



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

Regional Skills Leadership Groups

Terms of Reference

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1. Background and Purpose

On 24 July 2019 the Government agreed to establish 15 Regional Skills Leadership Groups (RSLGs) to facilitate dialogue about regional labour market needs. The Cabinet Paper and Cabinet Minute are available here: <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/regional-skills-leadership-groups/>.

In April 2020, the Labour Market Ministers Group (LMMG) agreed to establish interim RSLGs to support regional labour market responses to COVID-19. Through the provision of labour market intelligence and data, interim RSLGs will inform New Zealand's skills, training and immigration programmes and settings.

The purpose of the RSLGs is to identify the workforce and skills needs and priorities in their region, both now and in the future, and advise government on actions to cultivate these.

Our education, welfare and immigration systems will act on this advice to make sure these skills are developed and available and to reduce reliance on migrant workers where New Zealanders are available and able to be trained. Employers can act on this advice to tackle barriers to employment and productivity growth, by pooling resources and offering attractive job opportunities and by working to grow and train the labour force they need. For Government, this advice will help inform the design of employment initiatives; skills and training programmes and investments; and sector, occupation or geographic immigration settings.

RSLGs will be regionally based and regionally led. They will feature regional industry leaders, economic development agencies, worker representatives, iwi, and a senior government representative (usually the Regional Public Service Lead), who will contribute their knowledge and local expertise. The groups will be supported by a Secretariat based in the Ministry of Business, Innovation and Employment (the Ministry) that will provide analytical support, data and labour market expertise, and a view across central government programmes related to skills and employment.

RSLGs will also play a vital coordination role in ensuring local, district and regional labour market initiatives are joined up, complementary and aligned to addressing a region's labour market needs and priorities (as identified in the annual Regional Workforce Plan). This coordination role will be reinforced by the inclusion of the Regional Public Service Lead, who will support the group to work with other government initiatives in the region.

In developing RSLGs, Cabinet was mindful of the need for them to reflect their region and work for their region. What works in one region will not necessarily work in another region. To this end, the Ministry is working to ensure that membership and structure is reflective of the uniqueness of the region.

Interim RSLG

The arrival of COVID-19 and its far reaching impacts on regional economies, labour markets and people has expedited the establishment of RSLGs in order to support a coordinated regional and central government response. These interim groups will provide a focus for drawing together labour market information, and offer valuable labour market intelligence to central government and regions to support the COVID-19 response. The interim groups will also be expected to work collaboratively across the region, and with neighbouring regions where relevant, to coordinate and strengthen other local and government labour market initiatives that are supporting New Zealand's

economic recovery from COVID-19. Broad engagement across the region and with particular communities will help the groups frame short and long-term labour market challenges and priorities.

In the near-term, the RSLGs will be denoted as 'interim RSLGs' reflecting that they will not be expected to fulfil all the requirements laid out in the Cabinet decision around their setup (notably completion of an annual Workforce Plan) and the focus will be to support the immediate response to the regional labour market impacts and disruption arising from COVID-19.

It is expected that within a year the interim RSLGs will become full RSLGs, with two year terms for members, the Chair appointed by Cabinet, and producing an annual Regional Workforce Plan.

These Terms of Reference describe the purpose, role, functions, membership and processes of the Regional Skills Leadership Group. Annex One outlines the differences between the interim RSLG and full RSLG. Unless otherwise highlighted, the Terms of Reference covers both interim RSLGs and full RSLGs.

2. Role and function of the RSLGs

2.1. Interim RSLG

A priority for the interim RSLGs is to provide coordinated, strategic, qualitative information about regional labour market disruption resulting from COVID-19 and advice to central government on how to support the recovery. This information will be critical in supporting central government initiatives to support local employers and job seekers. Interim RSLGs will also take a leading role in providing a regional view on:

Workforce trends and risks

- Unemployment: insight into current unemployment (and under-employment) in the region and risks of potential layoffs, including sector, location etc.
- Employment: opportunities including timing, sector, location, skills, experience required and potential participation barriers.

Labour market response to COVID-19

- Provide advice for transition into sustainable employment or skills development and training and how to best coordinate this.
- A regional view on the role of immigration and tertiary education in specific sectors or locations.

The interim RSLG will also:

- be the regional point of contact for central government in terms of regional labour market and skills information and advice
- engage with key stakeholders and iwi in the region to identify patterns, trends and urgent needs relating to business continuity and labour market attachment in the region
- where relevant, ensure regional activity by the interim RSLG is shared with, and aligned to, neighbouring region(s)
- consider any specific issues that the Minister of Employment or the Ministry directs the RSLG to consider.

