

## Reform of Vocational Education

# What the Government's proposal would mean for ITP management and staff

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 employers.

## What should people working at an ITP 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.

Our vocational education system must change to meet current and future challenges, and deliver better outcomes for New Zealand. Employers need to have confidence that employees have the skills to successfully contribute to the economy, and part of this is enabling better connections between business, employers, industries, local communities and the education sector.

By working now to create a better system, we can transform many of the challenges facing New Zealand's vocational education system into opportunities for learners, employers and communities – and therefore the nation as a whole – to thrive.

## 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/>

## Key changes

To achieve this we must solve some pressing and long-standing problems. ITPs are under considerable financial stress. This is due to declining enrolments, high fixed costs, the pressure of responding to changes in policy, and funding that does not reflect their cost structures.

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.

### Specifics of the proposals for ITPs

#### **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 to offer high-quality vocational education throughout New Zealand, building on and expanding the regional presence of the current ITPs.

The proposal to create the New Zealand Institute of Skills & Technology would bring together all 16 existing ITPs in New Zealand. The creation of a new institution that encompasses the delivery previously offered through our current 16 ITPs would 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.

The New Zealand Institute of Skills & Technology would be governed by a national Council appointed by the Minister of Education, overseeing a single combined management team and balance sheet to manage capital and operational budgets, staffing, and student and learning management systems.

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

The Government could also show its commitment to regions by locating national office functions in one or more regions.

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.

#### **Regional Leadership Groups**

Each region would have a Regional Leadership Group – aligned to other regional advisory organisations being developed through various Government agencies - to advise the Institute's "national office" and the Tertiary Education Commission (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. This would include both existing course offerings that are important to maintain, and new areas of provision where local needs aren't currently being fully met.

Part of the role of the Regional Leadership Group could be identifying how the regional campus can work to identify future labour demand needs for the region, and how these could be addressed through upskilling both our domestic and international student market. The courses on offer in each region would not be limited by what the local or regional campuses could provide on their own – each campus will be able to draw on the resources of the whole New Zealand Institute of Skills & Technology system to offer what the region needs. In this way, regional delivery and responsiveness will be not just maintained, but enhanced and expanded.

- » Educators would focus less on common curriculum and programme design and more on adapting centrally produced material to the needs of their students.
- » Students would gain a stronger mix of practical and underpinning skills with stronger links to workplace learning.
- » The New Zealand Institute of Skills & Technology would be more robust and stable, and students would be able to move seamlessly between campuses throughout New Zealand.

## **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 industry training organisations (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 would 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.

## **Centres of Vocational Excellence**

The Government envisages that the New Zealand Institute of Skills & Technology, and perhaps also wānanga, would host Centres of Vocational Excellence in areas of study of particular importance to New Zealand.

Centres of Vocational Excellence would cover key sectors and industries, which could be broad (for example, agriculture) or specific (for example, viticulture). They could potentially also cover key types of educational delivery, or activity, for example kaupapa Māori delivery. We envision these would be located across the country, including in regional New Zealand. Centres of Vocational Excellence would bring together a critical mass of knowledge and expertise in their areas, helping drive innovation and lift quality within vocational education.

Expert educators at Centres of Vocational Excellence would work closely with Industry Skills Bodies to develop and maintain high-quality programmes, curricula and teaching and learning resources.

## **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 are the benefits to ITP staff and learners?**

The New Zealand Institute of Skills & Technology would serve each of New Zealand’s regions and the country as a whole in balance. At the national level, it would have a leadership role for vocational education nationally and regionally, driving efficient and effective education delivery.

A consolidated organisation could make strategic use of capital, achieve greater efficiency in programme design, development and delivery, and reduce the duplication of back-office functions within the current vocational education network.

Regional and local campuses of the New Zealand Institute of Skills & Technology would be focused on delivering high-quality and relevant services to learners, employers and communities across all of New Zealand, rather than competing with each other for enrolments. These campuses would spend more time on the delivery of quality teaching and learning, with delivery and responsiveness led through engagement with regional and local stakeholders. Regional campuses of the Institute could:

- » connect strongly with local regional and economic development strategies;
- » have strong relationships with local Government; and
- » work closely with other local education providers, particularly secondary schools.

This would ensure that delivery is tailored to regional need – including those needs identified through regional and local bodies and Government. The Government could show its commitment to regions by locating national office functions in one or more regions.

The Institute would deliver on-job as well as provider-based vocational education, moving it much closer to the world of work. It 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. This change would promote better alignment between on- and off-job education and training, and stabilise provision of vocational education across the economic cycle.

Within the new New Zealand Institute of Skills & Technology, programme and curriculum development for any given field of study would be done by dedicated specialist teams (in some cases at a Centre of Vocational Excellence) for delivery nationwide. Teaching staff at the New Zealand Institute of Skills & Technology’s local campuses, and perhaps also at other education providers in the system, could then use these core teaching materials and adapt them as needed to deliver in ways that reflected local needs and opportunities.

If you are an educator, you would have more time to spend “at the frontline” with learners and employers. Most New Zealand Institute of Skills & Technology academic staff would spend little or no time designing curricula and assessment from scratch, as these would be centralised. The exception would be if you have the expertise and mana to do the work on behalf of the whole Institute of Skills & Technology network, at a Centre of Vocational Excellence or otherwise, and the desire to focus on this (perhaps for a set period of time).

### **What are the impacts on ITP management and staff?**

Government is seeking a well-managed transition to any new system. Government would like to work with ITPs and staff and student unions to ensure that you are supported through the transition.

If the proposal goes ahead, staff at ITPs would become the staff of a new, national institution. There would be a plan for transferring to the new institution that would involve work with the Tertiary Education Union, the Tertiary Institutes Allied Staff Association and other relevant unions.

If you’re a member of staff at an ITP, we recognise that all of these changes would have a significant impact on you, and that times of change can create anxiety. It is really important that changes are managed in such a way that both teachers and learners continue to provide and receive high quality education and training.

### **What would Day One look like?**

We do not know exactly how the creation of the proposed new New Zealand Institute of Skills & Technology, and the transition of existing ITPs, and new roles, would play out.

It is likely however that on the first day of the institution nothing significant would change for staff and students. The education being provided by existing ITPs would continue, and any changes to how they are managed would be made according to the principle of avoiding disruption to teaching and learning. The new body would likely have a governing council and a transition team which would work behind the scenes on the transition.

The full changeover would be managed so as to maintain the study paths of students, and wouldn’t look much different from the sort of things that happen from time to time at large institutions (new signs, perhaps some facilities

upgrades). Students planning to enrol in an ITP in 2019 can continue to do so, confident that the system will support them to proceed with their study through any future change process.

### **How do I have a voice in how the decisions are implemented?**

As part of any transition we'll be looking at ways to bring you into the design and decision making process to ensure your voice is heard. We need the help of members of the sector because you are best qualified to make the proposed new entity a success. The sooner you are involved or contribute to the design and implementation, the better.

### **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