

Advice to the Tertiary Education Commission for 2026 investment



How to read this advice – advice categories

Hanga-Aro-Rau Workforce Development Council (WDC) provides annual advice to the Tertiary Education Commission (TEC) to inform their investment in Vocational Education.

Hanga-Aro-Rau submitted advice for 2026 investment on the 1st of November 2024. Hanga-Aro-Rau provided advice in the following areas:

- Funding to increase or decrease delivery (qualifications or credentials)
- Funding for new providers (to deliver qualifications or credentials)
- Changes to existing delivery of qualifications
- Funding for new qualifications
- Inform TEC of emerging skills needs and other major issues or projects in relation to skills development in Manufacturing, Engineering and Logistics.

Change of Provision

Advising where a change of provision is required to meet the needs of industry; increase, decrease of change. Cases of increase are qualifications or credentials for which Hanga-Aro-Rau is advising that the TEC seek to invest in to deliver a higher number of enrolments.

New Providers

Advising qualifications or credentials that may require new providers to ensure effective delivery for industry. This advice may impact the approval of new providers by TEC.

New Qualifications or Credentials

Advising where there are future qualifications or credentials that Hanga-Aro-Rau wishes the TEC to prioritise future investment in. Qualifications included may be under development, or development is expected to be undertaken in future.

Emerging Skills

Signal areas of significant future tertiary education and training needs you see emerging beyond 2026. This includes industry specific areas for which future development could be required, pending future industry input.

Contents

How to read this advice – advice categories 2
Change of Provision2
New Providers2
New Qualifications or Credentials2
Emerging Skills2
Contents
Qualification provision advice (give effect) 4
Development of this advice4
Overarching Advice4
Automotive
Commercial Transport
Engineering16
Extractives
Food & Beverage
Manufacturing
Marine
Ports
Supply Chain & Distribution
Emerging skills and other vocational education system issues
Emerging Skills – Cross Sector
Other vocational education system issues outside of TEC advice
Additional Context 46

Qualification provision advice (give effect)

Development of this advice

Hanga-Aro-Rau developed this investment advice for 2026 provision throughout 2024, building on the advice submitted in 2023. Workforce and enrolment data was combined with insights and priorities gathered through industry engagements to identify qualifications where changes in provision will help meet industry needs in the Manufacturing, Engineering, and Logistics sectors.

The advice has been structured according to Hanga-Aro-Rau National Industry Advisory Group (NIAG) industry groupings: Automotive, Commercial Transport, Engineering, Extractives, Food & Beverage, Manufacturing, Marine, Ports, and Supply Chain & Distribution.

Workforce data from Infometrics as of September 2024 was used to inform the advice, with 2023 as the base year. This data included historical and forecast measures of employment and total job openings¹. It was analysed alongside vocational education and training (VET) enrolment data sourced from the Tertiary Education Commission (TEC) via Ohu Ahumahi Shared Data Platform. This analysis examined how qualifications aligned with industry occupations to provide a clearer picture of future workforce needs. By comparing forecast job openings and enrolment trends and overlaying them with insights and priorities from NIAGs and industry engagement, Hanga-Aro-Rau was able to recommend changes to qualification provision expected for 2026.

All new qualifications developed by Hanga-Aro-Rau since the previous year's advice have been included in this year's recommendations, with suggested increases in funding to ensure TEC funding for new provision. These qualifications were created in response to identified industry needs, through collaboration between industry representatives and education providers within Qualification Advisory Groups.

Additionally, Hanga-Aro-Rau's provider engagement team sought input from education providers through a series of questions about delivery challenges and plans for offering new qualifications or credentials. Where relevant, this feedback was incorporated into the final advice.

Overarching Advice

Change of Provision

Hanga-Aro-Rau advised that funding for all Hanga-Aro-Rau qualifications not specifically listed in the following advice should be maintained. All qualifications and credentials developed by Hanga-Aro-Rau which are not listed in this section are expected to be delivered and funded at the current level of provision. Base year for provision in the advice is 2023.

¹ Total job openings estimates overall workers required in a sector as a result of job creation and replacement demand. It is the sum of new job openings and replacement job openings in a given year.

New Providers

Investment should support new providers or provision of new qualifications by existing providers where there is industry demand for skills and training, to ensure availability of a continuous pipeline of provision.

Emerging Skills

Can be found in the Emerging Skills – Cross Sector section.



Automotive

Change of Provision – Automotive

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Automotive Parts and Accessories (Level 4) (<u>5104</u>)	All	All	Increase	New Qualification - Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification / credential
New Zealand Certificate in Automotive Engineering (Level 3)	All	All	Increase to range from 2415 to 2610 learners per year.	The Automotive Engineering sector employed 20,914 people in 2023. Filled jobs in the sector increased between 2018-2023, growing by 9.9%, an increase of 1,884 filled jobs.	Priority in Plan Guidance
(<u>3097</u>)			Focus on completion rates to enable progression to enrolments in Level 4 qualifications.	Employment within the Automotive Engineering sector is forecast to grow, at a rate faster than the total economy.	
				6.9% growth 2023 – 2026 (increase of 2015 filled jobs, and 4952 total job openings)	
				17% growth 2023 – 2029 (increase of 3,553 filled jobs, and 9,926 total job openings)	
				This qualification plays a critical role in the pathways for all automotive engineering as it is the prerequisite for all the Level 4 Automotive qualifications.	
				 This qualification acts as a qualification entry pathway for the following occupations: Automotive electrician 	
				Motor Mechanic (general)	
				Diesel Motor Mechanic	
				Motorcycle Mechanic	
				These occupations represent 10,461 filled jobs in 2023 and 50% of all employment in the Automotive Engineering industry.	
				There were an additional 14,778 filled jobs for these occupations in other industries, totalling 25,239 filled jobs across the total economy. Even though these are not employed directly in the industry, this qualification is an important educational pathway for those roles.	
				Enrolments were 2,415 in 2023, declining 7% on 2022.	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				Enrolments peaked in 2021 at 2,705 annually, declining slightly in 2022 and 2023.	
New Zealand	All	All	Increase to range	See Automotive Engineering Sector overview in item 32.	Priority in Plan
Automotive Electrical Engineering (Level 4)			learners per year.	The New Zealand Certificate in Automotive Electrical Engineering (Level 4) (3460) aligns with the Automotive Electrician occupation.	Guidance
(<u>3460</u>)				Automotive Electrician is the 2 nd largest occupation employed in the Automotive Engineering industry, representing 1,372 filled jobs in 2023 and 6.5% of all employment in the sector.	
				There were an additional 656 Automotive Electricians employed in other industries, totalling 2,028 filled roles in the total economy. Even though these are not employed directly in the industry, this qualification is an important educational pathway for those roles.	
				 Enrolments have been increasing steadily since 2017, peaking in 2022 and 2023 	
				Employment in the automotive engineering industry is forecast to continue to grow	
				Enrolments in 2023: 265	
				 Forecast annual average job openings (Automotive Electrician, Automotive Sector only) (2023 – 2026): 82 	
				 Forecast annual average job openings (Automotive Electrician, total economy) (2023 – 2026): 122 	
New Zealand	All	All	Increase to range	See Automotive Engineering Sector overview in item 32.	Priority in Plan
Certificate in Light Automotive Engineering (Level 4) (<u>3450</u>)			learners per year.	The New Zealand Certificate in Light Automotive Engineering (Level 4) (3450) aligns most closely with the Motor Mechanic (General) occupation.	Guidance
				Motor Mechanic (General) is the largest occupation employed in the Automotive Engineering, representing 8,139 filled jobs in 2023 and 39% of all employment in the industry.	
				There were an additional 10,551 Motor Mechanics (General) employed in other industries, totalling 18,690 filled roles across the total economy. Even though these are not employed directly in the industry, this qualification is an important training pathway for those roles.	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				 Enrolments have been increasing steadily since 2017, peaking in 2023, where 53% were work-based 	
				Enrolments increase 4.9% between 2022 and 2023	
				• Enrolments in 2023: 1,070	
				Employment in the automotive engineering industry is forecast to continue to grow	
				 Forecast annual average job openings (Motor Mechanic (General), Automotive Sector only) (2023 – 2026): 606 	
				 Forecast annual average job openings (Motor Mechanic (General), total economy only) (2023 – 2026): 1,221 	
New Zealand Certificate in Heavy Automotive Engineering (Level 4) with strands in Road Transport, Plant and Equipment, Agricultural Equipment, and Materials Handling (<u>3118</u>)	All	All	Increase to range from 825 to 875 learners per year.	 See Automotive Engineering Sector overview in item 32. The New Zealand Certificate in Heavy Automotive Engineering (Level 4) with strands in Road Transport, Plant and Equipment, Agricultural Equipment, and Materials Handling (3118) aligns most closely with the Diesel Motor Mechanic occupation. Diesel Motor Mechanic is the 4th largest occupation employed in the Automotive Engineering sector, representing 756 filled jobs in 2023 and 3.6% of all employment in the sector. This may be understated due to the strong cross-over with Motor Mechanic (General) occupation and the range of heavy equipment this qualification serves. There were an additional 2,912 Diesel Motor Mechanics employed in other industries, totalling 3,668 filled roles across the total economy. Even though these 	Priority in Plan Guidance
				 are not employed directly in the sector, this qualification is an important training pathway for those roles. Enrolments peaked in 2023 at 825 annually. 	
				 Enrolments increased 20% year on year from 2022 to 2023 	
				 Employment in the automotive engineering industry is forecast to continue to grow 	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				• This qualification can serve as further specialisation for those already trained as Motor Mechanics or employed in the heavy automotive industry and serves a broad range of industries	
				 Forecast annual average job openings (Diesel Motor Mechanic, Automotive Sector only) (2023 – 2026): 43 	
				 Forecast annual average job openings (Diesel Motor Mechanic, total economy only) (2023 – 2026): 170 	
New Zealand	All	All	Increase to range	See Automotive Engineering Sector overview in item 32.	Priority in Plan
Certificate in Electric Vehicle Automotive Engineering (Level 5) (3915)			from 240 to 270 learners per year.	The New Zealand Certificate in Electric Vehicle Automotive Engineering (Level 5) (3915) provides specialisation education for Motor Mechanics (General) to work with Electric Vehicles – there is no current occupation code for EV mechanics.	Guidance
(<u>3913</u>)				The fleet of fully electric vehicles has increased significantly between 2017 and 2024, from 4,483 to 76,925, according to evdb.nz – a 1,616% increase. Including Plug-in Hybrids, this totals 110,131 in 2024. While the rate of increase for new EVs has reduced due to the removal of government incentives, the current and future stock will require ongoing mechanic skills to effectively repair and maintain.	
				Motor Mechanic (General) is the largest occupation employed in the Automotive Engineering, representing 8,139 filled jobs in 2023 and 39% of all employment in the industry.	
				There were an additional 10,551 Motor Mechanics (General) employed in other industries, totalling 18,690 filled roles across the total economy. Even though these are not employed directly in the industry, this qualification is an important training pathway for those roles.	
				• Enrolments have been increasing steadily since 2017, peaking in 2023 at 240	
				Enrolments grew 11.6% between 2022 and 2023	
				Employment in the automotive engineering industry is forecast to continue to grow	
				 Forecast annual average job openings (Motor Mechanic (genera), Automotive Sector only) (2023 – 2026): 606 	
				 Forecast annual average job openings (motor mechanic (general), total economy only) (2023 – 2026): 1,221 	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				In addition to this advice, Hanga-Aro-Rau has received industry feedback suggesting that further development may be required to effectively meet the current and future needs to repair and maintain EVs.	
				Hanga-Aro-Rau is working with industry to validate this need, and there could be future development which may impact future advice and demand for the existing qualifications.	
New Zealand Certificate in Collision Repair and Automotive Refinishing (Level 3) (<u>3008</u>), to be replaced by two new qualifications: a) New Zealand Certificate in Automotive Collision Repair (Level 3) (<u>4858</u>) b) New Zealand Certificate in Automotive Refinishing (Level 3) (<u>4859</u>) New Zealand Certificate in Automotive Refinishing (Level 4) (<u>3009</u>) New Zealand Certificate in Collision Repair (Non-Structural Repairer) (Level 4) with optional Strand in	Preference for work- based delivery. Need additional block course support for specialised skillsets within these qualifications that workplaces cannot provide in- house.	All	Prioritise investment in 3008 to replacement qualifications 4858 and 4859 once programmes are approved. Increase to range from 700 to 780 learners per year for qual #3008 and its replacements #4858 and #4859. Increase to range from 400 to 420 learners per year for qual #3009. Increase to range from 430 to 470 learners per year for qual #3011. Increase to range from 30 to 40 learners per year for qual #3012.	 The Collision Repair sector employed 9,794 people in 2023. Between 2018 and 2023, employment has been static. Employment within the collision repair sector is forecast to increase by 12.1% between 2023 and 2026, a growth of 1,188 additional filled jobs. This employment growth is forecast to continue out to 2029, with a very strong forecast increase of 16.2% between 2023 and 2029, growth of 1,589 filled jobs – this is faster than the forecast growth rate of the total economy over the same period (9.4%). The qualifications align most closely with the following occupations: Panelbeater Vehicle painter Industrial Spraypainter Level 3 qualifications are entry level and are pathways into further training at Level 4, sometimes via a combined programme. Together, these occupations represented 4,172 filled jobs in 2023 and 42.6% of all employment in the industry. There were an additional 1,458 Panelbeater and Vehicle Painter employed in other industries, totalling 5,630 filled jobs across the total economy. Even though these are not employed directly in the industry, these qualifications are important training pathways for those roles. Total enrolments in 2023: 1,570 Enrolments fell 4.8% between 2022 and 2023 Total enrolments for all qualifications in this sector increased between 2017 and 2022, peaking in 2021 at 1,695 annually, with most enrolments in complex apprenticeships. 92% of enrolments were work-based between 2017 and 2024 YTD. Panelbeater and Vehicle painter occupations were removed from Immigration GreenIst in April 2024, so this will likely limit the sector's ability to gain skilled staff via immigration. 	Priority in Plan Guidance



