



TERTIARY EDUCATION UNION  
Te Hautū Kahurangi o Aotearoa

## Submission

of the

Tertiary Education Union Te Hautū Kahurangi o Aotearoa

On the Government consultation document

## **Reform of Vocational Education**

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# REFORM OF VOCATIONAL EDUCATION

## Introduction

- 1.1 The Tertiary Education Union Te Hautū Kahurangi o Aotearoa (TEU) welcomes this opportunity to respond to the consultation document *Reform of Vocational Education: consultation discussion document* prepared by the Ministry of Education.
- 1.2 The TEU is the largest union and professional association representing academic and general/allied staff in the tertiary education sector (in universities, institutes of technology/polytechnics, wānanga, private training establishments, and REAPs).

## Enacting Te Tiriti o Waitangi

- 1.3 The TEU expresses its commitment to Te Tiriti o Waitangi by working to apply the values noted below in all our work and decision-making - with members and when engaging on broader issues within the tertiary sector and beyond - such as our response to this consultation document:

*Tū kotahi, tū kaha:* We are strong and unified; we are committed to actions which will leave no-one behind; we create spaces where all people can fully participate, are fairly represented, and that foster good relationships between people.

*Ngā piki, ngā heke:* We endure through good times and bad; we work to minimise our impact on the environment; we foster ahikā – the interrelationship of people and the land, including supporting tūrangawaewae – a place where each has the right to stand and belong.

*Awhi atu, awhi mai:* We take actions that seek to improve the lives of the most vulnerable; we give and receive, acknowledging that reciprocity is fundamental to strong and equitable relationships; and we work to advance approaches that ensure quality public tertiary education for all.

*Tātou, tātou e:* We reach our goals through our collective strength and shared sense of purpose, which are supported through participatory democratic decision-making processes and structures.

- 1.4 Our response to the consultation document stems from our commitment to the values expressed above and our wish to see these enacted in the tertiary education sector and in our society and communities.

- 1.5 At this stage of the consultation on the reforms, the Government expression of the Tiriti relationship is lacking in detail. Our strong contention is that the provision of vocational education needs to be underpinned by a robust Tiriti framework that recognises a Tiriti relationship between two parties, and that is able to show this relationship in action in all decision-making for the sector. Those participating in vocational education should be able to see the relationship working at all levels – in governance, operations, programme delivery, industry, service provider and community engagement – and across all parts of the sector. The enacting of the Tiriti relationship should provide tangible results across the sector and contribute to increasing equity, diversity and accessibility for Māori and for anyone else seeking to participate in the system.
- 1.6 This means that Māori voices, power and influence are visible and integrated into the whole model. For example, whatever form a new vocational education provider/s may take, genuine relationships with iwi/hapū/Māori organisations across the country are established, so that Māori are genuinely engaged – through student representation and voice, staff engagement, within management and at the level of governance.
- 1.7 The same applies for the proposed Industry Skills Bodies and Regional Leadership Groups – the expression of the Tiriti relationship would see a balance of representation between iwi/hapū/Māori and Tangata Tiriti, whilst also accounting for other important representative aspirations or goals such as gender balance and community representation.
- 1.8 The Reforms of Vocational Education also provide an opportunity for the Minister of Education and his departments and agencies to work to align strategy, goals and outcomes for this part of the tertiary education sector with those of the Minister for Māori Development, and with other ministerial portfolios. The changes proposed in the reforms, if aligned with other key portfolios, have the potential to drive real change for Māori and for our society more broadly.
- 1.9 Given the very substantial contribution that iwi/hapū/individual Māori will need to make to the reformed sector, our view is that consideration should be given to establishing a fund to support the work of upholding the Tiriti relationship. Such a fund would acknowledge the overall contribution of ngā tangata Māori, as well as supporting and enhancing tino rangatiratanga and mana motuhake for taurira Māori and iwi Māori.

## Gender Equality

- 1.10 This comprehensive review of vocational education provides a unique opportunity for Aotearoa New Zealand to also shine a light on gender equality in vocational education. There is scope as part of the reform process to advance the goals of women's empowerment and gender equality and draw on the strengths and expertise of half the population. It is an opportunity to consider how the Minister for Women's objectives for the core public sector can be embraced by the tertiary sector.
- 1.11 *Gender balanced leadership:* In the planning and design of new governance structures, for example, a council or academic board, these bodies need to be established with due regard to gender balanced leadership. The composition of Regional Leadership Groups also needs to be based on gender balance, as do the top tiers of leadership positions for the NZIST – regionally and nationally.<sup>1</sup>
- 1.12 *Gender Pay Gap:* While the Gender Pay Gap Action Plan (GPGAP) is focused on the Public Service, it has relevance and applicability to the tertiary sector. Closing or eliminating gender pay gaps within the sector is an area where the GPG Action Plan can be implemented in vocational education and concrete milestones can be set. Measuring and reporting on the GPG for the sector followed by specific objectives to eliminate any gaps would be a positive start.
- 1.13 Eliminating bias and discrimination in remuneration systems and human resource practices is an element of the GPGAP. When new systems are implemented in the vocational sector as a result of these reforms, there will be a critical moment to address bias and discrimination in both remuneration systems and HR practices.
- 1.14 The Gender Pay Principles, endorsed by the Minister, the State Services Commission and the Council of Trade Unions in 2018 as a basis for addressing gender based inequalities across all state sector agencies are also highly relevant and applicable. The bargaining guidance for the State Sector provided by the State Services Commissioner references the principles. Potentially a work stream could be established to consider how to implement the principles in the new structure.

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<sup>1</sup> The Minister for Women has established the goal for the Public Service that women should hold at least 50% of the roles in the three top tiers of leadership.

## The contribution of vocational education

- 1.15 Vocational education and training provides both the comprehensive foundation and ongoing innovation needed in broad fields of practice for professions and vocations. It does so through developing knowledge of practice, the technical base of practice, and the attributes needed for the integration of students into professional life and their communities. Teaching and learning is based on applied research and the ongoing development and evaluation of applied and workplace-situated methods of teaching and learning.
- 1.16 Through undertaking vocational education, students can be inspired to be lifelong learners and entrepreneurs and to exercise their rights and obligations of citizenship as professionals. This aspect of vocational education highlights its contribution (along with other parts of the tertiary education sector) to collectively addressing and advancing the ever changing needs of industries and service providers, the labour market, and the major issues of our time (environmental, social, cultural and economic).
- 1.17 Vocational education is a powerful instrument for enabling all members of our communities to face new challenges and find their roles as a member of a community. Vocational education also contributes to the full development of the human personality, and to ensuring social mobility and reduction of inequality.
- 1.18 TEU members share a vision of a public vocational education sector where all people have access to opportunities to develop skills, learn trades and prepare to enter professions, and to create knowledge which benefits our whānau/families, communities, environment and economy. These learning opportunities should take place within a strong, integrated national network of public provision (including universities, wānanga, ITPs and community providers), where the whole system is working effectively for learners, for employers and for communities.
- 1.19 We are pleased that this Government is taking vocational education seriously. It is evident Government has taken the time to understand the problems and challenges facing the sector, and also to recognise the huge contribution made by those working in this part of the sector, who daily find innovative and creative ways to meet the learning and support needs of a diverse student community, often without adequate support or resources.
- 1.20 The ITP sector in particular has struggled to continue its work in the face of funding cuts and declining domestic enrolments, coupled with (in some instances) poor management and leadership. These factors have impacted heavily on staff across the whole ITP sector, and reviews and redundancies have hit hard across our institutions. Claims from different parts of the country that 'our institution is not broken' as a reason to reject the proposals for the sector belie the stark reality of unsustainable work organisation across the sector (including increasing reliance on a casualised workforce) and the negative

impacts of this on staff. Many institutions have a high turnover of staff, and many staff struggle with heavy workloads whilst trying to do the best for students.<sup>2</sup>

- 1.21 Building and maintaining a sustainable workforce of high quality educators and professional staff who shape vocational education will be the cornerstone to the success of any proposed change. Quality, permanent jobs provide stability to the sector and enhance the learning experience of students. The changes proposed for the vocational education sector must prioritise permanent jobs, as well as redeployment of staff affected by the changes. Doing so stabilises the system by ensuring the knowledge and expertise held by general/allied and academic staff is retained during a period of upheaval and into the future.
- 1.22 Ultimately, a single employer collective agreement covering all staff working in the NZIST will further stabilise this part of the sector, by providing a framework of terms and conditions that reinforce the valuable contribution staff make to the achievement of our shared goals for vocational education. Government and its agencies should continue to work closely with unions representing staff in the sector and begin this part of the reform process as soon as possible.
- 1.23 The reform of the vocational education sector is also an opportunity to better align this sector with the early childhood and compulsory education sectors (primary and secondary) and other parts of the tertiary education sector. Ultimately the goal for the whole education sector should be seamless transitions between levels and within levels, the vocational education reforms will certainly go some way towards addressing this in the tertiary education sector.

