

The Vocational Education and Training Review.

What it all means.



Backgrounder

Education Minister Chris Hipkins released a proposal for consultation on 13 February 2019 to reform Vocational Education & Training (VET).

The proposal makes three recommendations:

- 1** **Redefine** the roles of **education providers** and **industry training organisations** (ITOs), and the creation of new **Industry Skills Bodies** (ISBs).
- 2** **Merge** the current 16 **Institutes of Technology and Polytechnics** (ITPs) into a single centralised entity – the New Zealand Institute of Skills & Technology.
- 3** **Create a unified vocational education funding system** to support the proposed changes.

If the reforms proceed as proposed, this will have a significant impact upon ITOs and industry training as it exists today. Support of workplace training, and of trainees/ apprentices would be transferred from ITOs to the new national Institute. While the expectation is that the new Institute would be in place on 1 January 2020, timelines are yet to be established for any subsequent transitioning of current ITO responsibilities – however, it has been made clear that this would be a matter of years, not months.

For now, it is business as usual for Careerforce, its employers and its trainees. We can make an absolute assurance that any current or new trainees will be able to complete their training programmes and have their qualifications awarded.

For more information on the proposed reforms, go to the [Ministry of Education's Kōrero Mātauranga page](#).



Potential Considerations and Concerns

Relative to the issues facing many ITP's, industry training organisations have been performing strongly. Careerforce has been experiencing 20% year on year growth in trainee numbers for the last three years.

Being industry-owned, we need to act and operate in the best interests of the sectors we serve. Accordingly, Careerforce has closely analysed the proposed reforms, and identified the following potential concerns:

- 1** That the sectoral voice may be lost within the new single centralised NZ Institute of Skills & Technology
- 2** That there has been a lack of consultation with industry, ITOs and their stakeholders leading into this proposal
- 3** That these reforms could have a disruptive influence upon levels of industry training at a time of high worker shortages
- 4** That the proposed reforms may result in higher costs for employers (as employers would continue to contribute towards training programme costs, but also to the costs of the new Industry Skills Bodies)



Next Steps – Have Your Say

The proposed reforms are significant. Sector stakeholders need to take the time to understand the proposals, and to consider the potential impacts upon their organisation.

Careerforce encourage stakeholders to take an active role during the short consultation window, either via the Ministry of Education public consultation, or Careerforce:

- **Ministry of Education:**
 - Complete the Ministry of Education public consultation [survey](https://conversation.education.govt.nz/conversations/reform-of-vocational-education/have-your-say/) <https://conversation.education.govt.nz/conversations/reform-of-vocational-education/have-your-say/>
 - Attend one of the public consultation meetings happening across the country (27/2 – 21/3)
 - Complete a formal submission, and email to: vocationaleducation.reform@education.govt.nz
- **Careerforce:**
 - Send an email with your feedback to VETreview@careerforce.org.nz
 - Request a meeting – our board and senior leadership team are committed to meeting with as many sector stakeholders as possible during the consultation

For regular updates:

- Stay in touch with your Careerforce advisor
- Look out for Careerforce email updates, including our Skills for Good employer updates
- Visit careerforce.org.nz/vet-reform

**Public consultation
period closes
Friday 5 April,
2019**



**For Now,
It's Business as Usual.
Get Involved.
Have Your Say.**