

5 April 2019

Reform of Vocational Education
Ministry of Education

Email: vocationaleducation.reform@education.govt.nz

Reform of Vocational Education

Thank you for the opportunity to submit on the Reform of Vocational Education.

Kāpiti Coast District Council (Council) supports the submissions from Wellington NZ / Wellington Regional Economic Development Agency (WREDA), Te Wānanga o Raukawa, Skills Active Aotearoa, and Recreation Aotearoa.

Council would also like to take this opportunity to make an additional submission to highlight matters that are of particular significance to the Kāpiti Coast District. These matters, which are discussed in detail below, include:

- The importance of protecting existing high quality on-the-job training programmes;
- The significance of Te Wānanga o Raukawa to our District; and
- The need for improved vocational education for under-served learners, many of whom reside on the furthest outskirts of regional centres.

1. Current on-the-job training programmes

There are three pools in the Kāpiti Coast District, all of which provide programmes and services that meet the needs of our diverse community. All of the pools are PoolSafe accredited, and staffed by qualified lifeguards.

Most of our lifeguards have become qualified via the Skills Active Aotearoa aquatics qualification programme, which permits the delivery of lifeguard qualifications and national diplomas via effective on-the-job training programmes. Over many years, Council has worked closely with Skills Active Aotearoa on the delivery of this programme in the Kāpiti Coast District. Without this programme, Council would be limited in its ability to employ and qualify lifeguard staff.

Our Council is very pleased with the success of this programme, and views it as a good example of an ITO delivering seamlessly integrated on-the-job, provider-based training.

Council is aware that Skills Active Aotearoa and Recreation Aotearoa work together to deliver a wide range of training programmes in the areas of aquatics and outdoor education. While Council acknowledges the need to improve the overall vocational

education system, we hope that reform would not jeopardise some of these current programmes and partnerships that are proving to be very successful. In fact, Council contends that these successful programmes provide ideal models for the development of other integrated on-the-job, provider-based training programmes.

2. Te Wānanga o Raukawa

The Consultation discussion document highlights Government's commitment to working closely with wānanga 'to understand where the biggest opportunities for them and their learners lie in these proposals' (p21), and Council notes that the consultation plan includes partnership meetings with New Zealand's three wānanga.

The Kāpiti Coast District is very fortunate to have Te Wānanga o Raukawa in the District. The wānanga was established in 1981 by the Confederation of Te Āti Awa, Ngāti Raukawa and Ngāti Toa Rangatira. While based in Ōtaki, it offers programmes at 26 sites across New Zealand.

Te Wānanga is a large contributor to the Kāpiti Coast economy in terms of GDP and employment, while also having a significant social impact. While seeking to deliver a wide range of educational programmes, two of its founding principles are the empowerment of Māori and the advancement of mātauranga Māori (Māori knowledge). Promoting the revival of te reo Māori has been a central focus of the wānanga from its inception, and the success of this can be measured in the high proportion of te reo Māori speakers in the Ōtaki area.¹

Council acknowledges that Te Wānanga is best qualified to determine its preferred level of involvement in the delivery of vocational education programmes, and supports any feedback Te Wānanga provides on these proposals.

3. There is a strong need for vocational training in the Kāpiti Coast District

Council is pleased to note that one of the objectives of this review is to develop a vocational education system that will "increase the amount and range of delivery available to regional New Zealand" (p7). This is important because, while the Kāpiti Coast District is part of the Wellington Region and benefits greatly from its close relationship to this urban centre, the region is not homogenous, particularly in regards to education and employment outcomes and opportunities.

There are wide variations across the Wellington region in education, employment, and income. National and regional comparisons based on the 2013 Census data and economic data compiled by Infometrics demonstrate that the Kāpiti Coast District has:

- the 4th lowest average earnings in local jobs nationwide²;
- the 2nd highest percentage of low income households in the Wellington Region (Table 1);

¹ According to the 2013 Census data, approximately 15% of Ōtaki residents speak te reo Māori, compared to 2.5% in the Wellington Region and 2.9% nationally.

