

## Education Report: Next steps on simplifying the qualifications system and the design of vocational qualifications

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	7 July 2021	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1264446
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### Purpose

This report sets out the key feedback from the consultation on simplifying the qualifications system and the design of vocational qualifications. It seeks your decisions on recommendations for the design of vocational qualifications and micro-credentials, which will inform any changes to legislation.

### Summary

1. RoVE is creating a strong foundation for significantly enhanced end-user influence, improved consistency of graduate outcomes, and greater learner mobility. As part of RoVE, a fit for purpose qualifications system needs to be established. The Education and Training Act 2020 includes a redesigned vocational qualifications system.
2. Since late 2019 NZQA has been considering further opportunities for changes to the qualifications system, in line with stakeholder feedback that the qualifications system is too complicated and does not meet employer or learner needs well.
3. Following Cabinet's agreement, three proposals were formally consulted on from 27 April to 16 June 2021.
  - Proposal 1 sought feedback on two options: the current qualification design to be implemented as part of RoVE (Option 1A); or further simplifications, replacing provider programmes with a 'national curriculum' (working title) to be collaboratively developed between WDCs and providers (Option 1B). Option 1B would remove training packages, the need for WDC programme endorsement and simplify the quality assurance requirements.
  - Proposals 2 and 3 related to removing training schemes and replacing them with micro-credentials, and enabling WDCs to develop micro-credentials for providers to deliver.
4. Four hundred and twenty-eight (428) submissions were received. Whilst there was strong support for simplifying the qualifications system, views about how to achieve this differed. 35% of submissions supported option 1A, 52% supported option 1B, and 13% did not state

a preference or wanted further modifications. There was a significant diversity of views expressed across the options from both industry and providers, and many who supported 1A or 1B expressed an interest in components of both proposals. There was no significant support for retaining training packages in option 1A.

5. A high degree of alignment about qualification arrangements among stakeholders is important in maintaining the integrity and confidence of a qualifications system. Hence, following the close of consultation NZQA has held two further workshops to discuss a variation to option 1B. This variation would make greater use of skill standards within qualifications, so that industry requirements (including the option to require a 'national curriculum' for delivery of the qualification) could be driven through these core elements.
6. This variation would enable WDCs to determine whether to use a single 'national curriculum' or alternatively allow multiple provider programmes that the WDC would endorse prior to NZQA approval. This flexibility acknowledges the variety of industry needs and perspectives we heard during consultation.
7. The Ministry of Education and NZQA consider that the variation to Option 1B would allow for a more manageable change pathway for the system. It provides time for new organisations to establish and stakeholders to more fully understand their functions. If appropriately and carefully implemented it would secure strong end-user influence over the system, while acknowledging the diversity of interests across stakeholders and VET fields of study.
8. Around 65% of submissions supported both Proposal 2 (to remove Training Schemes in favour of micro-credentials) and Proposal 3 (to allow WDCs to develop micro-credentials). We recommend that these changes be reflected in legislation. ✓
9. We also seek your agreement to some minor changes to clarify legislation, to better reflect Cabinet's intent for RoVE. These clarifications arose in consultation.
10. If you agree to these proposed changes, we will reflect them in the Cabinet paper for the Education and Training Act Amendment Bill Number 2. This paper is due to be lodged on 29 July, so we seek your feedback by 15 July (so we can reflect your decisions in the draft for Ministerial consultation).

## Recommendations

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We recommend you:

1. **Note** that we have completed the consultation on simplifying the qualifications system, and are reporting back on proposals arising from stakeholder feedback.
  2. **Agree** to an amended proposal one maintaining the national curriculum approach in option 1B but with greater use of existing instruments, providing WDCs flexibility to:
    - a. vary how they use Skill Standards to prescribe the knowledge, skills and attributes as fully as industry considers necessary to achieve consistent learning outcomes.
    - b. to choose whether a qualification could have more than one programme developed against it or whether to establish a single 'national curriculum' (working title).
- Agree**

**Disagree**
3. **Note** this variation of 1B would allow for flexibility where it was required (for more than one programme against a qualification) and for greater consistency where it was required (with a single 'national curriculum' developed by WDCs in collaboration with providers).
  4. **Agree**, in support of the amended option 1B, to:
    - a. remove training packages from the legislation, since they will be unnecessary within the simplified system, and there was low support for retaining them in consultation; ✓

- b. update the definition of skills standards, and rename the Directory of Assessment Standards to the Directory of Assessment and Skill Standards;
  - c. introduce a requirement that WDCs must consult with tertiary education providers in developing Skill Standards and collaborate over the development of any 'national curriculum';
5. **Agree**, in light of supportive feedback, to proceed with Proposal 2 (to remove Training Schemes in favour of micro-credentials) and Proposal 3 (to allow WDCs to develop micro-credentials).