The group will develop and implement an engagement plan that ensures ongoing consultation with regional stakeholders including iwi and, where possible hapū. The plan will also outline how the group will provide support to enable iwi, hapū and under-represented groups to engage with the work of the RSLG.

2.2. RSLG

Interim RSLGs will transition over 12 months to 'full RSLG' status. Building on the work of the interim group, RSLGs will provide a forward view of the skills and labour that will need to be attracted to the region from across New Zealand (and internationally), and local initiatives that can be taken to close the gap of any predictable skills and labour shortages. A key output of an RSLG will be an annual Regional Workforce Plan (Plan).

A region's Plan will set out the aspiration for the region and how the desired future state will be achieved. The plan will include commitments for actions from the parties represented on the RSLG and will highlight labour supply and demand trends, and identify where change is needed to achieve a high-skill regional labour market. In order to represent the views of iwi, business and workers, there will be a need for different community groups and sub-regional perspectives to be reflected, as appropriate, within the Plan. These perspectives may be developed through formal advisory groups of the RSLG or in another manner that the RSLG determines is appropriate.

The RSLG is responsible for overseeing, facilitating and encouraging the implementation of its region's Plan through its network of relationships with central and local actors. As part of this role the Plan will be provided to central government to input into planning and decision making across the education, skills and training, immigration and employment support areas (refer Annex Two – RSLG System Diagram). For example, an RSLG is expected to use this plan to advise the Tertiary Education Commission (TEC) on purchasing and funding decisions, advocating on behalf of the region for the investment needed to give effect to the region's skills plan, and TEC is required to take this advice into account.

In addition to producing a Plan, the RSLGs will continue to be responsible for informing and joining up local initiatives that impact on the region's workforce supply, including initiatives designed to establish connections between schools and employers; for retraining mid-career or older workers; and local and regional initiatives to attract and retain workers. This will require members of the RSLG to work through their existing networks and with the Regional Public Service Lead or regionally-based government member appointed to their group.

As with the interim RSLG, the full RSLGs will provide advice and labour market data and intelligence to government and help inform central government activities and decisions that support skill development and workforce supply.

3. Interim and full RSLG operational accountabilities¹

The RSLG will provide independent intelligence and advice and is accountable to the Ministry. In carrying out its role, the RSLG will:

- act in accordance with procedures agreed or mandated by the Ministry or the Minister of Employment
- maintain the confidentiality of material submitted to it or obtained in carrying out, or incidental to, its functions
- comply with legal requirements
- maintain a conflict of interest register for all members that is kept updated.

In considering and providing advice to regional participants or central government, the RSLG will:

¹ A reference to 'RSLG' in the Terms of Reference includes both an interim and 'full' RSLG unless otherwise specified.

- engage and confer with their community, including iwi across the region, and hapū where possible
- seek information relating to labour market priorities, activities and projects both in the region and where appropriate neighbouring regions, and provide advice on prioritisation and coordination where applicable
- consider establishing sub-group(s) to represent the regional labour market diversity.

The RSLG will agree with the RSLG Secretariat how the group will document the systems and processes it uses to operate, including

- the procedures for providing advice to regional stakeholders and/or central government
- how its meetings are conducted, including a quorum, the procedures for when the Chair is absent, and voting
- the working relationship with the Ministry and other government agencies.

All advice / outputs from the RSLG should be collectively agreed by members. In the event that a consensus view cannot be obtained, minority opinions must be represented in the minutes of the meeting.

4. RSLG Secretariat support

To support the RSLGs, the RSLG Secretariat will provide support through both regionally and Wellington based staff. The support will include:

- presenting central government compiled data and provide this to each RSLG. This will include information from the Ministry, the Ministry of Social Development, Tertiary Education Commission, Statistics New Zealand, and others as appropriate, eg Te Puni Kōkori, Ministry of Primary Industries, Ministry for Women
- collating and analysing the labour market intelligence and insights provided by RSLGs
- drafting and analytical support required to develop, collate, and present the RSLG's perspectives. As the interim groups transition to full RSLG status, this will include providing a template for the annual Regional Workforce Plan and assisting with the drafting of the Plan
- providing a direct link between RSLGs and central government
- some financial support for RSLGs to fund research
- overseeing the governance of RSLGs and providing general guidance where necessary
- providing logistical support for RSLGs, including arranging meetings, recording minutes, liaising with invited guests, collating research and arranging the payment of members' fees and expenses.