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
Structural Repair Technician (<u>3011</u>)					
New Zealand Certificate in Collision Repair (Structural Repair) (Level 5) (<u>3012</u>)					

New Qualifications or Credentials – Automotive

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Electric Vehicles	TBC	TBC	Qualifications and/or Micro-credentials	2025	Hanga-Aro-Rau is currently engaging with industry and providers around the development of qualifications and/or micro-credentials to provide training for the maintenance and servicing of electric vehicles for technicians, and skills and knowledge for EVs for non-technicians.

Emerging Skills – Automotive

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) e.g., WDC, providers etc
Driving Skills: endorsement qualification	Driving instructors	We are working with industry to review and combine unit standards to create a qualification for driving instructors. This will also provide a pathway for instructors to other areas of driver training, such as heavy vehicle and motorcycles.
Electric Vehicles	Motor mechanic, Automotive Electrician	Hanga-Aro-Rau is currently engaging with industry and providers around the development of qualifications and/or micro- credentials to provide training for the maintenance and servicing of electric vehicles for technicians, and skills and knowledge for EVs for non-technicians.



Commercial Transport

Change of Provision – Commercial Transport

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response April 2025
Heavy vehicle recovery skills (Micro-credential) (<u>4862</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Waste transport driver operations and safety (Micro-credential) (<u>4863</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Waste transport driver operations and safety using a left-hand waste collection vehicle (Micro-credential) (<u>4864</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Off-road heavy vehicle driving skills (Micro- credential) (<u>4865</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Health and Safety, and Regulatory Compliance for Commercial Road Transport (Micro- credential) (<u>5107</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Funding conditions state that TEC does not provide funding when the majority of the programme or micro-credential relates to health and safety or regulatory compliance learning.
Introduction to Dispatch Operations for Commercial Road	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response April 2025
Transport (Micro- Credential) (<u>5108</u>)					
Workplace Driver Trainer Skills for Commercial Road Transport (Micro- credential) (<u>5110</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Communicate to improve safety, compliance and performance in commercial road transport (Micro- credential) (<u>5109</u>)	All	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Data Collection and Analysis to Improve Performance in Commercial Road Transport (Micro- credential) (<u>5106</u>)	All	All regions	Increase	New micro-credential - Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
New Zealand Certificate in Maritime Crewing (Level 3) with strands in Deck Crewing, Engineering, Passenger Services, and Superyacht Crewing (<u>2506</u>) New Zealand Certificate in Domestic Maritime Operations (Restricted Limits) (Level 4) (<u>2505</u>)	More flexibility in provision is required to blend off-job provider- based training and recognising work-based training. Learners are often at sea for significant periods – provider-	Delivery in all regions; with particular focus on Northland and Marlborough.	Enable more flexible delivery models. Increase to range from 85 to 100 learners per year for qual #2506. Increase to range from 10 to 20 learners per year for qual #2513. Increase to range from 460-540 learners per year for qual #2505	 The Water Freight and Passenger Transport sector employed 2,273 people and contributed \$270m to GDP in 2023. The sector has grown significantly in the six years from 2018-2023, the workforce increasing by 22.1%; an increase of 412 employees, significantly faster than the growth rate of the total economy at 10.2%. Employment within the Water Freight and Passenger Transport sector is forecast to grow significantly: 11.1% between 2023 and 2026 – an increase of 253 filled jobs, significantly faster than the growth rate of the total economy at 4.4% 29.7% between 2023 and 2029 – an increase of 633 filled jobs These qualifications approximately align to the following qualifications – including acting as pathways to higher level training: Deck hand Ship's Engineer 	Priority in Plan Guidance



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response April 2025
New Zealand Certificate in Maritime Operations (Level 4) with strands in Fishing, and Watchkeeping(2513)	based training needs to align with the on-shore time of learners.			 Ship's Master Ship's Officer Within the Water Freight and Passenger Transport Sector: Forecasts show employment growth of 25.6% per year for the aligned occupations between 2023 to 2029 (617 to 775) Forecast annual average total job openings between 2024 and 2026 is 50 per year However, it's likely these qualifications act as a core pathway for these occupations, across the total economy: Forecasts show employment growth of 9.8% for the aligned occupations between 2023 to 2029 – an increase of 365 filled jobs Forecast annual average total job openings between 2023 and 2026 is 291 per year Enrolments: Enrolments have been steady between 2017 and 2023, at an annual average enrolment were 546 per year – the majority of the growth from 2505 Enrolments were 555 in 2023, down somewhat on a peak of 655 in 2020 Enrolments increased 18% between 2022 and 2023 	
New Zealand Certificate in Commercial Road Transport (Heavy Vehicle Operator) (Level 3) <u>(3089)</u>	Preference for work- based delivery	All regions	Increase to range from 150 to 300 enrolments per year	The sector has grown significantly in the six years from 2018-2023, the workforce increasing by 4.6%, 1,508 employees. Forecast employment in the Road Freight Transport sector is to grow 3.3% between 2023 and 2026 – an increase of 1,140 employees. 6.4% between 2023 and 2029 – an increase of 2,186 employees. The truck driver occupation approximately aligns with this qualification. In 2023, there are 30,474 people in this occupation across all industries in New Zealand. 44% (13,485) of all Truck Drivers (General) are employed in the Road Freight Transport sector. Within the Road Freight Transport sector, forecast employment in this occupation is increase of 1.7% from 2024 to 2029 (from 13,694 to	<i>Priority in Plan Guidance</i>



