

Event backgrounder: Minister of Education Speaking at Institute of Technology and Polytechnic (ITP) Hair and Beauty Educators Forum Conference – 14 February 2020

To:	Hon Chris Hipkins, Minister of Education
From:	Deirdre Marshall, Manager Delivery and Projects, Delivery Directorate
Date:	29 January 2020
Reference:	E-20-00024

Purpose

1. You are scheduled to speak at the ITP Hair and Beauty Educators Forum conference on Friday 14 February 2020, from 10.20am to 11.00am. The location of the conference is in the main foyer, Te Auaha, Weltec, 65 Dixon Street, Wellington. You will be greeted on your arrival.
2. The Reform of Vocational Education (RoVE) programme will have a significant impact on the educators and industry attending this conference, and the organisers wish to use this opportunity to find out more about the changes that will be implemented from 2020, and what those changes will mean for them.
3. This backgrounder provides you with a brief summary of those attending the conference, a short summary of key aspects of the reforms most relevant to conference attendees, and talking points to support discussion with conference attendees. Biographies of key attendees are attached as Appendix 1 and brief summaries of relevant organisations are in Appendix 2.
4. Your speech has been provided separately.
5. We recommend that you proactively release this event backgrounder in full.

ITP Hair & Beauty Educators Forum

6. The ITP Hair and Beauty Educators Forum (the Forum) is a group of hairdressing, barbering and beauty educators from ITPs. The Forum enables educators *'to collaborate nationwide with colleagues on current matters and act as a voice to the stakeholders. The Forum aims to enhance learner's educational journey through expert knowledge and sharing ideas'*.
7. The hair and beauty industry will be represented at the conference by Oonagh Wolfkamp the President of the New Zealand Association of Registered Beauty Professionals (NZARBP), and Maureen Bowring, Chairperson of the New Zealand Association of Registered Hairdressers (NZARH).
8. The Chief Executive of WelTec/Whitireia, Chris Gosling, and the Commissioner for WelTec/Whitireia, Dr Neil Barnes, are due to attend the conference. Due to prior commitments,

there are no representatives from the New Zealand Hair & Beauty Industry Training Organisation (HITO) attending.

Engagement with the RoVE reforms

9. Engagement with ITPs about the reforms has been extensive and is ongoing. Following the announcement of the high level decisions, the majority of ITPs, including WelTec/Whitireia, have been supportive of the aims of the reforms, and are committed to proactively working with government to progress the changes.
10. Weltec/Whitireia has historically delivered a significant amount of hair and beauty qualifications. Weltec/Whitireia will be interested in the potential transfer of some of the arranging training function currently undertaken by HITO, to it as a subsidiary of the New Zealand Institute of Skills & Technology (NZIST).
11. HITO made a submission on the RoVE proposals, on its own behalf and that of its employer members (782) and apprentices/trainees (1,099). In its submission HITO expressed significant concern about the loss of the arranging training function.
12. The hairdressing, beauty therapy and barbering industries are very reliant on apprenticeship training and are made up of predominantly small employers who are worried about what a change to the apprentice training system will mean for them. Many employers felt the current system was working well, and stated that they would stop taking on apprentices if they were no longer receiving support from HITO.
13. Following the 1 August 2019 announcements, HITO has stated it is committed to working constructively with government to implement RoVE.
14. Representatives from the hair and beauty industry and HITO participated in Workforce Development Council (WDC) engagement events held in late 2019 about the coverage areas for WDCs. They stated a preference to have their own WDC, but if that was not possible, to align with creative rather than service industries. A number of hairdressing staff indicated their concerns about the potential loss of interaction with their current industry training organisation (ITO), which they were very passionate about.

