

# Home & Community Health Association Board Meeting -17 September 2019

## Reform of Vocational Education

### Background

On 1 August 2019, Minister of Education, Chris Hipkins announced the decisions made on the Reform of Vocational Education (RoVE) proposals that were put forward in February 2019.

### Summary of Announcement

The government has identified four big challenges with the current vocational education system:

- There is a need to address serious skills shortages across several industries
- The current vocational education system is split and doesn't always meet the needs of learners, employers or regions
- Many Institutes of Technology and Polytechnics (ITPs) are facing financial challenges
- An apparent lack of industry input into off-the-job learning frustrates many employers

### There are seven key changes, to be gradually introduced

- Create **WDCs**: 4-7 industry bodies with leadership across vocational education
- Establish **Regional Skills Leadership Groups**: advising on regional skills needs across the system
- Establish **Te Taumata Aronui**: to ensure the commitment to Māori-Crown partnerships
- **Create the Institute**: A sustainable, public network of regional vocational education, with new skills and capabilities to support work-based learning.
- Shift **support for workplace learning**: The new Institute and other providers will support workplace-based, on-the-job training
- Establish **Centres of Vocational Excellence (CoVEs)**: CoVEs will bring key stakeholders together to grow excellence and quality across the system

- Unify the **vocational education funding system**: A unified funding system to fund all provider-based education at levels 3 to 7 (excluding degree study) and all industry training.

This announcement is largely a confirmation of the original proposals, with only minor changes resulting from the consultation period.

## Timeline (as currently known)

The timeline for the implementation of the reforms is quite fluid as there are a lot of moving parts, design decisions, and industry consultation to happen over the next few months. Please note that the transition of standard setting, arranging training etc will be planned at an individual ITO level. While there are target end dates, there are no set dates for each particular transition that we are aware of.

### 2019

- Legislation introduced to Government Education (Vocational Education and Training Reform) Amendment Bill
  - This bill amends the Education Act 1989 and repeals the Industry Training and Apprenticeships Act 1992 to create a unified and cohesive vocational education and training system.
  - First reading 29<sup>th</sup> August; Submissions due 13 October; Report Due 10 February 2020
- Engagement between Ministry of Education, TEC and industry on Workforce Development Councils (coverage, function, form, governance)
- NZIST Establishment Board

### 2020

- Legislation comes into effect 1 April 2020
- WDCs start being established from June 2020 (approximately)
- General Election (historically held between September and November)

### 2021

- All WDCs to be established by June 2021
- Transition of work-based training functions from ITOs to providers beginning (NB: This is an estimate only - every ITO will have a different transition plan and some may move earlier than others)

### 2022

- All work-based training activities transitioned from ITOs to providers by 31 December 2022

## Workforce Development Councils (WDCs)

These entities were previously referred to as Industry Skills Bodies within the consultation documentation.

### Key decisions made by cabinet:

- Establish a small number (around 4-7 WDCs)
- WDCs will influence the ‘what’ and ‘how’ of training
- WDCs will:
  - Provide skills leadership
  - Brokerage and advisory services
  - Investment advice to TEC
  - Set skills standards and develop qualifications
  - Moderate assessments.

### What is yet to be decided?

- How industries will be grouped under WDCs:
  - Vocational Pathways structure; or
  - Other options
- What the governance structures will be?
- What exactly will brokerage and advocacy roles involve?

The establishment of WDCs are a key early priority for the government. The wheels are turning quickly on the design of these however, in order to make these entities worth establishing, it is vital that industry are involved in this design phase.