² The average wage for jobs based in the Kāpiti Coast District was \$43,760 in 2016, which was significantly lower than the national figure of \$57,780. Kāpiti was ranked 63rd out of 66 territorial authorities for average earnings in local jobs in 2016. Only South Wairarapa, Otago, and Thames-Coromandel were lower. Source: Infometrics. Household incomes in Kapiti Coast. February 2018. p4.

- a higher percentage of residents with no qualifications, and a lower percentage of residents with Bachelor degrees or higher, compared to the Wellington Region (Table 2);
- a low percentage of usual residents aged 15 years and over in the labour force (Table 3); and
- of those that are in the labour force, a lower percentage of those that are employed full time (Table 3).

Table 1: Low income households by Territorial Authority

	Low income households (less than \$30k per annum)
Kāpiti Coast	23%
Carterton	22%
Hutt	17%
Masterton	26%
Porirua	14%
South Wairarapa	21%
Wellington City	12%
Upper Hutt	18%
Wellington Region	16%
New Zealand	19%

Source: Statistics New Zealand, Census 2013. Compiled by .id

Table 2: Highest qualification achieved (for persons aged 15+)

	Kāpiti District %	Wellington Region %
Higher degree	6.4	9.4
Bachelor degree	11.0	16.0
Post school (excluding university)	22.6	18.9
School qualification	32.6	31.8
No qualification	17.6	14.5
Not stated / included	9.8	9.4

Source: Statistics New Zealand, Census 2013. Compiled by .id

Table 3: Employment for residents aged 15+ years (2013)

	Kāpiti district %	Wellington Region %
Labour force status		
In labour force	57.0	66.9
Not in labour force	39.4	28.7
Status unknown	3.5	4.4
Employment status (for those in labour force)		
Employed	92.4	92.8
Employed full-time	67.9	72.6
Employed part-time	24.5	20.2

Source: Statistics New Zealand, Census 2013. Compiled by .id

These data suggest that there is a strong need for vocational training in the Kāpiti Coast District in order to get more residents into stable employment. Council would welcome a reformed vocational education system that provides better learning opportunities for these residents, particularly as many of these residents will fall into categories of learners that have been identified as ‘under-served’ in the Consultation discussion document.

4. Within Kāpiti, there are a number of under-served learner groups

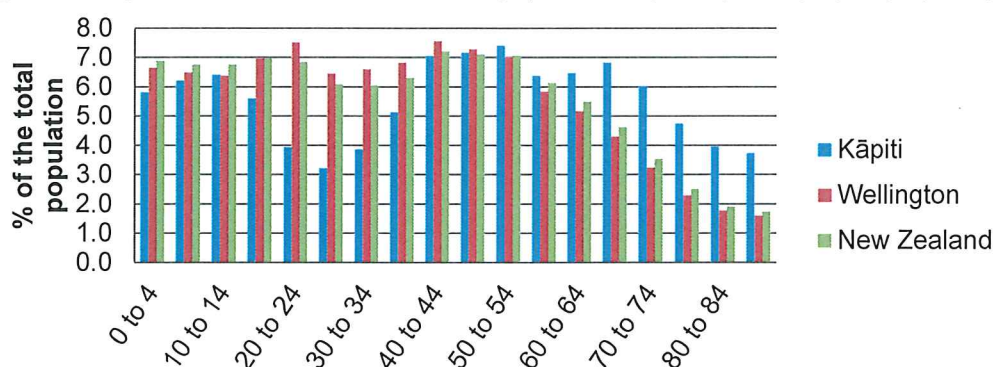
As noted in the discussion document, “the current [vocational education] system persistently under-serves some learner groups, including Maori and Pacific people, disabled people, learners in remote areas of New Zealand, and learners with limited prior achievement in education” (p13).

- **Older people needing to ‘upskill, reskill or retrain’**

Undoubtedly, the low percentage of usual residents aged 15 years and over in the labour force is partly due to the high percentage of retirees in the District.