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<sup>2</sup> Tertiary Education Union (2016). *Education Under Pressure: the 2016 NZTEU State of the Sector Survey*

## Engagement with unions

- 1.24 The tertiary education sector is highly unionised. This means there is a well-organised voice for academic and general/allied staff working in this part of the sector, with well-established processes for engaging with members and seeking their input into the reform process.
- 1.25 As we noted in the previous section, establishing a cohesive framework for terms and conditions of employment for staff should be a priority. Government and its agencies will also need to continue closely engaging with unions, as the democratic representatives of staff working in this part of the sector, to ensure that the professional voice and expertise of staff is heard and well understood. Staff working in the ITP sector have much to offer in terms of depth and breadth of knowledge of courses and programmes, systems and processes, and their contribution will be invaluable to ensuring the success of the reforms.
- 1.26 *Collective agreements and transfer of employment rights:* Any process to disestablish existing institutions and establish a new single entity must ensure that employees have as much protection as possible, to enable them to continue to focus on their jobs during the transition period. This should include arrangements that transfer all current employees to a new employer and continue the life of existing collective agreements.
- 1.27 We are pleased that the Minister of Education has committed to ensuring that staff are well-informed about the future changes, listened to in consultation processes, and provided with the support necessary to transition into any new structure. To date the TEU has worked with members affected by eight mergers. We therefore have considerable experience and expertise in working through these transitional processes, particularly involving the transfer of employment rights and continuation of collective agreements.
- 1.28 We propose that a formal process be set up to ensure that there is a transparent and fair transfer of any employees and their collective agreements. This process should be established as soon as possible after the decision about any new institution is made. Additionally, we are proposing that sufficient funding is made available to support this work through the transition process.
- 1.29 The majority of TEU members in the sector are covered by collective agreements that have been negotiated in good faith with current employers, and all contain consultation and transfer of employment clauses. These must be complied with once any final decisions are made about the shape and structure of any new entity. Employers also have an obligation under the Employment Relations Act to consult with employees when making any decision that may impact on the collective interest of employees.
- 1.30 Under the Employment Relations Act *Part 6A Continuity of employment if employees' work affected by restructuring* and TEU collective agreements, there are provisions to ensure individual staff have employment rights under transfer

of undertakings clauses, which ensure they are transferred on the same or similar terms and conditions.

1.31 However, there is no provision under section 69OH “Other employees” to transfer collective agreements to a new employer, (as there is in the section 69M which only applies to the listed vulnerable workers in schedule 1A). It is the TEU’s submission that within any transitional legislation that is enacted to establish a new institution, a provision is included that will ensure that existing collective agreements are transferred along with employees.

1.32 Ahead of any such legislation, the TEU has been preparing to protect our collective agreements by proposing a new clause to be inserted into existing TEU collective agreements. The proposed new clause is as follows;

At the time of creating the new entity with (current entity) or any other institution (should that occur), the Chief Executive of the named new entity will become the employer party. The definition of Institute shall be amended so that all subsequent reference to Institute reflects the name of the new entity.

1.33 It is with concern that we note that some chief executives have stated that they will not agree to this clause as they will not bind any “new employer” to current terms and conditions. It is TEU’s view that this is not consistent with the overall approach the Government is currently consulting on, and we are requesting that guidance be given to chief executives on this matter.

1.34 Further we are seeking a commitment from the Government and chief executives of ITPs for the TEU to be involved in any processes and/or committees relating to the employment of staff in the proposed new entity. We would want to see this commitment formally agreed and the process to occur after the Government makes its decision whether or not to proceed to the next phase of the merger consultation.

1.35 The TEU is aware that some ITP chief executives have included the following statements in their submission:

The Government should give consideration to current legislation such as the Employment Relations Act 2000, Holidays Act 2003 and the State Sector Act with any associated transition planning. (*Xxx institution*) does not believe that current Collective Employment Agreements that the various ITPs have are necessarily fit for purpose and that a review in light of the proposed changes is necessary.

1.36 In a letter to the Prime Minister in 2018 the TEU addressed similar points that had been noted in a recent Cabinet Paper. At this time, TEU members reinforced that their collective agreements were a vital and necessary protection for professionalism and best practice, supporting fair and safe working conditions for staff, which directly impact on learning conditions for students. Members rejected any notion that the agreements lacked flexibility, citing provisions in the collective agreements that already provide considerable flexibility in duty hours

and days of work, and their own experiences of working into the evenings and at weekends to meet the demands of their programmes.

- 1.37 We would therefore be very concerned if some employers were to use this reform process as an opportunity to attack the terms and conditions of staff at a time when they are most vulnerable. Such an approach undermines the intent and purpose of the reforms – to create a strong and unified vocational education system that supports our shared goals for skills and knowledge development into the future.

## Response to specific questions in the consultation document

### Overview questions

*Question 1: Does this document's description of the current problems and opportunities within the vocational education sector look right to you? Is there anything you would add or remove? What problems or opportunities do you think should be the priority?*

- 2.1 The consultation document provides a thorough overview of the problems and opportunities facing the vocational education sector.<sup>3</sup> We note that along with workers being ready to upskill and adapt in a world increasingly shaped by new technologies, employers and industries more broadly must be prepared to support worker skill and knowledge development. This requires practical support in terms of structuring an individual's employment to allow time for professional development, and prioritising wage and salary levels that properly reflect worker contributions, skills and knowledge.<sup>4</sup>
- 2.2 We agree that the vocational education sector must be able to respond to the changing needs of our society and economy and that the current system can often put obstacles in the way of the innovation needed to remain relevant in a changing environment. The difficulties the ITP sector in particular currently faces are a combination of funding cuts, funding stagnation and individual institutions operating in a highly competitive market that sees significant resources channelled into marketing both domestic and international students. The market model has produced a shift in organisational culture for many ITPs, where micro-management has become the norm, and innovative practice occurs in spite of rather than because of the environment in which staff work. These concerns were noted in the publication *Te Kaupapa Whaioranga: the blueprint for tertiary education* (published by the TEU in 2013, with a revised edition to be published this year):

Over the last three decades, the entire New Zealand education sector has been subjected to the requirements of free market engagement –the neoliberal agenda – which brings with it continuous financial and managerial pressures<sup>1</sup>. The former generates underfunding, falling full-time equivalent staff numbers, increasing staff: student ratios, increased fees, course closures, growing class sizes, institutional insecurity over competition for funds and other resources, and insecurity for staff and students. The latter often result in never-ending restructuring of positions, constant reviews, deregulation and re-regulation, pressure to find cheaper modes of course and programme delivery, relentless

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<sup>3</sup> We note that on page 10 of the consultation document, the comment that the VET Reform project excludes degree-level teaching. We have received clarification that this should not be interpreted as meaning current (or future) degree provision in the ITP sector will cease. It would be helpful to clarify this point in any further messaging on the reforms.

<sup>4</sup> For more information, refer to the TEU's submission to the Productivity Commission <https://teu.ac.nz/2016/05/productivity-commission-submission/> and *Education Under Pressure: the 2016 NZTEU State of the Sector Survey*

planning and the attendant requirements of micro-management and reporting demands.<sup>5</sup>

- 2.3 *Workplace learning:* We also agree that employers need confidence that the vocational education system will respond quickly to their needs. But as the consultation document rightly notes, this is a reciprocal relationship, in that employers must also step up to leadership roles in their industries, and to a commitment to skills and knowledge development of their workforces. Currently there are significant unmet needs in workplace education and training; these proposed reforms are a very good opportunity to disseminate good practices in other workplaces, both domestically and in international jurisdictions. It is also the time to begin a process to much more deeply imbed the importance of supporting ongoing education and training in our workplaces.
- 2.4 *Cohesive qualifications:* The consultation document refers to micro-credentials as one means of ensuring skills/knowledge are able to quickly adapt to changing environments. We would urge that any future model prioritises the acquisition of a whole qualification or transferring of credits to a qualification, with micro-credentials sitting within this cohesive framework. The tendency is to see micro-credentialing as a cheap way of obtaining ‘just-in-time’ skills, however the end result can often be that a learner ends up with a fragmented body of knowledge that lacks cohesion and depth. The point of the vocational education system is learning – so what is designed must be able to show the systematic acquisition of a coherent set of skills and knowledge. If micro-credentials form part of the new system, they must be able to prove that they contribute to this goal.
- 2.5 *Regional provision:* It is heartening to see a focus on strengthening vocational education provision in regions within the consultation document. Communities outside of our main urban centres have not always been well-served over the past decade, as the market model has prevailed and issues such as geographical isolation, population spread and levels, and socio-economic need have been sidelined in favour of economic outputs. A new model for the sector must be able to respond to the unique needs of both our metropolitan communities and our communities living outside of these areas. As the consultation document notes, maintaining a robust regional network is a priority. However we would also comment that provision outside of metropolitan areas needs to retain the features of quality vocational education – including face-to-face teaching and learning, and the opportunity to practice new skills and apply new knowledge in a systematic way, in both formal learning settings and workplaces. On-line learning has a role to play in a quality vocational education experience, however should not be viewed as the primary solution to issues such as geographical isolation or a desire to provide a course or programme more cheaply.