**Agree / Disagree**

6. **Agree** to the following clarifications to ensure legislation reflects Cabinet's intent for RoVE:
- a. that all VET providers (including private training establishments) must use WDC standards, except wānanga as currently provided for in legislation; ✓
  - b. enable WDCs to develop a 'national curriculum' (working title), linked to a specific qualification to be used by all providers; ✓
  - c. change the Directory of Assessment Standards to the Directory of Assessment and Skill Standards and provide for assessment and skills standards; ✓
  - d. remove training packages; ✓
  - e. establish micro-credentials which would replace training schemes, and enable WDCs and others to develop micro-credentials for providers to deliver. ✓

**Agree / Disagree**

7. **Note** that officials will reflect your decisions in the Cabinet paper on the Education and Training Act Amendment Bill 2 (to be lodged on 29 July), and that NZQA will reflect them in the redesign of their rules as part of implementing RoVE. ✓
8. **Agree** to release this report once final policy decisions have been made, with redactions made in line with the provisions of the Official Information Act 1982.

**Release / Not release**



Andy Jackson  
**Deputy Secretary**  
**Te Ara Kaimanawa**

7/07/2021



Hon Chris Hipkins  
**Minister of Education**

16/7/2021



Dr Grant Klinkum  
**Chief Executive**  
**NZQA**  
7/07/2021

## Background

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1. The RoVE reforms have created a strong foundation for significantly enhanced end-user influence, improved consistency of graduate outcomes, and greater learner mobility. This has been made possible by:
  - a. enabling Workforce Development Councils (WDC) to set Skill Standards that providers must use in delivering vocational education and training qualifications at Levels 2 to 7 of the New Zealand Qualifications Framework (excluding degrees);
  - b. enabling WDCs to develop future qualifications and set Skill Standards in a manner that meets industry needs;
  - c. removing the historic competition between ITOs and providers to place trainees / learners into different education products leading to the same qualification;
  - d. creating a national network of VET provision through Te Pūkenga (which has commenced early planning to rationalise its programme portfolio).
2. Since late 2019, NZQA has been exploring changes to the qualifications system to meet the intent of RoVE, in light of strong stakeholder desire for a simplified system. Following Cabinet's agreement on 14 April 2021, (the Cabinet Social Wellbeing Committee agreed to the release of nine discussion papers for public consultation [SWC-21-MIN-0048, SWC-21-MIN-0049 and CAB-21-MIN-0131 refers]), three proposals were formally consulted on from 27 April to 16 June 2021.
  - a. Proposal 1 sought feedback on the current qualification design outlined in the Education and Training Act 2020 (option 1A), and option 1B to simplify qualifications and their design (including the introduction of a 'national curriculum' to be developed collaboratively between WDCs and providers.
  - b. Proposals 2 and 3 related to removing training schemes and replacing them with micro-credentials, and enabling WDCs to develop micro-credentials for providers to deliver.
3. Throughout this pre-engagement and consultation, stakeholders raised the need to include mātauranga Māori in qualifications. NZQA is currently engaging on the feasibility of gradually including mātauranga Māori in all qualifications as part of the final stages of the review of the New Zealand Qualifications Framework; we will provide further advice on this shortly.

### Summary of consultation responses

4. NZQA engaged extensively with a wide range of stakeholders between March 2020 and June 2021. More than 350 individuals contributed to design discussions prior to developing the formal consultation proposals. Some iEB Chairs, felt they did not have an opportunity to influence the design of the consultation proposals. NZQA met with each iEB separately during the consultation period and with the combined Chairs three times.
5. Four hundred and twenty-eight (428) submissions were received. A draft summary of the consultation responses is attached in Appendix A.
6. There was consistent and strong support for simplifying the qualifications system, with a wide range of views on how best to achieve this. Employers / industry and tertiary education provider support was distributed across both options, although there was good support for Option 1B, including from Te Pūkenga (with some caveats).
7. In relation to proposal 1, 35% supported Option 1A, 52% supported Option 1B, and 13% did not state a preference or wanted modifications. There was a significant diversity of views expressed across the options from both industry and providers, with many who supported Option 1A or 1B identifying elements of their less preferred option that they

would like to retain (including supporters of option 1B who wished to retain programme endorsement as well as a 'national curriculum').

