

Reform of Vocational Education in New Zealand

Navitas response

April 2019

Navitas welcomes the opportunity to provide a submission in response to the New Zealand Government's proposed reform of Vocational Education. We commend the Government on taking steps to ensure the model is better placed to respond to the changing needs of learners, while meeting current and future skills shortages and contributing to long-term economic prosperity.

In January 2019, Navitas made a submission to the [Review into the Australian vocational and education training \(VET\) system](#) led by the Hon Steve Joyce¹. In both instances, Navitas has observed that the current vocational education systems are hamstrung by factors influencing their effectiveness and accessibility, and that significant changes are needed to ensure students in Australia and New Zealand have the skills needed to succeed in a changing labour market.

Navitas's global role in education and training

At Navitas, our success is underpinned by our unparalleled international network and a commitment to delivering exceptional student experiences and outcomes. We have a track record of working in partnership with public universities and industry, and a passion for discovering new technologies and models of teaching and learning that will improve education now and into the future. From pre-university and pathway programmes to university, to English language and vocational training and undergraduate and postgraduate degrees, we employ a talented and diverse a workforce of 7,000 employees to reach more than 70,000 students at more than 120 colleges and campuses across our global network each year.

Track record of delivering quality student outcomes

In New Zealand, Navitas operates three quality Private Training Establishments (PTEs) with a proven track record in delivering successful student experiences and outcomes:

¹ [Review into the Australian vocational education and training \(VET\) system led by the Hon Steve Joyce](#)

- The School of Audio Engineering (NZ) Ltd, trading as SAE Institute (SAE):
 - Delivering bachelor programs in film, audio and music production to more than 200 students at its Auckland campus
 - Has exceeded Equivalent Full Time Student (EFTS) targets with increased Student Achievement Component SAC3+ funding for the past four years
 - Continues to meet Educational Performance Indicators (EPI) commitments with an 88.2% course completion rate in 2018
 - Category 1 provider, with a most recent EER rating from New Zealand Qualifications Authority (NZQA) of *Highly Confident in Educational Performance* and *Highly Confident in Capability in Self Assessment*
 - Recent accreditation of three new degrees at SAE Auckland which are embedded in a Project Based Learning methodology, collaborative practice and work integrated learning.

- UC International College (UCIC):
 - Provides a pathway for international students into study at the University of Canterbury (UC) through the unique Navitas public-private partnership model
 - Offers foundation, undergraduate and study abroad programs
 - Teaches to New Zealand Qualifications Framework (NQF) however, does not align programmes to NZ Diploma in Business Levels 5 or 6 given the syllabuses do not meet the unique needs of our student cohort
 - Develops courses that flow seamlessly into programs offered by UC, with a transfer rate of 99%.

- Christchurch College of English Ltd (CCEL):
 - Category 1 provider and founding member of English New Zealand
 - Offers internationally accredited language tests and contributes to a range of quality assurance and auditing practices across the sector
 - Programmes intentionally sit outside the NQF to better meet industry needs, rather than aligned to a more static national syllabus.

Essential considerations for the review

Navitas recognises the vital role of vocational education in skilling New Zealanders for the future. As well as providing a pathway to further study for many students, it plays a vital role in helping non-traditional learners to develop life-long skills, and is often the preferred study pathway for professionals looking to upskill as well as career-changers with strong professional experience seeking new technical skills.

Navitas welcomes a reform of the vocational education sector in New Zealand, recognising that it requires reforms to best meet the changing needs of learners and employers. Specifically, we believe the current system:

- Is not sufficiently flexible to respond to the ever-changing needs of learners or employers
- Is underpinned by a rigid learning and teaching framework that limits innovation and the ability of providers to respond to skills shortages in a timely way
- Creates unhealthy competition between Industry Training Organisations (ITOs) and other vocational education providers, including Institutes of Technology and Polytechnics (ITPs) – to the detriment of students
- Imposes significant and costly administrative burden on providers seeking to comply with regulatory requirements – costs which could be more efficiently managed centrally.

To that end, Navitas supports the principles of a regionally networked vocational education system that amalgamates existing ITPs into one New Zealand Institute of Skills and Technology. However, to implement this major reform with the best results we urge the New Zealand Government to:

- Reconsider extending the deadline of 1 January 2020, given the considerable policy, regulatory, funding and administrative changes that will be required to support the reform
- Ensure the NZQA is sufficiently resourced to implement the reform without compromising the level and timeliness of support, advocacy and quality assurance currently provided to the wider secondary and tertiary education sectors
- Ensure programmes delivered by a central Institute of Skills and Technology are more closely aligned to the workforce needs of New Zealand employers
- Ensure any future funding model is equitable, providing the same level of funding support and access to students, irrespective of their choice of provider (e.g. central Institute of Skills and Technology or independent provider)
- Ensure the model is sufficiently flexible and responsive to enable mature, low-risk independent providers with a proven track record in quality student experiences and outcomes to have the autonomy to drive skills training delivery (e.g. having capacity to partner with industry to develop non-accredited programmes that meet specific skills shortages)
- Better clarify what vocational education encompasses (e.g. sub degree, degree) and what it means for students as both a pathway to future study and a pathway to employment
- Ensure a reformed model is easier to navigate for students, including for them to be able to opt in an out of study to meet their personal and employment needs
- Consider outcomes and 'lessons learned' (e.g. benefits, risks, timelines) from similar models implemented in countries around the world, including Scotland.

