



## Redesign of the vocational education and training system

*Submission from Hutt City Council; Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui Incorporated; Te Rūnanga o Toa Rangatira Incorporated; and the Hutt Valley Chamber of Commerce.*

**Ko te manu kai i te miro, nōna te ngahere,  
Ko te manu kai i te mātauranga nōna te Ao.**

The bird nourished by the miro, remains in the forest,  
The bird nourished by knowledge, claims the world.

Hutt City Council, Te Rūnanganui o Te Āti Awa ki te Upoko o Te Ika a Māui, Te Rūnanganui o Te Āti Awa ki Te Upoko o Te Ika a Māui Incorporated; Te Rūnanga o Toa Rangatira Incorporated; and the Hutt Valley Chamber of Commerce are providing this joint submission on the government's proposals to redesign New Zealand's vocational education and training system. Individually these organisations may also provide feedback directly or as part of other submissions on the proposals.

Together we are determined to provide better pathways for our people through education and training, to reduce or eliminate NEETS and to meet the needs of the businesses and employers in our city. To do this we need a high quality, financially sustainable, adaptable and responsive local ITP to help us achieve our aspirations so that our people, businesses and community can thrive.

Lower Hutt is home to WelTec which has delivered technical training in various forms for 120 years. The physical base of the Open Polytechnic is based in Lower Hutt and Te Wānanga o Aotearoa has a small campus here. There are also a range of secondary schools, PTEs and ITOs who are an important part of the tertiary education landscape. This submission focuses on WelTec.

WelTec entered into a strategic partnership with Whitireia in 2012 and together these valued institutions have provided tertiary level vocational education and training to thousands of students who have gone on to successful careers in a broad range of industries and sectors of our economies.

WelTec (and Whitireia) have successfully delivered many targeted programmes of study including a range of secondary to tertiary pathways. Māori and Pasifika Trades Training (MPTT) has changed the lives of many students improving outcomes for graduates and their whānau. This is well documented.

Te Rūnanganui o Te Āti Awa and Te Rūnanga o Toa Rangatira at Whitireia have supported WelTec and Whitireia in their teaching and learning and had a presence on their campuses for many years. The relationship with Iwi is integral to the operation and delivery at both institutions and has contributed to their achievements.

The approach to integrating mātauranga Māori into vocational education reflects our shared commitment to cultural revitalisation. Mana motuhake (self-determination) is important for Iwi. We advocate for funding and support for programmes developed by Māori, for Māori, ensuring that the VET system respects and uplifts indigenous knowledge and practices, thereby fostering the unique identity and aspirations of the people of this land. All signatories to this submission support public tertiary education delivery and we want to continue to support our local public institutions. We also support local decision-making as our public institutions know our communities best. Together we support a close connection to industry and this can support making decisions that best suit the local employment environment.

Hutt City Council is investing heavily in our city's infrastructure with a \$2.7B capital spend over the next ten years in our roads, water services, RiverLink, urban growth programme, community facilities and projects to improve our city's resilience. To do this we need people with the skills to deliver the work programme that is ahead of us. Alongside government projects it is expected that there will be over \$5b of investment in construction and infrastructure across our region in the next 10 years. This is a significant opportunity for our rangatahi, our community, and for the strong and viable local ITP to provide education and training that delivers on the needs of the projects, the businesses and the community.

Our city has experienced population growth and there is a housing shortage. We need skilled people to build more homes.

We need graduates who have practical skills, primarily gained through face-to-face delivery and hands-on experience in a learning environment that replicates (or as close as possible) to a workplace.

We are clear that the Crown's significant investment in WelTec, which has a great history, should be maximised so that needs of the thousands of science, technology and manufacturing businesses in the Hutt Valley TVET needs can be met.

The transition is disrupting existing programs and create uncertainty for students and staff. Ensuring that students' learning pathways remain uninterrupted is crucial. The

proposed transition plan appears to address this need effectively. Clear communication and phased implementation are essential to mitigate these risks.

We urge you to consider the voice of business and industry in your decisions. There has been a valuable role for them to play in the vocational sector for many years. Through the work of the Workforce Development Councils over the past few years their voices have been able to be heard. In particular, we would note the proactive role of the Waihangā Ara Rau Construction and Infrastructure WDC and the Hanga-Aro-Rau Manufacturing, Engineering and Logistics industry WDC. Their role in championing our local industry has been valuable and their ability to direct TEC towards funding decisions has been important. These two areas of business and industry voice, and funding direction will be important levers needed in the future.

Through this review and reorganisation of the tertiary vocational education and training sector in New Zealand we urge you to champion and invest in local polytechnic provision so that institutions like WelTec can continue their proud history of quality tertiary education provision and meet the needs of businesses, councils and Iwi for many years to come.

