



Guide to Rule 18A: Quality Employment Outcomes

From 1 October 2021, government agencies must consider how they can create quality employment opportunities through their procurement activities and monitor them in government contracts.

The new Rule 18A: Quality employment outcomes is included in the Government Procurement Rules broader outcomes priorities.

Rule 18A: Quality employment outcomes

The four priority broader outcomes are:

1. increase New Zealand businesses' access to government procurement ([Rule 17](#))
2. increase the size and skill level of the domestic construction sector workforce and provide employment opportunities to targeted groups ([Rule 18](#))
3. improve conditions for workers and future-proof the ability of New Zealand businesses to trade ([Rule 19](#))
 - quality employment outcomes ([Rule 18A](#))
4. transition to a net zero emissions economy and designing waste out of the system ([Rule 20](#)).

Broader outcomes

What are quality employment opportunities?

Quality employment opportunities means opening up work opportunities to a more diverse range of employees and contractors than suppliers would normally engage with.

Special attention should be paid to the following groups:

- Māori
- Pacific peoples
- women
- the young
- people with disabilities, including living with poor health.

Encouraging suppliers to extend employment opportunities to support workforce diversity and inclusion can help improve social outcomes, and increase the capacity and capability of the workforce. Agencies can take active steps in their procurement activities to:

- identify and remove barriers to recruitment, retention and promotion of these groups
- ensure that hiring practices and employment policies support diversity and equity
- ensure that the work environment is welcoming and inclusive
- undertake active promotion of employment opportunities to these groups, including through community partnerships and outreach, as appropriate.

Agencies should encourage suppliers to remove barriers to employment and welcome diverse groups by:

- deliberately targeting a more diverse range of people through different channels and networks
- offering genuine career progression and training
- supporting social outcomes by employing workers on terms and conditions that help them to live a dignified life and feel that their work has value, meaning and purpose
- providing facilities and arrangements that encourage a more diverse range of people to apply
- providing workers with the health and safety training they need to safeguard themselves from work related health and safety risks
- ensuring they comply with employment standards.

Including Rule 18A in a Request for Proposal or other tender documents

When evaluating tenders, agencies should consider each supplier's commitment to delivering on their objectives in the context of their means, relative to others. Suppliers will have differing means (based on their size, balance sheet etc) and abilities. Not all suppliers will be able to grow their business by taking on new recruits. This is particularly true for smaller companies, although they may be able to invest in upskilling their existing workforce to be more productive.

What a good response looks like

There is no one-size-fits-all model of what good looks like. Examples of ways suppliers may set themselves apart include:

- Targeted groups (recruitment) – suppliers identify groups targeted under rule 18A and how they have connected with them.
- Facilities and services (operations) – suppliers specify the operational arrangements they have put in place to support more diverse workers.
- Past performance (track record) – existing practices show commitment to worker development, skills training and development programmes in the past.
- Supply chain – suppliers show they have engaged with their supply chain, including sub-contractors, and have their buy-in and support to meet your expectations (such as a diverse workforce).
- Level of commitment (capacity) – suppliers propose or commit to delivery outcomes that exceed or are additional to your agency's expectations, but are still realistic.
- Robust plans (capability) – suppliers provide a robust explanation of how they will meet objectives, including showing an understanding of the extra support certain target groups and trainees may require.
- Asking for help – suppliers show a clear understanding of specific challenges and reach out for support to relevant government agencies and training organisations.

Active labour market programmes

Many of the government agencies listed below have already scaled up or introduced new programmes since the onset of COVID-19, some of which are specifically designed to respond to newly displaced workers.

Here are some examples of assistance offered by government agencies:

- Ministry of Business, Innovation and Employment: lead agency for employment strategy and direct job creation
[Kānoa - Regional Economic Development & Investment Unit](#)
[Skills and training](#)
- Ministry of Social Development: lead agency in advice and provision of public employment services
[Flexi – wage subsidy](#)

Mainstream programmes

- Ministry of Education: lead agency for education with responsibility for secondary pathways into further education or employment
[Education to Employment](#)
[Youth Guarantee Programme](#)
- Tertiary Education Commission/Te Amorangi Mātauranga Matua: lead agency for government funded tertiary education and training and career services
[Connected.govt.nz](#)
[Careers.govt.nz](#)
- Te Puni Kōkiri: lead agency for Māori development and enhancing Māori achievement
[Cadetships](#)
- Ministry for Pacific Peoples: lead agency for improving outcomes for Pacific peoples in New Zealand
[Tupu Aotearoa](#)
- Ara Poutama Aotearoa - Department of Corrections: lead agency for prison services and working alongside offenders for their return to the community
[Employment activities](#)
- Ministry for Primary Industries: lead agency for food and primary sectors
[Primary Industry Skills Programme](#)

Tools to help

New Zealand Government Procurement (NZGP) provides government agencies with a range of customisable government model RFX contracting templates.

Agencies can consider making Rule 18A a pre-condition or a broader outcome weighted attribute as part of their evaluation of submission.

[Government model RFX templates](#)

[For all procurement enquiries email NZGP](#)

Reporting and monitoring

Agencies will be required to provide information on whether they have implemented quality employment opportunity requirements in their contractual terms with suppliers as part of the MBIE broader outcomes reporting framework.

Agencies should keep records of any contractual agreements on how a supplier would encourage work opportunities for a more diverse range of employees and contractors.

NZGP will include reporting options on Government Electronic Tender Service (GETS) at both RFP and contract award notice stages. When posting a tender, agencies will be asked if they have considered Rule 18A in their tender documents. Agencies are also able to report at the contract award stage if the successful suppliers have included considerations for Rule 18A in their proposal.