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<sup>5</sup> Grey, S, Sedgwick, C and Scott, J (2013). *Te Kaupapa Whaioranga: the blueprint for tertiary education* Tertiary Education Union Te Hautū Kahurangi o Aotearoa (page 13)

- 2.6 *International students:* We agree that the social, cultural and economic benefit brought to Aotearoa New Zealand through participation by international students in our tertiary education system is significant. International students benefit from high-quality programmes delivered by staff with both teaching expertise and in-depth knowledge of an industry or profession. These students are also afforded the opportunity to study and interact with their domestic student peers in safe and caring communities, whether these are located in large urban centres or smaller regional centres.
- 2.7 What has been of concern to TEU members over the past decade has been the focus on international student enrolments as primarily a revenue stream for providers. This has meant that services such as pastoral care and support and ESOL support have not always been adequate. Addressing the competitive funding model currently operating in the vocational education sector, so that providers do not need to resort to competing for international student enrolments to ensure their day-to-day operations, is an important element for a reformed sector. International student enrolments should be on the basis of the strength of our programmes and provision, not because of the income these students bring to the sector.
- 2.8 *Overcoming competition:* In a system-wide review it is difficult to prioritise any one area or aspect of that system. However in vocational education, other than the issues the ITP sector in particular has had to deal with in terms of funding cuts and shortfalls, probably the biggest obstacle for the sector to overcome is competition. This includes competition between tertiary education institutions, and between TEIs and other providers. Aligned to this are problems with role definition between ITPs and ITOs.
- 2.9 Competition between ITPs has led to overlapping provision and to institutions that were originally set up to provide for their regions operating far away from their geographical locations. Competition has also influenced the cultures of individual ITPs, as they strive to enrol and retain domestic and international students, while at the same time responding to the needs of an increasingly diverse and changing student demographic.
- 2.10 Competition undermines collaboration, which is vital for a well-functioning vocational education system. We see this in the increased numbers of courses being promoted in 'popular' areas of study, rather than any alignment to national or regional need. The result is a proliferation of programmes that may satisfy individual interests, but leave our communities without important skills and knowledge to meet a range of social, environmental and economic need.
- 2.11 It also undermines sustainability, pushing TEIs, private providers and ITOs into shorter-term planning and decision-making to retain their place in the system, rather than viewing the system as a whole, with each having a clearly defined role to play.

- 2.12 Addressing the competitiveness that has permeated the vocational education system is probably the single biggest lever for affecting the changes needed at all levels of this part of the tertiary education sector. Working towards the creation of a truly collaborative vocational education system will also contribute to re-positioning tertiary education as a public good, recognising its role in developing citizenship and civil society beyond pure economic and labour market outcomes.

*Question 2: What do you think the government needs to understand about the current system to inform its work on changes?*

- 2.13 The vocational education system is highly complex. It includes, for example, a huge range of programme offerings, different approaches to curriculum design, and a completely different system for workplace learning. Bringing all of these elements together in a systematic way is a massive undertaking, and will require commitment from all parts of the sector to make it work. We are concerned that some providers and some ITOs are unable to look at the whole system in a holistic way, and that this may hamper initiatives to create a more integrated and collaborative system.
- 2.14 *The impact of the market model:* Also not to be underestimated in any future change process is the impact of the market model on individual institutions and how they operate. The ITP sector has faced constant upheaval as institutions attempt to remain viable by closing courses, changing administrative and operational functions and cutting jobs. Morale in many parts of the sector is low. Turning this around will be challenging, notwithstanding a very significant lever in the form of the proposed national institute. If this proposal goes ahead, for many in the sector rebuilding trust and confidence will be a considerable task.
- 2.15 The proposed changes for the sector will need strong educational leadership at every level – and it is crucial that decisions made on behalf of the sector do not allow it to revert back to the kind of individualised and insular thinking and decision-making have contributed to the problems of today. This means new approaches to management and leadership provided by new personnel, who focus on collaboration, engagement with staff, students and community, and genuinely support innovative practice. Currently in the sector such approaches are often the exception rather than the norm – this needs to be addressed at all levels.
- 2.16 Strong educational leadership will also need to be evident in the make-up of the Council for the proposed NZIST. Appointments to this Council should reflect a diversity of knowledge and skills, as well as including direct representation from students and staff. The Council structure should reflect the Tiriti relationship in action, with equal representation between Māori and the Crown. Adopting a council representation model of 1/3 Crown appointments (where the equal representation element is evident), 1/3 staff and student appointments, and 1/3 community appointments would ensure strong representation across our communities.

- 2.17 *Understanding good practice:* Finally it will be important to get a clear sense of the huge range of effective and innovative practice that already exists in the sector – within workplaces, in relationships with iwi/hapū and Māori organisations, in institutions and amongst individual and groups of staff – whether they are involved in teaching, learning and research, or in supporting the smooth functioning of their organisation.

Architectural technology students surveyed and sketched the layout of a building, then drew a building plan full-scale in the sand at a local beach. This exercise allows students to appreciate practical documentation at full scale, but is also an exercise in whanaungatanga (relationship building). (Northtec academic)

*Question 3: How strongly do you agree or disagree with the following statement? “To meet New Zealand’s future needs, our vocational education system needs a big change”*

- 2.18 For at least the last decade, TEU members have been actively seeking change in the vocational education sector. Many members are supportive of a comprehensive change and welcome much of what is proposed in the Reform of Vocational Education; others are less certain, expressing concern about issues such as loss of regional distinctiveness and academic autonomy.

“Each region needs to know that they can offer and deliver what is required in their region.” (TEU member – UCOL)

- 2.19 Some have asked the question why providers who are performing well need to be subsumed into one entity. However most TEU members working in vocational education see value in a model that supports a much more collaborative system. In particular they support a model for the system that addresses the negative effects of competition and provides a more integrated experience for students.
- 2.20 Academic staff are generally more comfortable with the proposal for one entity, as long as concerns about issues such as qualification development, programme and curriculum development and standards setting are thoroughly discussed and understood.
- 2.21 General/allied staff have more concerns, recognising that job changes and losses are more likely to come from their occupations. Consolidating services should not automatically be construed as requiring large-scale job losses; the focus for the reforms should be on utilising the skills and knowledge of existing staff, by supporting them into new roles as required. Therefore a high priority for the reforms must be retaining staff through redeployment opportunities, which will not only be a good outcome for affected staff, but will also ensure the new entity is able to retain expertise as it moves through the transition stage and into implementation of new processes and systems. These redeployment opportunities should not be seen as “new positions” in any new entity; rather affected staff should be able to simply transfer to a new role, with the appropriate support for learning new processes and so forth.

- 2.22 Should the proposal go ahead in its current form, a central tenet for the transformation must be retaining high-quality permanent academic and general/allied jobs in the places these staff currently live. As noted above, this will involve supporting current staff to re-train for new roles within the NZIST.
- 2.23 Despite these concerns (which are significant) overall TEU members recognise the sector is now in such a state of financial and management crisis, continuing a 'business as usual' approach is unsustainable. Several of our ITPs are in financial crisis; most of those still managing work close to the edge every day. It is untenable to retain a system where financial stability is the exception rather than the norm and where some communities miss out altogether – all our communities need and deserve stable and high-quality vocational education opportunities that are closely connected to industry, business, service providers, iwi and hapū.
- 2.24 *The impact of reviews and restructuring:* A further illustration of the instability of the ITP sector is the number of reviews and restructures that have taken place in recent years. The TEU collects data that counts TEU members affected – overall staff figures will be higher. For example, in the period May-June 2018 there were 182 redundancies (voluntary and compulsory) affecting TEU members. In the period May 2018, 45 reviews were underway across universities, ITPs and wānanga. Other months and years have similar figures.