8. The mandate for a qualifications system comes from confidence of its users, hence a high degree of alignment among stakeholders about qualification arrangements is desirable.
9. Support for Option 1A focused on the value industry placed on influencing provider delivery through the WDC programme endorsement function, the opportunity to more flexibly respond to regional needs, enable learning to be tailored to specific learner groups, and concern about further change at a time of significant reform.
10. Stakeholders in support of Option 1B noted that a simpler system would make it easier for employers and learners to navigate the system as well as leading to more consistent graduate outcomes. There was strong support from those providers supporting 1B for the collaborative model, and the clarity it would provide learners and employers. Collaboration is recognised as a key benefit of 1B.
11. Stakeholders unable to support either Option 1A or 1B were supportive of qualification simplification and the need for a collaborative system. They were either concerned about industry losing the ability to influence provider delivery or felt that neither the current legislation or the proposed changes were workable.
12. Four of the five Māori organisations that responded to proposal 1 did not express a preference. Their principal concern is that provision for mātauranga Māori needs to be made in any 'future-fit' qualifications and credentials system. Te Wānanga o Aotearoa was concerned that Option 1B may move āhuatanga Māori and tikanga Māori away from wānanga to WDCs.
13. There was no particular support for retaining training packages in option 1A, so our proposals include removing these.
14. Proposals 2 and 3 relating to micro-credentials and training schemes were generally supported.
15. The following table summarises the position of respondents to each option:

*Table 1: Summary of views on proposal 1, design of vocational qualifications*

Option	Respondents in support
1A	<p>14 Industry respondents including: Foodstuffs North Island, Foodstuffs South Island, Print NZ, New Zealand Arboriculture Association, Educare Training, Mental Health and Addition Workforce South Island</p> <p>1 TITO: Service IQ</p> <p>6 Te Pūkenga subsidiaries: MIT, Unitec, SIT, Wintec, Whitireia/Weltec</p> <p>25 Private training establishments including: Aspire2, Laidlaw College, Literacy Aotearoa, NZ Management Academies, MY Skill, NZIE, NZ School of Tourism, Solomon Group, NZ School of Dance</p> <p>75 individual respondents</p>
1B	<p>16 Industry respondents including: Engineering New Zealand, NZ Construction Industry Council, Food and Fibre, Master Plumbers, MTA Assured, NZ Specialist Trades, Tourism Industry Aotearoa, Water NZ, Hair and Barber NZ, Energy Skills Aotearoa</p> <p>2 iEBs including: Services iEB, Toitu te Wairoa and Kāhui Ahumahi network (iEB)</p> <p>4 TITOs: Building and Construction ITO, Connexis, NZ Hair and Beauty ITO (HITO), MITO</p> <p>5 Te Pūkenga and subsidiaries: Nelson Marlborough Institute of Technology, Toi Ohomai, Otago Polytechnic, Open Polytechnic</p> <p>12 Private training establishments including: People Potential, Elite Wool Industry Training Ltd, Learn Plus Ltd, Techorium, NZ Red Cross, St Johns College, Site Safe, NZ Agrichemical Education Trust, Whitecliffe</p> <p>ITENZ, Academic Quality Agency, Tertiary Education Union, Unite Union</p> <p>127 Individual respondents</p>

Neither 1A or 1B in current form	4	Industry respondents including: Climate Control Companies, Dynes Group, Electrical Trade Guild, Tane Mahuta Aotearoa NZ Ltd
		Business NZ
	1	iEB: Toi Mai
	5	TITOs including: Careerforce, Skills Active Aotearoa, Skills Organisation, Competenz, Primary ITO
	1	Te Pūkenga subsidiary: EIT
	2	Māori / iwi organisations including: Te Rūnanga o Raukawa, Ngatitōa Rangatira
	1	Te Wānanga o Aotearoa (including Mahi Toa)
	3	Private training establishments including: Transpower Grid Skills, Future Skills Academy, Te Rito Māori
	36	individual respondents

16. In selecting an option related to proposal 1, it needs to be recognised that implementation of the new qualifications system will occur progressively over an extended period of time as WDCs develop new skill standards and these are integrated into provider delivery.
17. Related to this, Te Pūkenga's work on programme rationalisation across the network will address over 50% of the multiple use of programmes leading to VET qualifications at Levels 2 to 7 of the Framework (excluding degrees). This process of rationalisation will take some years to achieve. Whatever qualification system arrangements are agreed need to give practical support to Te Pūkenga's programme rationalisation work.
18. Our engagement with stakeholders indicates that, at this stage, the level of understanding of the impact of the overall RoVE changes is still developing, with many questions raised about the different qualification elements and how they will be operationalised. For example, in relation to the design of qualifications, it appears many providers are only beginning to realise that skill standards (that providers will need to use) underpin both Options 1A and 1B.
19. While NZQA considers that Option 1B could deliver stronger gains for simplification, consistency of graduate outcomes and learner mobility, the varied consultation feedback and under-developed sector understanding of the implications of an end-user influenced system suggests that the optimal change path is to get as close to Option 1B as feasible, without removing the option of programmes entirely.
20. It also suggests that whatever arrangements are agreed there is a significant amount of work to do alongside WDCs, industry associations, other stakeholders and providers over how to move from the current bifurcated system to a unified system. Strong and effective collaboration will be critical. The key site for collaboration could be either in the Skill Standard development process or in the setting of a 'national curriculum'. Where collaboration occurs is less important than supporting the culture and behaviour change that will underpin a more learner centred, industry driven VET system.
21. The following sections set out our recommendations in light of the feedback.