Of the 67 territorial authorities in New Zealand, the Kāpiti Coast District ranks second highest in terms of having the largest proportion of residents aged 60 years and over (31.4%). The median age of Kāpiti residents is 46.9 years, which is higher than the Wellington Region (37.2 years) and New Zealand (38.0 years). Between the 2006 and 2013 Census, the age groups with the biggest increases were those that were 50 years and above, and this trend is forecast to continue.

Figure 1: Kāpiti Coast district usual resident population, by five-year age groups (2013)



Source: Statistics NZ, Census of Population and Dwellings 2013. Compiled by .id.

While a number of these older residents have readily chosen retirement, there are a number who would have preferred to remain in the labour market longer in order to boost their incomes. Retiree households have the lowest median income in the District at \$43,600 per annum³, with many residents experiencing a sharp decline in wages, salaries, and self-employed incomes after 60-64 years (Figure 2).

³ This is compared to \$59,160 for the Wellington Region and \$53,050 for New Zealand, using 2013 Statistics NZ data. Source: Infometrics. Household incomes in Kapiti Coast. February 2018. P11.

Figure 2: Kapiti Coast median personal income, by sex and age (2016)



Source: Statistics NZ, Compiled by Infometrics.

Some may be pushed towards retirement earlier than they would like because their skills do not match current job offerings and/or because they might be experiencing decreasing wages and salaries for the jobs in which they are qualified.

As the Consultation document notes, “the labour force participation rate of people over the age of 65 has tripled since 2001 ... and will continue to rise, albeit more slowly. *This means more older people in the workplace needing to upskill, reskill or retrain*” (p11, emphasis added).

As the New Zealand population is ageing as a result of declining birth rates and longer life expectancies, it is reasonable to expect that the nationwide demand for vocational education tailored specifically to older adults will continue to increase. The large proportion of older residents in the Kāpiti Coast District makes Kāpiti a prime place to develop and improve the delivery of vocational education programmes for older residents.

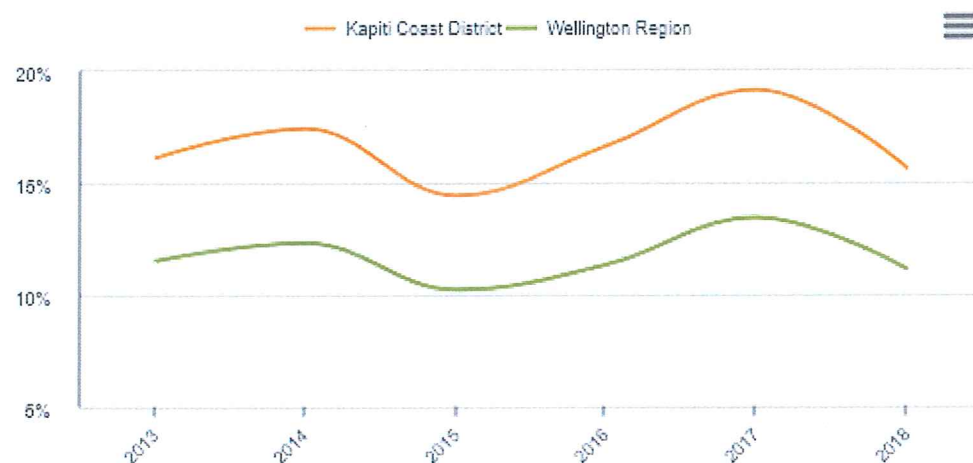
- **Young people not employed or engaged in education or training**

The proportion of young adults living in the Kāpiti Coast District is considerably lower than the proportion of young adults living in the Wellington Region and New Zealand (refer back to Figure 1).

While this is a common migration pattern throughout New Zealand and internationally (i.e., young adults migrate to city centres for work and school, while older people move out of city centres as they approach retirement), this does not mean that there are no young adults in the Kāpiti Coast District requiring vocational education.

According to the most recent Statistics NZ estimated resident population figures, there are approximately 7000 young people aged 18-34 years of age in the District, and the proportion of people aged 15–24 years who are not employed or engaged in education or training (NEET) for the Kāpiti Coast District is consistently higher than that of the Wellington Region (Figure 3).