Key aspects of the vocational reforms

15. There are several aspects of RoVE that are major areas of interest for conference participants:

Establishing the NZIST

16. The NZIST will come into existence when the Education (Vocational Education and Training) Amendment Bill takes effect (intended to be 1 April 2020). If passed as described, it will be New Zealand's largest tertiary education provider.
17. NZIST will bring together the existing 16 ITPs and will be a unified, sustainable, public network of regionally accessible vocational education that will provide work-based, campus based, and online vocational learning and training right across the country.
18. NZIST's Establishment Unit (the Unit) is headquartered in Christchurch and is responsible for standing up the new organisation. The Establishment Board is headed by Barry Jordan and the Interim Director of the Unit is Murray Strong.
19. The Unit has ten work-streams focussed on the critical actions and decisions that need to be in place when the legislation passes, and the NZIST comes into being as a parent company with

16 subsidiaries. A key element of this work is ensuring continuity for learners, staff and industry during the transition.

20. There are also seven stakeholder working groups which are looking at the skills and capabilities the Institute will need in order to create the new world of learning. Members of these working groups are drawn from ITPs, ITOs and other relevant organisations. Participants were selected for their ability to contribute a wide range of perspectives.
21. These groups cover: the learner journey; work-based learning development; online delivery models; employer and community engagement; education products and services; new academic architecture; and international education. Work in these areas will continue past 1 April 2020, and you receive regular updates from the NZIST on their progress.
22. During late January and early February 2020 representatives from the Unit are visiting 15 locations around the country, hosted by ITPs, for a series of *Regional Kōrero*. At these hui they will share a summary of progress to date and talk about what will and won't change when the legislation comes into effect on 1 April 2020. They will be answering questions where they can, and committing to find out answers if they don't know them immediately.

Establishing Workforce Development Councils (WDCs)

23. WDCs will help industry take a lead in making New Zealand's workforce fit for today, and the future. Through skills leadership plans, they will set a vision for the workforce and influence the vocational education and training system. WDCs will:
 - Set standards, develop qualifications and help shape the curriculum of vocational education. They will moderate assessments against industry standards and, where appropriate, set and moderate capstone assessments at the end of a qualification.
 - Provide advice to the Tertiary Education Commission (TEC) on investment in vocational education, and determine the appropriate mix of skills and training for the industries they cover.
 - Endorse programmes that lead on to qualifications, whether work-based (such as apprenticeships), on-campus, or online. Unless a programme has the confidence of a WDC, which is essentially industry confidence, it won't be approved nor funded.
 - Set expectations, provide skills leadership and set standards, and provide employers with brokerage and advisory services. WDCs will not be directly involved in arranging apprenticeships and other on-the-job training.
24. Six industry-led WDCs were announced in December 2019. The WDC coverage areas are: Creative, Cultural and Recreation; Primary Industries; Service Industries; Health, Community and Social Services; Manufacturing, Engineering, Logistics and Technology; and Construction and Infrastructure.
25. The hairdressing, barbering and beauty industries will be covered by the Creative, Cultural and Recreation WDC. This aligns with the feedback provided by industry and HITO during the engagement phase.
26. The establishment of WDCs will be enabled by the passing of the Education (Vocational Education and Training Reform) Amendment Bill expected by 1 April, 2020. There will then be a transition period until 31 December 2022, to allow time for functions to transfer to the new WDCs and providers at the appropriate time.
27. The next steps for the WDCs establishment process include:
 - Further engagement in early 2020 with industry, relevant stakeholders, and industry training organisations regarding the WDC establishment process.

- Supporting WDCs to identify their governance arrangements and Board appointment process to ensure good governance arrangements are put in place and that the WDCs represent all industry interests within their area of coverage.
- Supporting ITOs in their transition by establishing transitional ITOs on 1 April 2020 to maintain current ITO capability until WDCs are established and a provider has taken on their responsibilities for arranging training.