### Proposal 1: Design of vocational qualifications

22. Following analysis of the feedback from the formal consultation, NZQA ran two workshops to discuss with stakeholders what we had heard and to further explore Options 1A and 1B. In these discussions we identified a variation to Option 1B that allows for a smoother change path while preserving the intent for strong end-user influence over the VET system.
23. This variation would enable WDCs' to determine whether to use a single 'national curriculum' or alternatively allow multiple provider programmes that the WDC would endorse prior to NZQA approval. The key elements of the system would be as follows.

### **Skill Standards are used by WDCs to define the skills industry needs**

24. The first element of a refined Option 1B would involve specifying Skill Standards to enable WDCs to prescribe the knowledge, skills and attributes as fully as they consider necessary to achieve a consistent approach to the learning outcomes and content to be delivered by providers. The degree of specificity would depend on the requirements of each industry. This requires a new definition of a skills standard to include learning outcomes as well as a legal requirement for WDCs to consult with tertiary education providers in developing Skill Standards and for all providers to use them in their delivery unless the WDC agrees otherwise.
25. Skill standards, specified in this way, are more comprehensive than existing assessment standards listed on the Directory of Assessment Standards (DAS). To differentiate Skill Standards from current Assessment standards (achievement and unit standards) it is proposed to rename the DAS as the Directory of Assessment and Skill Standards.
26. Skill standards must be designed to meet the needs of all users, including schools, to enable learners to seamlessly move between school and vocational education.
27. NZQA has planned work to co-design new skill standards with key stakeholders once high-level qualification arrangement decisions are made.

### **Qualifications to include a choice for WDCs about multiple provider programmes or development of a single national curriculum**

28. The second element would involve allowing WDCs to decide whether a New Zealand qualification could have more than one programme developed leading to it or whether there would be a single 'national curriculum' that must be used by providers and remove the need for separate training packages.
29. Where a WDC elected to allow multiple programmes against a given qualification, the WDC would retain their current programme endorsement role (alongside NZQA's programme approval role). This variation of Option 1B would allow for greater flexibility or greater consistency as required, based on industry need. This would require a legislative amendment to add a power to WDCs to collaboratively develop and maintain a single 'national curriculum', in addition to the current function of endorsing provider programmes.

### **Risks and implementation issues**

30. RoVE involves major change to many parts of the vocational education system and new entities yet to establish their functions and relationships. It is important that the high-level qualification arrangements ensure the new system gets off to a strong start. Equally, there needs to be sufficient flexibility in the regulatory settings to enable adjustments if needed to respond to implementation and operational impacts. In conjunction with enabling legislative provisions, NZQA's rules provide a direct mechanism to adjust settings without resorting to early legislative change.
31. There are a number of factors that need to be balanced as part of shifting toward an end-user driven system. The ability of WDCs to determine whether there can be multiple programmes leading to one qualification or to use a single 'national curriculum' places WDCs in a strong position that needs to be used for the benefit of *both* industry and learners.
32. WDCs are responsible, on behalf of industry, for the "what" must be taught, providers are responsible for "how" teaching and learning is designed and delivered. A 'national curriculum' will need to be defined in a manner that allows for the skills standards within a qualification to be brought together into a coherent whole, rather than a highly prescriptive substitute programme that encroaches on the design and delivery of teaching and learning.

33. While WDCs are expected to work collaboratively and consultatively with providers, WDCs would ultimately make final decisions relating to the structure / content of a single 'national curriculum' on behalf of industry where there were irresolvable differences of views.
34. The transition to the new qualification design will be led by the WDCs through their development of new, and review of existing, qualifications. The first priorities are likely to be those qualifications that industry is concerned about in conjunction with the regular 5 yearly cycle of qualifications review. WDCs will inherit a number of qualifications due for review at the time of their establishment. Skill standards would be developed in conjunction with a qualification review with subsequent changes to provider programmes and delivery. The speed at which qualifications can be reviewed will depend on the capability and resources of each WDC.
35. The high-level qualification arrangements and later the more detailed NZQA rules must work for wānanga and schools. As per the existing legislation, wānanga may choose whether to use skill standards, except where they are offering work integrated learning. In order to meet qualification outcomes. Wānanga may wish to be guided by WDC skill standards for campus-based programmes but would maintain āhuatanga Māori and tikanga Māori in their approach.
36. It is envisaged that WDCs will develop more coherent skill standards that draw on the best of the unit standard approach and provider learning outcome approach and schools will use these skill standards in a manner that ensures students are able to move seamlessly into further study or work.

