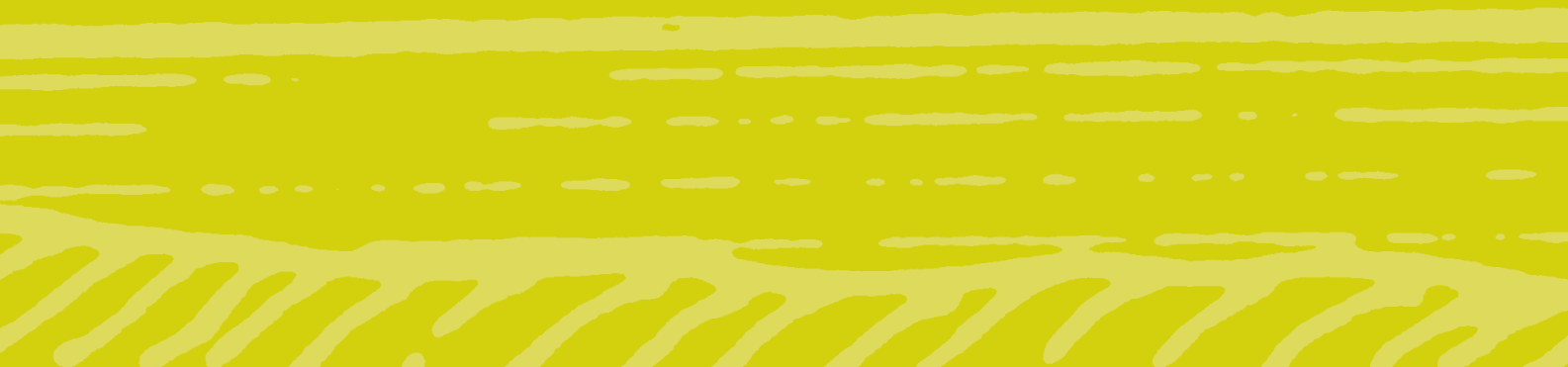


Te Aro Whakamua
BUILDING FUTURES

A review of Training Opportunities
and Youth Training



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FOREWORD

A highly skilled workforce is fundamental to sustaining New Zealand's economic growth, to ensuring people have high standards of living and to New Zealand remaining internationally competitive. It is vital all people have the opportunities to participate and belong within society, in particular those who might currently be marginalised.

What is already clear is that a key area for future investment is in lifting skills – particularly for people who face difficulty entering the labour market because they lack the foundation skills to gain work and to continue learning. By lifting their skills we can assist them to move into segments of the labour market where jobs are more sustainable and wages higher or move into further education or training. Without this investment the best we can achieve is short-term job placements with a risk that people will drift on and off the benefit.

The Government has implemented a broad range of initiatives and strategies to improve people's skills. However, it is still of concern that at present approximately 9,600 young people leave the compulsory schooling system each year with no or low qualifications. This figure represents 18 percent of total school leavers, 37 percent of Māori school leavers, and 27 percent of Pacific school leavers. In March 2001 approximately 63.4 percent (or 126,532 people) of registered jobseekers had low or no formal qualifications. This figure rose to 68.7 percent for those who have been registered as unemployed for 26 weeks or more.

The Training Opportunities and Youth Training programmes represent the major investment Government makes in lifting the foundation skills of those who have not acquired those skills whilst at school.

This review is a chance to consider the objectives of these programmes, how well they are working and to explore changes that might improve their responsiveness and effectiveness. It forms part of the Government's interlinked economic and social development strategies, encompassing industry and regional development initiatives and tertiary education reform.

In particular those tertiary education reforms will integrate all parts of tertiary education from foundation skills to post-graduate research, and ensure the tertiary system is more connected to the needs of New Zealand's economy and society. It is important that the improvements to Training Opportunities and Youth Training are considered within this broad context.

That context has been provided in large part by the extensive and impressive work of the Tertiary Education Advisory Commission (TEAC). The TEAC's brief was to look across the whole of the post-compulsory education and training sector, including what are referred to as 'foundation', 'enabling' and 'second-chance' initiatives in their analysis and recommendations. This Review of Training Opportunities and Youth Training builds on the important initial work undertaken by the TEAC.

This discussion paper invites your feedback on issues relating to these programmes and their future shape, funding, delivery, and priorities. Many of these issues have come to light as a result of consultation with stakeholders to date. As the Review proceeds, the Review Team will continue to exchange information and discuss ideas with stakeholders.

The Review is being conducted by a Review Team comprising Sally Munro (chair), Tina Ratana, Liz Tanielu, Ngapo Wehi, Geoff Woolford, and representatives from the Department of Labour – Paul Barker, and the Ministry of Education – Jane von Dadelszen.

You are invited to respond to all or any of the questions that this paper raises about these programmes. Please feel free to comment on any other issue that you think is relevant. Your submissions are important to the Government and will be given careful consideration.

A handwritten signature in black ink that reads "Steve Maharey". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Hon Steve Maharey
Associate Minister of Education (*Tertiary Education*)

CALL FOR SUBMISSIONS

Send to:

Training Opportunities/Youth Training Review
PO Box 1666
Wellington

Email: toyt.review@minedu.govt.nz

E-mailed submissions are encouraged and an electronic submission form is available on the website.

Website: www.minedu.govt.nz/goto/toytreview

Submissions close 31 January 2002

CONSULTATION MEETINGS

The Review Team will be holding consultation meetings in the following locations. Those interested are invited to attend and are encouraged to provide feedback at the meetings.

Auckland

Skill New Zealand Conference Room 3rd Floor, 9 Hargreaves St College Hill	9.30 - 11.00 am	23 January 2002
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Manukau

Skill New Zealand Conference Room Ground Floor Cnr Putney and Osterley Way Manukau City	2.00 - 3.30 pm	23 January 2002
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Rotorua

Skill New Zealand Conference Room Level 7 Zen Centre 1135 Arawa St	9.00 - 10.30 am	24 January 2002
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Gisborne

Skill New Zealand Conference Room 4th floor Quaypoint Building 21 Reads St	4.00 - 5.30 pm	24 January 2002
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Palmerston North

Auditorium, Floor One Massey Graduate School of Business Cnr Church and Linton St	9.30 - 11.00 am	29 January 2002
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Wellington

Guildhall Room, Level 1 Abel Tasman Hotel Cnr Willis St and Dixon St	3.00 - 4.30 pm	29 January 2002
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Christchurch

Ballroom One, 2nd Floor Centra Hotel Cnr Cashel and High St	2.30 - 4.00 pm	30 January 2002
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Dunedin

Conference room Pacific Park 22 - 24 Wallace Street	9.00 - 10.30 am	30 January 2002
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OVERVIEW

The Review Team's vision is that there is a need for quality learning programmes that assist learners with low qualifications who face significant barriers in the labour market to acquire the foundation skills they need to sustain themselves in employment, to continue to learn over the course of their lives, and to participate in society to the fullest extent.

The Review Team has taken into account the range of Government initiatives aimed at the development of a more inclusive, knowledge-based economy. These include changes to the secondary schooling system, an increasing focus on assisting jobseekers to achieve sustainable employment, and an emphasis on social development. In particular, the team has considered the recommendations of the Tertiary Education Advisory Commission (TEAC) in relation to foundation education.

The Review Team supports the TEAC goal of raising foundation skills across the population. Within this broad goal, however, it is important to recognise the special features of the group of learners currently catered for by Training Opportunities and Youth Training. We consider that these characteristics may warrant a more managed approach to the funding, delivery and outcomes of their learning than might be applied in other parts of the tertiary system.

Our concern is that, within the broader context of Government decisions on foundation education, it is essential that this group of learners remains a priority for continuing to receive adequate learning and support. In particular, these programmes represent a major investment in raising skills for Māori and Pacific peoples. They comprise approximately 55 percent of learners in these programmes.

In our view the focussed approach developed through Training Opportunities and Youth Training is sound. The emphasis in this report is on improving their delivery in the context of an integrated system.

A focus on outcomes

In order that the best interests of the learners are served, the Review Team believes that it is important to retain an outcomes focus. Furthermore, the dual focus on employment and education has achieved positive results, and delivers on the needs and motivations of the learners. Certainly there is merit in retaining aspects of the current outcome measures.

These could, however, be modified to better reflect the vision of the programmes by increasing the focus on foundation skills and sustainable employment, better aligning the aims of government agencies, and increasing the flexibility to recognise the different pace at which people progress and the divergent pathways they embark upon.

The Review Team seeks feedback on how the outcome measures can be better adjusted and aligned with other agencies, to reflect the objectives of achieving foundation skills and sustainable employment.

Access

The intensive assistance that is required for those with social and learning disadvantages is costly. It is important that this assistance prioritises those who would not otherwise progress into other tertiary education and employment. It is also important that the assistance received is well tailored – foundation education will not address all forms of labour market disadvantage.

The Review Team has identified three broad options for eligibility to this type of assistance in the future:

- Retaining the current criteria which focus on long-term jobseekers and school leavers with no or low qualifications, and providing priority access to some identified beneficiary groups who face multiple barriers to employment
- Focussing more exclusively on those who lack qualifications and have experienced difficulty finding sustainable employment
- Widening access so that all those who are assessed as being at *risk* of long-term unemployment, due to a lack of foundation skills, gain immediate access rather than waiting until they have been unemployed for a period.

The Review Team seeks feedback on the relative priorities for access to the programmes and on the options outlined.

Improved delivery

If the programmes are to meet the objectives outlined above, the delivery of programmes must be as effective and efficient as possible. The Review Team has identified that it is important the programmes deliver foundation skills, are of high quality, and meet the needs of learners, the labour market and communities.

THE EVOLUTION OF THE PROGRAMMES

The predecessor of the Training Opportunities and Youth Training programmes was the ACCESS programme.

It was principally targeted towards those who were disadvantaged in the labour market, and for whom traditional training methods were unsuitable or unavailable. There was open entry to the programme, with the level of funding for each trainee related to the level of disadvantage they faced. MACCESS (Māori ACCESS) ran alongside the general programmes and was separately administered by Māori authorities (MACCESS Authorities). It focused specifically on Māori, and was largely delivered through Māori providers.