We have followed the questions posed in the proposal to provide this response.

## **Proposal 1: Creating a healthy ITP network that responds to regional needs**

• *Do you agree with the consultation document's statements on the **importance of ITPs**? Why or why not?*

Yes the presence of a robust ITP is essential to ensure local industries and major employers like Hutt City Council and our contractors and partners have access to a skilled workforce. WelTec has been important in supporting economic growth. TVET needs to align with the specific needs of the city. Ensuring WelTec continues its proud history of delivery and building on the Crown's significant investment in ITPs means WelTec will be better placed to delivery what we need for our city and all of its people to thrive.

• *What do you consider to be the **main benefits and risks** of reconfiguring the ITP sector?*

There is potential risk of these changes to current programmes and students. We need certainty for the students, their families, the staff of our ITP sector and employers. Students need to be able to complete their programme of study without disruption especially for face to face programmes.

• *Do you support creating a **federation model** for some ITPs? Why or why not?*

Local autonomy and decision-making is crucial for ITPs and is a key driver of success. Based on learning from overseas, a federation model works best when there is local

leadership linked into local business, local need and the regional economic market, that is grounded in place.

We know ITPs including WelTec have not done as well as they could have in terms of meeting demand. This has been caused in part through a lack of capital investment over many years resulting in ageing equipment and some poor-quality learning environments.

As noted above in the introductory comments the function of the WDC's in bringing the voice of industry into local decision making and ensuring funding is directed towards the local need are important aspects of a future model.

We need to ensure that whatever model is adopted that the more capital-intensive programmes can be offered to meet community and business needs. This is particularly important in Lower Hutt where we have a significant capital investment programme (see introductory comments).

Regional cooperation has led to innovation and pilots new training programs across regions has allowed for a flexible approach with the private sector collaborating to pool resources, share expertise, and standardise best practices across regions. This has resulted in new training opportunities but for the region does result in significant amount of travel and therefore cost to get students to the training facilities.

We are invested in our local ITP so that they are the trainer of choice for workforce development. The steps that the government has taken to address ITP funding are appreciated and note there is still more that needs to happen regarding funding. We are concerned that through a federated model WelTec provision could shrink. Delivery of economies of scale via this model or an alternative could assist. We believe a merger with other regional ITPs which should be looked into further. Recent innovation in new vocational education opportunities starting in the Hutt Valley from regional cooperation reflects how the collaboration potential can be amplified. Large and small employers draw their workforce and win work across our wider regions and can draw on this cooperation. The current consultation document does not allow for a regional model. We would appreciate further information and discussion on this.

• **What are the *minimum programmes and roles* that need to be delivered by the new ITP sector for your region?**

We are looking for our ITP to grow including short term programmes, micro-credentials and flexible delivery (those retraining for example). This allows us to maximise the talent we have in our city by making it easier to build on and transfer skills in our people.

We echo the need for investment in priority areas previously championed through the detailed work of the Wellington Regional Skills Leadership Group – this includes:

- Increase investment in skills development for infrastructure development in engineering programmes from levels 2–6, especially for water, electrical, civil and roading engineering skills and heavy machinery operations.
- Invest in skills for supervision, management, and project management.
- Increase investment in work-based learning to enable workers, young people, re-entrants and careers changers, to earn while they learn.

- Increase investment in mechanical engineering trades skills for manufacturing, especially welding and fabrication. Programmes for EVs will be delivered by WelTec next year (level 5) and this is welcomed.
- Increase investment in pre-trades programmes to support entry into the industry and pathways into work-based learning.
- Invest in engineering and digital skills for greater automation in manufacturing.
- Increase investment in mātauranga Māori programmes and programmes developed by Māori for Māori.

There is a need for vocational education programmes that cater to the holistic wellbeing of our Māori students—embracing hinengaro, tinana, and wairua health – the mahi of Matua Meihana Durie still resonates and holds value, but there may be other models that we can use, Te Rūnanga o Te Āti Awa utilises a Whitiki Ora model which would similarly work as a framework . We suggest building on what works and what is already here in our rohe to support whānau wellness to ensure educational pathways contribute positively to the overall wellbeing of our communities.

The integration of the traditional stories of Iwi, values, and environmental knowledge into the VET curriculum could involve the development of specialised programmes that blend traditional skills with modern vocational training. This ensures that mātauranga tuku iho remains a cornerstone of the educational approach and acknowledges the importance of Iwi narratives, encouraging their transmission to future generations.