## **Conclusion**

37. The proposed approach strikes a balance between the flexibility offered under Option 1A, and the certainty (via a national approach) offered by Option 1B. It also reflects stakeholders' view that the success of the system will be more about 'how' the actors work together to ensure learner and end-users' needs are met.
38. The Ministry of Education and NZQA consider the variation to Option 1B would allow for a more manageable change pathway for the system than the original version of Option 1B. If appropriately and carefully implemented it would secure strong end-user influence over the system, while acknowledging the diversity of interests across stakeholders and VET fields of study.

## **Proposals 2 and 3: Micro-credentials**

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### **Proposal 2 - Replacing training schemes with micro-credentials**

39. The term training scheme is poorly understood. Locally and internationally, smaller coherent units of learning intended to help people upskill and reskill throughout their careers are more commonly recognised as micro-credentials.
40. Sixty-five percent of the 193 responses received supported the proposal to remove training schemes and replace them with micro-credentials. Feedback included that this change would simplify the system.
41. There was comment that it was important micro-credentials could be designed to meet community needs, and some concern that grand-parented training schemes would need to meet the more stringent requirements for micro-credentials. Feedback from some English language providers is that their provision does not fit well into the current qualifications system, and this proposal would not address that.
42. At the moment micro-credentials are enabled in NZQA's rules as a type of training scheme, because micro-credentials are not provided for in legislation. This change would recognise them as a separate education product. Given the high degree of support for the change, we recommend training schemes are replaced by micro-credentials in the legislation.



### **Proposal 3 - Enabling WDCs to develop micro-credentials**

43. The current legislation prevents WDCs from developing micro-credentials. This is because the approval of a training scheme is combined with the accreditation of the provider to deliver it, and WDCs are not providers.
44. Section 366 of the Education and Training Act 2020 sets out that WDCs have a function to develop and maintain training schemes (or micro-credentials, if proposal 2 is approved). To give effect to this power, the legislation needs to be amended to separate the ability to develop and deliver a training scheme, so that WDCs can seek approval for training schemes and providers can seek accreditation to deliver them.
45. The proposal was supported by 69% of the 186 responses. The reasons for supporting the change included that it would lead to a more responsive, simple, timely, and less costly approach. Some concerns were raised about the capability of WDCs to develop them, however it is expected micro-credentials would be built out of skills standards.
46. The proposal is in line with current programme approval and accreditation requirements. Providers will be able to develop and deliver their own micro-credentials as well as WDC micro-credentials. If providers develop micro-credentials in the relevant WDC's coverage, the WDC would need to be consulted as a key stakeholder.

#### **Next steps**

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47. If you agree to these proposed changes, we will reflect them in the Cabinet paper for the Education and Training Act Amendment Bill Number 2. This paper is due to be lodged on 29 July, so we seek your feedback by 15 July, to be able to reflect your decisions in the draft for Ministerial consultation.
48. Following legislative change, NZQA will develop operational policy in support of the changes, to be implemented through their rules alongside other changes to implement RoVE.

**Introduction**

1. Public consultation on simplifying New Zealand qualifications and other credentials opened on 27 April 2021 and ran for seven weeks, until 16 June 2021.

*Raising awareness of the consultation*

2. NZQA emailed 2347 partners and stakeholders when the consultation was launched, and again just before it closed.
3. 48 key partners and stakeholders were emailed in advance of the consultation starting, this included six iwi and Māori partners, either industry stakeholders, the 12 TITOs and Te Pūkenga.
4. Some organisations were also asked to promote the information through their networks. This included the following:
  - 6 Workforce Develop Councils Interim Establishment Boards (iEBs) and Kāhui Ahumahi
  - Business New Zealand
  - Federation of Māori Authorities
  - Post Primary Teachers Association (PPTA)
  - Ministry of Pacific Peoples
  - 12 Transitional Industry Training Organisations (TITOs)
  - Independent Tertiary Education New Zealand (ITENZ)
  - Māori and Pasifika Trades Association
  - Disability organisations
  - Ministry of Health
5. NZQA established a VQconsult website, which received 4861 individual visits. People could ask questions through the website and NZQA maintained a live list of FAQs.
6. Over the consultation period, NZQA held 49 meetings to provide information about the proposals and provide an opportunity for discussion. These meetings included 11 public webinars which anyone could sign up to via the VQconsult website, to attendance at regular meetings (e.g. scheduled sector meetings) and meetings with specific individuals and stakeholders.
7. The purpose of the 11 public webinars was to provide more information on the proposals, answer questions and encourage people to make submissions.
8. The 49 meetings also included the following:
  - 8 meetings with Māori partners and stakeholders, including four webinars, a meeting with Te Taumata Aronui, the Māori iEB sub-group Kāhui Ahumahi and TWoA as well as NZQA's Ngā Kaituhono.
  - 1 webinar with Pasifika stakeholders
  - 1 webinar with the disabled community
  - 4 meetings with industry bodies
  - 3 workshops with iEBs and other sector staff
9. The webinar to the disabled community on the webinar used New Zealand sign language. A video of the presentation with sign language was also available on the VQconsult website.