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response April 2025
				13,933). Across the total economy, this occupation is forecast to increase 0.7% (from 30889 to 31118 filled jobs) between 2024 and 2029.	
				 Forecast annual average total job openings between 2024 and 2026 is 804 per year within the Road Freight Transport Sector; 1,695 across the total economy 	
				Enrolments of 150 in 2023, falling 48% on 2022	
				 Annual average enrolments between 2017 and 2022 were 252. Enrolments were steady at 300 annually over 2019 and 2020 	
				Other factors impacting workforce are:	
				 In April 2024, Truck Driver (General), Furniture removalist, Tanker Driver and Tow Truck Driver were removed under the Transport Work to Residence Visa 	
				• There is a licensing system to enable employees to drive a truck, where this qualification is not required	
				Development of new micro-credentials will also play a role in meeting this need and assist with developing skills for this industry.	

New Providers – Commercial Transport

Qualification	Mode	Specific	Rationale for inclusion
New Zealand Certificate in Rail Infrastructure (Level 3) (4488)	Work-placed	All	Current data shows no enrolments in these qualifications.
New Zealand Certificate in Rail Infrastructure (Level 4) (4489)	based		



New Qualifications or Credentials – Commercial Transport

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Locomotive refinishing	TBC	Work-based	Micro-credential	2025	Three micro-credentials to develop skills of employees who paint locomotives

Emerging Skills – Commercial Transport

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) e.g., WDC, providers etc
Commercial transport forest entry qualification for logging truck drivers	Logging truck drivers	We are working with industry to explore a forest entry truck driving micro-credential. The Log Transport Safety Council recommended this as a stepping stone for learners to navigate their way through the Driver Pathway Accreditation Programme, in corporation with MITO.

Engineering

Change of Provision – Engineering

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Transport Engineering (Trade) (Level 4) (<u>5054</u>)	Preference for work- based delivery	All regions	Increase	New qualification – Industry need for Transport Engineering skills training.	Noted in Plan Guidance as new qualification/credential
New Zealand Certificate in Welding (Level 3) (<u>4605</u>)	All	All regions	Increase to range from 200 to 300 learners per year in Level 3 qual Increase to range from	 This qualification aligns with the following welding roles: Pressure Welder Welder Fitter-Welder 	Engagement (by TEC with providers) – small number of providers
New Zealand Certificate in Welding (Level 4) (<u>4606</u>)			150 to 250 learners per year in Level 4 qual	In 2023, there were 7,401 filled jobs in welding. Employment growth was moderate between 2018 and 2023, 4.2%, representing 296 filled jobs.	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage				TEC Response
				Employment in these roles is forecast to remain stable, about - 0.1% between 2023 and 2026, lower than growth in the total economy of 4.4%. Employment growth improves slightly towards 2029, with forecast increase in filled jobs of 1.8% between 2023 and 2029, 134 filled jobs.				
				2026. This is about 1,261 tota between 2024 and 2026.	l job ope	enings for the	se roles	
				Both these qualifications were 2022 and delivered by campu been growing in the last two y need:	e newly a is-based vears to r	pproved by I training. Enr neet the exis	NZQA in July olments have ting industry	
				NZQA qualification title	2023	2024 YTD July		
				New Zealand Certificate in Welding (Level 3)	95	245		
				New Zealand Certificate in Welding (Level 4)	55	185	-	
New Zealand Certificate in Fire Detection and Alarm Systems (Level 4) with optional strand in special hazards (<u>2575</u>) New Zealand Certificate in Fire Protection Systems Technology (Inspections) (Level 4) with strands in Fire Detection and Alarms Systems, and Fixed Fire Protection Systems (<u>2579</u>) New Zealand Certificate in Fixed Fire Protection Systems (Level 4) with optional strand in Special	All	All	For all level 4 qualifications increase to range from 400 to 550 learners per year Increase to range for level 3 qual #2580 from 50 to 80 learners per year Focus on improving completion rates for all qualifications	The Fire Protection sector em Between 2018 and 2023, emp the rate of the total economy Employment is forecast to gro of 230 filled jobs compared to In 2023, there were 2,258 fille Employment growth was high representing 322 filled jobs. E to increase by 4.6% from 202 the total economy of 4.4%. Er with about the same level of ff Forecast annual average tota 2026. Enrolments in these qualificat	ployed 4 bloyment (10.2%). w 4.8% total eco total eco total eco mployme 3 to 2020 mployme illed jobs I job ope	4,781 people is grew 11.2% from 2023 to ponomy foreca trades and t 18 to 2023, a ent in these r 6, about the s nt level flatte (2,354) as ir nings is 113 e been consi	in 2023. – faster than 2026, a growth ast 4.4%. rechnical roles. at 16.6%, roles is forecast same growth as ons out to 2029, n 2024. from 2024 to istently over	Engagement (by TEC with providers) – small number of providers



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
Hazards Fixed Fire Protection Systems (<u>2577</u>)				ITR programmes in group "Fire Protection & Detection" across Levels 3 and 4 have a programme completion rate of 34.3%.	
New Zealand Certificate in Passive Fire Protection Systems (Level 4) with strands in Routine Compliance Inspections, and Construction Monitoring (<u>2581</u>)				 2022 - 40.9% 2023 - 33.5% 	
New Zealand Certificate in Hand Operated Fire Fighting Equipment (Level 3) (<u>2580</u>)					
New Zealand Certificate in Fluid Power engineering Fundamentals (Level 3)	All	All All	Increase provision as this is a new qualification, which was previously an unmet industry need	The Mechanical Engineering sector employed 24,375 people in 2023. Between 2018 and 2023, employment grew 8.9% – slower than the rate of the total economy (10.2%).	Engagement (by TEC with providers) – small number of providers
(<u>4777</u>)				Employment is forecast to grow 3.1% from 2023 to 2026, a growth of 756 filled jobs compared to total economy forecast 4.4%.	
				In 2023, there were 16,764 filled jobs in trades and technical roles aligned to this qualification. Note – this qualification serves a subset of these occupations (fluid power).	
				Employment growth was high from 2018 to 2023, at 12%, representing 1792 filled jobs. Employment in these roles is forecast to increase by 2.9% from 2023 to 2026, and 6.5% (1084 filled jobs) between 2023 and 2029.	
				Forecast annual average total job openings is 831 from 2024 to 2026. Fluid power-specific roles would be a proportion of the above total job openings.	
				Enrolments in this qualification have only started in 2024, at 10 according to current data. Enrolments are expected to increase due to new qualifications meeting previously unmet industry need.	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Cert in Engineering Fabrication (Trade) (Level 4) with strands in Heavy Fabrication, Light Fabrication, and Steel Construction (<u>2719</u>)	Preference for work- based delivery	All regions, specific focus in Otago, Southland	Increase to range from 1,600 to 1,800 enrolments per year Focus on improving completion rates	 The sector grew in the six years from 2018-2023, with the workforce increasing by 10.5%; an increase of 1,378 filled jobs – slightly faster than the growth of the total economy at 10.2%. Employment in engineering fabrication roles is forecast to increase 2.2% between 2023 and 2026, an increase of 315 filled jobs. Growth is forecast to be stronger post 2026 – an increase 7.1% between 2023 and 2029; an increase of 1023 filled jobs. Enrolments peaked at 1670 in 2023 Enrolments for 2719 increased 8.5% between 2022 and 2023 Including enrolments for 122 national certificates being phased out, annual average enrolments were 1419 between 2017 and 2023 Annual average forecast total job openings is 470 for occupations aligned to this qualification between 2023 and 2026 In total, between 2024 and 2026, engineering fabrication sector will need to fill 1,269 roles for the occupations aligned to this qualification to meet growth in new employment and replace those leaving jobs. 	Engagement (by TEC with providers) – small number of providers
New Zealand Certificate in Refrigeration and Air Conditioning (Trade) (Level 4) (<u>2366</u>)	Preference for work- based delivery	All regions	Increase to range from 750 to 1,000 enrolments per year, with focus on improving completion rates	 The Refrigeration, Heating, Ventilation and Air-conditioning industry has grown significantly in the six years from 2018-2023, the workforce increasing by 13.4%, 1,060 employees. Employment is forecast to grow 6.6% from 2023 to 2026, a growth of 589 additional filled jobs compared to total economy forecast 4.4%. Growth flattens out towards 2029, with forecast increase in filled jobs of 7.1% from 2023 to 2029, 639 filled jobs. Occupations in this industry that align to this qualification are: Air conditioning and refrigeration mechanic Mechanical engineer Forecast employment in this occupation is increase of 1.4% from 2024 to 2029 (from 2.615 to 2.652). Annual average forecast total 	Engagement (by TEC with providers) – small number of providers