The Training Opportunities Programme (TOP) developed out of ACCESS at the start of 1993, and MACCESS was subsumed into TOP later that year. Though TOP retained some of the features of ACCESS, it was targeted more specifically at

There are areas where significant improvements could be made, or where good practice examples could encourage wider improved performance. The areas where feedback on potential improvements are sought are:

Improved pathways into the programmes – including better tracking of school-leavers, better career guidance, and better alignment of relevant agencies' outcome measures and of jobseeker agreements/learning/career plans

Improving the quality of the learning process – including continuing to upgrade the assessment of foundation skills, the support for the wider needs of learners and quality assurance processes

Enhancing pathways into further learning and employment – including improved opportunities for the transfer of credits to other programmes, the provision of continued support to learners who have entered employment or further education, and encouraging on-going learning in employment.

Future administration

The Review Team is of the view that there is a continuing need for intensive management and learning support for such programmes, particularly at the regional and local level.

The Team considers that the closer integration of such programmes within the tertiary education system generally is desirable to reduce some of the stigma associated with embarking on such a learning programme and to enhance pathways into further education.

The Review Team is concerned, however, about some of the potential consequences arising from some aspects of the proposed greater integration of these programmes within the tertiary education system. In particular it is concerned that the group of learners that the programmes currently target may be 'crowded out' by learners with less extensive needs.

We seek feedback on the key administrative features required for the successful delivery of such programmes within an integrated system in the future.

school leavers and long-term job seekers with low or no qualifications. It aimed to assist them gain recognised qualifications (or credit towards them), and to move into further education and training, or employment.

Until 1998, TOP was funded through Vote Education and administered by Skill New Zealand. On 1 July 1998, the programme was divided into two separate programmes: Youth Training and Training Opportunities. Training Opportunities is administered by Skill New Zealand under contract to the Department of Work and Income and funded through Vote Work and Income. Youth Training is administered by Skill New Zealand, but funded through Vote Education. Eligibility for the programmes is divided by age: Youth Training caters to 16 and 17 year olds (and 15 year olds with school exemptions) Training Opportunities is for those aged 18 and over.

THE PROGRAMMES AT A GLANCE

TRAINING OPPORTUNITIES

Training Opportunities currently provides training for the long-term jobseekers with low qualifications, people with disabilities, Domestic Purposes Benefit recipients, refugees and ex-prisoners. Low or no qualifications is defined as less than three School Certificate passes and no qualifications higher than sixth form certificate.

In 2000, there were:

- 21,965 Training Opportunities learners
- 70 percent of learners had no qualifications
- 50 percent of learners had never been in full-time employment
- 42 percent of learners were Māori
- 11 percent of learners were Pacific peoples
- Women made up 49 percent of the learners
- 16,000 Training Opportunities learners gained an average of 22 credits on the National Qualifications Framework (NQF).
- 62 percent of Training Opportunities learners moved on to further training or employment within two months of leaving the programme (51 percent into employment; 11 percent into further education or training outside the programme).

YOUTH TRAINING

Youth Training provides a wide range of training options for school leavers aged under 18 years of age, with low or no qualifications.

In 2000:

- 13,125 learners aged between 15 and 17 participated in Youth Training
- Over 5,000 learners are on the programme at any one time
- 81 percent of learners had no qualification before entering Youth Training
- 87 percent of learners had never been in full-time employment
- 49 percent of learners were Māori
- 10 percent of learners were Pacific peoples
- 44 percent of learners were female
- 9,500 Youth Training learners obtained an average of 17 credits on the NQF
- 65 percent of Youth Training learners moved on to further training or employment within two months of leaving the programme; (43 percent into employment, 22 percent into further education or training outside the programme).

TRAINING PROVIDERS

- A total of 459 providers were contracted by Skill New Zealand to deliver training in 2001.
- The majority of training is delivered by Private Training Establishments (PTEs).
- PTEs vary hugely in terms of size, location, industry focus, ethnic self-identification and community links. The majority are small and offer courses in one locality.
- 257 (56 percent) of providers deliver both Youth Training and Training Opportunities.
- 147 (32 percent) of providers deliver Training Opportunities only.
- 55 (12 percent) of providers deliver Youth Training only.

CHAPTER ONE

THE PURPOSE OF YOUTH TRAINING AND TRAINING OPPORTUNITIES

In this chapter, we explore the purpose of Training Opportunities and Youth Training and how the programmes fit into the range of Government employment and education initiatives.

The importance of foundation skills

The Training Opportunities and Youth Training programmes span the worlds of education and employment. They provide people with the skills to further their education and to find work and keep a job. These skills are often referred to as “foundation skills”, as they provide a base upon which people can build higher level generic, vocational and technical skills. This is a key concept in considering the future of the programmes. Since these skills are the basis for participation in a Knowledge Society, it’s important to have a good understanding of what they are and how they are best acquired.

There are certain key skills and competencies without which individuals find it difficult to find a job and participate in society. For the purposes of this review, foundation skills are defined as those skills without which an individual will struggle to continue their learning, keep abreast of technological advances and adapt to workplace change throughout their life.

Foundation education is about “learning to learn”. Foundation skills enable someone to continue to learn and acquire the skills they need throughout their life. In practice this means skills in areas such as literacy, numeracy, technological literacy, self-confidence, resilience, the ability to work with others and communication skills.

Generally these skills are acquired before the end of secondary school since they are a prerequisite for entry into other tertiary study. This is usually study at level one and two on the NQF and provides a base for further learning.

While we cannot assume that an individual with low or no qualifications is unskilled or unable to sustain employment, it is clear that there are a significant number of people for whom a lack of educational achievement is associated with severe barriers to learning and results in on-going disadvantage. People who lack foundation skills are likely to find it increasingly difficult to participate in employment or in further education.

FOUNDATION SKILLS

Training Opportunities and Youth Training programmes receive the largest amount of post-school government funding available for building foundation skills.

Other programmes and initiatives designed to meet post school foundation learning needs include:

- bridging education programmes run by Tertiary Education Institutions (TEIs) (mainly Polytechnics) which receive Equivalent Full Time Student (EFTS) funding
- student support provided by TEIs
- school community education, Correspondence School provision
- workplace literacy programmes linked with Industry Training
- English for Speakers of Other Languages (ESOL) programmes, and
- adult literacy programmes.

Programmes and initiatives to assist job seekers into employment include:

- work confidence programmes
- wage subsidies
- self-employment assistance
- work transition grants
- work experience
- job search and skills training.

Training Opportunities and Youth Training address this disadvantage by providing a higher level of support than is generally available in the tertiary education system. They also recognise that many people find it easier to learn within a practical and relevant context.

For jobseekers, the opportunity to gain skills leading directly to a job is often crucial. The Review Team considers that the needs of this group of learners are best met by a practical or “hands-on” approach to learning and a high level of support that will assist them into further education or work.

The big picture

Training Opportunities and Youth Training also contribute to the development of a more inclusive, knowledge-based society. The programmes need to be seen within the broad direction of Government policy in a number of areas including:

- Tertiary education reforms which will integrate all parts of tertiary education from foundation skills to post-graduate research, and ensure the tertiary system is more connected to the needs of New Zealand’s economy and society
- Reforms designed to improve the responsiveness of secondary school education to meet a diverse range of learning needs
- Employment assistance initiatives focusing more closely on the needs of individuals and local labour markets and an emphasis on sustainable employment
- A greater emphasis on social development and on pathways that help people to develop their skills and participate fully in society.

Experience shows that Training Opportunities and Youth Training have a significant contribution to make to each of these goals. What follows is a discussion of how these programmes impact on each of these objectives.

Tertiary education reform

Lifelong learning is a key contributor to the development of New Zealand’s knowledge economy and society. The Government established the Tertiary Education Advisory Commission (TEAC) to improve the connections between education, the wider economy and society and asked that they develop a long-term strategic direction for the tertiary education system. TEAC has recently presented its final report *Shaping the Funding Framework* which is currently the subject of public consultation.

TEAC's reports present some views on foundation programmes within the context of its proposed strategic direction for the system as a whole. In particular, TEAC recommended priority be given to the 'top and bottom' of the tertiary education system. It emphasised the need to lift the levels of achievement of those with low levels of education. TEAC expressed concerns about the current targeting of the programmes and their lack of integration within the tertiary education sector as a whole. It called for a strong commitment to raising foundation-level skills.

The Review Team acknowledges the TEAC findings and has looked at how to best meet the needs of this group of learners within a context of a more 'seamless' education system.

A new Tertiary Education Strategy, which will provide a blueprint for the tertiary system for the next five years, is also being prepared. A Tertiary Education Commission (TEC) will oversee the implementation of the Strategy which will assist in the development of a more connected and integrated tertiary system.

In addition the Government has agreed that charters and profiles will be developed as key cornerstones of that more connected and integrated system.

The Review Team considers that Training Opportunities and Youth Training have a key role to play in these reforms as they provide a 'stepping stone' to lifelong learning for thousands of New Zealanders. It is crucial that such learning continues to be provided in any reformed tertiary education sector in a way that links well to other parts of the education system.

Responsiveness to learning needs within the secondary school sector

A number of changes are also underway in the school system to better meet the needs of learners who lack adequate foundation skills and qualifications. Whether schools will eventually succeed in providing the foundation learning skills for all students is unclear. We know that for the foreseeable future there will be young and older people that do not have the foundation skills required for participating in work and society. We also know that this group respond to different learning styles and to a more highly-supportive learning environment.

Accordingly, the Review Team believes that there will be a need for the foreseeable future for fully-subsidised, post-school learning for certain disadvantaged groups in the community who do not acquire those skills at school.

Assisting jobseekers to find sustainable employment

Modern working life requires people to have the ability to keep learning and adapt to rapid changes in technologies and services. Foundation skills are essential for all workers, with most jobs now requiring literacy, numeracy, technological competency, communications skills and self-confidence. Higher-level generic skills – such as critical thinking, creativity, adaptability, problem-solving skills – are also being identified as core competencies for continuing employability in the labour market.

In this context, the Government is placing a greater emphasis on sustainable employment in its employment assistance programmes. This means ensuring jobseekers have the foundation skills to sustain themselves in employment over the longer-term.

The Review Team believes that providing employment-related learning is a key motivator for those with low skills and qualifications. There is a continuing need for learning programmes that range from basic life skills through to work-based learning. Experience shows that the close link between learning and work is critical to the success of these programmes.

Social development for participation

Programmes such as Training Opportunities and Youth Training are crucial for reducing the barriers to work and full participation in society for disadvantaged groups. They help at-risk youth and beneficiaries achieve greater personal confidence and independence.

