

Submission by

The Employers and Manufacturers Association

to the

Ministry of Education

on the

Proposal to Replace NCEA

September 2025

About the Employers and Manufacturers Association (EMA)

Established in 1886, the EMA is New Zealand's largest business association representing more than 7,000 businesses in the upper half of the North Island. Combined, our members are responsible for employing around 25% of the country's workforce.

We are the unapologetic voice of the business community, advocating strongly on behalf of our members and the wider business community to ensure their voices are heard by government and decision-makers. In collaboration with our nationwide network, including BusinessNZ, Business Central, Business Canterbury and Business South, we represent and support over 76,000 member companies.

As a not-for-profit association, we provide trusted, expert and affordable advice to our members. Delivering a wide range of services, including learning and training courses, health and safety advice, employment support, and HR and PX services, we support our members to upskill and build capability in their teams.

More broadly, we aim to create an ecosystem of support for all businesses in New Zealand, enabling them, their people and their communities to prosper.

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Introduction and general comments

Thank you for the opportunity to give feedback on the Proposal to Replace NCEA with New National Qualifications.

As an organisation representing employers, we're interested in the parts of this proposal that intersect with the world of work and set students up for success. Accordingly, we have some comments to make from that perspective.

School leavers

When looking at the Foundational Skills Award (FSA) at Year 11, literacy and numeracy certainly provide a strong basis for the crucial knowledge needed to progress to further learning or work. However, we would suggest that comprehension/critical thinking and digital skills are also critical to set young people up for success at this level.

If a student leaves school with only the FSA, it must provide a sufficient foundation to support their transition into employment. Our members consistently report that, in addition to gaps in literacy and numeracy, many school leavers also lack essential skills such as critical thinking, active listening, comprehension, and basic digital literacy.

There is also an important question regarding the level of support provided to students who leave school with only the FSA. Specifically, to what extent are they guided - both during Year 11 and after leaving school - on further education opportunities and potential career pathways?

ISBs

We support the approach of aligning Vocational Education and Training (VET) subjects with industry needs and recognised qualifications. This alignment has the potential to deliver more sustainable employment outcomes for learners and produce graduates who are better equipped to meet workplace expectations.

The responsibility for developing VET subjects at the secondary school level needs to be fully funded, for both the Industry Skills Boards (ISBs), and the MoE/NZQA where a subject falls outside the scope of an ISB.

This represents a distinct and expanded remit beyond the ISBs' currently proposed scope, and will require deeper engagement with employers, and a stronger understanding of secondary school knowledge around students/curriculum, as well as the substantial scale of the NCEA work programme and monitoring/review function.

This also reinforces the importance of ensuring that ISBs are closely aligned with the real, day-to-day needs of employers. We heard from members that they had very little awareness of the Workforce Development Councils (WDCs) and the work that they did, or how to give feedback on their needs, highlighting a critical area the ISBs will need to address.

Working with employers

Consideration must also be given to how employers will engage with schools, teachers, and tertiary education organisations (TEOs), whether through offering work experience and placements, or by speaking to students and educators about opportunities within their industries. Equally important is how teachers will be supported and empowered to understand current industry drivers and needs relevant to their subject areas.

For many employers, the number of schools and TEOs within their region makes it impractical to respond to every ad hoc request. Likewise, schools and teachers are already stretched and surrounded by a wide range of businesses. There needs to be some thought on how to streamline and simplify this engagement to be the most effective for all parties.

Pathways/Careers

We do have a concern that this proposal continues to maintain a separation between vocational and university pathways within tertiary education. In reality, subjects are not always exclusive to either VET or university study. It is important to highlight career pathways that demonstrate multiple options across both VET and university routes.

Currently, VET is often perceived as less valuable than a university degree; however, employer experience suggests that the reality is far more nuanced, with both pathways offering meaningful and valuable contributions to the workforce.

We need to be conscious of not favouring or pushing one option over the other, and we need to ensure that there is some flexibility that allows pupils to change paths if needed, whether within or between subjects.

This raises an important question around who will determine the pathway a student follows. All parties involved in that decision-making process must have access to comprehensive and balanced information about both VET and university options across various subjects. This is essential to support informed, unbiased decisions and to avoid unintended streaming of students.

The link with the Careers function of the Tertiary Education Commission (TEC) and how Careers Education, Information, Advice and Guidance (CEIAG) is provided throughout the education system needs to be considered alongside this.

There needs to be a strong provision of CEIAG across all subjects and industries (not just those involved in VET), and it needs to be based on data and informed by employers. We should be able to provide well rounded knowledge to support long term career choices.

Family and whānau, alongside teachers and careers advisors, play a vital role in shaping students' career decisions. It is essential that, in addition to receiving information about new qualifications and curriculum changes, they are equipped with up to date, clear, and robust guidance on career pathways and industry opportunities relevant to each subject area.

Other comments

Many of our comments centre on how students will access high-quality information about various industries and the full range of options available across both VET and university pathways within each subject. Supporting informed decision-making requires a system-wide approach that is grounded in reliable data and shaped by meaningful input from industry.

An integrated workforce skills strategy, underpinned by robust data on current and future industry skill needs, would enable a consistent and coordinated approach across all levels of education and flow through into careers information. Such a strategy should clearly identify how these needs will be addressed system-wide, ensuring alignment between education pathways and industry demands.

This integrated workforce strategy should also inform the new Tertiary Education Strategy, along with informing other related entities/areas e.g. Immigration, MSD, Corrections, ACC.

Conclusion

Thank you for the opportunity to comment on this proposal, we're happy to take any further questions or engagement on behalf of our members.