

20 May 2025

Tertiary Education Commission and Ministry of Education

via e-mail: VocationalEducation.Reforms@education.govt.nz

Submission on the consultation of Industry Skills Boards coverage

Introduction

1. Energy Resources Aotearoa is New Zealand's peak energy sector advocacy organisation. We represent participants right across the energy system, providing a strategic sector perspective on energy issues and their adjacent portfolios. Our purpose is to enable constructive collaboration across the energy sector through and beyond New Zealand's journey to net zero carbon emissions in 2050.
2. We have a long and proud history of engagement in vocational education and training at both strategic and operational levels. Established by the energy industry in 2010, our workforce development unit, Energy Skills Aotearoa, plays a critical role in addressing sector-wide workforce challenges and implementing targeted skill development initiatives. These efforts are guided by a strategic framework focused on attraction, development, and collaboration.
3. This submission is provided as a supplementary response to both the September 2024 Vocational Education and Training (VET) consultation and the February 2025 Work-based learning consultation and addresses the Tertiary Education Commission's (TEC) consultation on Industry Skills Boards coverage.
4. This submission includes additional input to our responses submitted through the TEC's online survey, in line with the Commission's stated preference for the survey to serve as the primary mechanism for feedback on the proposed ISB coverage.

Submission (Q & A as per TEC online survey format)

Do you support the proposal to establish seven Industry Skills Boards; what aspects do you support and/or have concerns about and do you have any specific industry feedback?

5. **The energy sector is crucial to New Zealand's social and economic development**
It underpins economic productivity, supports industrial competitiveness, and ensures affordable, reliable energy for households and communities.
6. **A fit for purpose VET model is critical for the energy sector**
The energy sector relies on a highly skilled, safety-conscious workforce to operate in a complex and highly regulated environment. As the sector evolves with new technologies, renewable energy, and decarbonisation goals, the VET system must be responsive, future-focused, and aligned with industry needs.

7. **Industry alignment is more important than ISB quantity**

The number of proposed ISBs is not our primary concern. What matters most is that industries are placed within the ISB best suited to reflect their operational and strategic linkages. This is essential for effective workforce planning, accurate data coordination, and sector-specific training responses. We have reviewed the consultation document to assess how industries have been allocated to the proposed ISB's. The document offers limited detail on the rationale or criteria used to inform these groupings, and some of the placements appear inconsistent and uninformed.

8. **Current misalignments risk fragmentation**

Despite our submission in February 2025, providing a recommendation that the energy sector be brought under a single, unified ISB, this recommendation has not yet been adopted. Under the current proposal, industries such as extractives, energy, and chemicals are split across different ISBs from other key parts of the energy value chain (e.g., wind and electricity). Similarly, industries with a strong linkage to energy (such as the water sector with linkages for renewable gas) should also sit with all energy sector industries in one ISB. Splitting related industries across different ISBs risks siloed planning, inconsistent data insights, and diminished cohesion across workforce development initiatives.

9. **Energy/Chemical, Extractives and related industries should sit within the Infrastructure ISB**

Energy exploration and production are capital intensive activities that rely heavily on complex infrastructure including drilling rigs, processing facilities, pipelines and control systems. We urge TEC to prioritise appropriate industry alignment and place the energy and extractives sectors and related water sector, under the Infrastructure ISB alongside electricity and wind. This would reflect the integrated nature of these industries as part of the broader energy sector and ensure the ISB can respond meaningfully to their shared workforce and regulatory contexts.

10. **Reinforcing a collective industry view**

Our above position is also reflected in the recent joint submission ourselves and a number of peak infrastructure industry bodies communicated to Minister Simmonds via a formal letter. We urge the Government to give serious consideration to this collective industry view to ensure the long-term success of the ISB model and the energy sector's workforce development.

11. **Collaboration between ISBs is critical**

As industry boundaries continue to overlap, robust mechanisms for inter-ISB collaboration must be embedded into both the establishment and ongoing operation of the ISBs. Without this, there is a risk of duplicated effort and disjointed workforce strategies

12. **Cross-ISB coordination should be policy-backed**

We seek assurance that TEC will formally support ISB collaboration through clear policy settings, governance arrangements, and performance expectations to ensure long-term system coherence.

13. **The proposed structure closely resembles existing Workforce Development Councils and functions and has regulatory compliance burden**

In webinars the information coming through from officials has been mixed. It is clear the new structure stated the ISB's will be industry led, however the proposed structure is limited to how government has demonstrated it will be administered. We also ask for more detail around the proposed levies and fees to be charged to businesses. We expect more detail around levies will be in the new government budget, however this being released on 22 May doesn't provide us with the information to respond to this proposal, being due on 20 May, two days earlier.

14. **Ensuring consistency in cross-cutting foundational skills is crucial**

Foundational skills such as Workplace Health and Safety, digital literacy, and environmental awareness are essential across all industries and should be addressed systematically within the ISB framework. This is especially critical in high-compliance sectors like energy, where regulatory obligations and safety standards are stringent.

15. **We recommend that TEC formally recognises these cross-cutting skills**

ISB policy design should include mechanisms for coordination across ISBs, and ensure national consistency in training, qualifications, and standards. Doing so will strengthen workforce readiness, uphold regulatory compliance, and provide a more cohesive skills system that supports all sectors.

Concluding comments

16. We appreciate the opportunity to offer insight into our areas of interest throughout this consultation. We consider vocational education and training to be a vital component of our industry's future workforce development.

17. We look forward to working alongside the Tertiary Education Commission and welcome further engagement with officials. Please do not hesitate to contact Sheree Long, Director, Workforce Development at sheree.long@energyresources.org.nz should you wish to discuss or clarify any parts of our submission.