These programmes have been particularly successful at providing a high level of learning support for learners. They take account of the social and cultural context of the learner and assist them to overcome various barriers to further learning, employment, and participation in society.

Conclusion

The review team's vision is that there is a need for learning programmes that assist learners with low qualifications who face significant barriers in the labour market to acquire the foundation skills that allow them to sustain themselves in employment, to continue to learn over the course of their working life, and to participate to the fullest extent in society.

The challenge now is to enhance these programmes so they can continue to contribute substantially to the objectives above in the years ahead.

KEY PRINCIPLES

The Review Team considers that such programmes should:

- be learner-centred and focussed
- support a variety of accessible pathways to work and further continuing learning
- support a diversity of provision
- ensure ready access to the foundation education and training that will assist learners improve their employability
- provide high quality education and training
- be focussed on the results achieved by the learner
- be responsive to the changing needs of the labour market, communities, Māori, economy and society
- be supported by sustained, integrated and cohesive support services in order to achieve the best possible outcomes
- be effective and efficient in the achievement of their objectives
- build upon the strengths of the current programmes

QUESTIONS

Objectives/vision/broad direction

- Do you agree with the proposed vision/objectives for such programmes? If not, what do you consider should be recognised as the vision?
- What are your views on the proposed key principles?

CHAPTER TWO

MEASURING OUTCOMES

This section explores how the current outcome measurements for Training Opportunities and Youth Training could be adjusted to better reflect the policy objectives set out in Chapter One.

Current Situation

The current Training Opportunities and Youth Training programmes aim to assist school leavers and long-term jobseekers with low qualifications gain recognised qualifications (or credits towards them) and move into further education and training or employment.

Specific educational and destination outcomes are set each year in order to ensure the programmes effectively deliver on these objectives. Currently the outcomes are set as follows:

- Learners achieve 20 or more credits on the NQF.

Skill New Zealand negotiates annually with the Minister of Social Development and the Minister of Education to set the average number of credits to be achieved by learners. This is based on the national average level of credits achieved in Training Opportunities and Youth Training programmes during the previous year.

Furthermore, Training Opportunities and Youth Training providers have to be New Zealand Qualifications Authority (NZQA)-accredited and their learners must be studying for nationally-recognised credits on the NQF. Training providers must also have their assessments moderated by NZQA.

- Learners move into employment or further education/training within two months

This measure is a snapshot, taken two months after the learner has left the programme, indicating whether the learner has a job or is in further education.

At the provider level, moving onto further education can mean moving onto another Skill New Zealand-funded programme. At the national level, a further education outcome is only counted when the learner has moved outside of the Training Opportunities and Youth Training programmes.

Feedback to date

Consultation with the sector showed that, in general, stakeholders of these programmes support their outcomes focus. Some stakeholders, however, question the way employment and education outcomes are currently balanced, and the way they are measured.

In particular, there is some concern that the focus on employment outcomes is too short-term, and may not always be in the best interests of learners. Coupled with this was the view that a stronger emphasis on education may achieve better long-term outcomes. On the other hand, some thought the programmes may be too long for more job-oriented learners. Another concern was that destination outcomes are not flexible enough to be responsive to labour market cycles and accommodate regional variation.

There was also concern regarding learners who have additional, non-educational needs. Some providers felt that there should be some recognition of the progress made with higher-need learners through outcomes reflecting personal development goals. Te Puni Kōkiri's effectiveness audit of Training Opportunities and Youth Training recommended that the current outcomes be expanded to include outcomes that acknowledge trainee preparedness to move into further education, training or employment.

General Approach of the Review Team

The Review Team believes that a balance of employment and educational outcomes should be retained for programmes such as Training Opportunities and Youth Training. There is considerable value in continuing to maintain a strong link between the prospect of work and the achievement of specified learning outcomes for this group of learners. Such outcomes recognise and reinforce the motivations of this group of learners who in the past may have had negative experiences in education and difficulties in gaining employment.

The outcomes also provide a clear and common focus for the various education and training providers and government agencies involved, and provide a basis for apportioning clear accountability for what is expected from these programmes.

The Team considers that the central broad policy objectives for the establishment of the appropriate outcome measures are:

the acquisition by the learner of the foundation skills that allow them to sustain themselves in employment, to continue to learn over the course of their working life, and participate in society to the fullest extent.

Discussion of Future Measures

The Review Team, therefore, believes that the key priorities in terms of outcomes are foundation education, sustainable employment and developing the ability to continue to learn in different contexts. Thus, the following discussion seeks to examine:

- the extent to which the current outcome measures are effective indicators of these aims
- possible options that could be applied in order to more closely align with these aims
- weighing up the benefits and costs of retaining the current measures, modifying them and/or adopting new measures.

Destinational Outcomes

The current destinational outcomes provide a clear purpose for the programme, with providers and participants focused on progression towards employment and/or further education and training. The major advantages of the current destinational measures are that they are quick and simple to collect, both for providers and Skill New Zealand, and they provide a snapshot of learners' progress at a time that would indicate the result was easily attributable to the programme.

There are, however, a number of disadvantages with this measure. These disadvantages are discussed below in relation to sustainable employment, the tension between employment and education and the lack of coordination between government agencies.

Sustainable Employment

A disadvantage of the current measures is that they do not provide any information about the type of job obtained, its duration, or level of earnings. In other words, it is not clear whether the learner has made progress toward sustainable employment.¹

One option could be to develop a clearer test of ongoing employment, involving finding out the type of job, its duration, whether it was part or full-time, and whether the learner had developed a pattern of work over the longer term.

This would require the development of new measurement tools to gather this information. Though this type of measurement would provide useful information in the long run, a more feasible option would be to adopt the current Ministry of Social Development (MSD) stable employment outcome measure as the key employment outcome.² This measure would better reflect employment results over time and would more closely align with the Review Team's definition of sustainable employment.

¹ For the purposes of this review, sustainable employment refers to individuals being able to sustain themselves through employment on an ongoing basis.

² The Ministry of Social Development (MSD) is the name of the government agency that was formed when the Department of Work and Income (DWI) known as Work and Income NZ (WINZ) and the Ministry of Social Policy (MSP) were merged in October 2001. In this paper the former DWI/WINZ is referred to as MSD. The current stable employment outcome for MSD is achieved when a jobseeker has moved into employment of 15 hours a week or more and remained off the employment register for 91 days.

CASE STUDY

New pathways generated from Electronics course

A partnership between Rakon Ltd and a Mangere training provider has seen Māori and Pacific people gain skills in electronics assembly and offered employment in the industry.

Pukapuka Training Academy runs a Training Opportunities course that covers maths, soldering, desoldering, workplace safety, quality improvement, statistical analysis and production specific training.

The initial training takes place at the training provider's site, with practical training following at the company premises in Mount Wellington. The programme has attracted a high percentage of Pacific trainees with over 80% of those completing the programme going onto employment in electronics. Some of these trainees are now looking to continue training in the workplace with the aim of becoming technicians and engineers.

The adoption of the stable employment outcome would require a better match between MSD and Skill New Zealand databases. It would also require Skill New Zealand to create a new system for people that were not registered with MSD, particularly people under 18. The period within which the learner needs to achieve a stable employment outcome after the programme has been completed, would also need to be specified, which would involve some administrative complexity.

Qualification outcomes

The qualification target of a national average of 20 credits per Training Opportunities and Youth Training learner is a simple measure of the learner's progress in gaining quality-assured, transferable education and skills. Currently this average is re-evaluated and reset on an annual basis. This average credit target could be regularly raised to increase the achievement of skills by learners.

Yet there are difficulties associated with a focus on credits. Most importantly, it is unclear whether learners are gaining the key foundation skills, including numeracy and literacy, technological competency and social skills.

An approach could be to encourage learners to undertake compulsory core credits around foundation skills – particularly literacy and numeracy credits, in order to be assured that learners gain these foundation skills. Such an approach is being implemented in the new National Certificate of National Achievement (NCEA), and the credits developed for this qualification could form the basis of Training Opportunities and Youth Training foundation skill components. Such skills as communication/technological skills and self-confidence could be assessed in the context of whatever vocational learning was being undertaken.

The benefit of this approach would be that it would give a much clearer idea of whether the programmes were providing learners with the necessary foundation skills to progress into further education and/or sustainable employment.

Personal development and Intermediate outcomes

For some learners the current outcomes are exceedingly difficult to reach and the acquisition of basic life skills may be a significant step forward. In recognition of this, providers currently monitor learners for personal development through individual learning plans. The gains made based on these plans, however, are not used in the measurement of outcomes.

In order to accommodate the full spectrum of learner needs, an option could be to further develop individual plans, which would help measure less tangible results such as changes in learners' self-esteem, motivation and confidence.

For the process to be equitable and consistent, it would have to be done in a reliable and valid way. Tailored checklists and assessment tools could be used by the learner and/or provider or another option would be to use assessment contractors.

Measuring personal development outcomes would encourage learners who experience greater difficulty in reaching the qualification and destinal outcomes to continue with learning, and acknowledges the help providers give to those learners who are most in need of assistance. Such an approach is particularly significant for Māori and Pacific learners, where an holistic approach, which balances life and vocational skills, is seen as critical to building confidence in learners.

Achievement would be viewed more broadly than simply in terms of qualification and destinal outcomes and would recognise the different pace at which learners progress. As well as this, more flexibility around the destinal and qualifications outcomes in the negotiation process would be encouraged in recognition of different learner needs. The advantage of this measure would be that it would recognise the additional barriers to learning that some learners face as it would be based on the individual learning plans developed at provider level. At the same time it could be flexible enough to meet regional and individual learner needs.

There are, however, some difficulties involved in developing personal development outcome measures. Ensuring that assessments are consistent and reliable would be difficult. Standards such as 'shows improved self-esteem' are very subjective and may vary greatly according to cultural identity.

The tension between education and employment outcomes

The way the destinal outcomes are currently specified tends to emphasise further education and gaining employment as either/or options, rather than as ongoing, integrated processes. This could be viewed as diminishing the significance of longer-term investment in foundation skills, if it causes learners, case managers and providers to focus solely on short-term outcomes. Short-term outcomes, such as gaining casual employment, may be a key step in moving towards the longer-term goals of gaining foundation skills and sustainable employment. However, they may need to be supplemented, where appropriate, by other learning opportunities.