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				job openings for these occupations is 111 per year from 2024 and 2026.	
				Changes to the <u>Refrigeration Licensing system</u> taking effect in 2023, meaning technicians will need to be licensed in 2027.	
				Enrolments were 745 in 2023, decreasing by 32.9% from previous year.	
New Zealand Certificate in Mechanical Engineering	Work-based for both	All	Increase to a range from 2,465 – 2,800	In 2023, there were 23,216 filled jobs in trades and technical roles aligned to this qualification.	Engagement (by TEC with providers) – small
(Trade) (Level 4) with strands in Fitting and machining, General Engineering, Machining, Maintenance Engineering, Metal Forming, and Toolmaking (2714)qualificationsImprove regional access to block cou including Auckland based blo courses for machiningNew Zealand Certificate in Mechanical Engineering (Advanced) (Level 5)New Zealand Certificate in block cou courses for machining	regional access to block courses; including Auckland	learners per year for #2714 Increase to a range from 80 – 120 learners per year for #2716	Level 3 qualification (2715) primarily acts as a pre-trade pathway; with Level 4 (2714) being the minimum level required for most roles, acting as a critical apprenticeship pathway for a range of manufacturing and engineering sectors. Level 5 (2716) provides an advanced pathway for further training post Level 4.	number of providers	
		based block courses for machining	Focus on improving completion rates	Employment growth for aligned roles was high from 2018 to 2023, at 11.5%, representing 2,390 filled jobs.	
				Employment in these roles is forecast to increase by 3.1% (721 new filled jobs) from 2023 to 2026, and 7.05% (1,636 new filled jobs) between 2023 and 2029.	
(2716)				Forecast annual average total job openings for aligned roles is 1,278 from 2024 to 2026.	
				Qualification #2714:	
				 Enrolments have been increasing steadily since 2017, peaking in 2023 at 2465 – some of this increase is explained by a transition from a previous national certificate 	
				 Enrolments for 2714 increased 13.6% between 2022 and 2023 	
				 According to Ngā Kete, ITR completion rates for the Level 4 were 54.3%. These averaged at 63% between 2017 and 2023 	
				Qualification #2716:	
				 Enrolments have been increasing steadily since 2019, peaking in 2023 at 80 	



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				• Enrolments for 2716 were steady between 2022 and 2023; enrolments increased 23% between 2021 and 2022.	
				Enrolments previously were only via provider-based modes; work-based provision could assist with upskilling of existing workforce who have completed L4 apprenticeships	
				Future design of these qualifications and their standards could be impacted by current review; this could impact future advice.	

New Providers – Engineering

Qualification	Mode	Specific regions?	Rationale for inclusion (no more than 50 words)
New Zealand Certificate in Irrigation Installation (Level 3) (<u>3761</u>) New Zealand Certificate in Irrigation Engineering (Level 4) (<u>3762</u>)	Work-based	All	Qualifications have not been delivered. Hanga-Aro-Rau is currently reviewing these qualifications. New providers should be considered to enable provision of reviewed qualifications on completion.

New Qualifications or Credentials – Engineering

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Computer Numerical Controlled machining (Engineering)	3	TBC	Qualification	Mid-year 2025	Formal skills recognition of engineering / manufacturing workers using CNC machinery to produce a range of standardised and customised items.
Program and operate industrial robotic equipment	TBC	твс	Skills Standard which may result in new programme and/ or Micro-credential development	2024	Skills Standard targeted at base-level robotics skills addressing significant industry need, including how to program and safely operate industrial robotic equipment in a variety of sectors, including engineering, manufacturing and logistics.



Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Passenger Ropeways	TBC	TBC	TBC	2025	Formal skills recognition of employees working to service passenger ropeway equipment and machinery.

Emerging Skills – Engineering

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) e.g., WDC, providers etc
Fire Protection – Independent Qualified Person	Technicians and Trades workers in the Fire Protection industry	We are working with the Fire Protection industry to consider a formalised skills response.
RHVAC heat pump installers product	Air conditioning and refrigeration mechanic, Mechanical engineering technician, Mechanical engineer	We are working with industry to consider qualifications related to the safe and effective installation of heat pumps – in domestic and commercial settings.
Air compressor technology	Mechanical engineering technician, Mechanical engineer	We are working with industry to consider qualifications for assembly and maintenance of air compressors.
Protective coatings	Industrial spray painter	Industry has indicated a potential need for a formal pathway for protective coatings, with flexibility to meet the needs of specialised parts of the industry. This need may require further development in future.

Extractives

Change of Provision – Extractives

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
Extractive Industries Safe Working Practices (Micro-credential) (<u>4847</u>)	Preference for work-based delivery	Focus on West Coast, Otago,	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review	Funding conditions state that TEC does not provide funding when the



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
		Taranaki and Waikato			majority of the programme or micro- credential relates to health and safety or regulatory compliance learning
Extractive Industries Standard Operating Procedures (<u>4848</u>)	Preference for work-based delivery	Focus on West Coast, Otago, Taranaki and Waikato	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential
Extractive Industries Site Construction and Maintenance (Micro- credential) (<u>4849</u>)	Preference for work-based delivery	Focus on West Coast, Otago, Taranaki and Waikato	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review	Noted in Plan Guidance as new qualification/credential

New Qualifications or Credentials – Extractives

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Extractives	TBC	Work- based	Micro-credential	2025	Micro-credentials (number to be confirmed) related to regulatory requirements for the extractives industry.
					Aligning education and training needs and <u>Certificates of Competence</u> (CoC) as required by the NZ Mining Board of Examiners is critical for the industry.



Emerging Skills – Extractives

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) e.g., WDC, providers etc
Extractives – Gold processing	Miner, Mining support worker	Industry have asked for a gold processing qualification that can be completed and recognised in New Zealand as they are currently trained in Australia. Hanga-Aro-Rau is currently engaging with industry to validate the need for Gold Processing specific qualification response.
Extractives pre-trade drilling	Driller, Driller's assistant	Training was previously provided on the West Coast, and industry would like to consider this again. Pre-trade drilling training will get employees work ready and give them awareness of the drilling industry. The drilling industry has a shortage of employees. Drilling Federation interest in bringing back this training.
Geothermal drilling	Geothermal Driller	We are working with industry to consider development of geothermal drilling training in the country. Currently this training is completed overseas which is expensive and creates employment shortages as training must be refreshed every two years.

Food & Beverage

Change of Provision – Food and Beverage

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Meat and Meat Product Manufacturing (Level 3) (<u>2495</u>)	Preference for work-based delivery.	Regions with high proportion of employment: Canterbury, Southland, Hawkes Bay, Waikato, Manawatu- Whanganui and Otago	Maintain current range from 400 to 800 learners per year Focus on meeting regional delivery needs	The meat processing sector employed 22,403 people and contributed \$1.9b to GDP in 2023. The sector grew significantly in the six years from 2018 – 2023, with the workforce increasing by 12.3%; an increase of 2,456 employees. Employment is forecast to have a small decline from a peak in 2024 of 23,261 filled jobs, down to 21,957 in 2026. Employment is forecast to steadily recover reaching 22,139 in 2029, but below the 2024 peak. This qualification is a critical pathway for skills in the following occupations: Meat Process worker Butcher or Smallgoods Maker Meat Packer	Engagement (by TEC with providers) – small number of providers



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
				This qualification plays a role in creating a pipeline of skilled staff into the industry and can pathway into other skillsets at higher level qualifications.	
				Current enrolments and completions have been declining from a peak in 2018	
				Enrolments were 320 in 2023	
				Enrolments fell 1.5% between 2022 and 2023	
				 Employment in the meat processing sector is forecast to fall from a 2024 peak 	
				 Forecast annual average job openings for occupations aligned to qualification (2023 – 2026): 642 	
				 1,572 roles for the occupations aligned to this qualification to account for growth in new employment and the need to replace those leaving jobs between 2024 and 2026 	
				The meat processing sector is a significant contributor to regional employment. With hotspots of employment in 2023:	
				 Canterbury – 3,919 filled jobs (1.09% of total regional employment) 	
				 Southland – 3,169 filled jobs (5.61% of total regional employment) 	
				 Hawkes Bay – 2,589 filled jobs (2.85% of total regional employment 	
				 Waikato – 2,508 filled jobs (1.03% of total regional employment) 	
				 Manawatu-Whanganui – 2,463 filled jobs (1.96% of total regional employment) 	
				 Otago – 2,211 filled jobs (1.63% of total regional employment) 	
New Zealand Certificate in Trade Butchery (Level 4) with optional strands in Carcass Breaking and Boning, Curing and	All	All	Increase to a range of 700 – 730 learners per year	 Employment in the sector declined between 2016 and 2020, before seeing a recovery between 2020 and 2023 Employment grew 9.6% between 2018 and 2023, an increase of 895 filled jobs 	Engagement (by TEC with providers) – small number of providers



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
Smoking, and Handcrafted Small Goods (<u>2972</u>)				 Employment is forecast to grow 6.3% between 2023 and 2026 – an increase of 645 filled jobs; faster than the rate of the total economy (4.4%) 	
				 Employment is forecast to grow 11.5% between 2023 and 2029 – an increase of 1176 filled jobs; faster than the rate of the total economy (9.4%) 	
				• Enrolments were 700 in 2023; declining 6.7% on 2022	
				 Enrolments were 570 YTD in 2024; 83% of total 2023 enrolments 	
				Enrolments peaked in 2022 at 730 annually	
				 Total job openings for aligned occupations 2024 – 2026: 1042 	
				 Annual average forecast total job openings for aligned occupations 2024 – 2026: 347 	

Emerging Skills – Food & Beverage

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) eg, WDC, providers etc
Brewing credential	Brewery worker	We are working with industry and Otago Polytech brew school to develop a micro-credential for brewing with online learning so that it can be accessed easily and widely.
Alcohol manufacturing	Brewery Worker, Food and Drink Factory Workers nec	We are working with industry to consider development of qualifications for bottling process for alcohol beverages
Meat Processing team leaders	Technical Compliance Managers	We are working with industry to consider work-based training for a Technical Compliance Manager due to compliance with overseas regulatory authority requirements and to maintain licenses.
Meat Processing	Meat processing workers, new entrants and other entry level	Meat Processing – Knife Handling, Level 3 (name not known yet), Entry level skills for the meat processing sector to get prospectives ready for the sector.
	tasks	Meat Processing Level 2. Pre-employment qualification, Entry level skills (knife handling and health & safety).
		We are working with industry to consider different modes of delivery such as work-based training for entry level skills in knife handling, health and safety and other skills.



Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) eg, WDC, providers etc
Meat Processing Compliance	Meat processing team leaders and managers	We are working with industry to consider work-based training for a Technical Compliance Manager due to compliance with overseas regulatory authority requirements and to maintain licenses.
Primary Products Food Processing (Laboratory)	Laboratory technicians	Hanga-Aro-Rau is working with the industry to assess the need for this qualification, in particular potential credentials development to enable the use of the strands. This could lead to future qualification development.



Manufacturing

Change of Provision – Manufacturing

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Industrial Sewing (Level 3) (<u>5081</u>)	All, focus on work- based and	All regions	Increase	Since the 2025 advice, Hanga-Aro-Rau has worked with industry to develop qualification: New Zealand Certificate in Industrial Sewing (Level 3) (5081).	Noted in Plan Guidance as new qualification/credential
	blended delivery where possible	ed ry ble		This qualification is designed to develop sewing machinist skills across industry – these were identified as the most pressing workforce need for the apparel industry in 2024 and 2025 advice, and in demand in other industries, such as furniture manufacturing and industrial textiles.	
Guillotine Operations for Print Production (Micro- credential) (<u>4861</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Print Industry Foundation Knowledge (Micro- credential) (<u>4881</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Assist a Print Operator (Micro-credential) (<u>4884</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Digital Systems for Productivity Improvement in Manufacturing (Micro- credential) (<u>5011</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
New Zealand Certificate in Plastics Engineering and Fabrication (Level 4) (<u>5015</u>)	Preference for work- based delivery	All regions	Increase	New qualification – Industry need for plastics fabrication skills training.	Noted in Plan Guidance as new qualification/credential



Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
Plastics acrylics fabrication and assembly (Micro- credential) (<u>5012</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Onsite polymer welding (Micro-credential) (<u>5013</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Plastic fabrication workshop and welding (Micro-credential) (<u>5014</u>)	Preference for work- based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Digital Skills in Manufacturing Micro- Credential (Level 3) (<u>4341</u>)	All	All	Increase to range of 420 – 500 enrolments per year	 The total manufacturing sector has grown from 2018 – 2023, the workforce increasing by 6.5%, 14,441 employees. Forecast employment in the manufacturing sector is to grow 1.3% between 2023 and 2026 – an increase of 2,980 employees. Growth of 4.6% between 2023 and 2029 – an increase of 10,819 employees. The following micro-credentials do not align with specific manufacturing occupations. However, it provides training for a range of occupations to enable them to work more effectively in increasingly digitalised manufacturing operations, particularly for existing shop floor employees – this is critical for manufacturers investing in Industry 4.0 technologies. Enrolments in this micro-credential peaked in 2022 with 420 enrolments. We understand this is not being offered currently, despite demand from industry. Digital Systems for Productivity Improvement in Manufacturing (Microcredential) (5011) is newly developed in response to needs identified by the manufacturing industry. Refer to 2025 advice 'Digital systems for manufacturing'. 	Engagement (by TEC with providers) – small number of providers



New providers - Manufacturing

Qualification	Mode	Specific	Rationale for inclusion
		regions?	(no more than 50 words)
New Zealand Certificate in Resource Recovery (Levels 2) (2743)	All	All	Qualifications have not been delivered. Hanga-Aro-Rau is currently reviewing
New Zealand Certificate in Resource Recovery (Levels 3) (2744)			these qualifications. New providers should be considered to enable provision reviewed qualifications on completion.
New Zealand Certificate in Resource Recovery (Levels 4) (2745)			
New Zealand Certificate in Energy and Chemical Process Operations (Level 3) ($\underline{4128}$)	Work-based	All	Hanga-Aro-Rau is currently reviewing these qualifications. New providers should be considered to enable provision of reviewed qualifications on
New Zealand Certificate in Energy and Chemical Field Operations (Level 4) (<u>2307</u>)			completion.
New Zealand Certificate in Manufacturing (Level 3) (2730)	Work-based; blended	All	Hanga-Aro-Rau has been supporting an industry-led pilot project targeting school leavers employment into manufacturing, collaborating with Waikato manufacturing businesses, AMA, Wintec, WECA, and Competenz.
			The initiative aims to support industry through a new mixed delivery model to support school leavers into manufacturing while achieving a qualification. This pilot may lead to new providers being required to support new delivery models for this qualification.
New Zealand Certificate in Apparel and Fashion Technology (Level 4) (2607)	All	All	Since the 2025 advice, Hanga-Aro-Rau has worked with the industry to develop qualification: New Zealand Certificate in Industrial Sewing (Level 3) (5081).
New Zealand Certificate in Apparel and Fashion Technology (Fabric Cutting) (Level 4) (<u>3718</u>)			This qualification is designed to develop sewing machinist skills across industry – these were identified as a the most pressing workforce need for the apparel industry.
New Zealand Certificate in Industrial Sewing (Level 3) (5081)			Ensure provision of this new qualification, through increase and delivery mode options including work-based, blended and provider-based learning (see Section B1, item 4).
			2607 and 3718 are currently under review by Hanga-Aro-Rau and may result in replacement qualifications to better meet industry need; this may result in updated advice on the provision.
New Zealand Certificate in Tissue Converting (Level 4) (<u>1868</u>)	All	All	Current data shows no enrolments, and no providers listed as accredited to deliver.



Qualification	Mode	Specific regions?	Rationale for inclusion (no more than 50 words)
New Zealand Certificate in Pad Printing (Level 3) (<u>4835</u>)	All	All	New qualification developed in 2023; however, as of current data, no enrolments, and no providers listed as accredited to deliver.
New Zealand Certificate in Wood Fibre Processing (Level 4) with strands in Pulp Manufacturing, and Paper Manufacturing (4909)	All	All	New qualification developed in 2023; however, as of current data, no enrolments, and no providers listed as accredited to deliver.
			This qualification replaced the New Zealand Certificate in Pulp and Paper Manufacturing (Level 4) (2320)

New Qualifications or Credentials - Manufacturing

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)
Computer Numerical Controlled machining (Engineering)	3	TBC	Qualification	Mid-year 2025	Formal skills recognition of engineering/manufacturing workers using CNC machinery to produce a range of standardised and customised items.
Program and operate industrial robotic equipment	TBC	TBC	Skills Standard which may result in new programme and/or Micro-credential development	2024	Skills Standard targeted at base-level robotics skills addressing significant industry need; including how to program and safely operate industrial robotic equipment in a variety of sectors, including engineering, manufacturing and logistics.
Competitive Systems and Practices	TBC	TBC	Micro-credential	2026	Current qualification review includes development of micro-credentials for waste reduction and total production management.

Emerging Skills – Manufacturing

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) eg, WDC, providers etc
Binding and Finishing – Print	Binder and finisher	We are working with industry to consider a qualification to train skills in letter press operation abilities within the binding and finishing sector.
Sign making	Sign writer, Sign Erector	We are working with industry to consider a qualification for design, manufacturing, application, installation, illumination and traditional sign making techniques. Consider entry level skills training and pathway.



Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) eg, WDC, providers etc
Quality Assurance / Control Skills for Manufacturing	Quality control; Quality Assurance.	We are working with industry to consider a formal pathway to support quality assurance / control skills in Manufacturing, especially precision manufacturers.

Marine

Change of Provision – Marine

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Advanced Textiles (Level 4) with strands in Industrial Textiles Fabrication, and Industrial Trimming (5060)	Preference for work-based delivery	All regions	Increase	New Qualification to replace qualification number 2544 – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential
Industrial Textile Fabrication On- site Installation (Micro-credential) (5074)	Preference for work-based delivery	All regions	Increase	New micro-credential – Developed in response to skill gap as identified in qualification review.	Noted in Plan Guidance as new qualification/credential

Emerging Skills – Marine

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) e.g., WDC, providers etc
Composites Technology	Marine Parts assistant	We are working with industry to consider qualification or credentials related to learners/workers assisting in the manufacture of marine parts
Protective coatings	Industrial spray painter	Industry has indicated a potential need for a formal pathway for protective coatings, with flexibility to meet the needs of specialised parts of the industry. This need may require further development in future.



