

Submission on the Reform of Vocational Education

Submitted by: New Zealand Plant Producers Incorporated (NZPPI)

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SUMMARY

1. We support the proposal for reform of Vocational Education.
2. The proposed reforms are required to ensure that our sector has a vocation training system that is more responsive, adaptable and flexible to meet the changing needs of our industry.
3. The proposed reform is an opportunity to create a vocation training system that offers greater choice and focusses primarily on the needs of trainees, employers and industry. It is also an opportunity to rebuild confidence in the vocational education system.
4. A modern vocational training system needs to account for changes in way people learn while working that includes more relevant qualifications, greater use of short courses and on-line qualifications to allow people to learn while in employment.
5. The vocational training system needs to be more accessible to businesses in the regions and in different sectors.
6. Removing the barriers, minimising costs and administrative burden for the business owners will encourage investment and participation in workforce training.

ABOUT NZPPI

NZPPI is the peak industry body for plant producers in New Zealand. Our industry employs approximately 4000 people and is worth an estimated \$500 million.

Our members grow seedlings and plants for food, forests, for urban and rural landscapes and for home gardens.

Our industry underpins the success of New Zealand's thriving primary industries, including forestry, horticulture, viticulture and farming.

TRAINING IN OUR SECTOR

With an annual rate of growth of 15%, MPI has identified the plant production sector as one of the fastest growing sectors in the primary industries.

To meet the future demand for workers it is estimated that our industry will need to retain the existing workforce and then work to attract 190 new trained employees per year until 2025.

In 2012, just 39% of workers in the horticulture sector held qualifications (level 2 or above). This will need to rise to 65% by the year 2025

Higher level qualifications (level 4 and above) will be required in the following areas:

- Horticulture / science: 15% (of qualified employees)
- Engineering. IT & related fields: 11%
- Other (HR, management etc): 9%

These qualified workers will be needed across all parts of the nursery sector, including the food, forestry, amenity and biodiversity nurseries. Training will also be required across the supply chain, including nursery production, distribution and retail.

In the future the nursery industry will need to have more highly skilled workforce. Workers in traditional (nursery worker) roles will require additional skills and qualifications, but in addition to this, there will be increased need for professional skills including engineering, science and management.

While the NZ nursery sector has a long history of promoting training and education, participation in education has been dropping steadily in recent decades, despite an increasing workforce.

Many NZPPI members are frustrated with the current training framework in NZ reporting that it is out of date and is focused on the wrong skills.

The declining demand for training in recent decades means that many traditional training institutions have withdrawn their investment in horticulture training programmes.

There are signs that this trend may be reversing as the horticulture sector grows many industry organisations in horticulture sector are investing in workforce strategies to ensure that their sectors can compete for skilled workers to fill new roles.

Future trends:

- More workers will be required to meet the increasing future demand for plants.
- Many traditional job roles will require new skills and competencies.
- Workers will require training and support to adapt to work in a more sophisticated workplace, using new technologies.
- Creating value in our sector will require a new skill in areas such as production, technology (automation and robotics) and quality systems.
- Tertiary qualified personnel will be required in areas such as biosecurity,

regulatory compliance (employment and environment) and market knowledge will require skills that are not widely available in our sector at present.

PROPOSED REFORMS

Positive implications

- A single New Zealand Institute of Skills & Technology (NZIST) entity offers opportunities for economies of scale, administrative efficiencies and cost reductions.
- Increasing industry say in vocational qualifications through Industry Skills Bodies (ISBs) will ensure the training meets the requirements of industry.
- Vocational training being funded through one organisation combining both the industry training organisations' and the polytechnics' current funding, reduces the focus on competition that has weakened the current system.
- We anticipate that the reforms could result in courses being better funded, as Government will have greater confidence to invest more public funds in the system. Efficiencies of scale from the proposed reforms will not alone be sufficient to cover the current funding shortfalls.
- Enhancement of regional training will potentially attract teaching talent from throughout the country to enhance specific skills that are a regional priority. Careful consideration must be given to the structural relationship from the centre through to the individual campuses grouped into regions as an integral part of the community.
- We support Centres of Vocational Excellence (CoVEs) and these should be structured based on industry and community needs and with direct ISB input. For many sectors such as horticulture, CoVEs need to be present and active throughout the country, focused on specific regional priorities.

Negative implications

- The single ITP model increases the risk of a single point of failure in the system.
- There is a risk that the New Zealand Institute of Skills & Technology (NZIST) becomes more inefficient than the current administrative structure and blocks industry initiatives. This must be overcome by a strong and genuine partnership between NZIST, industry and the community.
- It is unclear if the larger organisation structure in the proposed model will be effective in supporting training at a regional and sector level.

- It is also unclear if the proposed larger & more centralized ITP organisation will be able to support on-the-job training better than industry training organisations (ITO's) and if the reforms will result in improved vocational training.
- The proposal is unclear about how vocational training will be improved in remote areas and for smaller industries.
- It is unclear how the proposed framework for the vocational training system is industry-led.
- We caution that size and scale through a reshaped vocational education sector will not necessarily increase and improve delivery outcomes in the regions, emerging sectors and rural industry.

OTHER ISSUES

NZPPI supports the governments' proposal to reshape the vocational education sector, however, we are also concerned that the proposed reforms do not address a number of issues.

Qualifications:

The current requirement for a 40-credit qualification is out of line with the needs of business that have a preference for shorter, just in time programmes. The nursery sector is considering the role of shorter skills events, such as micro-credentials as a better way of learning on the job. The proposal does not cover this approach in enough detail.

Approvals process:

Approvals processes for qualifications and programmes need to be rapid to enable timely delivery to market. Current slow rates of programme development and approval effectively kill innovation.

We need new way to recognise skills:

Qualifications and recognition of skills are not the same. In vocational education the focus is often on skills, but the vehicle to access funding is through qualifications. We are looking for need new ways to recognise skills that do not rely solely on qualifications.

Conclusion

NZPPI thanks the Ministry of Education for the opportunity to make a submission on the Reform of Vocational Education. We look forward to being part of an ongoing discussion about changes to New Zealand's vocational education system and are available at any time for further discussion.

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