Figure 3: NEET rate, 2013-2018



Source: Infometrics, Kapiti Coast District Economic Profile. Retrieved 3 April 2019.

According to the Ministry of Social Development, 49% of the Jobseeker Support benefits awarded in the Kāpiti Coast District as at December 2018 were to recipients aged between 18 to 39 years. Of those, 31% were aged between 18 and 24.

These data suggest that there are a number of young adults living in the District that would benefit from vocational education programmes that are tailored to their needs and accessible.

- **Persistently under-served learner groups**

While 85% of the Kāpiti Coast District 2013 usual resident population identify as European (which is higher than in the Wellington Region and for all of New Zealand), it is important to note that:

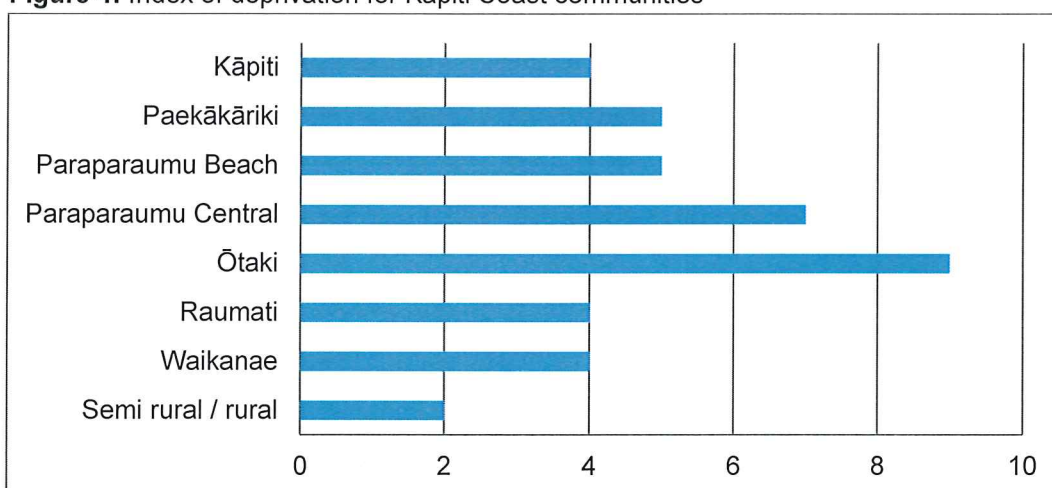
- there are some communities with large populations of Māori residents; and
- the proportion of Māori residents aged 15 to 34 is nearly double the proportion of European residents aged 15 to 34 (27% to 15%, respectively).

Ōtaki and Paraparaumu Central have a considerably higher proportion of Māori residents compared to the rest of the District, the Wellington Region, and New Zealand (Table 5). Ōtaki and Paraparaumu Central also have high rates of deprivation, including lower levels of income, higher rates of unemployment, and lower levels of access to the internet (Figure 4, Table 6).

Table 5: Māori ethnicity by community for Kāpiti 2013 usual resident population

	Māori ethnicity (%)
Ōtaki	29
Paekākāriki	5
Paraparaumu Beach	16
Paraparaumu Central	19
Raumati	14
Waikanae	12
Semi-rural / rural	5
Kāpiti Coast District	13
Wellington Region	13
New Zealand	15

Source: Statistics New Zealand, Census 2013. Compiled by .id

Figure 4: Index of deprivation for Kāpiti Coast communities

Note: 1 represents areas with least deprived scores; 10 represents areas with most deprived scores.

Source: University of Otago, 2013.

Table 6: Access to telecommunication for Ōtaki and Paraparaumu Central

	Ōtaki %	Ōtaki Beach %	Paraparaumu Central %	Kāpiti District %	Wellington Region %	New Zealand %
Cellphone / mobile	73.7	77.7	79.7	81.4	81.6	79.4
Telephone	76.9	75.6	84.0	85.9	81.3	81.1
Internet	57.8	62.0	73.2	75.7	77.2	72.8
No access to telecommunication systems	1.9	3.3	1.5	1.0	1.2	1.6

Source: Statistics New Zealand, Census 2013. Compiled by .id

While there have been efforts to roll out high speed broadband across many parts of New Zealand, one must not assume that immediate equity access will follow. For this reason, the reform must be cautious about the use of distance learning via the online courses. While distance learning via online courses undoubtedly provides great

opportunities to learners across New Zealand, one cannot assume that all learners will have equal access to the tools required to participate.