Ports

Change of provision – Ports

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	TEC Response
New Zealand Certificate in Port Operations (Level 3) with strands in Port Administration, Cargo Handling, and Heavy Machinery (<u>2814</u>)	Work-based	All regions	Increase to range from 100 to 300 learners per year	 Historic employment in the sector trended upwards steadily in the last ten years, with a slight decline in 2021 Forecast employment from 2023 to 2026 is growth of 4.7% (total economy, 4.4%), an increase of 339 filled jobs Forecast employment from 2023 to 2029 is growth of 11.8% (total economy, 9.4%), an increase of 851 filled jobs Enrolments were 95 in 2023, declined from 135 in 2022 This is due to a planned change of providers from MITO to PCANZ from early 2024. However, due to the moratorium on funding new PTEs, PCANZ has not started enrolling learners. Therefore, there is a high likelihood that there will be increase in enrolments once the moratorium is lifted. Enrolments peaked in 2019 at 320 learners Total job openings for aligned occupations 2024 – 2026 is 413 Annual average forecast total job openings for aligned occupations 2024 – 2029 is 994 Forecast annual average total job openings for waterside workers from 2024 – 2029 is 166 	Engagement (by TEC with providers) – small number of providers



New Providers – Ports

Qualification	Mode	Specific regions?	Rationale for inclusion (no more than 50 words)
New Zealand Certificate in Port Operations (Level 3) with strands in Port Administration, Cargo Handling, and Heavy Machinery (<u>2814</u>) New Zealand Diploma in Port Operations (Level 5) (<u>2815</u>)	Work-based	All	This is a niche industry and the volume of provision is small, with only one provider in the past and in the short-term future. The previous provider intends to stop provision when the new provider starts.
New Qualifications or Credentials – Ports			

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro- credential	Estimated date it will be available	Description of content (10–20 words)
Ports and Distribution	TBC	Work- based	Micro-credential	2025	Micro-credential to develop and formally recognise the skills of employees using straddle carriers. To be used in both the Ports and Distribution sectors.

Supply Chain & Distribution

New Qualifications and Credentials – Supply Chain & Distribution

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro- credential	Estimated date it will be available	Description of content (10–20 words)
Ports and Distribution	TBC	Work- based	Micro-credential	2025	Micro-credential to develop and formally recognise the skills of employees using straddle carriers. To be used in both the Ports and Distribution sectors
Forklift	TBC	TBC	Micro-credential	2026	Current qualification review includes development of micro-credential for safe operation and practical skills to operate a forklift.



Emerging Skills – Supply Chain & Distribution

Area of need or project	Expected occupations or skills that may be impacted	Who is involved (from tertiary education) eg, WDC, providers etc
Supply chain administration	Logistics clerical workers	We are working with industry to develop a Supply Chain Distribution Administration qualification to cover a broad low to mid- level overview of different skills required in the role, as a foundation qualification.
Logistics Foundation	Logistics new entrant workforce	We are working with industry to consider foundation skills required for the logistics sector, focusing on the digital skills requirements within the sector.

Emerging skills and other vocational education system issues

Emerging Skills – Cross Sector

Digital Skills

Basic digital skills

A significant portion of employees engaged in the workforce are lacking basic digital skills. This can include sending emails or other tasks essential to their roles. Supply chain and logistics NIAG have raised concerns about employees lacking digital literacy and requiring more foundational digital learning. Employers may be assuming workers already have these skills prior to employment.

Basic digital skills are now essential across all industries. Lack of digital skills has been identified as a barrier for employees entering the workforce.

Specialised digital skills

Keeping pace with the rapid pace that technology is changing is an issue for many industries. Advancements in artificial intelligence (AI) and automation mean that employees must continually upskill to ensure their skills are current and applicable in the workplace. Digital skills training must remain current, targeted and customised to individual industries and workplaces.

We are working with industries to understand what digital skills are required. National Industry Advisory Groups have identified lack of basic and specialised skills as being an area that needs to be addressed.

The following groups are impacted:

- Employees
- Employers
- Provider

Older workforce

Older workers make up a third of the workforce and are the fastest growing demographic among workers. They are critical to a productive workforce but have different needs. Appropriately tailored training will be essential to support ageing workers who are critical to a productive workforce. Common pain points for the ageing workforce that we have observed include physical demands, knowledge transition, recruitment difficulty, training and mentorship needs and technological advancements.

Hanga-Aro-Rau has completed a literature scan of literature relating to the older workforce and intends to undertake research to better understand how the older workforce could be best supported and determine what this means for ongoing training interventions.

Hanga-Aro-Rau will work with industry to conduct primary research into the needs and challenges of older workers and how older workers can meaningfully participate in the workforce.

Pre employment (transferrable) skills

Industry have observed that the workforce is generally lacking key transferrable skills. Rising unemployment makes this particularly concerning. Lacking transferrable skills also reduces the opportunities for employee development, promotions and increases in remuneration.

According to insights gathered through our Industry NIAG, the workforce is lacking the following key skills:

- 1. Effective workplace communication skills.
- 2. Skills in leadership, line management, and decision-making.
- 3. Lack of proficiency in data analysis, hindering effective decision-making and strategic planning.
- 4. The ability to solve problems and think critically.

Training in quality assurance is needed across all levels of the sector to ensure compliance with standards and regulations.

The following actions are being taken to support the quality and level of transferrable skills gained in workplace training:

- Hanga-Aro-Rau is working with employers to identify the pre-employment and transferable skills that are needed in their industries.
- Hanga-Aro-Rau are empowering existing leaders to provide direct feedback via the National Industry Advisory Group (NIAG), engaging them in qualification reviews and development, particularly focusing on Level 4 and Level 5 qualifications.
- Ringa Hora is leading cross-industry work on how leadership is reflected in qualifications across vocational education and how this can be improved through the Te Manu Arataki Leadership Project.

Leadership skills

There's a significant need for greater leadership training and support across all Hanga-Aro-Rau industries. Leadership should represent all communities including Māori, Pacific peoples, tāngata whaikaha, women and others.

Ringa Hora is leading cross-industry work on how leadership is reflected in qualifications across vocational education and how this can be improved through the <u>Te Manu Arataki Leadership Project</u>.

Unlocking the Potential of Disabled People

One in four people in Aotearoa New Zealand is disabled. Industry-specific disability employment insights that can support positive change are key to inform vocational education and training.

Key themes include:

- Education as a foundation for success. Provide, and invest in, accessibility and suitable support for ākonga and measure the effectiveness of this.
- The need for a fairer labour market and less of a welfare mindset in government agencies' approach to supporting disabled people.
- Investment in the potential of the disabled workforce, not just survival.
- Tangible capacity building at the workplace and work-enabling support.

Visibility of the disabled workforce and effective monitoring of labour market participation will drive inclusion.

Hanga-Aro-Rau and Waihanga Ara Rau commissioned a Research Project focusing on barriers and enablers to sustainable, fulfilling work for disabled people in the Manufacturing, Engineering, Logistics,

Construction and Infrastructure industries. In support of this research project, a comprehensive Literature Review was also completed by Hanga-Aro-Rau. The report and recommendations was published on our website in November 2024.

Sustainability

As more industries transition to a circular economy, the workforce will require the skills for sustainable ways of working.

Manufacturers increasingly need to develop and evidence their sustainability processes. This is especially an issue for those who export their products as part of global supply chains.²

Integration of sustainability practices, regulatory compliance, customer preferences and social responsibility are drivers for sustainability training in manufacturing.

Hanga-Aro-Rau will work with industry and providers to explore potential solutions, including embedding of sustainability skills into existing qualifications. More investment may be required to meet this need in future. Further desktop research into skills development may be required to understand how to effectively embed sustainability skills and knowledge into new or existing qualifications for manufacturing.

Education to employment programmes (including Gateway)

UK and OECD research shows that connecting employers to young people and educators is key to improving the transition from education to employment.

Young people who have four or more interactions with employers are five times less likely to become unemployed or not in employment, education or training (NEETs).

Employers and other pipeline organisations lack the time and resources required to facilitate engagement for students in the Gateway programme with industry. Guidance provided to employers on how to engage with the vocational education system is not easily accessed. This has resulted in inconsistent and sometimes weak connections between industry and the education pipeline. Pathways into Hanga-Aro-Rau industries are often not visible leading to skilled and unskilled labour shortages in Hanga-Aro-Rau industries.

Hanga-Aro-Rau is:

- Working with our sectors to identify good practice models for industry engagement with the pipeline into industry.
- Working with our sectors and secondary schools to broker connections between industry and education to employment organisations.
- Providing employers with appropriate good practice resources and advice.
- Working with schools to promote Gateway and ensure learners have the skills, knowledge and pathways are accessible for them to succeed in work.

Supporting employer capability building

Workplaces require support to improve diversity, inclusivity, and fairness and improve the pathways for Māori and Pacific people into their workplaces. Some employers don't engage with schools and other pipeline-to-work organisations, due to barriers or lack of knowledge about how they can engage. Employer experience may also be built around a narrow perception about ideal employees for their workforce. These perceptions do not account for the diversity of the Aotearoa workforce and result in

² P 8 EnvironmentalSustainabilitySkillsProjectPanelReport.2019.pdf (skillsimpact.com.au)

inequitable recruitment, onboarding and training practices, outcomes and poor representation for Māori, Pacific people, women and disabled people in the Hanga-Aro-Rau pathways.

Hanga-Aro-Rau is researching the feasibility of developing collaborative and industry initiatives to educate employers on the experiences of youth and career changes, particularly Māori, Pacific, women and disabled people, to encourage safe, inclusive and welcoming workplaces in our industries.

