

Draft submission



to the

**New Zealand Qualifications Authority**

on

**Skill standards**

**10 August 2022**

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## 1.0 INTRODUCTION AND RECOMMENDATIONS

- 1.1 BusinessNZ welcomes the opportunity to comment on the New Zealand Qualification Authority's (NZQA) '*Skill Standard Information Session*'. Given the need to ensure a skilled and responsive education system to meet current and future workforce needs, the proposed changes requires careful assessment as to whether they will support these aims.
- 1.2 BusinessNZ recommends NZQA:
  - Undertake engagement with business and industry associations to understand the implications of the changes, particularly in the areas of Apprenticeships and work-place training;
  - Provide the briefing papers and greater detail on the proposed changes, and make this publicly available for comment;
  - Delay implementation of the skill standards until workbased training is transitioned and bedded in via the other workstreams in the Reform of Vocational Education (RoVE) to ensure against unnecessary additional disruption to the skills pipeline;
  - Articulate a thorough transition plan for consultation that can describe not just the aspiration for a skill standard, but also how the skill standard will support learning pathways, particularly from NCEA and secondary transitions to workplace learning; how skill standards will be triggered for review as the nature of work changes; how flexibility will be retained to incorporate credentialled learning into on-job learning, particularly for occupations that are seasonal or weather dependent; and how the changes will impact the way on-job assessments and verification for employers are carried out.

## 2.0 COMMENT

- 2.1 The method of consultation on skill standards is poor for engaging business stakeholders. With no industry or business representation on the advisory group that devised the recommendations, and access to the policy detail only available through a webinar invite, this method of closed consultation is unlikely to reach businesses with an interest in this topic or gather the feedback necessary to make a robust assessment of the implications of the policy changes.
- 2.2 While there is merit in moving away from overly prescriptive unit standards, the skill standards present other difficulties. Key challenges of the proposed system that have not been addressed adequately include (but are not limited to):
  - ***Overly prescriptive curriculum reducing flexibility for work-based learners and innovation in workbased learning.*** Given that workbased learning is being transferred

to providers, the skill standards propose that providers will now have set curricula including scheduling. It does not appear that a robust risk assessment has been undertaken on how this will impact on the ability of firms to create credentialled learning opportunities based on workflows. This is particularly relevant for industries with seasonal peaks that will now be subject to providers instructing when and how learning can take place, rather than recognising skill accumulation in the workplace.

- ***Creating a less responsive skill system that will fail to keep up with changing workforce needs.*** The introduction of curriculum-based vocational learning risks creating a less responsive skill system. When considering the challenges in curriculum-based compulsory education, it is worth noting that the current review includes a 5- year work programme that has encountered further delays. Layering this approach across every vocational qualification without any clear timelines, any service delivery expectations, any project plan for implementation, or a value proposition for how this will make the system better for learners and employers is likely to drive disengagement from workbased learning.

- 2.3 It is important to note the context in which these changes are being proposed. There are significant disruption risks as a result of RoVE, including ensuring workbased learning that is effective, efficient and responsive to business needs is captured by the approach in course-based learning as this has poorer retention and achievement rates.
- 2.4 The changes do not articulate any form of transition plans or changes to the way NZQA will work, suggesting that the same process followed by Industry Training Organisations (ITOs) and work programmes like the Targeted Review of Qualifications (TRoQ) will be followed. As previous BusinessNZ submissions have noted, there is considerable opportunity to improve the timeliness and relevance of skill standard setting and programme development by modelling on globally leading New Zealand firms. Instead, NZQA risks that skill standards will become an academic exercise and further disconnected from the workplace by placing the providers at the centre of the policy rather than learners and employers.
- 2.5 There are significant risks to other government work programmes if the risks to the skill system are realised. For example, Just Transitions by MBIE is premised on having a skill system that can respond to a rapidly changing world of work as firms shift to greater automation and lower carbon emissions. It is unclear how a vocational education provider is best placed to be able to recognise the changing nature of industry and provide future-focussed learning.
- 2.6 The work programme will be multi-year and resource intensive. While maintaining skill standards and confidence in the integrity of qualifications is important for a well-functioning labour market, there are considerably more workforce challenges that need to be worked on by NZQA, notably supporting Te Pukenga's establishment and programme harmonisation work programmes and improving the recognition of international qualifications necessary to support the

immigration system. BusinessNZ considers these work items should be prioritised by NZQA over the skill standards changes until the issues raised above can be resolved.

## APPENDIX ONE: ABOUT BUSINESSNZ

[BusinessNZ](#) is New Zealand's largest business advocacy body, representing:

- Regional business groups [EMA](#), [Business Central](#), [Canterbury Employers' Chamber of Commerce](#), and [Employers Otago Southland](#)
- [Major Companies Group](#) of New Zealand's largest businesses
- [Gold Group](#) of medium sized businesses
- [Affiliated Industries Group](#) of national industry associations
- [ExportNZ](#) representing New Zealand exporting enterprises
- [ManufacturingNZ](#) representing New Zealand manufacturing enterprises
- [Sustainable Business Council](#) of enterprises leading sustainable business practice
- [BusinessNZ Energy Council](#) of enterprises leading sustainable energy production and use
- [Buy NZ Made](#) representing producers, retailers and consumers of New Zealand-made goods

BusinessNZ is able to tap into the views of over 76,000 employers and businesses, ranging from the smallest to the largest and reflecting the make-up of the New Zealand economy.

In addition to advocacy and services for enterprise, BusinessNZ contributes to Government, tripartite working parties and international bodies including the International Labour Organisation ([ILO](#)), the International Organisation of Employers ([IOE](#)) and the Business and Industry Advisory Council ([BIAC](#)) to the Organisation for Economic Cooperation and Development ([OECD](#)).



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