*Responses to the consultation*

10. NZQA received 428 responses to the consultation, 353 via the online survey tool and 75 via a written response emailed to the VQconsult email address.

11. Some respondents provided feedback on behalf of a wider constituency, for example ITENZ (140 members), Connexis, which surveyed its 125 members, Concrete NZ (500 members), Hair and Barber NZ (400 members).

*Summary of responses by stakeholder group*

12. The table below sets out the number of responses by stakeholder group.

Stakeholder group	Survey	Written submission	TOTAL
Industry	22	29	51
Professional bodies	14	-	14
Students	1	1	2
iEBs	1	5	6
TITOs	6	5	11
Unions	1	1	2
Te Pūkenga and subsidiaries	4	8	12
Wānanga	-	1	1
PTEs	44	20	64
Universities / AQA	-	1	1
GTEs	-	1	1
Schools	3	1	4
Government agencies	4	-	4
Individuals	240	2	242
Other	13	0	13
<b>TOTAL</b>	<b>353</b>	<b>75</b>	<b>428</b>

**Proposal one: Ensuring that vocational qualifications meet the needs of students and employers**

**Background**

13. This proposal sought to ensure that vocational qualifications support the portability of learning for students when they change pathways and consistent graduate outcomes for employers, whilst retaining the flexibility for regional needs. This proposal included two options for consideration:
- Option 1A: implementing the current legislative settings. In this option, the Workforce Development Councils (WDCs) will develop qualifications, training packages and skill standards. Providers will develop programmes which are required to be endorsed by the WDCs before NZQA approves them.
  - Option 1B: proposed further simplification of the qualification system, through the development of a WDC-led collaboratively developed 'national curriculum' specified in the qualification. This would replace the need for providers to develop their own programmes and for the WDCs to develop separate training packages. This option would require legislative change.
14. Under either Option 1A or B, the responsibility for the provision of education and training would remain with providers, including support for employers and learners in work-based training.

**What did submitters tell us?**

15. Of the 396 responses to this proposal, 140 (35%) preferred Option 1A, 206 (52%) preferred Option 1B and 50 (13%) had alternative suggestions. A further 32 respondents did not give a view.

*Industry*

16. There were 51 industry respondents. Of these, 13 (30%) preferred Option 1A, 27 (63%) preferred Option 1B and three (7%) preferred another Option 1A altogether. Eight respondents had no view on proposal one.
17. Industry respondents who preferred Option 1A thought that Option 1B was too big a shift away from the current model and would cause too much disruption in the sector. Some noted that creative pathways could be affected, that there would be less flexibility under Option 1B and that regional voices would be weakened. They noted that Option 1A was preferable for the creative sector *“Homogeneity, such as a ‘national curriculum’, is the antithesis of creativity and innovation.”*
18. Industry respondents who preferred Option 1B thought that a national curriculum would be simpler to follow and provide consistency of graduate outcomes. They thought that it would provide for a more simplified system and be easier for employers and learners to navigate. Some noted that under this option, WDCs should maintain their endorsement function for qualifications, and oversight of the capacity and capability of providers to deliver a qualification.

#### *Workforce Development Councils interim Establishment Boards (iEB)*

19. Four of the six WDC iEBs (Toi Mai Creative, Cultural Recreation and Technology; Hanga-Aro-Rau Manufacturing, Engineering and Logistics; Toitu te Waiora Community, Health, Education and Social Services) and Services responded to the consultation. Kāhui Ahumahi, the Māori members of the iEBs, also responded.
20. Three of the iEBs (Toi Mai, Toitu te Waiora and Services) responded to proposal one. Of these, two iEBs (Toitu te Waiora and Services) preferred Option 1B. Services noted that the WDCs need to retain a role in delivery, through endorsing the provider to deliver the qualification. Toitu te Waiora felt that the case for simplification and collaboration was compelling.
21. Toi Mai did not express a preference for either Option 1B but was concerned about the loss of programme endorsement under Option 1B, along with the potential cost of developing a national curriculum for each qualification.
22. Kāhui Ahumahi made two submissions (one written submission and one via the online survey). It preferred Option 1B but did not provide its reasons.