Construction (all trades from pre-trade through to site management, and short employer-focused programmes) and infrastructure. Driver training and other skilled licensing arrangements (e.g. forklift). Project Management, QS, Architectural technology and all related disciplines. Engineering and IT along with administration and business skills.

Māori and Pasifika Trades Training, secondary/tertiary provision through Trades Academy and effectively delivered Gateway programmes is essential for changing the dial especially for our young people.

Traditional delivery in tourism and hospitality as well as hair and beauty should continue.

Health and social services are primarily delivered by Whitireia who provides specialist programmes (some of WelTec's related programmes transferred to Whitireia). The nursing programme (Bachelor of Nursing Māori) delivered at Waiwhetū is one example of where local delivery works exceptionally well.

Leadership and governance training that incorporates initiatives that support the development of leadership and governance skills among Māori will nurture future leaders within whānau, hapū, and iwi – and thus our community. This aligns with the focus of Iwi on growing rangatira who are equipped to navigate and influence decision-making processes, ensuring that tikanga and kaupapa are upheld in all areas of governance and leadership.

Vocational education and training programmes that include environmental stewardship and sustainable practices, i.e. Kaitiakitanga, reflecting our priorities of protecting and

enhancing our whenua , moana, and awa support our environmental and sustainability goals. Training in green technologies, conservation efforts, and sustainable resource management—te mahi tiaki whenua, tiaki taiao, tiaki tāngata—align with our commitment to kaitiakitanga to enable leadership in the sustainability sector. This is particularly important for our city which is at risk of flooding and climate change impacts along our coastline.

Overall, we need a local delivered vocational education and training system that integrates our schools, Iwi, our businesses, and our Council to deliver effective programmes that are relevant to our region. We have significant growth coming and we need a well trained workforce that is ready and able to work and grow as the projects are delivered and businesses grow. We can achieve this with the right settings.

• *What are the **critical factors needed** (including functions and governance arrangements) to best support a federal model?*

Local decision-making, sufficient resources to enable delivery, governance that includes local representation from Mana Whenua, employers, young people and buyers of work such as councils. Closer collaboration between labour market participants was identified as the number one priority at a Council-hosted workshop of 65+ employers and industry leaders from the construction and infrastructure sector in later 2023. This includes understanding the forward pipeline of work, workforce needs,

## **Proposal 2: Establishing an industry-led system for standards-setting and industry training**

• *Which option do you prefer overall? Why?*

We are not in a position to comment about these options. We would note that we seek the most agile, low cost, effective and efficient system for industry training that delivers for our training needs.

• *What are the main features and functions that Industry Training Boards (Option A) need to be successful?*

• Under **Option A**, how important is it that ITBs and non-ITBs be able to **arrange industry training**? Why?

• *What are the main **features and functions** that industry standards-setters (**Option B**) need to be successful?*

• *Are there **key features** of the **Workforce Development Councils** that need to be retained in the new system?*

Tailoring educational programs to regional needs is essential, especially in sectors like construction where local knowledge and specific skills are crucial. Key features of the WDC's that need to be preserved are:

- **industry voice** – we need to ensure that engagement with industry covers the full range of employers
- **independence** – an independent organisation builds confidence from participants in the workforce development as it allows unbiased involvement, acting free from operational constraints that might affect the outcome of its work and preserves the ability for innovation and collaboration across sectors.
- **Industry expertise** – It's important there is no loss of expertise or continuity in the standard-setting process to ensure that training programs meet industry standards.

• Are there **key features** of how the previous **Industry Training Organisations** worked that should be re-introduced in the new system?

The ability to arrange training directly with employers that meets quality standards and local needs. The voice of industry is critical to delivery of relevant training.

• What are the possible **benefits and risks** of having a **short moratorium** on new industry training providers while the new system is set up?

A short moratorium could potentially stifle innovation and the introduction of new training approaches that may better meet emerging industry needs.

It is noted there needs to be time for the new way of working to be set up to allow organisations to align and streamline their operations and prepare for any new working model.

There is a risk we may not meet the needs of our immediate and significant increase in investment in a wide-reaching infrastructure programme that will require an increased workforce to deliver.

### **Proposal 3: A funding system that supports stronger vocational education**

• To what extent do you support the **proposed funding shifts** for 2026?

• What **benefits and risks** need to be taken into account in these changes?

Funding needs to go to local ITP delivery for the benefit of the regions needs (as outlined above). If this funding gets diffused through a federated model this will not assist local delivery or meet our needs. It appears as the same as what we are experiencing with the current Te Pūkenga model. As new investment is approved and arrives we need to make sure our ITP already has in place the qualifications to match the need, it and is not slowed by multi-layered or extraneous approval processes. We would reiterate that the function of the WDC's in bringing the voice of industry into local decision making and ensuring funding is directed towards the local need are important aspects of a future model.

