

March 2019

To Industry Stakeholders

PROPOSED REFORM OF VOCATIONAL EDUCATION

On 13 February 2019 the Minister of Education launched public consultation on the Government's proposals for the Reform of Vocational Education.

The consultation runs for just six weeks, until 27 March 2019.

There are three main proposals for change:

1. Disbanding ITOs and introducing Industry Skills Bodies
2. Creating a New Zealand Institute of Skills and Technology, combining the 16 polytechnics
3. Establishing a centralised funding system.

What does this mean?

ITOs will be dis-established. The management of 145,000 apprentices and industry trainees will be transferred to the New Zealand Institute of Skills and Technology (NZIST), a Private Training Establishment, or a wānanga. ITO's purchasing of off-job training will be assigned to the Tertiary Education Commission.

Industry Skills Bodies (ISBs) will replace ITOs. They will develop skills standards and qualifications that must be used by providers. ISBs will have a skills leadership role, maintaining a view on what provision is required in consultation with their respective industries. ISBs will provide advice to TEC on funding decisions.

When will this happen?

The Government proposes to form the New Zealand Institute of Skills and Technology on 1 January 2020. A date has not been proposed for the transfer of 145,000 apprentices and industry trainees.

What is the Industry Council's position?

The Industry Council holds a unified position that a consultation period of just six-weeks to consider and respond to such wide-reaching reforms is unacceptable. Our request for an extension on the consultation period from 27 March until 8 May 2019 was declined by the Minister of Education.



In principle, the Industry Council is in support of a joined-up vocational education system focused on collaboration and co-operation for the benefit of learners, employers and industry. However, the Industry Council's foremost concern is with protecting the current model of workplace-based industry training. Other concerns include:

- Significant disruption for learners, employers and industry
- There are no targets for growth to address skills shortages
- No costings have been done, including potential costs for employers
- It is unclear how corporate training models would fit within the proposed new system
- Marketing and promotion of industry training and career pathways could get lost
- ITPs have drivers and mandates which don't work well for apprentice and industry trainee achievement
- Smaller, niche industries may not be well served.

Our recommendation - a staged approach

A two-stage approach would be less disruptive for learners, employers and industry. We recommend that the New Zealand Institute of Skills and Technology is formed and proven operational before any changes to workplace-based training is considered.

We encourage you to find out more about the proposed reforms

Visit: www.conversation.education.govt.nz/conversations/reform-of-vocational-education/.

Go to the MITO website and have your say by way of a short survey, email MITO, email Government or contact your local MP: www.mito.nz/haveyoursay.

Yours sincerely



Brian Bouzaid
MITO Industry Council Chair

