

OPEN LETTER TO INDUSTRY

PROPOSED VOCATIONAL EDUCATION REFORMS

Dear Industry Stakeholders

The Government has proposed a major shake-up of vocational training in New Zealand, with just six weeks to consult on the far ranging consequences. The Minister claims the polytechnics and institutes are “going broke”, even with bailouts of \$100m in extra funding to four polytechnics in the past year. The solution? Creating a national institution replacing the 16 existing polytechnics and institutes of technology.

Furthermore, the Government has proposed transferring responsibility for the 145,000 apprentices and learners and their 25,000 employers enrolled with Industry Training Organisations (ITOs) to this national institution, joining their cohort of 110,000 students.

ITOs would be disbanded and the responsibility of setting qualification standards with industry would move to “Industry Skills Bodies”.

THIS IS HOW WE SEE IT

- The polytechnic sector has been failing financially; while ITOs operate effectively and economically. For every \$1m invested in the tertiary sector, ITO-arranged training qualifies 300 skilled workers, compared to 50 from polytechnics.
- There is very likely to be considerable disruption to MITO's apprentices/learners and employers, considering the scale of the transition to the national institution, further exacerbating severe skills shortages.
- Industry's aspirations for the workforce development of their sectors could be eroded with competing demands on the national institution's resources.

MITO supports stabilising the polytechnic sector in its current perilous state. However, simply transferring 145,000 ITO apprentices and learners to a newly formed national institution makes little sense. What makes better sense is framing up a collaborative model which safeguards industry and employers' longstanding influence over developing sustainable and productive workplaces.

WHAT DO YOU THINK?

We invite you to let us know what you think about the proposed reforms at mito.org.nz/haveyoursay.

Be quick! Consultation is open until 27 March.

We also welcome you to let us know your views or ask any questions. Feel free to contact Janet Lane on **0800 88 21 21** or email janet.lane@mito.org.nz.

Kind regards



Andrew Clearwater
MITO Board Chair



Janet Lane
MITO Chief Executive