Toi Mai WDC submission on the UAG consultation (Phase 2)

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Toi Mai Workforce Development Council represents the creative, cultural, recreation and technology sectors in the vocational education and training system. Our purpose is to ensure these sectors are supported by a skilled, diverse and thriving workforce. We work to ensure the vocational education system meets industry and workforce development needs though engaging with industry, whānau/hapū/iwi, education providers, under-represented and diverse communities.

Toi Mai has developed seven Workforce Development Plans for the industries we represent, available here.

This submission outlines the Toi Mai WDC perspective on the systemic tensions between university and vocational provision, and the impacts this has on skills development for our industries. It is informed by Toi Mai data insights and extensive engagement with industry and education providers. Toi Mai WDC is available to discuss this submission and can provide additional information where needed.

Much provision across the tertiary education system is not reflecting our industries' skill needs. Industry has told us there is a mismatch between the skills that graduates have and the skills needed by industry. Learners enter study believing it will get them work ready. However, on graduating there is often a gap in what skills industry actually requires.

Toi Mai WDC recommends a redistribution of funding to better support shorter-length formal vocational training (i.e. 60-120 credits) to better meet industry skill needs. This submission outlines a rationale for the redistribution of tertiary education funding.

Toi Mai WDC has focused our submission on question 5.

Qualifications

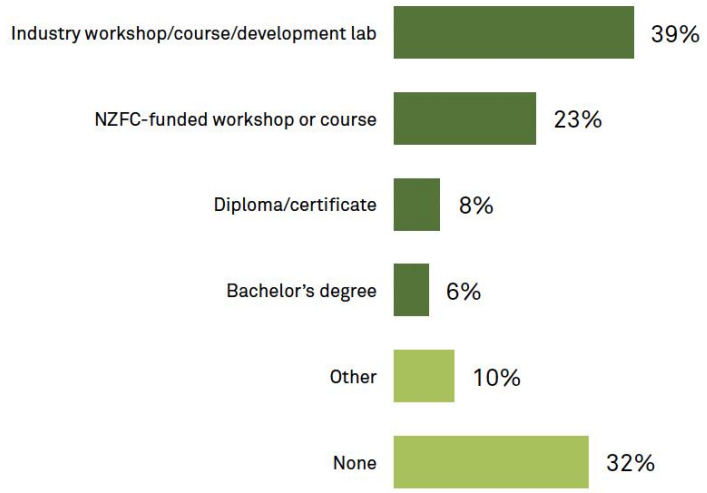
5. How well are the degrees and other qualifications offered by the universities meeting the needs of students, employers, iwi and other communities?

Financial incentives drive education providers to prioritise longer form provision and degrees at Level 7 over industry skill needs

One of Toi Mai's main outputs is workforce development plans, by which we engage with industry to discover their skill needs and gaps in the provision of vocational education and training. Workforce Development Plans (WDPs) provide industry perspectives on how to address current and forecasted skill shortages. The WDPs are informed by data insights and extensive engagement with industry.

One of the most repeated skill gaps identified across the WDPs is the mismatch between the skills that university graduates have and the skills needed by industry. The following chart outlines that only 14 percent of survey participants in the 2022 Screen Workforce Survey considered undergraduate degrees or diplomas to be relevant education for employers/contractors in the film and television industries. This contrasts with industry workshops and courses which 62% of screen workers considered to be relevant to their current role.