In order to better balance education and employment outcomes, a further change could be to diminish the either/or nature of the destinal outcomes, by better specifying pathways that encourage continued learning, including seeking to measure the continued learning of those in employment. Educational outcomes achieved by this group of learners would need to be formally recognised as outcomes by all the respective agencies involved.

Government agency collaboration

Another disadvantage is that the current outcome measures for these programmes are not integrated with those of other government agencies involved with this group of learners, including MSD, Career Services and Workbridge. This can lead to conflicting priorities amongst the agencies involved, as they each endeavour to achieve their own outcomes.

The above suggestions, including aligning with the MSD “stable employment” outcomes, and formal recognition of education outcomes by all agencies, would be a step towards better integrating the incentives on, and thus, commitment of, the various agencies concerned with assisting this group of learners, including MSD, Career Services and Workbridge.

Proposed area for consultation

The Review Team seeks feedback on extending the current outcome measures over time, which it believes would contribute to the policy objectives proposed in this document. The Team considers that, more immediately, gains can be made by key government agencies better aligning their outcome measures and committing themselves to similar outcome measurements.

QUESTIONS

Outcomes

- Do you think that at present the programmes have the right balance between:
 - education and employment outcomes, and
 - short and long-term outcomes?
 If not, how should the balance change?
- How could the current specified outcome measures be adjusted to better reflect the proposed vision for these programmes?
- What are your views on the suggestions of broadening the outcome measures to:
 - explicitly recognise the acquisition of foundation skills and sustainable employment, and
 - better align with those of the key agencies involved?
- How could personal development outcomes be effectively measured?

CHAPTER THREE

ACCESS TO TRAINING OPPORTUNITIES AND YOUTH TRAINING

This section explores who should be eligible to undertake Training Opportunities learning and Youth Training.

Current Situation

Training Opportunities and Youth Training are designed to help people who have low levels of education and who face major barriers to further education or finding work.

Training Opportunities provides free, nationally-recognised skills training, for adults who have been unemployed for significant periods and have low or no qualifications.³

Youth Training provides free, nationally-recognised skills training for 16 and 17 year olds who have recently left school with low or no qualifications, or under 16 year olds who have a Ministry of Education exemption from school.

Since the inception of the programmes there has been debate about who should be eligible for this training. As a result, the eligibility criteria for the programmes have been extended to allow for the participation of some specific groups of people. Currently, the following groups have additional grounds for eligibility:

- Refugees (within one year of leaving Mangere refugee centre, have to be registered as jobseekers, but not for 6 months, do not have to have low qualifications)
- Domestic Purposes Beneficiaries and Widow's Beneficiaries (who have low qualifications and have been on benefit for one year, do not have to be registered jobseekers)
- Ex-prisoners (who have low qualifications, have served a sentence of at least 6 months and have registered as jobseekers, though not for 6 months)
- jobseekers with disabilities, enrolled with and referred by Workbridge after an in-depth interview
- Youth with no tertiary qualifications who have been deemed to benefit by MSD
- Long term jobseekers with no tertiary qualifications who have been deemed to benefit by MSD.

³ Currently this is measured by six months registration as a jobseeker and having less than three School Certificate passes.

Feedback To Date

There were a range of views about how well the current eligibility criteria are working. Some people suggested that even though people may have three or four School Certificate passes they may still find it difficult to progress to tertiary education or find long-term work. It was also suggested that those who had gained qualifications some time in the past may also find that their qualifications are no longer current. Some stakeholders considered that as foundation education is a key requirement to successful participation in society, it should be an entitlement for all citizens.

The Review Team has also noted that there is an on going tension between the objectives of the programme to improve the employability of people who are looking for work and the educational, training and rehabilitative needs of specific groups who may not be well-catered for by other parts of the education or employment systems.

TEAC recommendations

TEAC has recommended that eligibility for foundation education beyond schools be determined by the number of Qualifications Framework credits learners have achieved. The aim is to achieve a better alignment of foundation education across the secondary and tertiary system.

Under this option any learner who had left school with less than a level 3 qualification would be eligible for fully subsidised foundation education (that is levels 1-3) up to a maximum of 240 credits (including credits previously achieved).

In principle, the Review Team supports the TEAC goal of raising foundation skills across the population. The Review Team considers that Training Opportunities and Youth Training learners have characteristics and needs that distinguish them from other tertiary learners. Our concern is that the learning and support needs of this group of learners must remain a focused priority within the broad context of government provision of foundation education.

Future Options

Experience indicates that changes to eligibility criteria can have a major impact on the way these programmes complement other labour market and education initiatives, the type of incentives they create for learners and providers, and the achievement of the programmes' objectives.

The Review Team considers that any options around eligibility must focus on the principle that the programmes are designed for people who do not have foundation skills and who face barriers to employment.

Keeping this in mind, there is a range of options for future eligibility to these programmes. At one extreme, the programme could be more tightly targeted to those who have the greatest need. At the other, eligibility criteria could be relaxed to assist in raising the overall education and skill levels of the population.

How do we know who has foundation skills?

The current eligibility criteria are based on the premise that those with three or more School Certificate passes have acquired sufficient foundation education to progress to further education at secondary or tertiary level or to work.

Some providers have suggested that the current maximum qualification for entry to the programmes is set too low and does not reflect the increasing skill levels required by employers hiring staff. However, raising the upper qualification level for entry may create incentives for people to access the programmes who are capable of learning in a mainstream environment. Increasing the eligible pool could also result in less access by those with the greatest learning and employment needs.

The introduction of the NCEA in 2002 may also have an impact on the number of young people eligible for Youth Training. For 2002 any young person with less than 40 credits towards the NCEA will be able to enter the programme. The current qualification criteria of two School Certificate subjects equates to 36 credits.

The NCEA has been designed to provide greater flexibility in recognising the skills and achievements of all learners. It is expected that over time, the overall level of credits achieved by students will rise, but it may be some years before the NCEA's true impact can be assessed. It might result in more students staying at school and reduce the need for Youth Training. However, even though students might have a higher number of credits they may still be at a relative disadvantage entering employment or further education, and might need to continue their learning through learning pathways such as Youth Training.

Regardless of the qualifications criteria set, it will be important to monitor the entry-level qualification criteria on an on going basis to ensure that people leaving school without the education and skills required for sustainable employment and further education can continue to access appropriate training.

How do we identify when a lack of foundation skills is a barrier to sustainable employment?

The Review Team believes that those who are having difficulty in obtaining sustainable employment should continue to be the highest priority for these programmes. The current eligibility criteria use qualifications as a measure to indicate a person's level of foundation skills. In some cases, this may not be an accurate indicator.

Young people leaving school with low or no qualifications face barriers to employment as they have had limited opportunities to develop these skills. For this reason the Review Team believes that young people should continue to have priority access to this type of assistance.

For adults, it may be more difficult to determine whether a lack of formal qualifications is a barrier to sustainable employment, as people have often gained foundation skills through work and life experience. Targeting assistance to those for whom a lack of foundation skills is a barrier to sustainable employment requires the assessment of their foundation skills together with evidence that they can not find employment.

The Review Team has identified three broad options for the future:

- Option one retains the current eligibility criteria, which ensures access for people with low or no qualification including youth and adults who are long-term jobseekers. Some exceptions are also made in recognition of other barriers, for example, those caused by disability or lack of English.
- Option two explores the implications of tightening the eligibility criteria. This would focus on all youth with no or low qualifications and adults with no or low qualifications who have been registered as jobseekers for a significant period of time.
- Option three explores the implications of giving more immediate access to adults assessed by MSD case managers to be at risk of long-term unemployment due to a lack of foundation skills, and young people under 20 who have low or no qualifications.

Option One – retain the current eligibility criteria

The current criteria are a pragmatic compromise between ensuring access for those with immediate needs and enabling all those who may benefit in the longer term to have access to training. The needs of those with barriers to work other than low qualifications or experiencing long term unemployment are also recognised.

The current criteria have been refined over time by the Government and appear to provide access to most of those who require assistance.

Some learners with higher qualifications can currently access Training Opportunities and Youth Training. The Review Team questions whether Training Opportunities and Youth Training are the most appropriate assistance for these learners given the focus of the programmes is on gaining foundation skills.

Option Two – adopt tighter eligibility criteria

Since Training Opportunities and Youth Training are intended to give learners the skills required for work and further education, it could be argued that the eligibility criteria for the programmes should focus more explicitly on the group lacking these skills.

The Review Team also notes that Training Opportunities and Youth Training may not be the best option for all disadvantaged groups. Such training is costly and may prove ineffective unless the skills gained are built on within a reasonable time. These resources might be better applied to those who are more likely to immediately benefit from their training.

Tighter prioritising of the programmes could be achieved through criteria that directly relate to a person's level of foundation skills and the difficulty they are having finding long-term work.

Under this approach, a few of the current criteria – no or low qualifications and being registered as a jobseeker for 26 weeks or more – would become the sole basis for adults accessing the programme. The programmes could focus on those who have registered as jobseekers with MSD, since these people are clearly signalling their desire to find work and access appropriate training assistance. For youth, the criteria of fewer than 40 credits would become sole criteria for entry.

However, by targeting solely on the basis of low qualifications and duration of unemployment, rather than other disadvantages, groups such as Domestic Purposes Beneficiaries, refugees, jobseekers with disabilities and ex-prisoners might have more difficulty accessing training. These groups would be eligible on the same basis as the general population.

Careful consideration would also need to be given to alternative measures that might be required to meet other objectives currently met by the programmes. For example, separate policy provision could be required for some ESOL provision, for supported employment for some jobseekers and for specific skill training for others.

Option Three – eligibility for all those who are at risk of long-term unemployment because they lack foundation skills.

In recent years, the Government has emphasised the importance of foundation skills to the development of a knowledge economy. Both TEAC and the Treasury have noted the need to raise skill levels across the population so that all New Zealanders have the skills to fully participate in work and society.

It could therefore be argued that everyone who lacks the foundation skills to find sustainable employment should have timely and consistent access to gain those skills.

Under this option, the criteria for Training Opportunities would be broadened so that those who have low or no qualifications and are assessed by MSD case managers as being 'at risk' of long-term unemployment would be eligible for training, in addition to those who have been registered jobseekers for six or more months.