5. Meetings

The interim RSLG will meet at least fortnightly during the immediate COVID-19 response, unless otherwise agreed with the Ministry. After the COVID-19 immediate response, and on mutual agreement with the Ministry, the group will meet at least monthly.

The interim RSLG may be required to meet on a 'virtual' basis in certain COVID-19 status levels. All meetings will be coordinated by the RSLG Secretariat, whether in-situ or virtual.

Additional meetings may be called when required and with agreement of the Chair and the RSLG Secretariat, on particularly urgent or important areas of labour market insight or advice. Where issues arise between scheduled meetings, the RSLG Secretariat may contact the group by email or teleconference to seek their views.

Full RSLGs will meet between six to ten times over a twelve month period, to be decided by the group.

Where members cannot attend a meeting, they should provide written or verbal information and feedback to the Chair. No alternates are permitted, unless otherwise agreed with the Ministry.

6. Role and term of the Chair

The Chair of the interim RSLG will be appointed by the Chief Executive of the Ministry for the term to June 2021 or until the appointment of the full RSLG, whichever is earlier. This term may be extended by the Chief Executive of the Ministry.

Once the interim RSLG transitions to a full RSLG, the Chair's term becomes two years and will be approved by Cabinet's Appointment and Honours Committee.

The RSLG may appoint an alternative Chair in the event of illness or unavailability of the appointed Chair.

The Chair is responsible for:

- setting the agenda in consultation with members and the RSLG Secretariat
- ensuring the RSLG operates in a manner that enables it to undertake its role and functions
- managing any conflict of interest or lobbying that may arise
- liaising with the RSLG Secretariat on behalf of the RSLG
- acting as the spokesperson for the RSLG
- establishing an agreed mechanism through which information relating to the region's RSLG activity is strategically aligned and shared with neighbouring regions where appropriate.

7. Membership and Term

The RSLG will consist of no more than 15 members, including the Chair.

Members are appointed in their personal capacity and cannot nominate alternates to attend on their behalf.

7.1. Term

The interim RSLG members will be appointed for the term to June 2021 or until appointment of the full RSLG, whichever is earlier. This term may be extended by the Chief Executive of the Ministry.

Members of the interim RSLG are eligible for appointment to the full RSLG. Once the interim RSLG transitions to a full RSLG, members will be appointed for an initial two year term and are eligible for reappointment, at the discretion of MBIE to allow for Group continuity and representativeness.

7.2. Attributes of Members

Members will be appointed based on ensuring the RSLG as a whole has the following competencies:

- the ability to take a region-wide view, and have a good understanding of regional labour market and skills needs
- the ability to operate at a strategic level and in a collaborative manner
- strong regional connections across economic and social sectors

- an understanding of the Māori and iwi context in the region
- the ability to think about inter-regional relationships where appropriate
- the ability to take a broad perspective on issues
- effective stakeholder engagement, including relationships with employers, unions, community, iwi, and local authorities
- in-depth knowledge of some aspects of the regional labour market.

7.3. Appointment process

The Ministry may, by written notice, appoint any person as a member. Initial appointments will be consistent with the proposed RSLG compositional structures. Any such appointment shall be effective from the time and date specified in the notice.

Members are appointed to the RSLG in a personal capacity and for their particular skillset.

The Ministry may, at any time and at its discretion, terminate an appointment by written notice sent to the member, copied to the Secretariat. A member may, at any time, resign membership of the RSLG by providing written notice to the Ministry.

7.4. Government officials may attend in an advisory capacity rather than Members

In addition to the appointed members (including the government representative), other government officials may act as advisers to the RSLG, at the invitation of the Chair. These officials will contribute to discussions but will not take part in decision-making and provision of advice to the Ministry. This will ensure that they can provide expert advice to the RSLG while maintaining their primary function of serving their Minister and agency.

8. Fees

The RSLG is classified as a Group 4 Level 3 body under the Cabinet Fees Framework (*All Other Committees and Other Bodies*). All members are responsible for paying Inland Revenue payments, other taxes and Accident Compensation Corporation levies in respect of remuneration and disbursements.

These rates as at 03 June 2020 are \$575 per day (plus GST if applicable) for the Chair and \$395 per day (plus GST if applicable) for members. Hourly pro-rata rates based on a standard 8 hour day will be calculated, to apply when hours worked differ from a standard day.

Members representing government agencies, crown entities or local government employees are appointed in their capacity as representatives and are not entitled to any additional remuneration (refer clauses 69 and 70 of the Cabinet Fees Framework).