Types of education recently undertaken that are relevant to screen workers' current role



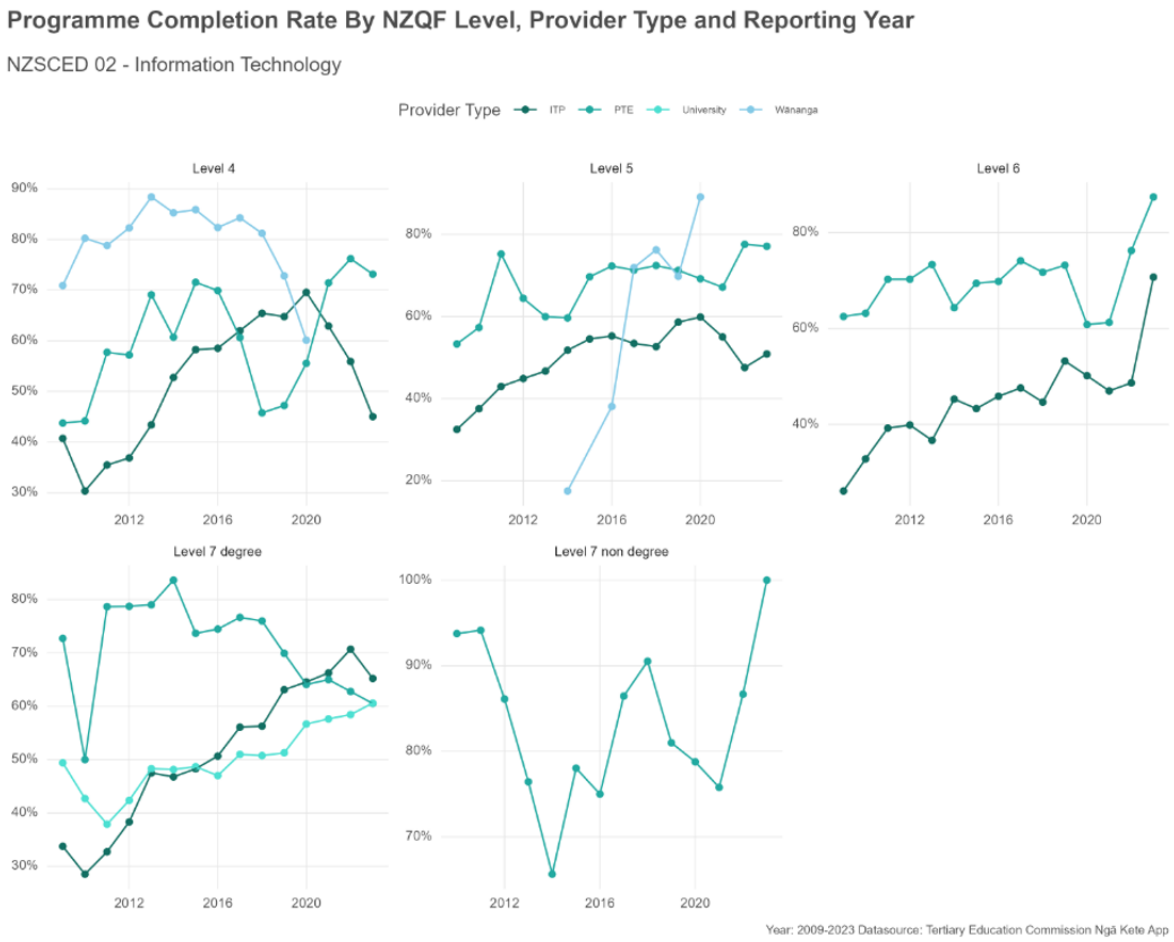
In the previous six years, 62% of screen workers had undertaken industry or NZFC-funded training, while 32% had received no training at all.

Source: Screen Workforce Survey (Individual), Toi Mai (2022)

> *"People coming out of the traditional education and training pathways are not industry ready. There are some skills gaps, and it is often around soft skills, how to behave on set and what the hierarchy is on set. Hence there is a call from industry to look at more learning at pace on the jobs, micro-credentials rather than more formal, longer-term courses." — Regional film office manager*

In the digital technology industry, applied vocational learning is more relevant to industry than long form university courses

The following chart shows that completion rates for IT qualifications are lower at universities than other forms of vocational provision. It presents student completion rates by institution type and level. Consider the last two panels which show level 7 qual completions at university compared with private training providers. The university completion rates (light blue) lag behind both private training establishments and industry training providers.