Supporting the development of employability skills in young people

Youth Employability Aotearoa has said that "New Zealand businesses want employees who can 'hit the ground running'. That typically means they can demonstrate 'soft skills' and have the right attitude to be trained in the technical skills required for the specific job. For young employees to do this, they need to be taught employability skills, be provided with good career guidance, and be supported into work. Having well developed employability skills reduces the risk of young people engaging in employment that keeps them in low skills/low paid jobs (limited employment) without training or progression long term. Prolonged or repeated exposure to limited employment has negative impacts on youth wellbeing and can have significant long-term consequences. This is a complex policy challenge with multi-generational consequences.

Hanga-Aro-Rau is working with employers who are telling us that some young people are arriving in the workplace without the employability skills required to maintain long term employment.

This includes school leavers, people in first time employment, young workers and youth not in employment, education or training (NEETs).

We are developing a model for schools that provides opportunities for young people to engage in work experience and development of employability skills. This model 'scaffolds' students through work shadowing opportunities and longer placements (through Gateway) where they learn how to conduct themselves and build confidence within a workplace.

Flexible and adaptive modes of delivery

For work-based learning, providers are responsible for creating the programme and resources but it is often delivered in the workplace with the employer responsible for day to day training. Some employers are struggling to provide employees with digital support. Employees enrolled in training who do not have access to digital resources and support are less likely to succeed which impacts productivity.

This issue is about supporting employees with digital resources and providing flexible modes of delivery, not upskilling employees with <u>digital skills</u>.

There are two issues with funding:

- 1. Providers are funded to supply learners with resources but some have reported the funding does not cover online resources. Industry have asked Hanga Aro Rau where they can access resources.
- Employers are not funded directly for training and the only available route to become eligible for funding is to be accredited as a private training establishment (PTE). This may be feasible for larger employers but small to medium sized business do not have the resources for accreditation.

Digital technology provides new opportunities for learning and training. Learners who are neurodivergent, have low levels of literacy and numeracy or English as a second language (ESOL) and make up a significant portion of the workforce can especially benefit from using digital technology. Employees who have joined the workforce from secondary school are usually accustomed to using digital resources to support their learning and have an expectation that this sort of support will be available.

Hanga-Aro-Rau industries have reported that this is an issue for many of their employees and employers, particularly neurodiverse employees, ESOL or employees with low levels of literacy and numeracy.

Fees Free

Under the proposed policy implementation for the final year Fees Free, the provider will invoice the fee on either the employer or the learner, but only the learner will be able to claim reimbursement. Employers who have paid for their employee's training will not be directly reimbursed. Although we understand that an employer who pays these fees could enter in a written agreement with the learner for the eventual reimbursement to be repaid, the employer would have to know when a reimbursement has been made and then manage the recovery. If the learner has subsequently ceased employment with that employer, we suggest that there is little prospect of recovery.

The impact is that employers may cease to cover fees for employed learners. This could result in employers reducing their current financial support for vocational education and the cost of this transferring to learners (and student loan balances).

Hanga-Aro-Rau have been working with providers who have raised this issue.

Attraction, retention and progression of Māori workforce

Attracting, retaining, and progressing Māori talent presents key challenges for industry, due to a shortage of skilled and qualified workers. Attracting talent is difficult for smaller businesses that aren't perceived as viable career options, leading some industries to rely on migrant labour. Retention is an issue as physically demanding, low-paying jobs with limited career pathways see strong competition for capable workers. Additionally, Aotearoa's ageing workforce exacerbates these challenges, as older workers retire, taking valuable knowledge and skills with them.

The majority of training in manufacturing, engineering and logistics is delivered at the workplace. This is the preferred method of training for Māori. Effective pastoral care is integral to work-based training as it engages both the learner and the employer, in particular remote regional areas.

Hanga-Aro-Rau is working with employers, iwi, (Waikato-Tainui), Ministry of Social Development and activations through the Good Employer Matrix to enable industries to enable and expand their Māori workforce.

Good Employer Matrix Tool customised for Manufacturing, Engineering and Logistics Industries

The Good Employer Matrix (GEM) is a tool designed for and used by employers to enable and expand Māori and Pacific workforces. The tool aims to increase the number of Māori and Pacific employees progressing into senior, well-paid, resilient jobs and provides employers with the tools, knowledge and resources needed to do this.

The matrix focuses on four key domains: recruitment and promotion, pay and conditions, training and development, and organisational culture and capability.

Hanga-Aro-Rau will use data and insights and our experience in supporting businesses with workforce development integration to adapt GEM to be industry-fit-for-purpose for the sectors we serve.

The effectiveness of the tool relies on collaboration between community groups, employers, providers and workers to ensure the tool meets its intended goal. Achieving this requires high level systems-support within the vocational education system, with all contributors collectively working toward

enabling and expanding Māori and Pacific workforces. By aligning efforts across all groups, the tool can deliver impactful workforce development outcomes.

Lumana'i o Tangata Moana action plan

The Lumana'i o Tangata Moana action plan focuses on supporting Pacific learners and workers through talent attraction, retention and engagement with a target to increase community engagement across regional Pacific communities.

This action plan is a guiding tool for the VET system and industry to identify and develop education and training solutions to prepare Pacific peoples for emerging opportunities. It also presents confident approaches and recommended methodology/actions to build Pacific cultural capabilities to support the Pacific workforce.

Supporting the actions presented in Lumana'i o Tangata Moana is crucial for fostering a more equitable vocational education system that aligns with the aspirations of Pacific learners and workers and industry needs.

Investment in Pacific education/training and workforce development represents a key social investment that supports equitable outcomes and strengthens the economy by supporting Pacific peoples to thrive. Funding and supporting Pacific-focused education and training initiatives is essential to building a resilient workforce and ensuring long-term, sustainable benefits for Pacific communities.

Hanga-Aro-Rau-Lumanai-o-Tangata-Moana-Action-Plan.pdf (hangaarorau.nz)

The actions in the plan (pages 16-19) impact employers, providers and Pacific employees and learners.

Lack of recognition for Pacific workforce skills and outcomes of Project Ikuna

Skills that the Pacific workforce bring to the workplace are not recognised by qualifications. These are often soft skills like communication and leadership.

The outcomes of Project Ikuna (part of the MBIE Alo Vaka programme for the Auckland Pacific Skills Shift initiative) had good evidence of how the skills the Pacific workforce brings can cause positive change. Pacific people are determining, innovating, and engaging in lifting workforce and skills aspirations in their communities.

Recognition of Pacific learners impact their trajectory and supports them to advance into other areas of learning. Greater recognition of these skills is essential for unlocking career pathways and ensuring equitable opportunities for progression. Without formal recognition, Pacific workers are often overlooked for leadership roles or higher-paying positions despite their contributions to workplace success. The evaluation report about Project Ikuna is due soon and will highlight this.

Hanga-Aro-Rau is planning for engagement with key stakeholders such as industry, employers, employees and other government agencies.

More information about Project Ikuna can be found here.

Regional initiatives created for the Pacific workforce due to growing population of Pacific people

Investing in education, training, and leadership development programs tailored to Pacific learners and workers is essential for supporting the Pacific community to thrive and to fill workforce gaps in key industries. This will provide equitable opportunities and help drive long-term economic growth while benefiting both the Pacific workforce and the wider industry.

Hanga-Aro-Rau is planning for engagement with key stakeholders such as industry, employers, employees and other government agencies.

Other vocational education system issues outside of TEC advice

Hanga-Aro-Rau provided advice for the following areas, where the responsibility may sit with other agencies outside of the TEC:

Remove moratorium on funding new providers as soon as practicable (Ministry of Education)

The moratorium on accepting funding applications from new work-based learning Private Training Establishments (PTEs) affects the Ports sector and potentially the Energy and Chemical Plant Operations sector. The PTE for the Ports sector, PCANZ, has been approved by NZQA but are unable to access TEC funding until the moratorium is lifted.

Changes to the Apprenticeship Boost fund excluded subjects in Mechanical and Industrial Engineering and Technology (Ministry of Education, Ministry of Social Development)

We are pleased that Apprenticeship Boost is remaining as a core structure to the support system. It provides some recognition to the considerable investment all employers make in taking on, developing and training apprentices.

It was disappointing to learn that our engineering trades (mechanical, RHVAC and Dairy Systems) will no longer be covered by the scheme, despite being critical areas of focus for industry, not to mention having strong links to and enablers of infrastructure projects.

The impact is that employers may be less able – especially in these challenging economic times – to support apprentices, which has immediate consequences to the economy recovery, and creates longer-term issues around access to skilled employees when the economy does recover.

We ask that this is reconsidered in the future advice and that evidence from Hanga-Aro-Rau is sourced to support any future advice or recommendations regarding Apprenticeship Boost.

