



COVERSHEET

Minister	Hon Phil Twyford	Portfolio	Economic Development
Title of Cabinet paper	<i>Update on Industry Transformation Plans</i>	Date to be published	21 July 2020

List of documents that have been proactively released

Date	Title	Author
4 December 2019	<i>Update on Industry Transformation Plans</i>	<i>Office of the Minister for Economic Development</i>
4 December 2019	<i>DEV-19-MIN-0337</i>	<i>Cabinet Office</i>

Information redacted

YES / NO (please select)

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Cabinet Economic Development Committee

Minute of Decision

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Update on Industry Transformation Plans

Portfolio Economic Development

On 4 December 2019, the Cabinet Economic Development Committee (DEV):

1 **noted** that:

1.1 on 18 February 2019, Cabinet agreed to a set of guiding principles to inform the government's new approach to industry policy [CAB-19-MIN-0033.01];

1.2 on 29 May 2019, DEV agreed to prioritise significantly increasing the government's partnership activity in several sectors, with the aim of developing Industry Transformation Plans (ITPs) for each sector through consultation [DEV-19-MIN-0139];

2 **agreed** that the guiding principles referred to in paragraph 1.1 above be complemented by the principle of ensuring the government's activity in ITPs is supporting better jobs, involving decent and sustainable work, and good wages and conditions;

3 **noted** that work is underway on five initial ITPs, for:

3.1 Construction (through the Construction Sector Accord);

3.2 Agritech;

3.3 Food and Beverage;

3.4 Forestry and Wood Processing;

3.5 Digital Technologies;

4 **noted** that a draft Agritech ITP, attached as Annex Three to the paper under DEV-19-SUB-0337, is now ready for public consultation;

5 **agreed** to the release of the draft Agritech ITP for public consultation, subject to any minor or editorial changes that may be required;

6 **noted** that ITPs for Food and Beverage, and Digital Technologies will be ready for consultation in the first half of 2020, and that the Food and Beverage ITP will support the realisation of the Taiao vision developed by the Primary Sector Council;

- 7 **noted** that the Forestry and Wood Processing ITP will:
- 7.1 derive from research about to be commissioned to identify the most viable commercial opportunities for investment in bio-technologies and bio-based products that utilise wood and wood fibre, and facilitate New Zealand to transition to a bio-economy;
 - 7.2 be developed over the course of 2020;
- 8 **noted** that there is scope for ITPs to more explicitly consider future labour market dynamics within a particular industry, with the view of being a tool for more effective planning around worker transitions;
- 9 **agreed** that:
- 9.1 officials work with social partners, the Council of Trade Unions and Business New Zealand, to confirm the purpose, scope, common structure and process for developing future ITPs;
 - 9.2 the progress of this work be discussed within the Future of Work Tripartite Forum in March 2020;
- 10 **noted** that following the work referred to above, Cabinet agreement will be sought on which sectors will be the focus of the next tranche of ITPs, being mindful of the 10 sectors that were initially selected as well as others that arise from the work with social partners;
- 11 **agreed** to the proposed governance arrangements for the ITPs, with:
- 11.1 the Lead Ministers being the Minister for Economic Development, the Minister of Finance, the Minister of Research, Science and Innovation, and the Minister for Workplace Relations and Safety;
 - 11.2 for individual ITPs, the accountable Ministers being the Minister for Economic Development and the relevant portfolio Minister;
- 12 **agreed** that the Lead Ministers will keep the portfolio of ITPs focussed on increasing productivity and transitioning to a low emissions economy, while addressing issues such as workforce disruption;
- 13 **noted** that following a co-design process and consideration by the Future of Work Tripartite Forum, the accountable Ministers will bring draft ITPs to Cabinet for consideration prior to their release for public consultation;
- 14 **noted** that the Minister for Economic Development intends to progress an initiative within Budget 2020 that will:
- 14.1 provide funding for initiatives within specific ITPs;
 - 14.2 enable the government to provide resourcing to relevant parties to support their participation in the ITP process where this would be otherwise constrained.

Janine Harvey
Committee Secretary

Hard-copy distribution: (see over)

Present:

Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson (Chair)
Hon Nanaia Mahuta
Hon Kris Faafoi
Hon James Shaw

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Hard-copy distribution:

Minister for Economic Development

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