

Manufacturing Advisory Group Terms of Reference

1. Context

The Manufacturing Vision Group was established by New Zealand Trade and Enterprise (NZTE) in August 2005 to develop a clear vision and strategy for New Zealand manufacturing. The group, which was comprised of industry leaders, manufacturers, unions and government representatives, launched their report *Manufacturing+ A Vision for World Leading New Zealand Manufacturers* (the *Manufacturing Plus* report) on 21 November 2006.

The report recommended that the government support *Manufacturing Plus* as an ongoing forum to ensure a collaborative approach to addressing future issues affecting the manufacturing sector.

The government has agreed to establish a 'Manufacturing Advisory Group' to advise the Minister for Industry and Regional Development on issues material to the development of the manufacturing sector.

2. Purpose

The Manufacturing Advisory Group (MAG) is a joint business and government initiative.

The purpose of the MAG is to:

- Advise the Minister for Industry and Regional Development ("the Minister") on issues material to the future of manufacturing, specifically:
 - The skills and capability needs of the sector;
 - Developing a clear and consistent perspective on the state of manufacturing; and
 - Developing potential industry-led responses to evolving global competition and where possible government support consistent with existing policy frameworks.
- Support a robust role for manufacturing in the New Zealand economy, specifically:
 - The extent to which the sector is aware and is making best use of the support currently available from government;
 - Whether government initiatives are configured to best meet the needs of the sector going forward; and
 - Links to the ongoing work around sustainability issues.
- Act as a conduit for information and ideas between the group's individual members (and the organisations/groups they are involved in independently of the MAG), and the rest of the MAG membership and the Minister.

3. Mode of Operation

The success of the MAG in providing valuable and well-rounded advice will depend on the membership of the group and the group's ability to align its work to the efforts of other relevant groups.

The role of the MAG will be action-oriented and should complement, not duplicate the activities and efforts of other boards or representative groups, such as the Growth and Innovation Advisory Board (GIAB) or the Competitive Manufacturing Consortium¹.

4. Scope

The scope of the group may include:

- Providing advice on major issues that influence the manufacturing sector;
- Providing linkages with and informing the government's policy development process from a manufacturing perspective;
- Encouraging and facilitating the manufacturing sector and relevant industry groups to work together on issues that impact on the manufacturing sector;
- The extent to which the sector is aware of and making best use of the support currently available from government, and whether government initiatives are configured to best meet the needs of the sector going forward;
- How the manufacturing sector can adopt sustainable business practices to improve overall sustainability in the economy and capture significant commercial opportunities; and
- Promoting greater awareness of the successes and potential of the New Zealand manufacturing sector.

5. Deliverables and Reporting

- Reporting/deliverables will be as agreed by the Minister with MAG.
- An expected first deliverable for the group will be to determine key tasks and success measures on how MAG will deliver on the items in Scope (section 4). The success measures will be used by members to determine

¹ A consortium of Industry Training Organisations set up to oversee the Competitive Manufacturing Initiative which provides a vehicle for retaining and developing sustainable manufacturing in New Zealand through the implementation of high performance work practices and culture in the workplace.

the group's progress and to report to the Minister after the group has operated for one year.

- NZTE, in consultation with MED, will keep the Minister informed of progress every six months.
- Minutes of the MAG meetings will be provided to the Minister by NZTE.
- Members are responsible for keeping their own organisation/constituents appropriately informed and involved.

6. Accountability and Resourcing

It is proposed that the MAG meet quarterly for a period of one year at which time it will review its future configuration and operation.

Subgroups may choose to meet to discuss particular issues on an as required basis subject to the approval of the full membership of the MAG.

The MAG will receive administrative support provided by New Zealand Trade and Enterprise (NZTE). NZTE will arrange meetings, as agreed to by the Group, take minutes and distribute papers.

Member organisations may agree to provide analytical support to the MAG if the matter falls within its member organisation work programme and priorities, and may involve additional government agencies where required. Similarly, the government agencies represented will provide analysis to support the work of the MAG, subject to the agencies and/or their responsible Ministers' agreement to any such initiative being a priority.

The MAG will not publish the advice it gives to government. MAG may recommend to the Minister, through NZTE, that work be undertaken and how that work might be resourced.

All matters discussed by the group at its meetings and in any accompanying papers are able to be circulated to member organisations. The Chairs will facilitate and record any issues where confidentiality is required.

MAG members will not receive any participation fee. NZTE will cover actual and reasonable travel and accommodation expenses and incidental costs. The payment and/or sharing of any potential costs anticipated by the MAG will be discussed and agreed in advance.

7. Membership and Representation

The membership of the MAG should comprise of no more than 10 people.

The MAG will be co-chaired by an industry and union representative.

The membership of the MAG should represent the following stakeholders:

- Business representative organisations, such as Business New Zealand;

- Unions, such as the Council of Trade Unions (CTU) and the Engineering, Printing and Manufacturing Union (EPMU);
- Manufacturers;
- Key government agencies, such as the Ministry of Economic Development, the Department of Labour, NZTE, and the Tertiary Education Commission; and
- Relevant and related groups with an interest in this area such as the Competitive Manufacturing Consortium and/or the Industry Training Federation.

8. Appointment Process

The Chairs of the MAG will be invited to the position by MED and NZTE, on the agreement of the Minister, and will participate in the appointment process for the rest of the group's members.

The groups represented on the MAG will be invited by MED and NZTE after consultation with the Chairs and subject to the agreement of the Minister.

9. Assessment

It is expected that MAG will run for one year initially. MAG and these Terms of Reference will be subject to review at the end of this period.