#### *Providers*

23. Seventy-eight tertiary education organisations responded to the consultation. This included 11 Te Pūkenga subsidiaries, Te Pūkenga itself, one wānanga and 64 Private Training Establishments (PTEs). The universities' Academic Quality Agency also made a submission.
24. Of the providers that responded to Proposal One. Of these, 38 organisations consisting mainly of PTEs preferred Option 1A. Six of Te Pūkenga's subsidiaries (Manukau Institute of Technology, Southern Institute of Technology, Unitec, Whitireia / Weltec and Wintec) also preferred Option 1A. PTEs and the subsidiaries thought that a national curriculum would restrict flexibility to meet employers' specific needs and ensure that all learners could be met. They particularly noted the need for flexibility in sectors such as the creative sector and the hospitality sector, who require ingenuity, innovation and improvisation. A majority of PTEs raised concerns that a 'one size fits all' 'national curriculum' would restrict the opportunity to develop and tailor programmes to meet specific learner groups.
25. Twenty-three organisations consisting of PTEs, the universities' Academic Quality Agency, Te Pūkenga and four subsidiaries (Nelson Marlborough Institute of Technology, Toi Ohomai, Otago Polytechnic, and the Open Polytechnic) preferred Option 1B. There was strong support for a collaborative model to agree on the skills and capabilities required to deliver consistent and higher quality training outcomes through a national

curriculum. Some respondents also thought that learners would be able to gain a better understanding of what skills would be required, and that employers would have more confidence in graduate outcomes. Collaboration is seen as the main key driver for Option 1B to be successful and respondents noted the need for academic and curriculum leads to be involved in the development of any national curriculum.

26. Eighteen organisations across PTEs and ITPs did not express a preference for either option. English New Zealand and Auckland English Academy raised concerns around the implications of defining language courses to be linked to framework levels and request that these be investigated separately. Other concerns include Option 1A where programme development and context experts needed to be included, and Option 1B being more suited to the trades industry but would not be flexible enough to accommodate other industries.

#### *Transitional industry training organisations*

27. Ten of the 11 transitional industry training organisations (TITOs) responded to the consultation<sup>1</sup>.
28. Four of the TITOs supported Option 1B (BCITO, Connexis, HITO and MITO). All four highlighted the consistency of skills across learners and the resulting benefits for industry as a strength of the proposed system. Connexis had consulted with industry to inform their response, holding webinars with 93 companies.
29. Three of the TITOs (Careerforce, Skills Active Aotearoa and the Skills Organisation) expressed a preference for an option other than A or B, such as a hybrid or modification. Careerforce suggested a modified outcome of Option 1B, where training packages and training schemes are removed, while other elements of the existing system, including the endorsement function of WDCs, are retained. Skills Active Aotearoa recommending retaining skills standards, qualifications and WDC-led moderation.
30. A common concern among the TITOs that did not express support for Option 1B was that it would be inappropriate to make significant changes to WDCs' functions before they were fully established, noting it could place additional pressure on WDCs, create confusion and undermine their authority, potentially leading to less engagement by industry.
31. Competenz and Primary ITO supported neither proposed option. Both expressed support for a simplified system but felt that neither Option 1A nor B was workable. Both were particularly concerned about the proposed removal of the endorsement function from WDCs.
32. ServiceIQ supported Option 1A, noting that it gave industry and iwi a strong voice in the system.

#### *Māori and iwi*

33. There were six responses from Māori organisations and Iwi (Te Rūnanga o Raukawa, Ngatitōa Rangatira, Tane Mahuta Aotearoa NZ Ltd, Toi Mai CCRT iEB, Te Wānanga o Aotearoa, and Kāhui Ahumahi).
34. Four of the five Māori organisations did not express a preference for either Option 1A or B. Their principal concern is that mātauranga Māori was inadequately considered. Kāhui Ahumahi expressed concern that any 'future-fit qualification and credentialing system needed to make provision for mātauranga Māori qualification and credentials, and this required empowering iwi/hapū to lead this approach and work in collaboration with NZQA to co-design this process. The Toi Mai interim Establishment Board also expressed mātauranga Māori as a key area for development but that it will need to be co-designed

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<sup>1</sup> BCITO, Careerforce, Competenz, Connexis, HITO, MITO, Primary ITO, Service IQ, Skills Active Aotearoa and The Skills Organisation.

with iwi and wānanga. A concern on the loss of programme endorsement was also mentioned under Option 1B.

35. TWoA raised concerns with the defined scope of Proposal 1 and the implications that the introduction of Option 1B would have on the provision of mātauranga Māori and the risk of nationalising Te Wānanga o Aotearoa programmes and moving āhuatanga Māori and tikanga Māori away from Wānanga to WDCs. They have suggested that mātauranga Māori be excluded from the process and that Wānanga would need to be able to determine the inclusion of any mātauranga Māori embedded under a 'national curriculum' model.
36. Ngatitōa Rangatira and Te Rūnanga o Raukawa also made a submission. Its preference was Option 1B but did not provide its reason.

#### *Unions*

37. Both the Tertiary Education Union (TEU) and Unite Union responded to the proposal. Both supported Option 1B. The TEU felt it would provide a simplified system which would enable regional delivery and easier learner movement. Unite Union did not provide its reasons for supporting this option.
38. The TEU noted that for Option 1B to succeed, the national curricula must reflect Te Tiriti o Waitangi, and must be developed using a collaborative and co-design process with qualification developers working alongside educators and learners.

