



Submission

18th June 2025

TO THE

Education and Workforce Committee, NZ Parliament, Wellington

ON THE

Education and Training (Vocational Education and Training) Amendment Bill

FROM

Beef + Lamb New Zealand Limited + Deer Industry New Zealand

SUBMISSION ON Education and Training (Vocational Education and Training) Amendment Bill

To the: Education and Workforce Committee, NZ Parliament, Wellington

Email: ew@parliament.govt.nz

Date: 18 June 2025

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Acknowledgements:

Throughout writing this submission we have collaborated with various organisations and industry representatives, including Federated Farmers, Cadet Farms, PTEs, members of the Food and Fibre Capability Leadership Group, DairyNZ, Seafood NZ, Horticulture NZ, Forestry ICAs, NZ Winegrowers, Māori Agribusiness, Meat Industry Association, NZ Pork, Muka Tangata, Food and Fibre CoVE, MPI, and ITOs.

While this is not an exhaustive list of our collaborators, it highlights the breadth of perspectives we have considered in developing our submission. However, this submission represents the views of Beef + Lamb New Zealand & the Deer Industry New Zealand and may not reflect the opinions of all industry stakeholders.

1. Executive Summary

Beef + Lamb New Zealand (B+LNZ) and Deer Industry New Zealand (DINZ) appreciate the opportunity to once again provide feedback on the future of the vocational education system in New Zealand. Our submission highlights points that we still see as needing addressed following the current Education and Training (Vocational Education and Training System) Amendment Bill.

It remains that the sheep, beef and deer sector faces unique challenges and opportunities in the context of vocational education and training (VET) reforms. We still stand by the views and comments made in our earlier submissions to the Ministry of Tertiary Education back in September 2024¹ and February 2025².

The red meat industry contributes around \$11.4 billion to New Zealand's export revenue, making it New Zealand's second largest goods exporter. The sector supports over 92,000 jobs, 35,700 directly and an additional 56,700 indirectly employed. Data shows that farm businesses with trained workers have higher production output and profitability.

Given how critical a skilled and capable workforce is to the future of the red meat sector, it is crucial that we get this right, especially if we are going to contribute to meeting the Government's doubling of exports objective.

There is a high degree of alignment across the agricultural sector in our views, and we have continued to work closely with stakeholders across the wider food and fibre sector as we have prepared this submission.

While the Government has listened to some of the sector's feedback during the initial process, we still have some significant questions and concerns that we need clarity on with respect to work-based learning under either of the options.

It is essential that work-based learning remains accessible to farmers in all regions, with sustainable funding and tailored pastoral care. The latter is unique to the primary industries and is critical to learner success.

This goes beyond apprenticeships; the red meat sector needs assurances that the new system will enable those *already* working in the industry to access professional development opportunities through work placed learning to support career progression such as from a shepherd to a farm manager.

The government's export target hinges on targeted investment in training, ensuring the primary industries have the skilled workforce to drive that growth.

Key comments:

- **Export Goals & Affordable Training:** Our sector is concerned that current vocational education reforms risk export goals by overlooking high-value niche industries and essential remote/on-farm learning. To safeguard these goals, training costs must remain affordable; prohibitive costs will deter farmer participation, jeopardizing a qualified workforce and our brand image.
- **Industry Skills Boards (ISBs) & Leadership:** ISBs are underfunded, limiting their capacity and influence. There is a lack of clear industry control over board appointments, requiring stronger, more direct industry selection processes. Equal representation in decision-making is vital, alongside clarity on training delivery and "industry-led" involvement.

¹ B+LNZ September Submission www.beeflambnz.com/knowledge-hub/PDF/blnz-submission-redesign-vocational-education-and-training-system.pdf

² B+LNZ February Submission www.beeflambnz.com/knowledge-hub/PDF/blnz-dinz-options-future-work-based-learning-submission.pdf

- **Industry Capacity:** We recommend a collaborative approach among providers delivering training to several sectors which we see as crucial, rather than creating additional entities that are just focused on one. We do not believe we have the expertise, nor the significant level of funding required, to establish and sustainably operate our own Private Training Establishment (PTE) specifically for our sector, given its relatively small size.
- **Practical On-Farm Learning:** The reforms fail to adequately prioritize and support flexible, hands-on, on-farm training essential for rural learners and employers, which is crucial for our sector's unique needs.
- **Pastoral Care & Learner Support:** Dedicated support systems with clear definitions are crucial for both learners and employers to ensure learning success.
- **Employer Support:** Built on employer resources, employers require explicit recognition, formal approval as trainers, and valuable incentives for their crucial participation in training.
- **Mandatory Training Levies:** The sector opposes new mandatory training levies, asserting that education standards are a core government responsibility, and expresses concern over the removal of direct industry voting on such levies.
- **Māori Representation:** There is significant concern about the weakening of Māori voice and representation within the new vocational education system.
- **Data Sharing:** Current legislation hinders crucial data sharing between government agencies and industry, impeding effective workforce planning.