As is the current situation, all young jobseekers who had low qualifications would be given the chance to access training. Consideration could be given, however, to raising the current upper age level for access to Youth Training.

This approach is consistent with current eligibility criteria for other employment assistance programmes and would provide appropriate assistance in a way likely to be more effective and efficient than current arrangements. For example, there is evidence that jobseekers may become discouraged and less receptive to learning after a period of unemployment.

Such an approach would however rely on the accurate assessment of jobseekers' current foundation skills. Foundation education for jobseekers who have foundation skills would waste resources.

While tools are currently being developed to assess literacy needs, for instance, such needs may not be readily apparent. It could be even more difficult to assess skills such as communication and team work. The assessment methods will need to ensure that those who experience persistent unemployment and multiple barriers might miss out on training and be "crowded out" by those who are relatively less disadvantaged.

Proposed areas for further consultation

For some New Zealanders a lack of foundation skills is a barrier to participating in employment, on going learning and in their communities.

For these people, gaining key skills within a supportive environment is a stepping stone to further learning, sustainable employment and social and economic participation.

However, the reality is that the intensive training required for people with social and learning barriers is expensive and funding is limited. It is therefore vitally important that eligibility prioritises those who would not otherwise progress into other tertiary education options or employment. It is also important that the training received is appropriate to the needs of those who receive it: foundation education will not necessarily address all forms of disadvantage in the job market.

QUESTIONS

Access

- Who do you think should be the priority for this assistance?
- Which of the three eligibility options presented best meet the programme's objectives?
Why? Are there any other options?
- How would you define a lack of foundation skills for the purposes of determining eligibility to these programmes? Is this the same for youth and adults?
- Should people with higher qualifications, who have been assessed as lacking foundation skills, have access to the programmes?

CHAPTER FOUR

PROGRAMME DELIVERY

The Review Team has looked at improving programme delivery in three key areas. It has focused on pathways into the programme, improving the quality of learning and enhancing pathways into further learning and employment.

Introduction

A significant issue for Training Opportunities and Youth Training is whether these programmes provide foundation skills for learners, are of high quality, and meet the needs of learners, the labour market and communities.

Meeting learners' needs is a critical success factor for the programmes, particularly as the people on Training Opportunities and Youth Training courses have often had negative past experiences in the education system. The way that education was delivered to these learners, and the support services that were available for them, have generally not been effective in meeting their learning needs. Trainee satisfaction surveys and achieved outcomes by providers indicate that Training Opportunities and Youth Training programmes are generally more successful at meeting learners' needs.⁴ However, as discussed in Chapter 2 on Measuring Outcomes, there are options for further enhancing this success through even greater recognition of the varying needs of learners.

This Chapter focuses on how to improve the delivery of the programmes to ensure learners' needs are being met. Who are the learners and what are their needs? A diverse range of people access these programmes. As indicated earlier, a large proportion of learners are Māori and Pacific peoples.

- Over one-third of total learners are youth between the ages of 14 and 17 years, the remainder being over 18 years of age.
- Of these adults, the greatest numbers are between 18 and 24 years old, and between 30 and 49 years of age.
- Within the adult cohort participating in Training Opportunities in 2000, the largest group of learners was long-term jobseekers (51 percent).
- However, other specific target groups included job-seekers with disabilities enrolled with and referred by Workbridge (21 percent), refugees (2 percent), Domestic Purposes and Widows Beneficiaries (10 percent) and other MSD clients (12 percent).

⁴ AGB McNair, *Assessment of TOP: Survey of TOP Trainees*, 1995; ACNielsen *Training Opportunities: Research into Longer Term Outcomes*, 1999; ACNielsen, *Trainees' Perceptions of the Effectiveness of Training Opportunities*, 2001; Te Puni Kōkiri, *Training Opportunities and Youth Training*, Wellington, October 2001.

The needs of these learners vary significantly, and the appropriate approaches to meeting those needs should vary accordingly. A critical issue for Training Opportunities and Youth Training is achieving an adequately flexible learning environment that recognises the needs of learners, and enables providers to design a programme that supports each learner through a planned and structured pathway. This chapter examines options for improving the pathways into and through the programmes, better aligning career and learning plans, and improving the quality of the learning process.

Current Situation

Overall, feedback has suggested that the delivery of training in Training Opportunities and Youth Training programmes is satisfactory. There are many examples of good practice and innovation by training providers and stakeholders (eg, Skill New Zealand, Career Services and MSD), where initiatives have been taken to improve programme effectiveness.

However, the Review Team has identified a number of areas for improvement. These areas relate to learner pathways into and out of the programmes and the quality of the learning process itself. This section looks at possible improvements in these areas.

One of the strengths of these programmes is the variety of courses on offer. People choose the programme of learning and the provider they would like to go to. This breadth of choice is an important aspect of motivating people to learn.

One of the key aims of these programmes is to provide training that meets local labour market needs, while ensuring people gain basic foundation skills in a variety of settings. Both Skill New Zealand and MSD try to be responsive to local labour market needs by purchasing programmes that are responsive to the local situation.

In some regions, strong relationships have developed between Skill New Zealand and MSD, and they consult each other about purchasing and contracting plans. However in other regions, the relationships between these two key stakeholders are comparatively poor. Learners may seek guidance on areas of future demand in the local labour market from MSD, Career Services and the providers themselves.

Overall, the responsibility for attracting learners to the programmes is largely that of providers. Learners often learn about Training Opportunities and Youth Training programmes in a relatively informal manner.⁵ Frequently young people refer themselves through the guidance and advice of parents, teachers, career counsellors or friends. Older jobseekers also access Training Opportunities by self-referral or via MSD.

Learners come to these courses from a wide range of backgrounds and often have diverse needs and expectations. Students in all Training Opportunities and Youth Training programmes aim to achieve credits mostly at levels 1 and 2 on the NQF.

The types of training being offered vary. Training may include foundation skills learnt through generic, vocational, industry or work-based training. The type of training learners receive is generally tailored to their level of experience and need. Therefore not everyone on the same course is undertaking the same training, and a student may move between all three types of courses within the one programme.

⁵ AC Nielsen, *Training Opportunities: Research into longer term outcomes*, Skill NZ, Wellington, July 1999; Te Puni Kōkiri, *Training Opportunities and Youth Training*, Wellington, September 2001; ACNielsen, *Trainees' perceptions of the Effectiveness of Training Opportunities*, 2001.

CASE STUDY

Successful Māori learning environment

Te Runanga O Te Arawa, a Rotorua training provider, runs a Training Opportunities Te Reo programme. The two-year course progresses from level 1& 2 in the 1st year, to a level 3 qualification in the 2nd year. This has proved very popular with the trainees taking part, with many going onto Diploma or Degree courses in Te Reo.

The learning environment is orientated around whānau and taha Māori concepts, creating a traditional learning environment for the trainees. This allows them to grow and expand their knowledge in comfortable and conducive surroundings. The trainees are predominantly 25 years and older. At least 65 % of the trainees move onto other courses at Whare Wananga or Polytechnics or into employment with Kohanga Reo or other Iwi organisations.

Training is also progressive, so that learners may begin on a foundation skills course, then move onto a more vocationally-focused course, before undertaking some work-based training. Learners usually learn in small groups, the style of learning is generally practical and hands-on and the tutors often have industry experience. There are also a growing number of tutors who have tertiary-level teaching qualifications.

Many providers have effective links with local employers that provide learners with employment opportunities, or alternatively, they are able to assist learners to move into higher level education at level 3 or above on the NQF. A large number of providers are effective in supporting Māori and Pacific learners to achieve positive outcomes, by providing a culturally-supportive environment where trusted tutors develop strong caring relationships with learners within the context of their whānau/family. Many of these providers demonstrate the principles of whānaungatanga and manaakitanga as part of their holistic approach to learning, and have developed a whole infrastructure around ensuring Māori and Pacific learning environments are accessible to learners.⁶

⁶ These two values underpin the Māori pedagogy of learning. Whānaungatanga can be translated as the principle of relationships and the reciprocal transfer of knowledge. This involves establishing common links, such as extended family, within the learning environment and building on those links. Manaakitanga can be translated as the principle of having regard to the needs of the whole person, including non-learning related needs, and then assisting to meet those needs by caring for others and extending hospitality.

Directions for future delivery of the programmes

This section addresses options for ways in which the pathways into and out of training and the quality of the learning might be improved. There is a range of options, from promulgation of current good practice and enhancements to existing processes to more major changes to the way the programmes operate.

Some of these options have resource and administration implications and would require further consideration before being adopted. The Review Team believes that further consultation on a range of options, and the relative priorities of those options, would be very helpful in identifying a course of action.

How can the pathways into Training Opportunities and Youth Training be improved?

There are a number of pathways into Training Opportunities and Youth Training for learners, including self-referral, the advice of parents, teachers, career counsellors or friends, or referral through MSD. Ultimately it is the responsibility of providers to fill places on their courses.

Improving links between schools and Youth Training

Consultation identified that strong links between schools and local Training Opportunities and Youth Training providers were important so that students for whom school is no longer a viable option could benefit from Youth Training courses.

The Review Team considers that the ideal place for all young people to acquire foundation skills is in the school system. Schools need to improve their responsiveness to the diverse needs of all learners and ensure that young people are gaining foundation skills while at school.

The Review Team acknowledges that a significant number of students are currently not succeeding in the school system, and consider that – where students are at risk of educational failure and of leaving school – action needs to be taken to ensure they access alternative learning, such as Youth Training courses. The Review Team is concerned that young people should not spend prolonged periods out of employment or education. Ensuring that young people have access to appropriate learning opportunities should be a priority for all organisations concerned, including TEC, schools and the Ministry of Education.

To improve the pathways between school and Youth Training, closer links are needed between schools and providers, to ensure students are supported to move onto Youth Training programmes. There are several instances of good relationships around the country, however, this practice needs to become more widespread. It is also important that schools have access to the most up-to-date information about courses available in their area in order to provide students with useful advice. Some schools actually offer Youth Training because they want to ensure their students access alternative learning opportunities, with 11 schools currently delivering Youth Training and 15 schools delivering Training Opportunities. The Review Team is keen to ensure the pathways for school leavers are improved and is interested in feedback on the range of approaches that could be adopted to achieve this.