Mechanical and Industrial Engineering and Technology subjects have 3,000-4,000 apprentice enrolments each year for the following qualifications:

- New Zealand Certificate in Mechanical Engineering (Trade) (Level 4) with strands in Fitting and Machining, General Engineering, Machining, Maintenance Engineering, Metal Forming, and Toolmaking
- New Zealand Certificate in Mechanical Building Services (Trade) (Level 4)
- New Zealand Certificate in Dairy Systems (Engineering) (Level 4) with strands in Milking Systems, and Pumping Systems
- New Zealand Certificate in Engineering Fabrication (Trade) (Level 4) with strands in Heavy Fabrication, Light Fabrication, and Steel Construction
- New Zealand Certificate in Composites (Level 4)

Literacy and numeracy – Widen eligibility for funding (Ministry of Education)

Changes to the eligibility for accessing the Employer Lead Literacy and Numeracy Fund has resulted in a significant number of employees with low literacy and numeracy becoming ineligible for funding. In the case of one large employer, the number of employees qualified for funding has dropped from 97% to 44% for the same cohort. Māori and Pacific employees are disproportionately impacted by these changes. NIAGs and employers have advised that this is a significant issue and it impacts negatively on productivity and opportunities for employees to develop their skills and knowledge in the workplace.

Micro-credentials – Review funding eligibility and access to student loans for study (Ministry of Education)

There are limitations on which micro-credentials are funded by TEC and this is impacting the uptake of micro-credentials by providers and employees. There is also uncertainty about the future of funding for micro-credentials.

These issues are impacting the willingness of industry and providers to engage with micro-credentials. As a result, industry may be engaging with informal training instead of training with formal recognition.

Micro-credentials can be used to upskill employees with skills and knowledge that meet immediate needs in the workplace rather than a qualification that takes longer to complete and may not provide the same level of relevance to the skills the employee requires to be successful in their role. The manufacturing industry has identified use of micro-credentials as being key to addressing technical skill gaps and fulfilling a preference for just-in-time, skills-focused education.

The increased use of micro-credentials to address technical skill gaps, which can be stacked towards qualifications, is highlighted as a key direction for future qualification reviews.

Independent assessors on remote sites – (Ministry of Education and NZQA)

NZQA have advised that to deliver training and assess skills independent assessors need to be set up as a PTE, which is not practical or viable for independent assessors. Site supervisors in the quarrying and mining industries are required to complete a Certificate of Competence (COC) in health and safety to meet the health and safety requirements of the site. Independent assessors are the best option for providing training towards the COC as they can deliver training and assessment on site. Other options for accessing training are not easily accessed by employees who are often located on remote sites. There is a risk that mandatory training will be hard to access and impact the site's ability to meet health and safety requirements.

Employers have informed Hanga Aro Rau that they have been advised that they can no longer use independent assessors for health and safety training and that assessment materials have been withheld from independent assessors, so they have been unable to deliver training.

Hanga-Aro-Rau will work with MoE and NZQA to understand what options are available for removing these barriers to training.

Recognition of prior learning (RPL) (Ministry of Education, NZQA)

The cost of paying for RPL is a major barrier to employees and employers engaging with RPL and we are missing an opportunity to formalise and recognise existing workforce skills and provide creditability for a national qualification.

Recognising skills and experience gained on the job as equivalent to a formal qualification allows employees to qualify faster and avoid having to repeat training. In some cases, it may lead to a promotion in the workplace or higher remuneration. The employee is usually required to fund the entire cost of RPL. In some instances, the employer will fund RPL, for example, if a qualification is required for the employee to be on site. There is no government funding for RPL. The employee is required to provide a portfolio of evidence of their skills and knowledge to prove they have met the outcomes of the qualification. This can be particularly challenging for learners who have gained their skills informally.

Some learners are enrolling in full programmes and repeating learning and training, and fast track the assessments because of the cost and complex requirements of RPL. This is misuse of funding. Other learners may disengage and leave the workforce.

Providers and employers have raised this with Hanga-Aro-Rau as an ongoing issue.

Continuation of funding for supporting Māori in vocational education and training (Ministry of Social Development, Te Puni Kokiri)

Employers face significant challenges regarding funding for apprentice training as many rely on targeted support schemes to onboard and retain apprentices. The COVID-19 pandemic led to a substantial increase in apprenticeships across industries, largely due to the availability of support programmes like Apprenticeship Boost, Māori Trades Training, Cadetship and Mana in Mahi. These initiatives developed critical financial assistance to cover training and wage costs and helped develop sustainable employment pathways for apprentices, especially rangatahi Māori and Pacific learners. Continued funding for these programmes is essential to maintain the momentum in workforce development, ensuring that employers can keep investing in training and building a skilled, diverse workforce for the future.

Hanga-Aro-Rau is actively working to streamline access to programmes for industry and advocate services that support workforce development. Key actions include building strong partnerships with industry leaders and stakeholders to ensure that programmes like Apprenticeship Boost, Mana in Mahi, Cadetship and the Good Employer Matrix are accessible and tailored to meet the specific needs of employers. We are simplifying engagement processes by offering industry workshops, roadshows and personalised support to help businesses navigate available training and development initiatives.

Hanga-Aro-Rau is engaged in ongoing advocacy with Te Puni Kōkiri to review and enhance policy changes for the Cadetship Programme, recognising the large Māori workforce in the meat processing industry. This advocacy aims to support the progression of Māori workers into resilient, well-skilled roles, addressing both skills and labour shortages in the sector. This collaboration ensures Māori workforce development remains a priority within the meat sector.

Hanga-Aro-Rau actively advocates with the Ministry of Social Development and industry to explore opportunities to recognise training within MSD pre-employment programmes to better support both learners and industry. Through initiatives like Skills for Industry in the meat sector, we saw the co-design of programmes with industry input, creating targeted training pathways that meet sector needs. These initiatives funded by MSD, offer potential for new product development, such as the exploration of a Level 2 qualification, providing clear entry points into the meat industry. By aligning pre-employment training with industry-recognised qualifications, we ensure that learners are equipped with relevant skills and that business can access a more skilled workforce.

Additional Context

(As submitted on 1 November 2024)

Hanga-Aro-Rau has prepared this advice for 2026 after extensive engagement with industry (including Māori, Pacific peoples and disabled peoples), business groups, unions, regional networks (including Chambers of Commerce) and our provider network. We have developed this advice on the basis that investment in vocational education for our sectors will support improved productivity and economic growth, address the chronic skills and labour crisis, and provide strong career and education pathways.

We recognise this advice is being prepared during a time of economic recession and at a time where work-based learning has naturally declined. As the economy recovers, which is expected from 2025 onwards, we need to ensure we are targeting investment to support increased work-based learning activity.

Hanga-Aro-Rau also recognises the dynamic time in vocational education and the anticipated structural changes potentially taking effect from Jan 2026. Our focus, from now until system changes occur, remains on business continuity, advocating for industry, and supporting a smooth transition to the new system.

Hanga-Aro-Rau has integrated the voice of Māori to inform our advice via engagement with Māori pakihi and iwi in industry advisory groups, organisational processes, qualification development and assurance. In particular, for our advice, a working group across all functions of the organisation, including kaimahi from the Māori Workforce Development team, reviewed this advice and informed our broader priorities.

Hanga-Aro-Rau has nine <u>National Industry Advisory Groups</u> (NIAG) who advise us on skills and training issues within their specific industry sector. NIAGs have a specific focus on lifting the skill level of the Māori workforce and other traditionally under-served groups. In developing this Advice to TEC for 2026 investment, we presented our approach to the NIAGs and their feedback was integrated into this advice where appropriate.

Employment in the industries that Hanga-Aro-Rau serves, Manufacturing, Engineering and Logistics, is expected to grow slightly in 2025 with a forecast 0.4% growth (total economy 0.4% growth) from 2024, and 1.5% growth in 2026 (total economy 1.3% growth). Hanga-Aro-Rau based qualification provision "give effect" advice for 2026 on the workforce forecast from <u>Infometrics</u> as at September 2024, with 2023 as base year for forecast employment, total job openings and enrolments.

Manufacturing performance is flat, however employment remains resilient and is expected to improve in 2026 and beyond, and employers are holding on to workers in preparation for an improvement in the market.³ Vocational education training is key in training new entrants to the industry workforce as well as upskilling existing workers.

Maintaining and developing effective support for work-based training is critical for manufacturing, engineering and logistics, as approximately 80% of the learners in qualifications Hanga-Aro-Rau develops are engaged in this mode. While in in the short term, enrolments in work-based learning are likely to see little growth due to challenging economic conditions, growth is likely to resume as conditions improve. As we look beyond the immediate business cycle, this year's advice is mainly to maintain the same level of provision as last year's advice, to ensure provision is available in 2026 as employment is expected to increase. The learners in work-based training are already employed by industry; as businesses respond to changes in the economy, changes in VET work-based enrolments must be met with corresponding investment from TEC. The change in demand for work-based learning occurs quickly and may be outside the VET system advice and investment cycle. Employers

³ September 2024 Sector Outlook, <u>Economic Webinars (infometrics.co.nz)</u> reference to BNZ Performance of Manufacturing Index.

who enrol their employee/learner in VET already invest their own resources in that person, so VET system funding and investment should meet this demand.

Despite the economy's anticipated flat performance and growing unemployment, there will be employers who will upskill their existing workforce by supporting employees in vocational education and training. Maintaining support for work-based learning is critical in supporting skills development and maintaining the workforce pipeline. Over the next two years, the vocational education and training system may see increases in entry-level trade qualification enrolments at campus-based institutions as job-seekers make the choice to enter training (to change careers, for example).

The context for Hanga-Aro-Rau broader priorities are described in <u>Workforce Development Plans</u> (<u>hangaarorau.nz</u>), summarised in <u>Cross-sector Action Plan (hangaarorau.nz</u>). This is our <u>Operational</u> <u>Plan 2024-26</u>, completed in July 2024 which summarises our work and focus for the year.