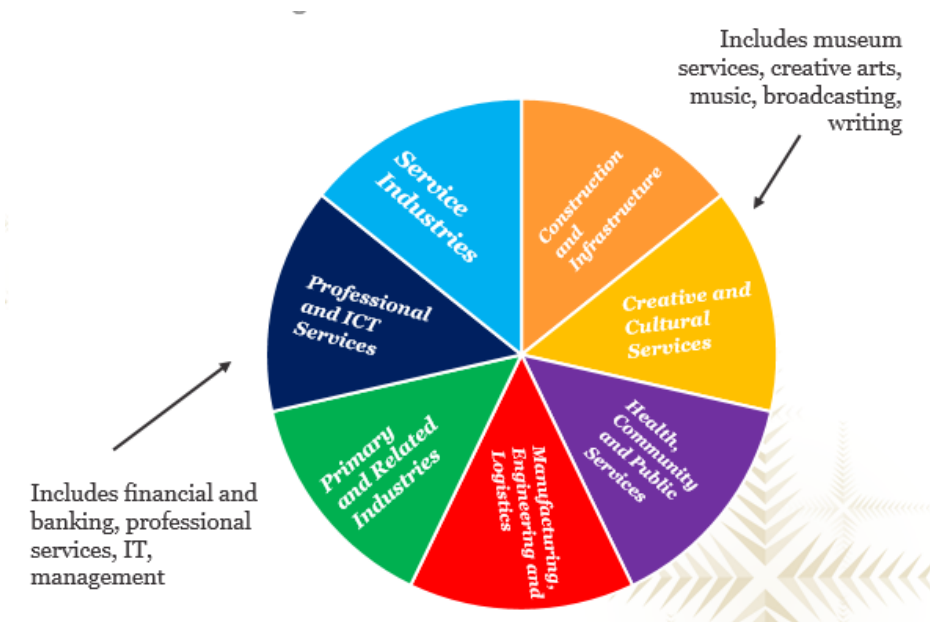
The first point being addressed is the number of WDCs and the coverage areas of these. The starting point proposed by the Ministry is the Vocational Pathways that were developed in 2012. The Vocational Pathways were established to provide a coherent framework for students to see how their learning and achievement is valued in the workplace by aligning learning to the skills needed for industry.



Figure 1: Vocational Pathways

Home and Community Health is included in the Social and Community Services pathway.

The Ministry of Education, following a workshop with all ITO CEs and Chairs requested a recommendation from the Industry Training Federation for the number and coverage areas of WDCs. The following recommendation was made with the strong caveat that industry needed to be consulted on this – it is not an ITO decision to make.



Industry Training Federation Recommended configuration:

- Construction and Infrastructure
- Creative and Cultural Services
- Health, Community and Public Services
- Manufacturing, Engineering and Logistics
- Primary and Related Manufacturing
- Professional and ICT Services
- Service Industries (or ‘People Services’)

Home and Community Health Care would be included in the “Health, Community and Public Services” WDC.

Difficulties start to arise when you look at the detail in coverage. This was attempted through application of the ANZSCO and ANZSIC codes. It was quickly apparent, and as we know from our work in the Kaiāwhina Workforce Action Plan, this would have created a mis-representation of the health and community sectors in particular. The “Workforce Development Council Working Group” within the Tertiary Education Commission (TEC) also attempted a first draft cut of the WDCs coverage but this resulted in a misrepresentation of the sectors.

It is obvious that a lot of education needs to be undertaken in order to have this working group understand what the wellbeing sectors actually look like and entail. We have started this and will continue to engage – industry will also need to be a contributor to this co-design.

### Timeline for WDCs (as provided by the Tertiary Education Commission)

	Engagement	Advice
September 2019	Discussions with industry/employers/ITOs on scope and functions Information gathering from ITOs to inform WDC operations and funding	
October 2019	Discussions with industry/employers/ITOs on scope and functions Information gathering from ITOs to inform WDC operations and funding	
November 2019	Discussions with industry around governance and operating model	Recommendations to Minister of Education on WDC coverage and functions Recommendations to Cabinet on WDC funding
December 2019	Industry-led engagement to design governance, establishment and operating model	Advice to industry on operating model and establishment process for WDCs
January 2020	Industry-led engagement to design governance, establishment and operating model	Advice to industry on operating model and establishment process for WDCs
February – April 2020	Industry-led engagement to design governance, establishment and operating model	Stand up of some WDCs to begin, prior to 1 April legislative enactment
June 2021		All WDCs in operation and funded for their functions

### Industry Training Transition

Each ITO will build a transition plan for both the standard setting (to WDCs) and the arranging training transition (to NZIST or other provider).

Industry and stakeholders are vital to the codesign of these. There is little information available at this stage on the development process and timelines for these transition plans.