We also support the proposal for a centralised New Zealand Institute of Skills and Technology to be more focused on delivering high-quality and relevant services to Māori as individuals, whānau and iwi – and to extending support for

students with disabilities and learning support needs. We also call on the Government to have stronger focus on meeting the learning needs of our Pacifica communities.

Further, we commend recommendations to establish Centres of Vocational Excellence (CoVEs) but urge the government to ensure that all quality providers – public and private – have the opportunity to host these hubs of sector and industry-specific expertise. For example, SAE – as a leading global provider of creative media education – would welcome the opportunity to host a CoVE for creative media.

Recognising the role of independent education providers

Navitas contends that any reform to vocational education should consider the role that high quality independent providers play in meeting the current skills and training needs of New Zealanders. We urge the government to maintain a level playing field in which all tertiary education providers – including PTEs – are valued for the role they play in meeting the diverse needs of students and employers.

The strong outcomes and contribution to skilling Australians made by independent providers is highlighted by data released in December 2018 by the National Centre for Vocational Education Research (NCVER) in Australia. Specifically, Navitas notes the following student experiences and graduate outcomes:

- The proportion of graduates not employed before training, who were employed after training, was higher for independent training providers than universities and public TAFE institutes
- The proportion of subject completers not employed before training who were employed after training was higher for students from independent training providers (51.9%) than those studying at public universities and TAFE institutes
- A higher proportion of subject completers from independent training providers (88.2%) were employed or in further study after training than those studying at public universities or TAFE institutes
- A higher proportion of subject completers from independent training providers were satisfied with the overall quality of training that those studying at public universities or TAFE institutes.

We also make the point that a higher proportion of graduates from independent training providers undertook training for employment-related reasons (86.9%). This demonstrates that, in Australia, quality independent education providers have cemented a reputation for delivering training that meet industry needs and leads to jobs.

In New Zealand, the value of vocational education is also demonstrated by the Key Information for Students (KIS) data. As an example, the data shows that 83% of SAE Bachelor of Audio Production graduates gained employment, with 13% progressing to further study². A similar story exists for SAE Bachelor of Film graduates, with 78% in

² https://www.careers.govt.nz/qualifications/view/PC3825/8174#tab_key_information_for_students

employment and 14% progressing to higher study³. Further, SAE's December 2018 graduate destination survey indicates that 100% of graduates consider recommending SAE as a place of study.

Need for sector-specific Industry Advisory Boards

As part of the reform of vocational education in New Zealand, Navitas supports the proposal to establish new Industry Skills Bodies (ISBs) to drive curriculum development and delivery. However, we caution the Government to ensure these bodies better align with industry sectors than existing Industry Training Organisations (ITOs), which currently undertake this function.

For example, the Creative Industries sector – which is of particular relevance to SAE Creative Media Institute – does not have a dedicated ITO. While two existing ITOs, Skills Active and Competent, have some involvement in audio, music and film programme development as a result of the Targeted Review of Qualifications (TRoQ), neither are specialists in creative media.

To better meet the learning needs of students and employment needs of industry, we believe that the local peak body in New Zealand, WeCreate, should play the lead role in curriculum design and therefore take on the role of ISB for creative industries vocational education in New Zealand. WeCreate is an industry body that specifically understands the diversity and depth of the entire creative sector and what it needs to support sustainable growth, further:

- WeCreate is an incorporated society – an alliance of Member industry associations also supported by some large corporate and agency 'friends' (e.g. Creative NZ)
- Their purpose is to partner with government in a concerted way to grow the NZ creative sector
- WeCreate have made a proposal to government and are providing advice to Ministers on development of the creative media sector.

Since November 2018, a group of tertiary institutions have been meeting with WeCreate to explore how we can deliver better outcomes for students, staff and industry. These institutions include: SAE Creative Media Institute, Whitecliffe, Media Arts School @ WINTEC, Auckland University, AUT, Excel School of Performing Arts and Media Design School. This proactive approach of WeCreate demonstrates their commitment to the sector and interest in working collaboratively with institutes to ensure that providers meet the skills needs of the creative industries.

³ https://www.careers.govt.nz/qualifications/view/PC3868/8174#tab_key_information_for_students

Submitted by Navitas Limited

Level 8, Brookfield Place

125 St Georges Terrace

Perth Western Australia 6000

Australia

Contact: Kadi Taylor – Head, Strategic Engagement and Government Relations

(Kadi.Taylor@navitas.com or +61 498 020 978)