#### *Individuals*

39. There were 242 individual responses to the consultation. Of these, 75 (32%) preferred Option 1A, 127 (53%) preferred Option 1B, 36 (15%) preferred another option. A further four respondents had no view on the proposal.
40. Those that preferred Option 1A thought that Option 1B would be disruptive, decrease flexibility and responsiveness, and would not provide for regional variation. Some were concerned about the role WDCs would play and felt that they would have too much power. One submitter thought that neither option was appealing, as neither acknowledged the role of iwi and regions in qualification and programme development, although considered that Option 1A was the more workable of the two.
41. Individual respondents who preferred Option 1B said, overall, that the approach would be simpler, more consistent for providers, learners, and industry, and enable transition for learners between providers.
42. One respondent thought that it *"would enable the embedding of Mātauranga Māori across the curriculum in a proficient and consistent manner and reduce the barrier of complexity for Māori learners and their whānau"*. A couple of respondents also felt that it would be better for students with learning challenges.

### **Proposal two: Replacing all training schemes with micro-credentials**

#### *Background*

43. This proposal sought to simplify quality assured credentials so that is easier for learners and employers to navigate. There is an opportunity to simplify the range of credentials options, which are not currently well differentiated. Micro-credentials are currently a subset of training schemes. Under this proposal, the need for all short form (less than 40 credits) stand-alone packages of learning would be met through micro-credentials.

#### *What did submitters tell us?*

44. Of the 193 responses to this proposal, 125 (65%) supported the need to replace training schemes with micro-credentials, 44 (23%) did not support the need to replace training schemes and 24 (12%) did not express a preferred option.
45. Of those who support the proposal, they thought it would support simplification and ensure that smaller packages of learning would be more accessible for learners. They

also noted that enabling micro-credentials would help industry to navigate the available options. They also thought it would lead to greater flexibility and would support learners to upskill through enhanced opportunities for professional development.

46. Respondents who did not support the proposal noted that it was not clear how micro-credentials would be used in some skilled industries. Those involved in sectors such as the health sector suggested further consultation so that micro-credentials could better meet the needs of those sectors. English New Zealand did not support replacing training schemes with micro-credentials as they felt their learners are looking for opportunities to improve their English rather than being formally assessed and credentialed.
47. Other respondents noted that micro-credentials did not fit within their scope of work, and some asked for further clarity around the purpose of and responsibility for developing micro-credentials.

### **Proposal three: Enabling WDCs to develop micro-credentials for providers to deliver**

#### *Background*

48. This proposal enables the WDCs to develop micro-credentials for providers to deliver. Under the Education and Training Act 2020, one of the functions of WDCs is to develop micro-credentials. However, another part of the Act relating to NZQA's approval process only allows NZQA to approve micro-credentials developed and delivered by providers. As WDCs are not providers, NZQA cannot approve their micro-credentials.
49. This proposal would separate out NZQA's approval and accreditation processes, enabling WDCs (and others) to develop micro-credentials for providers to use. It would continue to enable providers to develop and deliver their own micro-credentials.

#### *What did submitters tell us?*

50. Of the 186 responses to this proposal, 128 (69%) supported the need to enable WDCs to develop micro-credentials, 53 (28%) did not support the need to enable WDCs to develop micro-credentials and 5 (3%) were uncertain.
51. Those who supported the proposal said that it would ensure that micro-credentials meet industry needs, remove duplication and cost, help streamline the process and help reduce costs for providers. Many who supported the proposal said that this was conditional on providers being able to continue to develop micro-credentials as well. This would ensure that micro-credentials in niche subjects not covered by the WDCs would continue to be offered.
52. The majority of respondents who did not support the proposal felt that micro-credential development should be led by providers rather than WDCs. They raised concerns around WDC capability in this area and some felt that it could be anti-competitive for WDCs to develop micro-credentials if they could hinder the development of provider-led micro-credentials. Others felt that the separation of approval and accreditation could lead to a proliferation of micro-credentials and confuse learners.
53. A number of respondents noted the need for a micro-credential development strategy or framework to ensure that future micro-credential offerings would be coherent and coordinated. Several also noted their support for NZQA to further enable the 'stacking' of micro-credentials towards full qualifications.

#### **Other feedback**

54. Some respondents provided views on matters that were out of the scope of consultation or have already been decided. This included views on the role, scope and functions of the WDCs.
55. Some respondents also provided views on skill standards, noting that it would be helpful to have clarity as soon as possible on how these may differ from unit standards.
56. Some respondents, such as the Academic Quality Agency, also provided feedback on the quality assurance environment. Feedback included that this also needs to be

simplified and that the current quality assurance arrangements will not be fit for purpose for Te Pūkenga and the WDCs.

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