Transitioning the arranging training function from ITOs to providers

28. Workplace-based training will continue to occur mainly in the workplace, but support for trainees and apprentices will come from providers (NZIST, Wānanga, and Private Training Establishments (PTEs)) instead of ITOs, which will cease to be recognised by the end of 2022.
29. The transfer of responsibility from ITOs to providers for supporting workplace-based learning will be phased in between 2019 and 2022 to minimise disruption and ensure the process is well managed. This approach will also give employers who are satisfied with their current support the assurance that disruption will be minimal.
30. Transitional ITOs will be formed from existing ITOs and will continue to provide support for work based learning until this transfers to the appropriate provider(s). This will be a major change for approximately 140,000 trainees and apprentices working for 25,000 employers. ITOs will be required to develop transition plans, which will require Ministerial approval and will ensure transitions are well supported.
31. Officials are currently designing the overall process and detailed next steps for transitioning the arranging training function from ITOs to providers. The aim is to ensure that at the time legislation is passed and the Institute established in April 2020, there is a high degree of clarity for affected ITOs and providers as to how, to whom, and over what timeframes arranging training activities will be transitioned. In addition, the phased process will ensure providers have sufficient time and capability to support workplace-based learning.

Developing a unified vocational education funding system

32. A unified funding system was widely supported during the reform consultation phase. The unified funding system will apply to all provider-based and work-integrated education at certificate and diploma qualification levels 3 to 7 (excluding degree study) and to all industry training.
33. Officials are currently finalising the outline of this complex and significant work programme, and are reporting progress to you on a regular basis. The Unified Funding Reference Group has been established and will support officials to design the unified funding system. The group has an independent Chair and a mix of experts with an operational understanding of how funding influences tertiary education delivery and support for work-based learners, industry experience, and an ability to engage with the strategic goals of the vocational education reforms.

Talking points about the reforms

34. As well as providing an opportunity to discuss the progress of the reforms, the conference offers the opportunity to listen to ideas, concerns and feedback from educators and those in the industry. The following talking points may assist you in these conversations:
 - Emphasising that workplace-based apprenticeships will continue – that the reforms are not designed to replace workplace-based training with provider based training, but to improve the support given to employers and apprentices, and ultimately increase the number of New Zealanders participating in on-the-job training, apprenticeships and traineeships.

- Highlighting the need for the reforms – over 70% of employers surveyed say there is, or will soon be, a skills shortage in their industry area, but only a minority are offering training to staff – the reforms replace a disconnected competition-based system with one that is sustainable, collaborative and networked, has more industry and local input, and creates more opportunities for people to access consistent and quality training closer to where they live.
- Reiterating that the Government is committed to minimising disruption to employers and apprentices during the transition phase.
- Reiterating that the transition from the current 16 ITPs to the NZIST will be carefully managed and done with minimum disruption to staff and students.
- Emphasising that the reforms aim to build on existing best practice and enhance collaboration across the vocational education system, and to design a vocational education system with strong industry leadership.

35. You may wish to ask attendees:

- What, from their perspective, is the most important thing to get right, as we transition from the ITO model to the WDC/provider model?
- For suggestions on how to ensure that WDCs successfully represent all industry interests within their area of coverage.
- For their ideas on how to improve the quality and consistency of training across the country, and enhance collaboration between training providers, and between training providers and industry.



Deirdre Marshall

Manager Delivery and Projects,
Delivery Directorate
Tertiary Education Commission
29 January 2020



Hon Chris Hipkins

Minister of Education

14 / 2 / 20

Appendix A: Biographies of key attendees

ITP Hair & Beauty Forum Board Member: Kylie Love



Kylie Love has gained extensive experience in the Beauty Therapy Industry, working as a therapist and a lecturer for 12 years.

She is an educator/lecturer in Beauty Therapy at Universal College of Learning (UCOL), owns Love Designs Ltd and is a co-founder of Tailored Forms.

Kylie is an Area Representative for the New Zealand Association of Registered Beauty Therapists and has been an ITP Executive Committee Member since 2019.

