

**Briefing: Analysis of Industry Training Federation's paper on
*Making Micro-Credentials Work for Industry Training***

To:	Hon Chris Hipkins, Minister of Education
From:	Dr Karen Poutasi, Chief Executive
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Purpose

1. This briefing provides you with a brief analysis of the Industry Training Federation's (ITF's) paper on *Making Micro-Credentials Work for Industry Training*.
2. The New Zealand Qualifications Authority (NZQA) proposes to proactively release this briefing as part of the next publication of documents.

Background

3. The ITF has provided you with advice on ways in which micro-credentials could be effectively utilised in the industry training sector following your meeting with the Industry Training Federation Council on 12 April 2018.
4. The ITF paper broadly supports the introduction of micro-credentials in New Zealand to improve the flexibility and responsiveness of the education and training system. It makes a case for recognising unit standards as micro-credentials, and states that the use of Training Scheme Rules as a mechanism to recognise micro-credentials is problematic.

Analysis

Recognising unit standards as micro-credentials

5. While unit standards do specify learning outcome(s), standards for achieving the outcome, and evidence requirements, they do not specify programme content, modes of delivery and assessment activity. The primary purpose of unit standards is to articulate learning outcomes and the performance criteria required for achievement of the standard. On its own, a unit standard does not say anything about the content of what is learned or how it is learned and assessed.
6. Conceptualising micro-credentials as unit standards could create confusion about the role of these education products and result in duplication of learning. It will also rebrand unit standards as micro-credentials even though they continue to serve the same current purpose.

7. Micro-credentials should respond to end-user skill and training requirements not currently being met through qualifications and assessment standards. This would encourage the development of an education product, separate from qualifications and assessment standards, that responds to specific needs and incentivise desirable behaviours in tertiary education organisations (e.g. identifying specific and emerging needs and working with employers, industry and community to meet those needs).

The Training Scheme Rules and legislative restrictions on Industry Training Organisations (ITOs)

8. NZQA has proposed using Training Scheme Rules as an existing mechanism to quality assure micro-credentials¹. This means that applications from New Zealand tertiary education organisations (TEOs) for the approval of micro-credentials and their delivery, would be considered as a type of training scheme and therefore subject, at a minimum, to the same requirements as training schemes.
9. Currently, ITOs are required under s251(3) of the Education Act, 1989, to partner with an education provider to offer training schemes and thereby micro-credentials. ITOs are also restricted under the Industry Training and Apprenticeships Act in relation to being able to provide industry training, and so partnerships with providers ensure they can be part of training schemes.
10. While the legislation does restrict the ability of ITOs to deliver micro-credentials as a type of training scheme, it does not prevent them from doing so. ITOs continue to be able to partner with providers, as they currently do with training schemes, to offer micro-credentials to upskill and retrain their sector. ITOs also continue to be able to offer small sets of unit standards as training schemes, in partnership with providers, to learners.
11. NZQA is proposing to review the effectiveness of the micro-credentials system approximately nine months following its implementation. The review will provide an opportunity to identify if legislative changes are required, make enhancements, and align micro-credentials with any changes arising from the vocational education and training (VET) review.



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Chris Hipkins

Minister Education

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¹ On 25 May 2018 NZQA submitted an Aide Memoire on its proposed approach to implementing a micro-credential system in New Zealand (CR17591 refers).