About Us

B+LNZ is an industry-good body funded under the Commodity Levies Act 1990, through a levy paid on all cattle and sheep slaughtered in New Zealand (except bobby calves). B+LNZ represents both neurodiverse learners and sheep and beef levy-payers and has the mandate to submit on their behalf on matters that affect them. B+LNZ's levy payers include deer and dairy operations that also have dry stock livestock. When we refer to the sheep and beef sector, we are encompassing all these farmers who are involved in sheep and beef production, even if it's not their primary income stream.

DINZ is a statutory marketing authority established in 2004 with its own regulations under the Primary Produce Marketing Act 1953. DINZ represents New Zealand's deer farmers, processors, and exporters, advocating for the industry's interests, investing in research and development to enhance deer farming practices and products. DINZ also plays a vital role in marketing and promoting New Zealand venison and other deer-derived products globally, while ensuring high quality standards across the industry. Ultimately, DINZ works to support the sustainable growth and prosperity of the New Zealand deer industry.

The sheep, beef and deer workforce are currently older than the national average, with 42% aged 55 or older (21% aged 65+ and another 21% aged 55-64). This aging trend could challenge future workforce sustainability. However, the Shearing Services industry has a much younger profile, with over half of the workforce under 35, and two-thirds identifying as Māori.

Industry and farmer involvement is crucial for navigating the complexities of training and education policy and ensuring effective delivery models. Skills development demonstrably improves worker retention and sector capability. Work-based learning pathways offer a proven and successful approach to upskilling future generations, seamlessly connecting education with on-farm and agribusiness careers. We need a system that recognises and supports excellence among training providers to ensure the best ITOs offer high-quality, practical courses that prepare candidates for on-farm work and ensure we have a work ready workforce that has had the ability to complete qualifications while continuing to provide employment across the sector.

Comments & recommendations on the 'Education and Training' (Vocational Education and Training System) Amendment Bill

Collaboration:

- We're concerned the new bill, and reforms miss key points about supporting high-value but low-volume industries, which is particularly critical for the sheep, beef, and deer sector's niche products and specialised farming systems. This oversight is compounded by a lack of focus on remote and online learning, making us question if the government is truly serious about doubling export value for our sector
 - o We recommend a collaborative approach among providers delivering training to a number of sectors which we see as crucial, rather than creating additional entities that are just focused on one. New Zealand is simply too small to have a competitive model if we are to be successful and have a thriving well trained workforce that can help us meet the Governments export goals and lift the sectors production levels. Collaboration fosters efficiency through a focus on operating in areas of strength, sharing knowledge and resources, and stimulates innovation through exchange of ideas and not working in silos.

We don't have the expertise to set up our own PTE and we also our sector is too small to have a sustainable specific overarching PTE for it. We therefore support a more collaborate sector approach and it's also unclear what would happen if there was an insufficient number of providers to deliver work-based training across the country.

Practical On- Farm Learning

- The recent changes to vocational training (like the new polytechnic setup) don't seem to give enough thought to practical, on-farm learning, which is essential for our sheep, beef, and deer sector. The seasonal work demands for different livestock species or production systems and scattered distribution of farms make the more "classroom" based training approach extremely challenging.
- While new structures are being proposed and set up to help, there's still a lot of confusion about how they'll work with the polytechnics, set training standards, and link with schools. It feels like there might be more bureaucracy than expected. This makes it incredibly important that farmers and our industry have a strong say in who sits on the boards of these new training organisations, to ensure the training truly meets our sector's needs.
 - o For rural learners, a "one-size-fits-all" approach to training simply doesn't work. We need practical, hands-on learning that happens on the farm, with good support, so they don't have to travel long distances to big towns. This is especially important because rural communities face challenges like poor internet, busy seasonal work, and being far from training facilities.
 - o We recommend flexible training options that go beyond just classrooms or online courses. These new ways of learning must involve input from farmers and meet the specific needs of our primary industries. It's crucial that learners are at the heart of these options, and that employers get the support they need to help train people right there on the farm.