It feels like decisions are made then we are told what they are, no questions. Many of the decisions and attitudes are also highly unrealistic [regarding] education. It seems like the people in charge actually do not know what education means, how it works, or what we do.<sup>6</sup>

- 2.25 Regardless of whether the reforms go ahead or the future shape of the sector, TEU members strongly advocate for a central role for staff and students in decisions about the sector, now and into the future. Below are four areas raised by members during consultation meetings and in other forums that are viewed as key for any future decisions about the sector<sup>7</sup>:

*Regional Provision*

Regions must be at the forefront of the proposal for reform of vocational education. To make this a reality we need a commitment to face-to-face provision in regions, along with the option to engage in online provision. Decisions about the balance of online and face-to-face learning must rest with academic staff. This means they must be able to make decisions on a daily basis to keep creating and adapting curriculum in ways that best meet the needs of their students, communities and industries.

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<sup>6</sup> Oosterman J et al (2016) *Education Under Pressure: the 2016 NZTEU State of the Sector Survey*. Tertiary Education Union Te Hautū Kahurangi o Aotearoa. Page 10.

<sup>7</sup> Tertiary Education Union (2018). *Changing Lives: commitments the Government must make on the future of ITPs*

### *Decision Making*

In order to ensure quality teaching and learning that is responsive to the range of learners and the changing needs of society and the economy, the final decisions on curriculum and modes of delivery must lie with teaching professionals. Teaching professionals should not be pushed into 'teaching out of a box' as this leaves no room to respond to the teaching and learning needs of a diverse student group, or specific local and regional needs.

### *Professional Autonomy*

To ensure sound debate and policies and processes that deliver quality education, all staff in tertiary education must have professional autonomy and academic freedom. This must be written into legislation, institutional charters, and strategic plans. This would include the right to discuss and critique decisions made by employers, business leaders, governments, and public sector officials.

### *Transition*

To make a just transition<sup>8</sup> for the vocational education sector a reality, staff must have access to retraining, professional development, and redeployment into meaningful, permanent jobs. These jobs must be retained and/or created in regions. Salaries for staff must encourage the skilled and dedicated staff already working in institutes of technology/polytechnics to stay, and continue to encourage talented staff to join the vocational education sector. Staff conditions of work are students' conditions of learning; to ensure good jobs in the sector requires a commitment to properly funding wages and salaries.

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<sup>8</sup> 'Just transition' frequently refers to the response needed to ensure moving to a low carbon emissions economy is fair and equitable, particularly in relation to job changes. It is being used in this sense in the Changing Lives document to refer to fair and equitable processes for any transition the vocational education sector may go through in the future.

## Proposal 1: Redefined roles for industry bodies and education providers.

*Question 4: Do you agree that the creation of Industry Skills Bodies would be a positive step in ensuring that vocational education delivers to the needs of industry? What do you think these should be called – is “Industry Skills Bodies” the right name?*

- 3.1 The lack of clarity in role definition between Industry Training Organisations and institutes of technology/polytechnics has been a significant issue for the sector, and one the TEU has raised frequently over many years. The proposal to strengthen industry leadership is welcomed, as is the intention to expand the skills analysis and data collection capacities of these bodies and other professional bodies who may seek to become ISBs.
- 3.2 The new bodies need to be much better organised along industry lines than is currently the case (for example the fact that forestry does not sit within the Primary Industries ITO) and retain a broad view of an industry. In addition where there is currently no coverage, measures should be taken to remedy this. There are also currently a number of professional bodies with a regulatory function whose status in relation to ISBs needs to be considered. These bodies have a number of important regulatory and professional functions which are vital for their professions, and which should not be superseded by the formation of an ISB.
- 3.3 TEU members have very mixed views about the role the proposed Industry Skills Bodies should have in developing qualifications and curriculum. These concerns are based on their understanding of the level of educational expertise needed to undertake this work, and that there are risks qualifications and curriculum could become overly focused on skills acquisition rather than a more holistic view of learning and knowledge acquisition. A new model for the system needs to ensure that students don't just come out with skills, which can quickly become out of date, but also leave with a thorough grounding in the fundamentals of their trade or profession (which supports the ability to adapt and innovate later in their professional lives) and the knowledge of how to learn:

“Past experience tells me that when industry sits round the table to determine needs, there is very little agreement, as each wants to meet the needs of their own workplace rather than the needs of the industry nationally”. (TEU member, Western Institute of Technology)
- 3.4 Overall TEU members support a role for industry in advising on qualification and curriculum development, including setting skills standards or graduate profiles, sequencing of skill and knowledge acquisition and providing assessment scenarios for specific industries and/or occupations. However other stakeholders in the sector also have a role in providing input into qualification and curriculum development, and the system should ensure that this can happen in a systematic way. TEU members are also concerned that the desire for national cohesion and consistency in qualifications and curriculum is not at the expense academic autonomy – to critique national curriculum proposals, to

respond to specific learner needs, and to adapt programmes and courses to identified regional need.

“Industry is... only one voice that needs to be considered in setting curriculum and assessments...they should be...partners and advisors...” (TEU member, Otago Polytechnic).

“Do health officials tell the surgeon how to operate?” (TEU member, Ara Canterbury)

- 3.5 Therefore it is important that should the Industry Skills Bodies be established, they do not simply replicate the structure of current Industry Training Organisations. For example, if these bodies do end up having enhanced expectations of them in terms of a role in qualifications development and curriculum development, then they will need a strong representation of members with expertise in teaching and learning and programme/curriculum design. We are fortunate that academic staff working in polytechnics fulfil dual professional roles – as teaching experts and industry experts – and would be well-placed to contribute their skills and knowledge in this capacity to the ISBs.
- 3.6 The relationship between ISBs and Regional Leadership Groups needs to be carefully considered, particularly as each RLG will need to liaise with several ISBs. These bodies will also need significant support during the first stage of the transformation of the sector, as they work to establish boundaries of their respective roles and how they should interact with each other.
- 3.7 We have no strong view on the naming of the new bodies other than that they must be coupled with an appropriate name i roto i te reo Māori.

*Question 5: What do you think about the new roles proposed for industry, employers and education providers? How might they benefit employers and learners? What will the risks be? What is needed to help them work well?*

- 3.8 Overall the TEU is very supportive of the change of roles between ITOs and ITPs. We have long advocated for clearer role definition between ITOs and ITPs. TEU members have frequently expressed frustration at the impact of the role confusion on teaching and learning as well as on opportunities for ITP students to benefit from an integrated learning experience between institution and workplace. We recognise there are some instances where this relationship works well, however good practice needs to occur across the whole system so that all learners and employers benefit.
- 3.9 Shifting workplace assessment to ITPs has two-fold advantages – learners will enjoy the additional support and expertise that will be gained from guidance and assessment taking place as part of the work of long-established educational institutions. Employers, business and service providers and industry will benefit from a clearer and better integrated system of workplace learning, where they

will have increased confidence in individual learner skills and knowledge, and clear processes to provide their input into the overall system.

While teacher education sits outside the parameters of RoVE, it provides a good example of the importance of strong links between professional bodies and teaching staff and the institution. Teacher educators work closely with schools to ensure students get access to high-quality workplace learning, and the whole teacher education programme is established following the standards set by the Teaching Council<sup>9</sup>

- 3.10 The biggest risks in this shift are likely to be aligning and adapting assessment practices and managing the transition of large numbers of learners (and staff if current workplace assessors also transition into roles within ITPs). This will require careful planning and support (including financial support) to ensure a smooth transition.

*Question 6: The Government wants to help more employers get involved in the vocational education system. Do you think the proposed changes would achieve that? Why or why not?*

- 3.11 The proposal to refine the process by which industry/service providers identify and provide advice on skill needs nationally through Industry Skills Bodies is welcomed. The proposal to 'set skills standards and approve programmes' is also an important role for these bodies which needs to take place in conjunction with expert educationalists (see our comments earlier in this submission). As we noted above, if this is the model for developing qualifications and programmes, the success of it will depend on very strong relationships with education experts, through the Centres for Vocational Excellence and by directly engaging education professionals to sit on these bodies. It needs to be very clear that industry representatives are experts on industry skill needs; however education professionals are experts on how best to deliver a coherent set of skills and knowledge within a structured course or programme.

"Industry should have a say in the content as they know what graduates need to know. How this content is taught and assessed should be left up to those teaching the content as they have the skills and knowledge to teach." (TEU member, UCOL).

- 3.12 The changes proposed will require much greater 'buy-in' from employers across business, industry and service providers, to take up their responsibilities to engage in decisions the skill/knowledge needed for their industry or profession. With this expectation will come a need to find ways for employers in our smaller businesses or service providers to engage at a level beyond the day to day operations of their organisations. Consideration also needs to be given to addressing issues such as reducing reliance on casualised and low-paid, low-skilled migrant workers, including where this intersects with low wages.