The shifts could enhance the alignment of funding with regional and industry priorities and match local and central government investment in those regions.

The financial challenges faced by ITPs pose a risk to the availability and quality of vocational education programs critical to our industry.

There is significant risk in removing the strategic component of the Unified Funding System and not re-directing this into a similar strategy-based funding model. The Strategic component recognises the need for investing based on regional and national skills requirements, both current and forecasted.

Significant local and central government investment has been made into major infrastructure projects like Te Wai Takamori o Te Awa Kairangi (RiverLink) in Te Awa Kairangi ki Tai (Lower Hutt). Projects like these require the same investment into effective, engaging, local vocational training to ensure they are met with a highly skilled workforce that will deliver them.

The construction and infrastructure industries require a workforce that is not only skilled but also continuously updated on the latest industry standards and technologies. Disruptions in training and workforce development can lead to significant challenges in delivering on infrastructure projects. Skilled labour shortages can result in delays, increased costs, and compromised quality.

If local and regional workforces are not supported to respond to the demand for skills in their region, major projects will need to look to national and international workforces to carry out these works. Not only would this significantly diminish the economic benefit to the people and businesses in the communities experiencing the disruption, but it also adds significant expense which does not align with the 'cost-saving' ethos underlying this proposal.

With a focus on equity and accessibility we highlight the need for equitable access to vocational education for all, but especially for Māori, and advocate for the removal of barriers to participation, which aligns with our shared commitment to ensuring that all can thrive through education that is accessible, inclusive, and relevant. By promoting te mana taurite in education, we can support the aspirations of our people and ensure that vocational pathways are open to all.

• How should **standards-setting be funded** to ensure a viable and high-quality system?

We want to see a solution that provides for strong business and industry engagement across our business community. We want the voice of all businesses, no matter their size and complexity, being able to have their local voice into the delivery against their business needs.

• How should the funding system best **recognise and incentivise** the role that ITPs play in engaging with industry, supporting regional development and/or attracting more international students to regions?

The funding system should be simplified, a move towards paying on outcomes achieved could be trialled. The sector has suffered in the past few years due to the bureaucratic



overlay of Te Pūkenga. Please take this opportunity to look at simplifying funding at the local level. At a minimum EFTS viewed as “over-delivery” in key skills areas (construction and infrastructure, health and social practice workforce) should be funded to 100%.

A move to longer-term funding that includes a capital component would assist our local ITP. If there is insufficient funding the programmes on offer will continue to narrow to those that are cheapest to provide. This will not meet the needs of our city.

We need to incentivise ITPs to engage closely with industry partners to ensure that training programs are relevant and meet regional workforce needs – following an outcomes model.

• **What role should *non-volume-based funding* play and how should this be allocated?**

This funding should be used to support strategic initiatives, such as regional development, industry engagement, and innovation in training programs. It should be allocated based on the specific needs and contributions of each ITP, rather than on student numbers alone.

**The future is local.**

The proposals present an opportunity to enhance New Zealand’s vocational education system and to improve delivery locally. The funding saved through disestablishing Te Pūkenga should be redirected to ITPs to enable them to deliver what our local communities and businesses need now and in the future.

Support for local economic development is a critical opportunity. The alignment of vocational education programmes with local economic opportunities, particularly in construction and infrastructure sectors is crucial to the growth of Lower Hutt and the broader region and supports our strategic focus of *te whakatipu i ngā uri* investing in future generations. Building capacity and capability by providing for the skills required by local employers, can foster economic resilience and prosperity within our takiwā – which will further reinforce the social and economic value of local investment. Locals can learn locally and go on to make a contribution and impact locally.

More local coordination among all labour force participants, active involvement of Mana Whenua and strong business and industry collaboration are necessary to ensure that these changes strengthen the delivery of TVET for now and into the future.

These outcomes as well as the effectiveness and efficiencies of programme delivery can be amplified through regional cooperation which is not part of the proposal.

In summary we support local provision that meets local needs whether that is in a laboratory, a workshop, at home or in the workplace. We note that the specialist financial support to former ITPs is ongoing and will assist them on a pathway to fiscal sustainability.

We seek further engagement from the Crown as these proposals to redesign TVET in New Zealand are progressed.

Ngā mihi nui,



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**Campbell Barry**

Koromatua / Mayor, Lower Hutt  
Hutt City Council



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**Kura Moeahu**

Heamana | Chairperson  
Te Rūnanganui o Te Āti Awa ki Te Upoko  
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