Students that enrol and complete a programme at a private training establishment or industry training provider have higher graduation rates than universities.

Industry want stackable qualifications that align with industry skill needs

There is a global trend in digital technology provision for stackable micro-credentials to support dynamic and flexible skill development[1]. Qualifications that are stackable allow students to exit with a qualification and we can see this is evident for the graduation rates at level 6 for private training establishment. These quals are more aligned to industry which accounts for the decrease in level 7 qual completions. This also suggests that programmes with an applied focus have higher graduation rates.

This is a serious issue for the creative, cultural and digital technology industries in which many employers prefer graduates from shorter form courses that feature flexible, practical and blended learning i.e. more work-based learning. While there are numerous benefits to long form degrees offered by universities, our industries are calling for an increase in the provision of short form, work-based learning to ensure more work ready graduates. For example, the digital technology industry wants a degree apprenticeship that spans levels 5, 6, and 7 on the NZQA framework. The first 2 years at sub-degree level and the final year of study working on the job at level 7.

These industry skill needs are in tension with the university funding model which incentivises the provision of long form degree courses that offer providers greater funding certainty over

[1] https://www.timeshighereducation.com/campus/shaping-future-education-using-stackable-credentials

short form and work-based training. Providers are prioritising degrees in our subject areas over certificates and diplomas due to more funding certainty from longer-term courses and the associated higher funding rates.

Investment in vocational education provision is decreasing compared to university provision

In 2011, 44% of qualification provision for the creative, cultural and digital technology industries was in the university sector and 56% of provision was in the vocational training sector.[2] In 2022, 48% of provision was vocational training.

Looking specifically at the screen sector, most formal training is in long form (3-4 year) degree courses by tertiary providers. Screen graduates at levels 3 to 6 have shown a marked drop since 2020 (noting that data is likely affected due to the impact of COVID-19).

Screen industry graduate numbers by year

Graduate numbers: Level 3-6

Year	Graduate numbers
2011	—
2012	—
2013	—
2014	—
2015	—
2016	—
2017	36
2018	414
2019	456
2020	493
2021	372
Grand total	**1,771**

Graduate numbers: Level 7+

Year	Graduate numbers
2011	542
2012	608
2013	637
2014	679
2015	724
2016	752
2017	800
2018	879
2019	787
2020	1,089
2021	963
Grand total	**8,460**

Source: Graduate data, NZQA

Economic growth in creative industries is occurring at a faster rate relative to the general economy

Between 2018 and 2023, GDP growth in the creative industries averaged 4.7% per annum, compared to 2.7% for the general economy. In 2023, economic growth reached 5.3% in creative industries and 2.9% in the general economy.

If New Zealand wants to boost the productive capacity of the creative and technology industries, and thereby lift economic growth for New Zealand, the tertiary system needs to rebalance tertiary funding investment away from a reliance on long form degree provision to shorter form training to ensure a thriving and well-trained workforce.

[2] The enrolment data for the creative industry also includes hairdressing and barbering.

This also requires a removal of the distinction between what is vocational and what is tertiary provision, and which organisation drives what advice. Currently Workforce Development Councils (or whatever replaces us after the current round of vocational education reforms) can only advise on investment in sub-degree provision. Universities are not required to pay heed to our advice in their investment plans. If universities want to better meet the needs of employers in our sectors, there needs to be more of a requirement that their provision is in line with industry skill needs captured in WDC data insights.

Mechanism required to align education and skill development with economic growth priorities

A second tension is that industry are calling for growth in these subject areas at a time when providers are looking to reduce provision. Currently, our industries with high realised or potential economic growth are not necessarily a strategic priority for the tertiary education system.

Providers are reducing provision of any qualification with heavy technology/equipment/facility costs, high staff to student ratios and 'niche' offerings to focus instead on high enrolment quals with lower staff to student ratios that can deliver higher margins and surpluses.