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<sup>9</sup> <https://www.educationcouncil.org.nz/content/graduating-teacher-standards>

*Question 7: To make the proposals for new roles for industry bodies and providers work well, what changes would be needed at education providers? What in turn would be needed to ensure those changes happen?*

- 3.13 Vocational education providers and their staff will need time and resources to support the proposed transformation. This will include time to work with government agencies and other providers to identify current strengths and areas for development across their courses and programmes. They will also need time and resources to support engagement with community – including iwi/hapū, employers, businesses, service providers in their region as each party works to maximise the potential of a new system.
- 3.14 Vocational education providers will need time and resources to work with staff about how to effect the proposed changes, and to work with unions to support staff that may be affected by the changes.

*Question 8: Thinking about the “Regional Leadership Groups”, is this the right name for these proposed new bodies?*

- 3.15 We have no strong view on the naming of the new groups other than that they must be coupled with an appropriate name i roto i te reo Māori.

*Question 9: What are your thoughts on Centres of Vocational Excellence? How should their roles be defined and how should they work with Industry Skills Bodies and providers? What should their relationship with Regional Leadership Groups be?*

- 3.16 The TEU is supportive of the concept of Centres of Vocational Excellence. A similar model (Centres of Research Excellence) has been successfully integrated into the research culture of the university sector, and we view this model as a similarly useful addition to the framework for vocational education.
- 3.17 The proposal that the centres be located in regions and focused on a specific industry or industries is a positive step in providing better support to industry and service providers. However it will be important to ensure that membership or participation in the centres is open to whoever may provide expertise, wherever they are located. The detail of how this might work, and how decisions would be made on which industries to focus on needs further consideration. Other models to consider would be one that ensures the centres cover all industry groupings, or an approach that has a national CoVE with regional representation.
- 3.18 Strengthening research capacity in the vocational education sector should be a high priority for the centres, as should engaging experts in teaching, curriculum and programme development and so forth. Discussions on this proposal also

need to consider how the centres would interact with Ako Aotearoa – the national centre for tertiary teaching excellence.

*Question 10: Do employers need access to impartial advice on their training options, and help making the right connections with education providers? If so, how should this service be provided?*

3.19 Streamlining access to information for employers about education and training options seems a sensible proposal. Locating these separately to Industry Skills Bodies would reinforce a sense of impartiality, but the success of them would hinge on excellent relationships and communication between the parties. Vocational education providers would also have a role in providing more detailed information to employers about specific programmes or courses available in their region.

*Question 11: Please indicate how much you agree or disagree with this statement "Recognise and fund Industry Skills Bodies to set skills standards in vocational education."*

3.20 The TEU supports the proposal to recognise and fund Industry Skills Bodies to set skills standards or graduate profiles in vocational education. This proposal further strengthens the leadership role of Industry Skills Bodies and would make a real difference in addressing concerns about whether skills and knowledge being taught are reflecting current industry/service provider need. Strengthening this role also requires industry/service providers to step up to their responsibilities to clearly identify current and future skill and knowledge requirements for their industries/professions and articulate these to ISBs and Regional Leadership Groups.

3.21 However, professions that already have a regulatory body that is responsible for professional processes (such as entry criteria, qualification approval, registration into a profession and setting standards aligned to the profession) must retain this authority. This is a crucial function for a number of professions, particularly those in the healthcare sector, and the proposed reforms should support maintaining this approach.

*Question 12: Please indicate how much you agree or disagree with this statement "Make vocational education providers responsible for delivering and supporting all vocational education and training at providers and in workplaces."*

3.22 The TEU is supportive of the proposal to make vocational education providers responsible for the provision of all vocational education. The separation of workplace and provider-based learning has created unnecessary confusion and competitiveness in the system, and does not serve employers or learners well.

Our view is that the best place for vocational education provision to take place is within our public tertiary education institutions, who have well-established structures and highly skilled staff who can support the diversity of learner need. Such a model of integrated provision would see providers making more workplace visits and including necessary functions provided previously by ITOs, as well as increasing engagement with employers, students and others. We do not support expanded opportunities for private for-profit providers becoming a feature of the reforms, given the questionable quality of a number of these providers and the poor working conditions which are the norm for their staff.

- 3.23 Wānanga have an important role to play in a reformed vocational education system. In a post-settlement environment, many iwi and hapū are investing heavily in business, industry and service provision, and will be seeking highly skilled staff that also need to be competent working in a Māori context.

...the broader picture is one of opportunity for the Wānanga sector to be pivotal in shaping the development of regions around New Zealand. The demographics clearly indicate that many regions will be reliant on Māori for economic growth. This means Māori are well set to bolster, drive, and indeed lead the economic development of many regions over the coming decade.<sup>10</sup>

- 3.24 Other workplaces also need to shift their organisational cultures to better reflect the needs and aspirations of Māori and an increasingly diverse workforce. Wānanga have much to offer and we expect that there will be clearly defined points at all levels of the system for wānanga to engage.

*Question 13: Please indicate how much you agree or disagree with this statement "Create Centres of Vocational Excellence focused on teaching and learning, and applied research, in areas of particular importance to New Zealand."*

- 3.25 Please refer to our comments in sections 3.16-3.18.

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<sup>10</sup> BERL (2014). *Wānanga Ringahora: the economic contribution of the wānanga sector*. Commissioned by Te Taihuhu o Ngā Wānanga <https://www.wananga.ac.nz/te-taihuhu-economic-contribution-of-wananga-sector.pdf> (page 36)

## Proposal 2: Proposals for the New Zealand Institute of Skills and Technology

*Question 14: Do you agree with the Government's proposal to introduce a single New Zealand Institute of Skills and Technology? What do you think the institute should be called – is the New Zealand Institute of Skills and technology the right name?*

- 4.1 The TEU has never advocated for a particular model for vocational education provision, however for more than a decade we have lobbied for a nationally co-ordinated system that is more collaborative, is properly funded, reduces or eliminates competition and that recognises the importance of a strong voice for students and staff in decision-making for the sector. We have also advocated for a strong network of regional provision, to ensure that vocational education opportunities are available throughout the country, supporting local and regional development needs, and recognising the importance of professional and academic autonomy to respond to local/regional needs.<sup>11</sup>
- 4.2 For TEU members the test of whether the proposal for a single entity should be advanced is set out in *Changing Lives: Commitments the government must make on the future of ITPS (December 2018)*. Alternatives put forward also attempt to address these issues, but in our view will not sufficiently address the problems of competition pervading the system and systems and processes that duplicate services..
- 4.3 For competition to be removed from the sector some of the areas where actions must be taken include:
- The proliferation of providers from across the country delivering in Auckland (which now includes almost all ITPs)
  - Creation of 'cheaper' online delivery spaces – cheaper because staff have lesser working conditions than those doing face-to-face delivery
  - Excessive focus on marketing courses and programmes rather than national agreements on what provision should be available and where
  - The proliferation of systems for student management and other systems for student support
  - The proliferation of systems for human resources and payroll
- 4.4 The Minister's proposal is bold, and unsurprisingly there are a range of views as to its merit. For some TEU members, the prospect of merging into a large national institution is daunting, given the upheaval many have faced in the past decade, with reviews and restructurings a constant part of their working lives. Others have direct experience of going through a merger and know how challenging these processes can be, even on the smaller scale of two institutions merging into one. Finding a way to retain local/regional identity in a national system is vital for our diverse communities and will bring depth to the provision of vocational education across the country.

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<sup>11</sup> Tertiary Education Union (2014) *Te Kaupapa Whaioranga – the blueprint for ITP provision*.

4.5 To date we have not seen another viable alternative to that proposed i.e. a single national institute with a strong presence in both metropolitan and provincial cities and towns. The alternatives outlined in the consultation document do not meet critical tests such as eliminating competitiveness, which has been so damaging for the sector. And despite strong opposition from one or two chief executives of ITPs, the fact remains that the majority of ITPs are struggling, and that if the sector is to grow and thrive throughout the country, and provide for all our communities, major changes are needed across the sector.

In a research report commissioned by the TEU to explore the problem of ‘whitestreaming’ (where specialist Māori positions have been changed to generalist positions), the research found that the problem was widespread across the sector, and was usually in response to institutions trying to find ways to cut operational costs. However the impact of this particular response to under-funding in the sector has been overwhelmingly negative for Māori students and staff.<sup>12</sup>

4.6 The proposal for one entity certainly addresses many of the major concerns the TEU has expressed about the current system, such as the detrimental impacts of competition, and overall instability of provision, as courses and programmes are set up and shut down with alarming regularity. However it is an ambitious proposal, and would require very significant investment by Government to allow the transformation to take place, as well as the commitment of the whole sector to ensure its success.