ISBs Set Up:

- The new Industry Skills Bodies (ISBs) are meant to give farmers and our sector a much bigger say in how training is set up. The plan is for each ISB board to have two government-chosen members and six from industry.
However, the new law isn't clear about how our industry gets to pick those six important members. It looks like the initial two government appointees might end up choosing the rest of the board, even if we put names forward.
 - o We think it would be much better if the government clearly set out a process in the rules for each ISB, allowing our industries to directly select and appoint those six industry representatives. This would ensure real leadership and accountability from the sector, making sure the training truly fits our needs. Industry influence over the ISBs needs to be strong if industry is going to be encouraged to play an active stewardship and strategic leadership role.

ISBs Funding:

- The new Industry Skills Boards (ISBs) largely replicate the function of the former Workforce Development Councils (WDCs) in guiding vocational education. However, a significant concern is that ISBs are proposed with considerably less funding and a different arrangement of their leadership roles. This suggests a potential weakening of their capacity and influence in driving skills development, rather than a substantial improvement in the system.
 - o We recommend that the funding for ISB's is revaluated. Significantly improved and more realistic funding for the Industry Skills Boards (ISBs) is essential. Adequate financial resourcing is crucial for ISBs to effectively embody the industry voice and possess the necessary capacity and capability to lead. Without sufficient funding, ISBs risk being reduced to transactional entities, hindering their ability to provide true leadership and foster quality networks within the vocational education and training system.

Training Levy & funding:

- The proposed bill allows newly formed Industry Skills Boards (ISBs) to potentially introduce a training levy on their sectors. This levy would fund the ISBs' functions.
 - o We are concerned about the level of funding announced in the recent budget for funding of training which is not at the level it needs to be to encourage long-term sustainable training models.
 - o We are concerned by the implication in the bill of potentially introducing a training levy on the sectors that this will be the reliance going forward.
 - o B+LNZ & DINZ do not support mandatory levies on employers being introduced to fund ISBs and work-based learning.
 - o We believe this funding mechanism is not the most appropriate approach for training, as setting educational standards is a core function of government and would ideally be resourced through existing public funds. Introducing a mandatory levy could present a significant financial challenge for businesses, particularly in our sector, for what we view as a central government responsibility. The concern is that proposed changes remove the direct industry vote on levies, giving the Minister significant power to impose them based solely on consultation.
 - o As industry as a result of these reforms will be increasing our involvement and engagement with the ISB and we do not think it is appropriate to look to further increase that for the delivery of training.

Maori voice:

- The proposed changes significantly and symbolically weaken the position of Māori within the vocational education system. This is evident as the requirement to reflect Māori-Crown partnership and give effect to Te Tiriti has been removed from the legislation. Furthermore, Industry Skills Boards (ISBs) will no longer specifically reference the needs of Māori, and there will be no dedicated Māori positions on their Boards.
 - o We recommend that ensure that Industry Skills Boards (ISBs) are mandated to specifically consider the needs of Māori and establish dedicated Māori representation on all ISB Boards to guarantee authentic voice and leadership in the sector's training pathways in a collaborative manner.

Data Sharing:

- The current legislation presents a hurdle for effective workforce planning in our sector, as government agencies often cannot share crucial vocational education and training data unless specifically mandated by law. This lack of data sharing prevents Industry Skills Boards (ISBs) and industry from accurately planning for future workforce needs and providing informed investment advice to the Tertiary Education Commission (TEC).
 - o We recommend that there is an amendment to the current legislation to explicitly mandate and enable the secure sharing of vocational education and training data between relevant government agencies, Industry Skills Boards (ISBs), and industry. This will empower ISBs and industry to undertake robust workforce planning and analysis, thereby providing accurate and informed investment advice to the Tertiary Education Commission (TEC).

Conclusion:

B+LNZ & DINZ appreciates the opportunity to provide input into the current consultation process and have the chance for voices of the sheep, beef and deer sector heard. We believe it is critical in ensuring the most appropriate VET system is in place to allow the red meat sector to effectively contribute to New Zealand's economy and our overall New Zealand brand image.

B+LNZ & DINZ have consistently collaborated with government agencies and training organisations to ensure that training content is fit for purpose and delivery is pragmatic and effective. We welcome the opportunity to continue to provide constructive advice and input into the ongoing training requirements and upskilling of our industries. We therefore generally support the intent of the Bill, provided that our suggested amendments are incorporated, and clearer clarification is provided around the creation and implementation of Private Training Establishments (PTEs). We believe that our recommendations are a positive and constructive starting point and look forward to ongoing collaboration with the tertiary education commission and officials to advance our workforce and our economic contributions to the country.