Our subjects are expensive subjects to deliver at the best of times, requiring complex studios, workshops, labs, machinery, and equipment. They are also niche subjects with high cultural value. They cannot attract the same numbers as business courses, but are nonetheless important for New Zealand's skill base — subjects such as industrial design, textile design, film and TV production, game development and Ngā Toi Māori.

Overall, TEC investment in degree level provision in industries relevant to Toi Mai decreased by about one fifth of its 2011 value between 2011 and 2022 (inflation adjusted)[3] while TEC investment in Toi Mai sub-degree subjects halved in value.

Increased rather than reduced education investment is required to support New Zealand's creative, cultural and technology industries to be more productive.

When it comes to Ngā Toi Māori, it's not as simple as financial return on investment

The Education and Training Act requires providers to contribute to an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relationships.

Ringatoi (practitioners) are already a key driver of our economy. They create taonga and provide the foundation for a unique national identity. Taonga such as 'kia ora', our national greeting, Te Matatini, our national festival of Māori performing arts, and the 'mangōpare', the symbol of our national carrier, are embedded in our national character – how we perceive and promote ourselves in the world. These taonga bring substantial commercial benefits to businesses and 'NZ Inc.'

The focus of tertiary education business models on getting a return on financial investment is in tension with the needs to protect and preserve Ngā Toi Māori practices and knowledge.

> *"I observed almost a merger of ideas around vocational learning and what they called higher-learning. There's a need to think about value in these spaces in a different way;*

[3] Ngā Kete, Regional Education Profile, 2022

cultural value that the arts provide. And I think those statistics become really important because I've watched mainstream courses be closed down because of a financial value model that doesn't consider cultural value and the importance of it, but also the financial implications of cultural value on any economic sort of environment." Interviewee - Mātanga toi whakairo

Data paints a bleak picture showing a steady reduction of university investment in Ngā Toi Māori subjects. The table below shows the decline in Māori completions in Toi Māori qualifications over the last three measurable years 2020-2022. Only the Private Training Establishment space has seen numbers hold steady, with other providers losing ground.

Māori completions in Toi Māori qualifications from 2020-2022

Year	Private Training Establishment (PTE)	Te Pūkenga	University	Wānanga	Disestablished provider	Grand Total
2020	180	339	189	1779	12	2499
2021	156	291	219	1932	9	2607
2022	186	270	111	1464	0	2031

However, the solution to the declining qual completions is not as simple as offering more qualifications and attracting more akonga to study in the formal higher education system. Reflections from Toi Mai engagement with ringatoi (practitioners) found that any formal qualification needs to be balanced with mātauranga wisdom for the ringatoi to thrive.

Creating safe places to explore personal identity and understand tikanga was described as more important than the final outcome itself; *'the journey is more important'*. From a te ao Māori perspective, the traditional qualification model is a western system that is inflexible and siloed in philosophy and discipline. It doesn't mirror or integrate with the interconnected experience of te ao Māori, making the creation of formalised education pathways into toi Māori challenging.

"Qualifications are a pākehā construct. Sit and listen to someone who sat and listen to someone. That someone who told me about their tohu. I signed up to the university because of the kaiako not because of the tohu. I have to get a tohu to get my job and pay off my debt. Every skill has a tea-towel job. Finding the teacher should be more important than the qualification. Te kura te Tāngata." Interviewee - Mātanga toi

The tertiary education funding system needs to factor in ways of shielding programme offerings like this from traditional measures of economic value and returns to ensure Ngā Toi Māori development pathways are both retained and continually developed.

We also need a more adaptable and responsive tertiary education system for New Zealand to realise it's economic growth potential. For this education system to be realised, a policy-setting mechanism encompassing MBIE, MoE & TEC is required to better co-ordinate education investment and provision with national industrial growth priorities.