CASE STUDY

Finding a Learning Pathway: Whangarei

The Northland region has the country's highest number of students leaving school with no qualifications. A recent Youth Training initiative aimed to pick up school leavers as or before they left school and provide them with mentoring and support to move them onto an identified career path.

A partnership was established between Skill New Zealand and the Careers Service to identify and support early school leavers from some Whangarei secondary schools. Up to six weeks in-depth support, including career guidance and mentoring was offered to nine school leavers.

Individual and group sessions were held with the nine school leavers to find appropriate learning pathways for them (including Youth Training). These sessions included a chance for the young people to create a new picture of themselves as learners and workers.

Three months after the pilot was introduced, half of the young people are in full-time training and two have gone to full-time employment in the retail sector.

Initiatives to better track school leavers

A key barrier to young people accessing Youth Training courses when they have dropped out of school is the difficulty of locating them and providing them with information and advice about possible future pathways. There is currently no single mechanism for tracking students once they leave school, or for accurately calculating the number in this group who are outside the workforce, registered as jobseekers, or engaged in tertiary study.

Generally, young people are less likely to register with MSD because they are not eligible for the unemployment benefit until they are 18 years old. Another concern is that there is currently no way of tracking young people who move between Youth Training courses without having a clear plan.

The Government has developed initiatives at national and local level to address the needs of at-risk young people but there is still much to be done. The Review Team endorses initiatives that track the pathways young people follow after school, including:

- The National Student Index (NSI) will introduce one common identifying number for each learner that can be used by NZQA, tertiary education providers and the Ministry of Education/TEC. This identifying number will be used to record all learning undertaken by a student from NCEA level 1 onwards. Tertiary providers will be able to log this information directly onto the NSI or they can send the information to NZQA. A pilot currently underway excludes younger students who have not completed any NCEA achievement standards but it may be extended to include those in compulsory schooling.
- Skill New Zealand and Career Services are conducting the 'Destinations and Tracking Pilot'. Students in the pilot are being asked about their plans for the future before they leave school. Next year, Career Services will check on their progress and provide targeted career information and advice as needed.
- In Whangarei, Skill New Zealand and Career Services are providing local secondary schools with intensive career guidance and mentoring for youth 'at risk'. The participants in the pilot have achieved good outcomes such as entering part-time work, returning to school or entering further training.
- In the Bay of Plenty, MSD is running a pilot to encourage young people to register with them. Once they are registered, MSD staff can assist them in seeking further training or employment.

Improving the number of referrals

A number of providers expressed concern about the current referral process. The number of referrals from MSD to Training Opportunities programmes is lower than expected, although they are increasing slowly over time. The referral rates vary significantly between regions. The number of actual referrals from MSD is likely to be higher than is recorded as case managers may encourage people to consider the options available to them and they then refer themselves to programmes. In addition many young people who are eligible for Youth Training do not have regular contact with MSD and therefore are unlikely to be referred through this pathway.

While there are a number of issues that would have to be taken into account, the Review Team considers that options for aligning the MSD targets and Skill New Zealand/TEC outcomes should be considered as a way of improving referrals. This could encourage all parties to work co-operatively to ensure a sustained outcome for an individual. Processes for this alignment are discussed further in the Outcomes section of this paper.

Another way of improving referrals is for MSD case managers to have easily accessible information on the Training Opportunities and Youth Training programmes. Skill New Zealand developed a web directory of providers, specially designed for MSD case managers. However, some branches of MSD have limited access to the internet and therefore this website, and MSD is currently working through this issue. This website provides a daily update of training vacancies and course descriptions. Another valuable source of information is the Career Services website, “KiwiCareers” which provides information on courses, job vacancies, job descriptions and has links to job search engines. The Review Team suggests that resources and information are made available to and used in more MSD offices.

Better alignment of career and learning plans

Through the consultations, and as identified by TEAC, it is generally agreed that career planning⁷ was important for all learners. Ideally, these career plans should incorporate a tailored, coherent plan for raising their skill levels to the point that they are able to gain sustainable employment or participate in further education.

Currently, there are a number of approaches to providing career and learning planning for Training Opportunities and Youth Training learners. MSD develops Jobseeker Agreements and often refers people to careers counselling. Careers Service offers careers advice and guidance to particular groups, and Training Opportunities and Youth Training providers develop Individual Learning Plans. The Review Team considers that it is important that all learners have the opportunity to have a coherent career and learning plan developed for them. This plan should be recognised by all relevant organisations and any divergences between them resolved in order to best support the learner’s progression to employment.

For career planning to be effective, the advice given to learners needs to meet a learner’s needs, include longer-term objectives and respond to changes in those needs. This type of individualised career planning requires significant resourcing particularly in the short term when establishing systems. However in the longer-term, well targeted and timely career advice may greatly improve the efficiency of our training system and employment market.

⁷ The term is used broadly to include identification of future work objectives of the learner, learning needs, employment opportunities and possible pathways to achieve these.

CASE STUDY

Increasing Work Confidence for West Coast Unemployed: Greymouth

A co-operative approach from Skill New Zealand, Career Services and the Ministry of Social Development, aims to assist very long-term unemployed in the Greymouth area.

Fifteen people who had been unemployed for periods ranging from four years to twelve years were referred by MSD. Skill New Zealand worked with Career Services through Training Opportunities to provide a four-week motivational programme for the selected trainees. This was followed by an eight-week period where MSD worked in conjunction with Career Services on an individual basis with trainees to provide further motivational training, workplace experience and an individual pathway plan.

After three months, 33% of trainees have found employment and 47% have gone onto further training.

The trainees have found positions in the hospitality, service and horticulture industries. The trainee who had the longest unemployment registration of twelve years went onto further his computer skills by undertaking computer training.

The success of this initiative has led to similar programmes being run in the Motueka and Nelson areas.

Ideally, career planning will occur before people begin Training Opportunities and Youth Training programmes. This would ensure that the training is targeted at meeting the learner's needs. Preliminary findings from the Whangarei Career Services pilot on providing career guidance suggests that if young people receive guidance prior to entering Youth Training, they are more engaged in their chosen programme of learning. Some jobseekers receive careers advice and/or guidance to assist in securing a stable employment outcome. Where this is the case, these plans could be built upon by Training Opportunities and Youth Training providers.

Learners in Training Opportunities and Youth Training programmes may have developed a learning or career plan in discussion with the various agencies they have contact with. Many schools have career counsellors who assist learners to develop learning plans. Similarly, many people who register with MSD develop a Jobseeker Agreement that outlines a proposed pathway for finding employment. In addition, participants in these programmes develop an individual learning plan with the help of their providers.

However, the focus and purpose of these various plans and agreements vary greatly. Furthermore, they do not result in the sharing of commitments entered into by the various agencies. Undoubtedly more consistency between the plans of the agencies involved with this client group would improve pathways into and out of Training Opportunities and Youth Training. Overall, this suggests that a flexible approach to career planning is important.

In principle, the Review Team sees merit in:

- better aligning of career and learning plans (including Jobseeker Agreement, the provision of career counselling and the Individual Learning Plan)
- providing some level of career guidance for all Training Opportunities and Youth Training learners (nature, scope and intensity will vary according to individual learner needs)
- providing clear pathways for learners to take advantage of learning and employment opportunities.

There are other factors to consider in bringing together these various plans. These include privacy issues, additional costs that may be incurred, the capability of Training Opportunities and Youth Training providers to develop longer-term career plans and ensuring the primary purpose of each type of plan is safeguarded. These plans must remain responsive to changes in the learners' needs.

Better alignment of these plans also depends on stakeholders building strong relationships. These key relationships include those between providers, Skill New Zealand, MSD, iwi and other community groups. A strong focus on the needs of the learners on the part of all those involved with these programmes should facilitate co-operation between stakeholders.

There are a number of initiatives already underway which illustrate greater coordination and understanding between government agencies. For example in Greymouth, a pilot is being run that aligns Skill New Zealand's Individual Learning Plan and MSD's Jobseeker Agreement.

Improving the quality of the learning process

This section considers ways in which the quality of Youth Training and Training Opportunities can be improved, including options for:

- provision of foundation skills training
- ensuring quality of learner support and processes
- improving quality assurance processes.

Improving the provision of foundation skills

A key feature of Training Opportunities and Youth Training is the variety of contexts where training takes place. In particular these programmes offer the chance for many people to learn on the job. This approach is especially relevant for some industries, where on-job training is crucial for gaining the skills required for employment. There is also considerable evidence that it is easier for some learners to acquire foundation skills, such as literacy and numeracy, when their learning is contextualised in a workplace or local community setting.

For these reasons, a key goal in the provision of foundation skills must be to ensure that a wide range of contexts and approaches are available for learners (eg, work-based, small group situation, larger classroom-based learning, marae-based, etc).

Evidence suggests that for many learners with low levels of foundation skills, for example literacy, a significant investment of time and assistance by skilled tutors is needed to lift their foundation skill levels. This requires a related size of investment by Government, and indeed Training Opportunities and Youth Training represent the largest amount of resource that the Government currently allocates for foundation skills development in the post-compulsory sector.

At present there is no formal, nationally-recognised system for assessing the foundation skills component of any credits learners achieve, or any means of knowing whether learners achieve these skills while on Youth Training and Training Opportunities programmes.

The development of the NCEA will have a major impact on this issue, as NCEA level 1 includes 16 credits of core literacy and numeracy learning out of a total of 80 credits. If learners choose to study towards the NCEA, they will be required to complete these units to achieve the qualification. The adoption of similar core elements within Youth Training and Training Opportunities programmes for those who lack foundation skills would be consistent with the NCEA, and should be considered as a possible future option.

Supporting learners

One of the strengths of Training Opportunities and Youth Training is their ability to provide learning within a supportive environment. Many learners that enter these programmes have multiple barriers to learning as well as a lack of foundation skills. These may include drug and alcohol addictions, criminal offending, abuse, health, severe behavioural and other social problems. The programmes provide an opportunity to address these barriers through holistic approaches and the involvement of whānau and communities. Until these barriers are addressed, it is difficult for the learner concerned to begin formal learning. While many providers offer assistance of this type, they are often constrained by lack of resourcing, expertise or access to relevant agencies.