4.7 Notwithstanding these issues, doing nothing is not an option – our communities and our society rely on a well-functioning vocational education sector to support health, wellbeing and prosperity and an engaged citizenship; if the sector is left as it is, we will not be able to meet those needs.

4.8 We have no strong view on the naming of the new institution other than that it must be coupled with an appropriate name i roto i te reo Māori.

*Question 15: What should Government, the ITP sector and its stakeholders keep in mind if we were to design and implement a New Zealand Institute of Skills and Technology for all New Zealand?*

4.9 Whatever structure the vocational education sector ends up with, it must provide for a nationally co-ordinated approach, retaining regional distinctiveness and identity, and the capacity to innovate. It must address competition in the sector and support collaboration. It must reinstate a strong commitment to the public good element of tertiary education. The system must provide for high-quality and meaningful permanent jobs for academic and

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<sup>12</sup> Potter, H and Cooper, L. (2016). *Project Whitestreaming: a report on the generalising of Māori specialist staff positions in the tertiary education sector*. Prepared for the Tertiary Education Union Te Hautū Kahurangi o Aotearoa.

general/allied staff working in the sector, recognising that student learning conditions and staff working conditions are inextricably linked.

- 4.10 *Face-to-face and online provision:* Increasing access to vocational education must include a commitment to face-to-face provision at levels 1-4 in all our rural towns, and levels 5-7 in all major regional centres, rather than over-reliance on online provision as the sole means of engaging in learning. Online provision will have a place in the new model, but should not be used as the sole solution for extending provision. It should be noted that there are many good examples of online provision in the vocational education sector; those making decisions on the proposed reforms should not just look at one current model.
- 4.11 *Retaining autonomy:* TEU members have expressed particular concerns about a national institution being a monolithic and bureaucratic structure that stifles local autonomy and identity. For example, members have noted that a very centralised structure for programmes and curriculum has the potential to impact on content such as local hapū or other Māori specific content, or the teaching of te mita o te reo-ā-iwi (distinct iwi dialects). To ensure this is not the case, the levels and lines of autonomy across the structure need to be clearly described and well understood.
- 4.12 *Academic leadership:* In our submission on the technical discussion document for the proposed NZIST, we set out a model that outlines the skills leadership role that should sit within the Industry Skills Bodies and Regional Leadership Groups, and a complementary role of academic leadership sitting parallel to these functions. Currently this responsibility is conflated into the work of the ISB, and whilst there is still a need for positions with skills and knowledge in education on the ISBs, our proposal also provides a separate structure that more clearly articulates the levels of academic decision-making and responsibility, and how these should intersect with skills leadership structures.
- 4.13 Establishing an academic leadership function would require a National Academic Board, responsible for translating skills standards and the sequencing of skills and knowledge acquisition identified by ISBs into broad curriculums. Regional Academic Boards (including academic representatives from regional providers) would be responsible for contextualising the national curriculum and making decisions about delivery methods, learning content and assessment exemplars in their region. Local academic committees at each campus (of each provider) would provide day-to-day oversight of curriculum delivery on their campus. Tables one and two on the next page give an overview of how such an approach might operate.

Table 1

Skills leadership for the vocational education sector	
<p><i>National level</i> Industry Skills Bodies (working with NZQA and academic experts)</p> <p><i>(Along with academic representatives on ISBs, at this level there should also be direct engagement with National Academic Board – see Table 2)</i></p>	<ul style="list-style-type: none"> <li>• Set broad graduate outcomes for each industry</li> <li>• Make decisions on sequencing of skill and knowledge acquisition</li> <li>• Future-focused for emerging trends in skills and knowledge</li> <li>• Set standards</li> <li>• Contribute assessment exemplars</li> <li>• End of study assessments (either delivering the assessment or moderating assessments)</li> <li>• Contribute to broad national curriculum development in an advisory capacity</li> </ul>
<p><i>Regional level</i> Regional Leadership Groups</p> <p><i>(Along with academic and general/allied staff representatives on RLBs, there should also be direct engagement with regional Academic Boards see Table 2)</i></p>	<ul style="list-style-type: none"> <li>• Provide more detailed graduate outcomes suited to the needs of their region</li> <li>• Advice on regional skills and knowledge needs – short, medium and long-term, using information and data supplied by ISB, local body, iwi/hapū etc.</li> </ul>
<p><i>Local campuses of different providers</i> Individual academic staff/departments etc.</p>	<ul style="list-style-type: none"> <li>• Direct liaison with local businesses and service providers for workplace training arrangements</li> </ul>

Table 2

Academic leadership for the vocational education sector	
<p><i>National level</i> National Academic Board</p>	<ul style="list-style-type: none"> <li>• Broad enabling curriculum development</li> <li>• Informed by national skills requirements and research about national/international pedagogical directions</li> </ul>
<p><i>Regional level</i> Regional Academic Board</p> <p><i>(Representatives from each provider in the region)</i></p>	<ul style="list-style-type: none"> <li>• Contextualising the national curriculum for each region</li> <li>• Course development reflecting national and regional priorities</li> <li>• Advise on regional provider capacity to support national and regional skills/knowledge goals</li> </ul>
<p><i>Each campus (for each provider)</i> Academic committees</p>	<ul style="list-style-type: none"> <li>• Day-to-day overview of courses and programmes</li> </ul>

- 4.14 During the ITP Roadmap phase of this project, the TEU argued that every campus must have an academic leader role, with responsibility for academic decision-making and planning. However levels of autonomy for day-to-day operations and planning need to be quite explicit, for academic and operational decision-making to avoid defaulting to a cumbersome system that will not serve students, whānau or communities and that will frustrate those working in the institution. Therefore an operational management role at each campus will also be important in a new structure, with authority and responsibility for day-to-day operations. Delegated authority statements or charters, for example, would make clear the decisions each level may make. The model we propose above, the roles we propose at campus level, and the further detail we provide in the technical discussion document in our view address many of these issues; however we welcome further discussion and advice from general/allied academic staff working in the sector, and urge the Government to make this a priority piece of further analysis.
- 4.15 In addition to the academic leader role, each region and each campus must have structures for staff to engage in academic planning and decision-making. In the technical discussion document, we propose that local academic committees fulfil this function.
- 4.16 There must be clear connection between the parts. For example if there is a central council, we would recommend that council visits/holds its meetings at different campuses in order to directly see what is happening on the ground.
- 4.17 *Advancing te reo Māori:* We are concerned that the proposal is not addressing strengthening provision of te reo Māori, and enhancing understanding/application of tikanga Māori. This is a whole of Government responsibility and whole of sector responsibility with the Ministry of Education being a lead agency in the Senior Officials Group that supports Maihi Karauna – the Crown-Māori Language Strategy, having overall responsibility for the strategy, its monitoring and evaluation. We expect future discussions and consultation to include a specific focus on this.
- 4.18 *Community and industry engagement:* The competitive model foisted upon the sector has led to the creation of ‘engagement’ positions in management structures. The effect has been to create distance between local businesses and academic staff (who are dual professionals with strong primary profession networks). With the establishment of ISBs to do high level industry input into the vocational education system, we need to rethink where local connections take place, reinstating time and authority for academic staff to do that work. This also applies to those general/allied staff who have support roles within their institutions – these staff need the space and time to develop and maintain crucial community links and relationships that assist them in their roles.
- 4.19 *Engagement with iwi/hapū:* Many ITPs have worked to develop relationships with iwi/hapū in their regions and communities, supporting their aspirations for social, cultural and economic wellbeing. Building on these relationships or in some instances, developing them, will be crucial for the success of the system

overall and each region. The value of these relationships needs to be explicit in the structure of the institution itself, nationally and locally, but also should be reflected in the make-up of the Regional Leadership Groups and the Industry Skills Bodies. Good practice and exemplars also need to be shared across the country.

- 4.20 *Engagement with business, service providers and community organisations:* The same can be said for relationships forged with business/industry/service providers/community organisations in local communities – structures and processes should enable multiple points of engagement locally and nationally, including through the RLG and the ISB.
- 4.21 There are a huge range of other areas that need in-depth discussion and engagement with those working in ITOs and ITPs, to establish what is needed for a future entity or entities. We note some issues below – these are by no means an exhaustive list and we are confident that the consultation meetings attended by Government and officials will raise other issues:
- Multiple qualifications in the same industry areas and how to consolidate these
  - Term and composition of council
  - Consolidation of services
  - Academic boards
  - Research – the issue of teaching workloads and time to undertake research
  - What happens if the Budget bid is insufficient?
  - Libraries – multiple databases – how these can be rationalised
  - The role of private for-profit and community providers
  - Degree provision – identified as outside the remit of the reforms but possible impacts need to be considered

*Question 16: What purposes and functions could be included in the charter of a New Zealand Institute of Skills and Technology?*

- 4.22 The charter should include:
- An explicit statement about how the institution's commitments with regard to Te Tiriti o Waitangi will be expressed through all levels – governance, management, operations.
  - An agreed definition of vocational education
  - Regional decision-making processes, including engagement and representation requirements – staff, students, iwi, and community.
  - A clear statement about the responsibilities and application of academic freedom and professional autonomy.