WelTec & Whitireia Chief Executive: Chris Gosling



Chris Gosling was appointed Chief Executive of both WelTec and Whitireia in March 2015. Before this, he was a deputy chief executive at Whitireia.

Prior to starting at Whitireia, Chris worked in the Middle East for five years on a project that established a new polytechnic. His earlier experience includes eight years in senior roles at the Nelson Marlborough Institute of Technology.

WelTec & Whitireia Commissioner: Dr Neil Barns



Dr Neil Barns was appointed in October 2018 by the Minister for Education to replace the Council.

Dr Barns has more than 30 years' experience in tertiary education. He is a former Chief Executive of the Christchurch Polytech Institute of Technology and the Nelson Marlborough Institute of Technology. He was the interim Chief Executive of the newly formed Toi Ohomai Institute of Technology in 2016, and a member of the Otago Polytechnic Council in 2017.

Chairperson NZ Association of Registered Hairdressers: Maureen Bowring:



Maureen Bowring has been a New Zealand Association of Registered Hairdressers committee member since 2006 and was appointed Chairperson in 2015.

Maureen has gained extensive knowledge of the role of apprenticeships in the hairdressing industry as an Industry Assessor for HITO and as the Chairperson of the Wellington Regional Apprenticeship Committee. She is an Executive Hair Stylist and Director at Haircraft Centre.

President NZ Association of Registered Beauty Professionals: Oonagh Wolfkamp:



Oonagh Wolfkamp has been a New Zealand Association of Registered Beauty Professionals Executive Committee member since 2002 and was elected President in 2019. She holds the Area Representative portfolio on the Executive Committee, ensuring a strong link between the Executive Committee, Area Reps and Members.

Oonagh initially trained in Beauty Therapy, Theatrical Make-up and Wig-making in the UK. Since moving to New Zealand in 1990 she has gained extensive experience teaching in private training establishments and the Polytechnic and University sectors, and working as a beauty industry assessor and moderator.

Appendix 2: Background Information on Participating Organisations

The New Zealand Association of Registered Beauty Professionals

36. The New Zealand Association of Registered Beauty Professionals was formed in 1968 by a group of passionate beauty professionals looking to create a support group in the industry and develop consistent standards for all beauty professionals across New Zealand.
37. In 1970 the Association became an Incorporated Society. The Association's priorities are to encourage a highly qualified, safe and supportive industry.

New Zealand Association of Registered Hairdressers

38. The New Zealand Association of Registered Hairdressers Inc. is a national Not-For-Profit Association run by hairdressers. It is the only organisation in New Zealand that represents the needs of hairdressers and barbers in business today. To be an NZARH member means you are, and/or your salon/barbershop employs, qualified hairdresser(s) and/or barber(s).
39. The Association was established to give support to salon and barbershop owners and employers of hairdressing and barbering apprentices. It also promotes high industry standards and ideals and gives hairdressers and barbers the opportunity to show their creative and commercial skills in a competitive environment through local and national hairdressing and barbering awards.

New Zealand Hair & Beauty Industry Training Organisation (HITO)

40. HITO is a small ITO that has coverage for hairdressing, barbering and beauty; 95% of its funding is for apprenticeships. In 2018 HITO was funded for \$2.8 million (ex GST) of delivery, delivering 561 Standard Training Measures (STMs), which equates to 1,536 learners¹.
41. HITO's mission is to establish and maintain the achievement of high quality and relevant barbering, beauty and hairdressing qualifications and arrange the delivery and assessment of industry training (apprenticeships/traineeships) as an essential investment for the industry and its clients.
42. HITO's vision for the hair and beauty sector is that by 2020 the sector will be operating as a highly professional, well qualified and successful business sector.

¹ Data sourced from Qlik as at 23 January 2020, My Provision ITR App, using the My Summary sheet with filters for reporting year (2018) and ITO (8134 – New Zealand Hair and Beauty Industry Training Organisation).