



19 June 2025

New Zealand Qualifications Authority
Fee setting consultation submission

Tēnā koutou katoa

Thank you for the opportunity to submit on the NZQA proposals on **simpler fees for tertiary education organisations**.

Toitū te Waiora is providing feedback as a standard-setting body. Our submission is based on our commitment to support the establishment of the Industry Skills Boards (ISBs) and forms part of the work we are doing to achieve an effective and robust transfer of functions from Workforce Development Councils (WDCs) to ISBs. The feedback in this submission is to help the ISBs be the best they can be.

While this consultation is specific to NZQA's fee-setting process, the Education and Training (Vocational Education and Training System) Amendment Bill (the Bill) states in **section 373** that:

- **(1)** An industry skills board may, by notice, fix fees payable by providers in relation to the board's activities in performing its quality assurance functions and
- **(3)** An industry skills board may not issue notice under **subsection (1)** unless the Chief Executive of NZQA is satisfied that the proposed fee is reasonable.....

It is therefore reasonable to assume that this consultation process may directly impact any fee-setting proposals that can be put forward by Industry Skills Boards once established.

Our responses to the six consultation questions are as follows:

Question 1:

What additional factors or considerations should we consider in determining the hourly rate?

Nil – Given the last adjustment to the professional services fee was in 2018, the proposed hourly rate of \$240 per hour (inflation and increased costs factored in) is fair and in alignment with other government agency fee settings.

Question 2:

Do you support the concept of set fees for services? Please give the reason(s) for your preference.

Yes, set fees present the following benefits:

- No front-end systems to manage time-sheeting which would need to be built and incorporated into the process. With set fees, either the ISBs or any potential shared service provision could manage a relatively straightforward invoicing system.





- Less ISB time is utilised on answering provider queries as to why a particular service or function took as many hours as invoiced, and more time spent on delivering core functions.
- The ability, in fiscally constrained times, for both ISBs and providers to be able to budget and forecast accordingly.

Question 3:

What factors or considerations should we consider in determining set fees?

Programme endorsement will be a quality assurance function of ISBs; however, it is not listed in **section 373, subsection 8 (a)** of the Bill. While an assumption could be made, that ISBs will not charge fees for that function once established, it is not outside legislation as the Bill does not stipulate that an ISB is unable to charge. We suggest that a universal understanding as to whether ISBs can or cannot charge for programme endorsement should be determined either before any NZQA programme approval set fee is decided, or that the NZQA set fee should consider programme endorsement as part of that process.

Question 4.

Do you support the concept of extending the credit reporting fee to all qualifications, micro-credentials, and standards? Please give the reason(s) for your preference.

Yes. Extending the credit reporting fee to all qualifications, micro-credentials, and standards will present the following benefits:

- A more equitable fee system where the cost of credit reporting fees is redistributed across all providers.
- Providers will no longer be incentivised to exclude standards from the qualifications they deliver. This will enhance the role of standards in vocational education and support consistent graduate outcomes and transferability of skills.

Question 5.

Do you support the inclusion of micro-credentials in section 452(1)(s) of the Education and Training Act? Please give the reason(s) for your preference.

Yes. This will support NZQA's ability to track credit reporting, ensuring providers are not charged more than once where standards underpin micro-credentials that stack toward qualifications. NZQA must have sufficient oversight of this system to charge accordingly.

Question 6.

What additional factors or considerations should we consider in extending the credit reporting fee to all qualifications, micro-credentials, and standards?

A date should be determined beyond which providers can no longer offer unit standards. That decision should consider what fair and reasonable transition timeframes are. Once a firm decision is made, it may incentivise providers to move to skills standards if a penalty or additional fee for unit standards usage is incurred, excluding those deemed still fit for purpose by a standards-setting body.





Final comments

Please provide any further comments you would like to make.

You may want to consider:

- Any impact these changes would have on you or your organisation
- Any groups or individuals who would be disadvantaged by these changes, and how
- Any implementation issues that we should consider
- Anything else you would like to tell us about these proposals.

Decisions made by NZQA from this consultation process will impact and inform decisions that ISBs can make, particularly when it comes to their own fee setting.

If the decision is to remain with hourly rate invoicing, then ISBs will need to follow the NZQA lead and set up systems for time sheeting, recording invoicing, reporting etc. This is a new function not previously required by WDCs adding cost and complexity to whatever shared service function is established.

Thank you for the opportunity to comment on the NZQA fees proposals. We are available for discussion if required.

Ngā mihi nui, nā

On behalf of Toitū te Waiora

Hayley Semenoff

GM Qualifications