- Explicit statements about equity requirements with regards to staff and students – including for Pacific people, those with additional learning support needs including literacy and numeracy and ESOL, and people with disabilities

*Question 17: How could we best ensure that a New Zealand Institute of Skills and Technology would deliver to the needs of New Zealand's regions?*

- 4.23 The new institution needs to have a clear vision and plan for how it will strengthen opportunities for access and participation by those who currently miss out – because of geographical location issues, or financial and other reasons. This vision should be a cornerstone for the work of the entire integrated vocational education system. If the system cannot show that it is making a tangible difference for those currently underserved – whether school leavers or those seeking work or in the workforce – then it is not meeting one of its core purposes.
- 4.24 Each region, working with local communities, iwi/hapū, business, industry, and service providers needs a clear plan that is specific to the needs of their region, but also addresses broader national goals. The role of Regional Leadership Groups will be crucial – and these groups will need to be representative of their communities, and able to articulate the diverse needs and aspirations of their communities.
- 4.25 Delivery across each region that recognises and celebrates tino rangatiratanga and mana motuhake is critical. This would be visible through initiatives, courses, and programmes that are able to reflect the issues and aspirations of iwi/hapū, along with te reo Māori, Te Tiriti and the history of Aotearoa New Zealand embedded into programmes and available to staff, management and governance as professional development.
- 4.26 There needs to be better collection of and use of data around both national and regional needs. Regions need access to data about labour market and specific industry needs that is verifiable and goes beyond anecdotal feedback from employers.
- 4.27 Regional Leadership Groups could adopt a process similar to the consultation that takes place on local government plans to support the advice they might give about regional/local vocational education provision.
- 4.28 Consideration needs to be given to the best ways to ensure that students are able to fully participate in evaluations of the effectiveness of programmes and courses, using local student representatives to provide this feedback into planning and decision-making.

*Question 18: What kind of Regional Leadership Group structure might work best and what other functions could these groups fulfil? What should the term for these regional groups be?*

- 4.29 Regional Leadership Groups could work well, but the key to their success is their composition – there must be strong representation from staff, iwi/hapū, students and community and the structure must give practical expression to the Tiriti relationship expressed in Te Tiriti o Waitangi.
- 4.30 The TEU supports an integrated structure for Regional Leadership Groups, where the role of Māori as tangata whenua is integral to this, and where the broad interests of community are well-represented. There would be strong connections with a range of community groups in the region, to ensure programme and course delivery remains relevant and connected to regional need and national goals. These groups would also need to include strong representation from academic and general/allied staff and students from the new entity, as well as local government.
- 4.31 The Regional Leadership Groups also need to have real influence over decisions that work for their local communities, balanced with alignment to national goals and the national network of provision. However they must also have a clear connection back to ISBs and the council of the NZIST, to ensure they remain connected and accountable to both these bodies.
- 4.32 We have no strong view on the naming of these groups other than that it must be coupled with an appropriate name i roto i te reo Māori.

*Question 19: Do you believe that Regional Leadership Groups will be able to actively and representatively consider iwi and Māori interests? If not, what other vehicle or means of understanding Māori skills needs could be considered?*

- 4.33 The Regional Leadership Groups have the potential to do this, but this will rely on strong representation by Māori (i.e. not one person being expected to represent all local/regional interests) – see our comments above on the structure for these groups.
- 4.34 Our thoughts at this stage are that Māori representation is better integrated into the group rather than a separate body, as a separate group risks being side-lined. But RLGs could set up an additional group of iwi/hapū representatives who could advise, and present to the group regularly about priorities, aspirations etc. This may be especially useful for regions with multiple iwi/hapū within their boundaries.

*Question 20: How strongly do you agree or disagree with this statement “Creating a NZ Institute of Skills and Technology to serve all of New Zealand would help employers and learners.”*

- 4.35 A nationally co-ordinated system of vocational education, with a strong presence in every region and a focus on growing provision, particularly in areas currently not well-served, will benefit employers and learners. Each will be able to use the services of their local campus, confident that the courses and programmes offered closely align with local and regional need.
- 4.36 For example many learners currently studying online have to travel great distances to benefit from student support services, IT and library services – with an expanded coverage of vocational education spaces, there is more potential for these individuals to be able to undertake their study in a physical location. Expanding coverage also recognises the ‘student in context’ – acknowledging that place-based learning can be critical for success for many.
- 4.37 In terms of employers, expanded coverage means multiple points of entry to engage with staff in local campuses; and to participate regionally and at an industry level (through RLGs and ISBs).
- 4.38 There is also greater potential for a more collaborative approach to provision to enhance relationships with other levels of education, better connecting vocational education with schools and community education providers

*Question 21: How strongly do you agree or disagree with this statement “Creating a NZ Institute of Skills and Technology would make provision more consistent and easier to access across the country.”*

- 4.39 Whether the proposed new institute will make vocational education provision more consistent and easier to access will depend on whether agreement can be reached in the sector about what should be provided, at what levels and where. At the same time, whatever provision is agreed needs flexibility to respond to particular learner demographics and local/regional requirements. Ultimately, there will need to be a balance between consistency in skills and knowledge attained for a particular course or qualification and leaving space for teaching experts to adapt delivery and content to suit their particular cohort and context.

“Curriculum development could be tailored to regional needs, for example horticulture programmes in Otago are about stone-fruit, grapes and amenity horticulture – somewhere else they might be about kiwifruit and avocados.”  
(TEU member, Otago Polytechnic)

- 4.40 Enhancing access will depend on retention of current sites and working to expand provision. Should a more integrated system for vocational education be agreed, it cannot rely solely on online delivery to fill gaps in provision – online

provision should be available when pedagogically appropriate, not simply to fill gaps in face-to-face delivery or as a result of funding constraints.

- 4.41 The funding model will also determine the success of the proposed reforms. It is pleasing to see recognition of the need for differentiated funding – small communities do not have the economies of scale needed to survive in the current funding model, and intensive teaching spaces (like Telford) need additional funding support.
- 4.42 A more integrated model of provision of vocational education where competition between providers is eliminated also provides for better opportunities for smooth transitions between one level and the next. The transition points for these transitions – school to tertiary and through the different levels of the National Qualifications Framework – need closer analysis. Transition by students between providers should largely be addressed through a change to one entity and with changes to student learning systems.

“With the changing nature of the workforce, the ability to start a qualification in Dunedin and finish it in Auckland will benefit learners by allowing them to be more flexible in their learning and also having a nationwide support network...”  
(TEU member, MIT)

*Question 22: How strongly do you agree or disagree with this statement “A NZ Institute of Skills and Technology would be financially stronger and more resilient than the current network.”*

- 4.43 The ITP sector has been crippled by a decade of funding shortfalls, the imposition of a market model onto the sector, and fluctuating enrolments, both domestic and international. Some institutions have also suffered from poor leadership, management and decision-making.
- 4.44 An integrated system that draws on the strengths already in the sector and is better able to deploy these for the benefit of the whole– such as its highly skilled and committed staff, innovative practice – in teaching, support services and management, and strong connections with communities, has the potential to become a strong base for vocational education.
- 4.45 Consolidating functions over time and reducing duplication of effort in systems that could be nationalised will deliver savings in resources and effort that can be re-directed into teaching, learning, research and support for the work of the institute. An integrated vocational education sector will be in a better position to withstand fluctuations in enrolments, and to use times of lower enrolment to its advantage – for example for exploring new areas for programme development.

- 4.46 The single entity is a model that could deliver for our communities, but only if properly resourced and properly supported. There will be short-term additional costs, but over the long-term, it is likely to be in a much stronger position to weather the vagaries of the labour market, population fluctuations and other variables that impact on enrolments and overall sustainability.

### Proposal 3: A unified vocational education funding system

*Question 23: Do you agree that a unified funding system for vocational education, encompassing both provider-based and work-based learning, will help to improve our overall vocational education system?*

- 5.1 A funding system that eliminates competition in the tertiary education sector has been long advocated for by the TEU. Competition does not serve the sector or the country well. We see a unified funding system as having the potential to support a much more integrated approach to workplace and provider based learner, which in turn would deliver a more seamless experience to learners.
- 5.2 Therefore we are broadly supportive of a unified funding system, recognising however that further discussions about the detail of this need to be had with those in the sector. We are especially supportive of a unified model that has the potential to clarify roles within this part of the sector, and that recognises that the loss of funding for ITO trainees and apprentices' means Industry Skills Bodies may need additional funding support to fulfil their enhanced responsibilities. However before final decisions are made about ISB funding, an analysis of current reserves of ITOs needs to be made, to ensure that funding decisions are equitable between the new ISBs.