It is vital that Training Opportunities and Youth Training continue to address multiple learning barriers where they are present. It is also important that this support work is taken into account in funding and administrative arrangements for providers. Some options for achieving this include:

- providing greater flexibility around the outcomes, and the time taken to meet those outcomes
- providing access to additional resourcing for non-learning support
- improving access to non-learning support services that already exist. Other government agencies such as Housing New Zealand, Child, Youth and Family, and Police Youth Aid often play a significant role in assisting with reducing the barriers to learning. The Review Team recognises the need for strong links between these government agencies and providers
- continuing to improve the capacity of providers to be responsive to individual needs and where appropriate to refer learners to other agencies that can provide more in-depth assistance.

Another feature of these programmes is the way that providers can tailor training to meet the cultural needs and aspirations of learners. This holistic approach helps build self-esteem and motivation among learners and helps them complete their training and move into further learning or employment. In order to remain in tune with the needs of learners, providers often maintain close relationships with iwi, Pacific peoples and the community. The Review Team supports continuing efforts to improve links with iwi and communities (eg, Pacific peoples, urban Māori) as crucial to ensuring that the needs of students are addressed in the best possible manner.

Quality assurance processes

Although many Training Opportunities and Youth Training providers have achieved success for their learners, there remain negative perceptions in some sections of the community about the quality of the programmes.

This has meant that the programmes may not enjoy the profile they deserve in the community. The Review Team suggests that the profile of both programmes needs to be raised. This situation may be helped by the establishment of the Tertiary Education Commission (TEC) which will enable foundation programmes such as these to be promoted alongside other forms of provision as part of an integrated tertiary sector.

In terms of current practice, NZQA and Skill New Zealand both monitor the quality of these programmes through a number of mechanisms.

All Youth Training and Training Opportunities providers must meet NZQA's registration and accreditation requirements. In recent years these requirements have been further refined and now providers are also audited to assess whether they meet quality standards. Ongoing work is proceeding within NZQA to further improve audit, moderation and monitoring processes.

Skill New Zealand also plays a role in maintaining the quality of the programmes. It monitors the outcomes providers achieve and the number of learners entering and exiting the programmes. Skill New Zealand also responds at a local level to any issues that arise for learners, the community or other government agencies about the programmes. These may include concerns about the quality of learning, the capacity of the provider and possible concerns from the learners.

The Team supports moves to enhance current quality assurance and monitoring processes. It is also mindful of the need to encourage debate and discussion about these important issues to share understandings and promote good practice.

Pathways to work/further training

A number of factors impact on the likelihood of Training Opportunities and Youth Training learners finding employment or going on to further education after their training. Training delivery is one, but systems and attitudes outside the programmes can also have a big influence.

Further learning

On both programmes, learners achieve NZQA credits that allow them to pathway onto other tertiary providers. In 2000, 22 percent of Youth Training learners and 11 percent of Training Opportunities learners continued their learning outside Training Opportunities and Youth Training courses respectively.

However, some learners have reported having to repeat the same units they have already achieved on their programmes with other tertiary providers. NZQA is attempting to reduce this problem by improving credit transfer arrangements between providers.

There may also be issues about credits gained in Youth Training and Training Opportunities programmes not being recognised by other tertiary providers. This may be due to perceptions that the quality of the programmes is not high compared with other tertiary options. While the extent of this problem is unclear, it is an issue of concern to the Review Team. Quality assurance work by NZQA and Skill New Zealand has a continuing role to play in this regard. Further, the recognition and transfer of trainee credits should also be improved by the integration of unit standards into the NCEA and the integration of foundation education within TEC.

Current evidence also suggests that some learners have difficulty progressing onto higher levels of learning beyond the levels 1 and 2 offered in Youth Training and Training Opportunities. One reason these people may find it difficult to make the transition to higher level education is because they learn best within a supported environment. The transition between levels 2 and 3 of the NQF is significant, as students are expected to complete a greater amount of self-directed learning. This suggests that there is a role for Youth Training and Training Opportunities programmes to do more to bridge this gap and support their learners into level 3 qualifications. Providers could assist learners to enhance their self-directed learning skills and give them the confidence to continue with level 3 qualifications with another tertiary provider. The provision of bridging courses at level 3 or 4 could also be appropriate.

Enhanced post-placement support

The issues paper also identified that some form of post-placement support may be needed for some learners to ensure their continued success in further education or employment. Post-placement support can involve a number of activities including increased assistance to learners in employment and tertiary education courses; providing mentoring and advice to learners once they are settling into a routine of a job or more intense study; and following-up for a period after the course was completed.

Some providers already undertake informal post-placement support and follow-up of their learners. Both Skill New Zealand and the Ministry of Social Development have been trialling ways to improve post-placement support. However, such support often requires considerable resources (human and financial) and many providers struggle given their resource constraints.

The Review Team sees value in the concept of post-placement support as a way of sustaining the outcomes learners may achieve. Possibly, payments for outcomes could be structured so that providers receive an initial payment for placing people into employment or further education and then receive an additional payment for the learner sustaining that outcome over a period of time. This would encourage providers to support the learner once they had left the programme. However, this would require excellent tracking systems of learners to be in place.

Enhanced ability to continue learning whilst in employment

Learners in Youth Training and Training Opportunities programmes may gain employment opportunities whilst they are still in training. The Review Team supports people gaining employment but it is also keen that these people are able to continue to build their skills whilst working. Completion of qualifications can improve a person's long-term employment prospects. However, without support from employers, it can be difficult for people to complete qualifications once they have entered employment. Therefore the Review Team would like options for reducing barriers to continued learning to be considered.

Sometimes Youth Training and Training Opportunities learners gain casual or part-time employment whilst in training. The Review Team consider that this kind of arrangement is a good pathway for learners onto gaining long-term outcomes, as part-time work is a useful way for people to gain work experience and learn some of the less tangible skills required for work. Work experience can further enhance learning by enabling learners to apply their developing skills in a work context. In addition, part-time work provides some learners with the additional finances they need to complete their training. This is particularly beneficial for young people who are not eligible to receive the unemployment benefit. However, working part-time while training may have implications for adult learners in terms of their benefit and work-test obligations.

There are other issues to consider as well. While many employers will support existing staff undertaking training, they may be reluctant to support a new employee who has not had an opportunity to prove themselves within their organisation. Training is often a reward for more established employees.

As a good practice example, the employer, Carpet Court in Dunedin identified a potential skill shortage in carpet layers. Carpet Court worked with Skill New Zealand, MSD, Salvation Army Employment Plus, several flooring contractors and the Flooring ITO to design a training programme to fill the skill gap. Training Opportunities learners went through this programme and were then staircased into Modern Apprenticeships and employment.

Part of the success of the Dunedin project was the close links between the Training Opportunity providers and the employer from the outset. The Review Team suggests that such practices may be the key to sustaining employment outcomes from the programme and should be adopted across Training Opportunity and Youth Training programmes. In addition, these interactions should continue to be facilitated and supported by Skill New Zealand and MSD staff.

One option is to offer incentives to employers to allow learners to finish courses whilst being employed with them.

Perhaps a financial incentive could be offered to some employers for programme learners to finish their learning. This incentive could take the form of a 'wage subsidy' where part of the learner's wages were paid for until they completed their qualification. There are also drawbacks in this approach. Wage subsidies are an expensive form of assistance, therefore there would be financial risks associated with making this assistance available to all Youth Training and Training Opportunities learners. If this assistance was not carefully targeted it could create incentives for people to try and get a job before they have finished training.

CASE STUDY

Finding Training Solutions at the Carpet Court: Dunedin

Dunedin Carpet Court approached Skill New Zealand and MSD to discuss ongoing concern about the ageing workforce, (average 40 to mid 50s) the lack of industry training, and the difficulty in recruiting suitable staff willing to train. They expressed an immediate need for three to four carpet layers.

Consideration of training options indicated that it would be best to use existing Work-Based Brokerage places with a training provider and for Carpet Court to provide specific industry skills in the workplace. The Flooring ITO also supports the training programme.

A process for recruitment and course design was established in consultation with the provider, Carpet Court, MSD and Skill New Zealand.

Each trainee has an individual training plan and uniform supplied by the provider and a toolbox and tools supplied by the employer. The employer employed a part-time tradesman to tutor the trainees in specific trade skills.

At the conclusion of the training, all five trainees were signed into Modern Apprenticeship training agreements with the flooring industry.

Proposed areas for consultation

The Review Team proposes that the delivery of Youth Training and Training Opportunities training should include a variety of pathways to work and further education that suit individual learners' needs.

To achieve this aim, the Review Team supports a diversity of provision which incorporates the necessary support systems to facilitate learning. The Review Team acknowledges that many aspects of the current delivery of training work well and the strengths of the programmes should be maintained.

A number of the proposals which would enhance education and work opportunities for learners during their training and after they complete their training, could have significant resource implications.

The Review Team welcomes feedback on these proposals and is interested in learning how stakeholders would prioritise these suggested enhancements.

QUESTIONS

How can delivery of the programmes be improved? Please comment on any or all of the following options and ways to achieve them:

- better sharing of best practice in the delivery of such programmes
- take steps to raise the profile of Training Opportunities and Youth Training
- create improved links between schools and Youth Training to improve pathways into these programmes
- better align MSD and Skill New Zealand outcome measures to improve co-operation in referring people from MSD to such programmes
- ensure all Training Opportunities and Youth Training learners have a career and learning plan developed for them that each key agency is committed to, and which outlines clear pathways and progressions to employment
- make core literacy and numeracy credits compulsory within Training Opportunities and Youth Training
- upgrade the social support provided to learners and access to it
- upgrade quality assurance standards and systems
- upgrade post-placement support services for learners once they have gained employment or further education
- enhance support of learners into level 3 courses to improve the pathways into further learning and other tertiary courses
- improve the opportunities where learners can continue to acquire foundation skills on the job, including in part-time employment
- improve opportunities, where appropriate, where employers can assist learners to continue to acquire foundation skills on the job
- provide some incentives for employers to continue foundation skills training for learners who have obtained employment.

Which improvement in your view would make the most difference?

Are there other improvements to delivery you would like to suggest?

CHAPTER FIVE

ADMINISTRATION AND RESOURCING

This section explores ways in which the current administration and resourcing of Youth Training and Training Opportunities programmes might operate more effectively and efficiently.

Introduction

In 2002, Youth Training and Training Opportunities are to be integrated more fully within the tertiary education system. Government is establishing a Tertiary Education Commission which will incorporate Skill New Zealand. It has also been decided that all tertiary education providers will be required to have charters and profiles.

