

Reform of Vocational Education

What the Government's proposals would mean for private training establishments

Thank you for taking an interest in the Reform of Vocational Education. We want to hear your views on these proposals. The changes we propose are complex, and we need the detailed knowledge and the different perspectives of people across New Zealand to get them right.

This fact sheet is a companion document to the Reform of Vocational Education consultation discussion document, which is published here: <https://conversation.education.govt.nz/conversations/reform-of-vocational-education/>. It provides additional information on what the proposed reforms would mean for private training establishments (PTEs).

What should PTEs understand about the proposals?

Why are changes being proposed?

At the heart of the Government's reform of vocational education is a goal to ensure that the needs of learners, employers and communities drive the system, to help us raise living standards for everyone in New Zealand. We want a system that truly delivers to the regions of New Zealand, and our proposals will help to ensure that there is greater availability of provision throughout New Zealand.

This Government has taken action to address various immediate issues with skills supply in New Zealand, such as through the Construction Skills Action Plan, and by investing funds to address financial viability issues in ITPs. This work is important, but more fundamental change is needed if our vocational education system is to meet New Zealand's long-term needs.

The Government can't continue tinkering at the edges, or adding more layers of complexity and "Band-Aid solutions" to an already complex system. These problems call for decisive action to safeguard New Zealand's skills pipeline and economic development for the future. These issues with our current system are holding New Zealand back, and some groups bear the costs much more than others. New Zealand deserves better.

A vision for NZ

A strong, unified vocational education system that is sustainable and fit for the future of work, delivering what learners, employers and communities need to be successful.

Have your say

The government is seeking feedback on the proposals for the Reform of Vocational Education by Wednesday 27 March 2019. The link above will also take you to our online survey where you can respond to the questions posed and more.

You can also provide feedback by attending a face-to-face consultation event. Details on these events are available at <https://conversation.education.govt.nz/conversations/reform-of-vocational-education/>

Specifics of the proposals for PTE management and staff

Education providers supporting workplace learning and assessment

The Government is proposing that providers would take on the role of supporting workplace learning and assessment that is currently done by ITOs.

New “Industry Skills Bodies” would extend the leadership role of industry and employers across all vocational education, including provider-based vocational education. They would also provide industry with a purchase role across all vocational education, through advice to the Tertiary Education Commission (TEC), which TEC must give regard to.

Providers would be responsible for delivering and supporting all vocational education and training, whether it took place at a provider’s facilities on campus or in a workplace. They would take responsibility for approximately 140,000 trainees and apprentices in addition to the approximately 110,000 vocational education learners they already serve (based on 2017 Ministry of Education figures). This would require increased capability and capacity.

Workplace learning would become part of the core business of vocational education providers, putting them in day-to-day contact with employers. Over time, programmes that integrate structured learning with the workplace would become the norm, making it easy for learners to transfer between providers and between on-job and off-job training throughout their programme of study. More vocational education could resemble apprenticeships, with education providers and employers working together to help a learner meet industry skill standards via a mix of work-based learning occurring in the course of doing a job, and structured learning supported by a provider off-job where needed – regardless of whether the learner is employed.

The changes set out above would require significant change processes for providers and ITOs. If these changes proceed, Government will need to provide support for the change processes to ensure they are smooth and effective, including supporting existing trainees and apprentices and their employers to easily shift training arrangements.

A single New Zealand Institute of Skills & Technology with a robust regional network of provision

The Government proposes to create a new New Zealand Institute of Skills & Technology, bringing together all 16 existing ITPs to offer high-quality vocational education throughout New Zealand. The creation of a new institution will allow greater and faster improvements, compared to continuing with ad-hoc mergers of competing ITPs across New Zealand, as individual institutions run into financial difficulties.

A dedicated organisational charter in the legislation would set out the purpose and functions of the institution, including specific obligations to ensure it was responding to the needs and aspirations of regional New Zealand and of Māori as tangata whenua.

Each region would have a Regional Leadership Group to advise the Institute’s “national office” and the TEC on local skills, to link with local and regional development strategies, and to advise on what mix of courses should be offered in that region.

The “New Zealand Institute of Skills & Technology” is a working name, and we are interested in your feedback on the name. The Government would like the New Zealand Institute of Skills & Technology to be in operation from 1 January 2020. The process of transformation would be phased to ensure minimal disruption to learners.

Key changes

- » Providers would gain the responsibility for supporting work-based education; giving you the opportunity to support a greater number of learners.
- » Providers’ programme of vocational education and training would need to incorporate industry-approved standards.
- » There would be a single unified funding system for vocational education.

A unified vocational education funding system

The proposed changes above would need to be supported by a new funding system. Creating one funding system for vocational education would ensure learners get the skills, experience and support they need to be successful, providers have the funding they need to be sustainable and to support our regions, and Industry Skills Bodies can fulfil their roles.

What do these proposals mean for PTE management and staff?

Vocational education providers would be able to deliver on-job as well as provider-based vocational education, moving them much closer to the world of work. This would be a big shift for some education providers, and some might choose not to make the shift – but others would embrace it, and rapidly build on their existing capability in working with employers and employees.

Vocational education providers would be able to offer a complete “workforce development service” to employers, from pre-employment training through to professional development, supported by a mix of Government and private funding.

What happens after I provide feedback?

We expect that many people will be interested in having a say on the future of vocational education in New Zealand. Everyone’s feedback is welcome. We’ll carefully consider what we’ve heard in engagement meetings, along with the feedback that is sent in to the survey, email address and phone line. The Minister and Cabinet will receive a summary of all the feedback, which will inform their decisions about the Reform of Vocational Education. You can expect to hear about these decisions around mid-2019. We’ll also continue to draw on feedback and ask for more conversations as we work through how to implement the Government’s decisions.

Are you looking for more detail?

Technical discussion documents that go into greater detail on the specifics of the proposals are available at <https://conversation.education.govt.nz/conversations/reform-of-vocational-education/>. Questions on the details are available on the technical discussion documents and online when you indicate that you wish to provide specific feedback to the following topics:

- » Proposal on roles of providers and industry bodies
- » Proposal on a single New Zealand Institute of Skills & Technology
- » Proposal on a unified funding system

You may also wish to consult the factsheet on International Education.