*Question 24: What do you think the Government needs to consider in designing a new funding system?*

- 5.3 As noted above, the creation of a unified funding system is a key element in creating a cohesive vocational education system. The current model is not working for the sector, and in many instances works against the goals of an innovative, flexible and responsive sector.

Our narrowly focused funding policies have undermined equality of access to teaching and research in New Zealand. The narrow economic focus of government funding policy has led to a narrowing of who gets to study, where, and when – a clear attack on the principle of equality.<sup>13</sup>

- 5.4 We are heartened to see recognition for funding differentials to support strategically important provision, such as geographically isolated communities. A new model also needs to consider how to support those who may have other obstacles to their access and participation in vocational education. These considerations must be central to thinking and decision-making on the new model, to ensure that vocational education opportunities are genuinely available to all who choose to pursue it.

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<sup>13</sup> TEU submission to the Productivity Commission (2016) *Inquiry Into New Models For Tertiary Education*. Page 28.

*Question 25: Are the suggested elements for a vocational education funding system the right ones? What might be missing?*

- 5.5 We need much more analysis of the ‘true cost’ of delivering the range of education and training that will be part of the new unified system. As we noted earlier, this includes a better understanding of where and why differential rates of funding may be needed – for geographical/population reasons, for student demographic reasons and so forth. Baseline funding must be at a level that supports these costs and the other costs that are currently not accounted for in the system.<sup>14</sup>
- 5.6 This analysis also needs to examine employment practices and employment conditions in the sector – for example an integrated system should not support providers who rely on sub-standard employment conditions and pay for their staff to retain a competitive ‘edge’. The private for-profit part of the sector is a particular problem in this regard. If these issues are not addressed during the reforms, then we will not achieve a fully-integrated system, as there will be a cohort of staff working in the private sector who has vastly different conditions to their counterparts in the public sector.
- 5.7 Further analysis is also needed about the pay and conditions for staff employed to work in the proposed new national institute – currently staff in ITPs work to a wide range of terms and conditions, including wages and salaries, and this would need to be addressed. It will be important to involve unions working in this part of the sector in these discussions and analysis.
- 5.8 We are concerned about how ITPs will be supported during the transition phase of the proposed reforms. The time period between final decisions and implementation (and that the implementation will need to be staged) mean many of our ITPs may be close to financial collapse. Such a situation is untenable for their communities and our vocational education system overall, but also will impinge on their ability to engage with the transformation process. We urge the Government to consider and communicate a plan for addressing this very significant problem.

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<sup>14</sup> Oosterman, J. (2018) *Funding Our Future: A report on the funding of the tertiary education system*. Prepared for the Tertiary Education Union Te Hautū Kahurangi o Aotearoa.

## Concluding questions

*Question 26: What do you think about the impacts described above? Is there anything missing from the list?*

- 6.1 It will be important not to underestimate the impact of years of operating under a managerial model on the vocational education sector. Proposing one institute is a bold and radical way to push the sector towards a more collaborative way of working. But changing mind-sets may take time. The impact of highly individualised ways of looking at vocational education is apparent in the responses of some in the sector, with a tendency to focus on what they will potentially lose rather than taking a holistic view of the sector and how they contribute to that.
- 6.2 Degree provision sits outside the remit of the proposal, however there is a risk that in the transition phase for vocational education, universities also offering vocational degrees (such as nursing and teacher education) will step into this space, offering certainty to students when they may be unsure what the ITP sector will be able to deliver. Consideration needs to be given to whether in the long run, this is going to be beneficial or detrimental to individual learners, communities and professions, and take action accordingly.

*Question 27: How might different groups of learners be impacted by the proposals? In particular what unique issues or opportunities arise for Māori learners in the proposed new system?*

- 6.3 We have seen a decline in specific programmes or courses for te reo me ōna tikanga Māori as the sector became more focused on delivering economic outputs (which failed to recognise the direct economic value of these skills, as well as broader social and cultural benefits). A more integrated and stable sector provides a great opportunity to strengthen and expand this provision, to meet an increasing demand for these skills and knowledge.
- 6.4 The reforms for the sector are an opportunity to set new goals for improving outcomes for Māori learners. One element that could be considered is introducing numeric targets for Māori staff levels, in much the same way as TEIs currently have for Māori learner enrolment and achievement.

*Question 28: What unique issues or opportunities arise for Pacific learners in the proposed new system?*

- 6.5 The opportunity to have greater involvement in programme offerings at the local, regional and national level is likely to be positive for Pacific learners and

communities. This needs to be clearly stated in the relevant charters, legislation and policy.

- 6.6 The reforms also provide an opportunity for an evaluation of support and other services for Pacific learners across the vocational education sector. This should also include evaluation of previous equity funding models for consideration about their use in a reformed sector.

*Question 29: What unique issues or opportunities arise for disabled learners and learners with additional learning support needs?*

- 6.7 As we noted above, the reforms provide an opportunity to evaluate support and other services for all learners, using a model that prioritises engagement with community and other stakeholders. The evaluation should include analysis of current services, and discussions with learners about how helpful they have found these services and what barriers may have prevented them from accessing them. The evaluation should also include review of previous equity funding models for consideration about their use in a reformed sector.

*Question 30: How might different groups of employers be impacted by the proposals? In particular what unique issues or opportunities arise for small and medium-sized enterprises in the proposed new system?*

- 6.8 Probably the most challenging issue for small employers is their ability to genuinely engage in the work of the ISBs and RLGs – let alone this current consultation process. Given the high percentage of SME in this country, thought needs to be given to ways this employer group might participate in the system in a way that does not put pressure on their time or resources.
- 6.9 The reformed sector should give particular focus to how to support the education and training needs for SMEs, especially businesses and service providers operating at the level of owner operator or similar size.

*Question 31: What unique issues or opportunities arise for Māori enterprises in the proposed new system?*

- 6.10 As with other businesses and enterprises, Māori enterprises may benefit from a system much more geared up to engage in systematic ways with stakeholders.
- 6.11 As well, there are opportunities for Māori enterprises to take on representative, leadership roles within the Industry Skills Bodies and Regional Leadership Groups.

*Question 32: How could the new system best ensure that specific learner groups – such as those identified above – can participate and achieve in vocational education?*

- 6.12 In developing a new funding model for the sector, consideration should be given to how best to address equity requirements for different learner groups. Direct input from representatives of these groups would be sensible.
- 6.13 Deep-level understanding of the complexity of student lives – whether a school leaver or a mature student – how these can impact on learning experience and what needs to happen to support them will be crucial.
- 6.14 Improved analysis, evaluation of programmes and research on specific learner groups, their needs, aspirations, issues facing them as learners is sorely needed.
- 6.15 We also need to think about how bridging and foundation programmes will staircase into the new model and ensure that these are well-supported.

*Question 33: Overall and in the long run, do you think the future arrangements being proposed for vocational education would be better or worse for you personally than the current arrangements? What about any groups or communities you are a part of?*

- 6.16 The changes proposed, as we noted earlier in the submission, are bold and ambitious. There are many moving parts, each of which needs to be addressed to enable any reforms to be successful.
- 6.17 The complexity of what needs to be understood and addressed doesn't mean we should shy away from the challenge. It does require the sector as a whole to work together in a way that hasn't happened for many years. It also requires individual organisations and providers to put aside their singular interests and consider the whole system and what will work for those who participate in it and benefit from it.
- 6.18 Along with the comments we have made throughout this submission, we would also like to emphasise the following as crucial to a strong and stable sector into the future:
  - The proposal is relatively silent on the importance of staff and student voices in planning and decision-making for the sector – this needs to be addressed for the consultation on the proposal and for specific expert input into future planning for the sector.
  - Related to the importance of staff voice is the value of tripartite models that are commonly used in other jurisdictions that include the collective voice of workers via unions, government and employers. This model could be usefully applied to a reformed vocational education sector.

- The gains to be achieved by eliminating competition and strengthening collaboration cannot be underestimated.

*Question 34: What other ideas or models do you think we should be considering?*

- 6.19 The vocational education sector cannot be left with a model that retains multiple councils and chief executive teams. The sector currently operates with a very top-heavy structure which is not adding sufficient value to the system, and in some areas, is negatively impacting the sector.
- 6.20 Any new model for the sector must address competition – in funding, in interactions between the different organisations in the system.

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