changing on a daily basis, it is obvious that **waiting 18 months to approve an AI-related qualification is out of step with learner's and employer's needs.**

Throughout the consultation process that has led to the development of this legislation, change has been predicated on the needs of "employers and employees" (as set out in Sec 369 (2)(a)). This framing fails to consider the **VET needs of freelancers and contractors** and this is a significant problem for the creative sector that has such a high number of these workers in its workforce. Any changes to the system must ensure all models of employment and work can access work-based learning in the new system (i.e.,

go beyond traditional employer / employee models and include the self-employed and other workers).

Transition from WDCs to ISBs

We are aware that funding to the WDCs for their core activities was cut at 30 June 2025 and all WDCs are engaged in a process of winding down their operations to the Minister's required disestablishment date of 31 December 2025. At the time of preparing this submission, no clear transition plan from the WDCs to the ISBs is in place. **The impact of the downtime and loss of key staff, stakeholder relationships and work programme impetus will have a detrimental effect on our industry (and others).**

Functions proposed for ISBs versus current WDC Functions

Loss of Industry Leadership Role

The most significant change affecting the creative sector is the **removal of industry leadership as a core function**. WDCs previously provided "skills and workforce leadership for specified industries, including by identifying their current and future needs and advocating for those needs." This leadership role is replaced by a narrower "workforce analysis and planning" function in ISBs and TEC is no longer required to do anything with the advice the ISBs provide. TEC's requirements to "give effect to advice from a workforce development council about the mix of vocational education and training" and advise the WDC of any failure to do so, will not carry over to ISBs.

Impact for Creative Sector

The creative industries will lose a dedicated advocate at the system level to champion our unique training needs and workforce development requirements, including in relation to investment in the VET system.

Reduced Advisory Influence

While ISBs retain the ability to advise TEC on the mix of vocational education and training provision, they will lose the power to advise on TECs overall investment in vocational education and training. Critically, **TEC is no longer required to "give effect to advice" from ISBs**, whereas they were previously obligated to implement WDC advice or explain why they couldn't.

Impact for Creative Sector

The creative sector's ability to influence funding priorities and investment decisions in VET will be significantly diminished.

Governance Changes

The new ISB structure removes the legislative requirement for:

- Union/employee representation on boards
- Specific Māori employer representation
- Collective representation of employers and employees

Impact for Creative Sector

Creative workers and Māori creatives will lose a guaranteed voice in governance, potentially affecting the development of training that reflects our diverse creative workforce needs.

Increased Ministerial Control

ISBs must have two Ministerial appointees where none were required for WDCs. This has the potential for more control to be exerted by government, rather than industry, in the work of the ISB. There is further, extensive, Ministerial control provided throughout the legislation.

Impact for Creative Sector

Risk that the stated goal of the ISBs work being industry-led is lost.

Reduced Focus on Equity and Sustainability

ISBs are no longer required to consider:

- Transition to low-emissions and climate-resilient New Zealand
- New global challenges and emerging technologies
- Global sustainability goals
- The changing nature of work
- Specific consultation with Māori and underserved population groups

In this submission we have already noted our sector's challenges with a VET system that doesn't keep pace with emerging technologies. The changing nature of work is also very important and relevant to our sector where freelancing and contracting and project-based work is prevalent and constantly evolving.

Toi Mai's work to understand the creative and tech training needs of under-served communities - including Māori, Pacific Peoples and the disabled - has been critical for providing a pathway for these learners into our sector. The sector needs diversity in its workforce in order to bring different stories and perspectives to the products and services we make, which helps to ensure that these stand out for both local and international audiences.

The creative industries need **government-supported creative workplace learning, internships and apprenticeships**, which are common in other more traditional industries, and which will help propel sector growth. There has already been considerable work done on this matter by both industry organisations and Toi Mai.

Impact for Creative Sector

Training development may not adequately address emerging creative technologies, sustainable creative practices, or ensure equitable access for under-represented groups in the creative industries. A reduced focus on training for underserved population groups will have a negative impact on our sector's potential.

New Charging Powers

The draft legislation provides for ISBs to **charge fees for quality assurance functions**, which WDCs cannot do. The legislation also provides for **ISBs to impose an industry levy** following "adequate consultation". It is not clear from the draft what adequate consultation would be required in an industry such as the creative sector where the workforce is dominated by individuals rather than businesses.

Impact for Creative Sector

Charging fees may increase costs for creative education providers and for industry, potentially affecting accessibility and affordability of creative training opportunities.

WeCreate's Members and Friends are:

Advertising & Illustrative Photographers Assn	APRA AMCOS NZ
Tātaki Auckland Unlimited	Australia & NZ Screen Association
Christian Copyright Licensing International	Coalition for Books
Code NZ	Commercial Communications Council
Copyright Licensing NZ	Creative NZ
Design Assembly	Directors & Editors Guild NZ
Equity NZ	Independent Music NZ
Māori Music Industry Coalition	Mindful Fashion NZ
Music Managers Forum NZ	Music Producers Guild NZ
Newspaper Publishers Association	Ngā Aho Whaakari
NZ Comedy Trust	NZ Film Commission
NZ Game Developers Association	NZ Institute of Architects
NZ Institute of Professional Photography	NZ Music Commission
NZ On Air*	NZ Society of Authors
NZ Writers Guild	Playmarket
Publishers Association of NZ	Radio Broadcasters Assn
Recorded Music NZ	SAE Institute
Screen Industry Guild Aotearoa NZ	Screenrights
Sky Network Television	Screen Producers NZ (Spada)
Taro Patch Creative	TVNZ

**We note that NZ on Air is a Crown Agency with no policy remit*