The daily remuneration for all others will be claimed in accordance with Cabinet Office instructions.

All travel, accommodation and meals will be organised and paid by the Ministry where practicable. Any disbursements will be agreed with the Ministry. Where travel, accommodation and meals cannot be organised by the Ministry, then actual and reasonable costs will be reimbursed in accordance with relevant Ministry policies.

9. Quorum

There will be a quorum if a simple majority of members, including the Chair(s), are available for attendance at meetings. Any absent members will receive the opportunity to provide their opinion

through written or verbal advice, information and feedback either directly to the Chair, or by written advice through the RSLG Secretariat.

10. Obligations

The RSLG members will:

- act in good faith, demonstrating honesty, integrity, openness and accountability in their dealings with each other
- act consistently with the State Sector Standards of Integrity and Conduct
- provide free and frank advice in relation to matters before the RSLG, while maintaining discretion about that advice and their conduct in the business community
- take collective responsibility for the actions and decisions of the RSLG
- follow agreed communication protocols as established by the Ministry, before making public statements on any aspect of the interim RSLG.

11. Invited Experts

The Chair of the RSLG may invite additional *ad hoc* attendees. This could be any person or persons whose qualifications or experience would be of assistance to the RSLG in dealing with a particular matter. Every person invited in this way will be entitled to take part in the proceedings of the meeting in relation to that matter, but will not take part in decision-making or provision of advice to the Ministry. Invited experts are not eligible for sitting fees but, with the prior approval of the RSLG Secretariat, may have travel expenses reimbursed.

12. Official Information Act 1982

The Official Information Act applies to the records of the RSLG.

13. Confidentiality Clause

The RSLG may from time to time report its findings on any matter to the Ministry. Any such report will be provided in draft format initially to allow input from the Ministry. Finalised reports may be published with the agreement of the Ministry and the RSLG. Published reports will not contain information supplied to the RSLG that have a confidential status.

The RSLG will not publish or disseminate the advice it provides to the government without prior approval from the Ministry. However, the government may, from time to time, agree to publish papers produced by the RSLG.

The RSLG members will offer free and frank advice to the government while maintaining discretion about that advice in wider circles.

The RSLG and the Ministry will operate on a 'no surprises' basis. The RSLG must maintain the confidence of the Minister of Employment and the Ministry of Business, Innovation and Employment at all times.

Annex One: Differences between interim RSLG and full RSLG

Attribute	Interim RSLG	Full RSLG
Purpose	<p>To provide coordinated, strategic, qualitative information to government about regional labour market disruption resulting from COVID-19 and advice to central government on how to support the recovery.</p> <p>To inform and join up local initiatives to respond to the labour market impacts of COVID-19.</p>	<p>To identify workforce and skills needs in their region, both now and in the future, and provide advice to government on actions to cultivate these.</p> <p>To provide advice that will help inform central government activities and decisions that support skill development and workforce supply.</p> <p>To inform and join up local initiatives to respond to labour market challenges and barriers to employment.</p>
Outputs	Provide qualitative labour market intelligence including patterns, trends and urgent needs (refer 2.1 in ToR).	Regional Workforce Plan annually (refer 2.2 in ToR)
Appointment of Chair	Appointment by MBIE	Appointment by Cabinet's Appointment and Honours Committee (APH)
Term of Chair	To June 2021 or until the full RSLG is appointed (whichever is the earlier)	2 years with option of further term of up to two years at the discretion of APH
Membership and appointment of Members	<p>No more than 15 members (incl Chair)</p> <p>Appointment by MBIE</p>	<p>No more than 15 members (incl Chair)</p> <p>Appointment by MBIE, except the Chair</p>
Term of members	To June 2021 or until the full RSLG is appointed (whichever is the earlier)	2 years with option of further term of up to two years at the discretion of MBIE
Frequency of meetings	Fortnightly (during immediate COVID-19 response), then monthly	6 – 10 times over 12 month period
Expectation of commitment	Approx. 6 hours per fortnight initially (including preparation), reducing over time	One day per month
Payment	<p>Payment pro-rata for hours spent</p> <p>\$395 per day - members</p> <p>\$575 per day – Chair</p>	<p>Payment pro-rata for hours spent</p> <p>\$395 per day – members</p> <p>\$575 per day - Chair</p>

Annex Two: System Diagram Regional Skills Leadership Groups

Full Regional Skills Leadership Groups
System Diagram – refer attachment

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