The fourth TEAC report, *Shaping the Funding Framework*, has also been received by the Review Team. As indicated earlier, public consultation on TEAC's recommendations are taking place at the same time as this Review Team's consultations.

TEAC has proposed:

- that Youth Training and Training Opportunities programmes give greater emphasis to educational outcomes
- the greater integration of the administration and funding of these programmes within the tertiary education system
- the development of a common system of negotiation within the tertiary education system using charters and profiles
- a nationally-set subsidy per student, which would vary according to the needs of the student, and
- reducing the costs of administration by using systems more applicable across the tertiary education system.

Current administration/funding

The key features of the current administration and funding system for Youth Training and Training Opportunities are that the programmes:

- provide for learning to be arranged through an annual regionally-based contracting round
- are resourced by a 'capped fund' which supports a limited number of learners annually, and
- are negotiated with providers on a regional basis leading to variable prices between courses.

Youth Training and Training Opportunities programmes are currently administered by Skill New Zealand (formerly known as Education and Training Support Agency (ETSA)). \$97 million is provided within Vote: Work and Income for Training Opportunities, which Skill New Zealand administers through a memorandum of understanding with MSD/WI. \$65 million is provided for Youth Training, which Skill New Zealand administers, from Vote Education.

MSD Regional Commissioners also purchase \$24 million worth of employment and training-related initiatives to meet the needs of individual jobseekers and their local labour market. These initiatives include skills training, work confidence programmes, information services and job search skills programmes. The emphasis in training has been on particular skills to meet specific employment opportunities in the local labour market. Some providers have expressed concern about the differentiation between MSD programmes and Training Opportunities / Youth Training. For example, some feel they are competing for learners with MSD.

Since 2000, Skill New Zealand has initiated a number of changes to its administration. It has piloted the bulk-funded purchase of trainee weeks from providers, as opposed to purchasing particular courses from them. This enables providers to tailor training more to the needs of learners and to adapt to changes in those needs. There has been positive feedback on this development and it was more widely applied in 2001. In addition, Skill New Zealand is developing a new pricing framework, offering longer-term contracts and rolling purchases throughout the year.

Feedback on Issues To Date

Many of those consulted to date were concerned about the need for more integrated services and more co-operation between agencies in order to achieve the best solutions for those 'at risk'.

This involves collaboration between a wide array of agencies including government agencies (MSD, Skill New Zealand, schools, Careers Service and NZQA), providers, community organisations, Māori and Pacific communities. It was felt that co-ordination of effort between these groups was not all it should be, due to differing perspectives about the role and place of these programmes and differing planning and monitoring regimes. Te Puni Kōkiri's recent audit of Training Opportunities and Youth Training recommended that regional employers, industry groups and iwi organisations be invited as a matter of course to participate in Skill New Zealand's planning rounds for commissioning and purchasing Training Opportunities and Youth Training courses.

The New Zealand Association of Private Education Providers (NZAPEP) expressed concerns that the contracts currently lack transparency, involve high transaction costs, and lack the flexibility to meet the needs of learners and the labour market.⁸

Other stakeholders also expressed concerns about the responsiveness of the administration in adjusting to local changes in the labour market and in learner needs. Whilst there have been major changes in the delivery of programmes, some changes have been implemented unevenly.

The separation of the programmes between youth and older learners is also a cause of concern for some training providers.

⁸ NZAPEP, *Enabling Education Position Paper*, 11 September 2001.

There were also questions raised during the issues identification phase about the funding of Youth Training, Training Opportunities and related funding systems. In particular, the extent to which funding can cause behaviour that is contrary to the needs of learners. For example it has been suggested:

- funding mechanisms provide schools with an incentive to retain all students until 1 March when their annual funding is determined, but a reduced incentive to retain 'at risk' students beyond this date
- that funding may encourage Youth Training and Training Opportunities providers to hold on to learners when training has become of marginal value.

Some providers also believe that funding is insufficient to allow for further longer-term development requirements. Pacific providers, in particular, indicated they are concerned that the current funding levels do not allow for capacity building. Te Puni Kōkiri's audit also recommended that longer-term contracts be entered into with committed and successful providers to give training organisations more security and allow long-term planning by providers. A further recommendation was that support for the ongoing development of providers be undertaken, with greater emphasis placed on the sharing of information about successful practice.

A number of stakeholders noted that the programmes are unique in the way they link the education system with the labour market, and successfully cater for a group of people that face barriers to employment. The view was expressed that there is a need to ensure the benefits of many years of experience with these programmes are maximised, and that the strengths of the current programmes are retained and built on.

Review Team Response

The Review Team is seeking to address the following key question as a result of the issues raised above.

- Do the needs of this group of learners require that the current, comparatively high level of administrative support associated with these programmes be continued?

The Review Team's preliminary view is that in order to achieve the best results for Youth Training and Training Opportunities, there is a need to continue through TEC to invest in more intensive management and learning support, particularly at the regional and local level. This added level of support facilitates the complex linkages needed to successfully provide flexible, integrated solutions for this disadvantaged group of learners. This approach can be successfully continued within a system that uses charters and profiles as a key instrument by which the sector may be better connected and integrated in the future.

The Team generally favours the closer integration of these programmes within the tertiary education system. This will help reduce negative perceptions associated with such learning and enhance pathways into further education.

The Team, however, is also concerned about some potential consequences of integrating these programmes within the tertiary education system if it leads to greater sameness in the delivery of such programmes. In particular, the group of learners currently targeted by these programmes may be 'crowded out' by learners with less extensive needs. Another concern is that the programmes might lose their employment focus and result in fewer learners entering the labour market.

In the foreseeable future, the Review Team considers there may still be a case for a dedicated financial allocation for this group of learners that provides a continuing focus on their needs, even within an integrated system.

The Review Team has considered the concerns expressed by provider groups about the high transaction costs involved in running these programmes compared with programmes that are EFTS-funded. However, it considers that whilst there is a need to continually seek to minimise those costs, part of those costs are a consequence of the added value from more intensive management required to achieve a high level of outcomes.

The Team also notes the significant changes made by Skill New Zealand over the last two years to provide more flexibility for providers in meeting changing circumstances and in reducing administrative compliance requirements. It supports the ongoing desire to reduce compliance costs to a minimum, and to create a climate where innovation and excellence are fully supported.

The team, however, considers that there are some elements of those requirements that should be retained. For instance, the system of funding based on more frequent checks of the numbers of learners enrolled than with EFTS funding has some merit in a situation where there is no direct cost of withdrawal to the learner.

One of the ongoing tensions in the programmes is the need to balance responsiveness to short-term change with the need to give certainty for providers about programmes to be delivered in the future. This lack of certainty and the disincentive it creates for providers to invest for the longer-term could be significantly reduced through the wider commitment to a longer-term relationship by the TEC and through ongoing communication between it and individual providers.

The results achieved since the separation of Youth Training and Training Opportunities indicate that this move has ensured that training better meets the needs of young learners. The separate purchasing arrangements for Youth Training have also improved access to training for young people and enhanced the focus on those with the greatest needs, including under sixteen-year-old school leavers.

Although Skill New Zealand encouraged separate provision of programmes in the period immediately after the programme split, in more recent times some providers have run mixed-age programmes, although being funded separately.

The question arises as to whether the Training Opportunities and Youth Training programmes should continue to be split. On the one hand the separation has created a clearer focus on target groups and their different needs. On the other hand, there may be some added administration arising from separating them.

The Review Team is primarily concerned to ensure the focus on youth in particular is maintained, and that the split in programmes does not unreasonably restrict the flexibility to meet the needs of all learners – that is the existence of the two programmes does not inhibit the spread of good practice.

With regard to the funding transferred from Training Opportunities in 1998 to DWI (now MSD) for work-related training and other assistance initiatives, the Review Team considers such initiatives play a useful role in meeting changing local needs at the employment /education interface. It provides a chance for MSD to concentrate on particular skills to meet specific employment opportunities in the local labour market and the integration of efforts with Skill New Zealand.

The TEC should consider measures to strengthen the capacity of providers, for instance through promoting best practice. Whilst there is a need for innovation at local level, it is important that good practice is encouraged and spread on a national basis. The TEC has a vital role to play here. The recent work of Skill New Zealand in building provider capacity in the literacy area is a good example of such support.

Proposed key features for the future administration of Youth Training and Training Opportunities

The Team is concerned that improvements continue in the delivery of these learning programmes and in the results being achieved.

In order to maintain the momentum for improvement, the team considers that the level of administrative support both at the government and provider level should reflect the following requirements, which are crucial to the successful delivery of these programmes:

- the level of the learning support provided – success with this group of learners involves intensive support mechanisms that support and track the progress of the learner, and which ensure barriers to success are actively addressed
- achieving specific outcomes – the specification of clear measurable outcomes provides a clear common focus for the learner, the provider and the various agencies involved in assisting the progress of that learner
- the link between learning and work – this provides a close link to the major source of motivation for many learners. It also links this learning to broader government concerns about assisting this group of learners from dependence to independence
- a high level of accountability – this allows for a continuing focus on learner results, on what results are realistic in the local situation, and on what can be done to improve those results
- responsiveness to local conditions – this recognises that local needs and labour market conditions vary significantly. There is a need to establish and review changing needs at the local level
- the supportive learning environment – there is a need for a learning environment which is actively concerned with the various social and economic barriers faced by individual learners to making progress, and which provides them with a context in which they can develop their confidence to learn. In particular for Māori and Pacific learners, the learning can take place in a culturally-supportive environment that can further assist their personal development
- the tailored learning – individual learning programmes can reflect the particular needs of that learner, the learning styles that suit them, and the pace that they can make progress, and
- the diversity of provision to meet learner needs ranging from life skills to work-based learning – learning provision should reflect the wide variety of stages of development of the learners, and provide choices about the type of environment in which they wish to learn.

Proposed areas for consultation

The Review Team has made a number of suggestions about the future administration requirements for Youth Training and Training Opportunities within an integrated tertiary education system.

The Team welcomes feedback from stakeholders about features that might improve the future administration of these programmes.

QUESTIONS

Administration

- In your view, where do you consider significant improvements can be achieved in the administration and funding of such programmes, including the need for transparency and accountability?
- What do you consider are the key requirements for the future administration of such programmes?
- Should the programmes continue to be split between Training Opportunities and Youth Training?
- What are the advantages and disadvantages of the split?