- **Transport disadvantaged**

Ōtaki area residents face the additional challenge of limited transport options. This is a significant factor in the ability of learners to access vocational educational programmes.

A 2013 survey of business owners in the Ōtaki - Te Horo areas identified inadequate transport as a significant issue preventing young people in Ōtaki from accessing job opportunities.⁴ Similarly, a 2012 research report found, “For young people living in the district, particularly those on the periphery (such as Ōtaki), transport and transport costs both within the region and into Wellington are problematic ... Cost and infrequency of transport [are] key issues for young people”.⁵

Residents that live on the furthest outskirts of the Greater Wellington Region often have the greatest need, but struggle to access services due to geographic distances. The total number of bus runs both to and from, and within, Ōtaki are insufficient. In addition, commuter train services north of Waikanae are extremely limited as are public transport options to travel north of Ōtaki towards Horowhenua.

Kāpiti Coast District Council consistently lobbies Greater Wellington Regional Council, Ministry of Transport, and NZTA for improved transport options (for public transportation, as well as the wider transportation network) in the northern part of the Kāpiti Coast District. While there have been some improvements in recent years, there are still a number of improvements required.

The Consultation document states, “Without education reform ... the range of vocational education options in some regions of New Zealand will likely decline” (p12). Council sincerely hopes that the reform will result in vocational education options that will suit these learners that are further from regional centres, particularly because these are often the learners that are most in need. Council also hopes that these options will include opportunities for face-to-face learning, either on-the-job or in the classroom, because some of these learners might struggle to access online courses either. An additional benefit of face-to-face learning is that it also aids in the development of social-behavioural skills that can be critical for employment success.

5. Dynamic vocational education opportunities

In summary, the data demonstrate that there are a number of under-served learners in the Kāpiti Coast District. In Council’s opinion, the recent closure of the Whitireia New Zealand Kāpiti Campus was not due to lack of need, but rather due to a mismatch between student need and service delivery.

It is important that vocational education be accessible to our residents (particularly those who are transport and/or telecommunications disadvantaged), and it is also important that the training be dynamic. The proposals in the Consultation document

⁴ Halle, L. 2013. *Special Report for the Ōtaki Youth Pathways to Employment Working Group*. Kāpiti Coast District Council.

⁵ Olliver- Gray, Y. 2012. *Moving On, Youth Transition in the Kāpiti Coast District: Young People’s Perspectives - Research report prepared for the Kāpiti Coast District Council*.

for increased vocational learning in the workplace; training that suits learners from diverse backgrounds; and creative delivery ideas, such as short blocks of training via micro-credentials, all sound very promising.

Currently, the largest employing industries on the Kāpiti Coast are construction (15.3% of total employment), healthcare and social assistance (13.3%), retail trade (12.8%), professional, scientific and technical services (9.2%), and education and training (8.8%).⁶

The retail trade and accommodation industry has the lowest average weekly earnings (\$668 compared with the all-industry average of \$1,102) out of all industries nationwide. Similarly, average earnings in aged-care residential services – which is the largest subset of the healthcare and social assistance industry – are \$36,900 per year.

For these reasons, while it is important that the training on offer connects to jobs that are currently available in our District, it is also important that there is training for jobs that could provide increased earning potentials in the long-term.

Kāpiti Coast District Council would be keen to meet and discuss how we can assist in developing improved vocational education opportunities for our residents, particularly in relation to our Kāpiti Coast District Council Economic Development Strategy which is currently undergoing a review.

Thank you once again for the opportunity to submit on the Reform of Vocational Education.

Yours sincerely,



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⁶ Infometrics. Kāpiti Coast district 2017 annual economic profile, p16.