



**Submission to The Productivity Commission's draft report:
*Training New Zealand's workforce – Technological change
and the future of work***

Contact details

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Volunteering New Zealand Incorporated

Volunteering New Zealand (VNZ) represents the ‘voice of volunteering’ in Aotearoa and the 1.2 million people who volunteer within our communities. We are the only national organisation in New Zealand that focuses purely on volunteering. We hold the ‘big picture’ and are in a position to liaise, work with, advise volunteers, members, community and voluntary organisations, Government and business sectors. We work to ensure that volunteering occurs within a positive environment where it is encouraged and fostered.

Over the past 19 years, VNZ has raised the profile of volunteer groups, activities, and management. We promote volunteering and its value to New Zealand society through advocacy, sharing stories, and producing tools like the best practice guidelines and competencies for managers of volunteers.

We have a membership of over 90 national and regional member organisations that involve volunteers in their work programmes. Our membership organisations are typically associations or “peak bodies” that in turn represent a large number of local and regional volunteer involving organisations.

Volunteering New Zealand actively works to raise the profile of volunteering and volunteers through promoting professional development within our sector. For the last 10 years VNZ and the national network of 17 regional Volunteer Centres have worked with members and others to promote and deliver training and professional development opportunities for volunteers and managers of volunteers.

VNZ appreciates the opportunity to make a submission to The Productivity Commission for Draft report 3: *Training New Zealand's workforce – Technological change and the future of work*.

Executive summary

Volunteering New Zealand notes that volunteers struggle to access vocational training in the current system as training is targeted at people currently in employment.

VNZ supports the recommendation R3.1 of draft report 3: *Training New Zealand's workforce – Technological change and the future of work* in regards to widening access to work-based education and training to all people in the workforce and to volunteers.

We also support recommendation R3.2 regarding new migrants’ eligibility for government-funded vocational education and training.

1. Volunteer workforce

New Zealand has 114,000 non-profit institutions (NPIs). NPIs contributed \$5.96 billion to GDP in 2013, the last year this was calculated. This was 2.7 percent of New Zealand’s total GDP.

The same year, the value of (formal) voluntary labour in New Zealand's NPIs was estimated to be \$3.46 billion. This is on a par with the construction industry and increases the contribution made by NPIs from 2.7 to 4.4 percent of GDP¹.

The NPI sector is primarily powered by a volunteer workforce.

In 2014, volunteers offered 11 million hours to social services and community development charities. Calculated at the minimum wage, this equals to \$151.2 million; or \$308.3 million with the average hourly earnings².

The most up-to-date data on the volunteer sector states that in New Zealand there are more than 1.2 million volunteers who give more than 60 million hours of unpaid labour to the sector³. Therefore, volunteering sector makes a huge contribution to New Zealand and across a broad range of activities: from sports, recreation, arts, culture, and heritage to emergency and social services, health, education, conservation, and environment⁴.

3. Removing the barriers

Volunteering New Zealand supports the position of The Productivity Commission that the current employer-focused system of training (industry, vocational, and tertiary) creates barriers for volunteers who could benefit from training opportunities. A learner-centred model with more funding for volunteers could help alleviate this.

VNZ agrees with the Commission's contention that the current definition of "trainee" excludes people on the basis of employment status and unfairly excludes volunteers.

Therefore, VNZ is supporting recommendation R3.1 made by The Productivity Commission that the government – in implementing its reforms of the vocational education and training system – should widen access to work-based education and training to all people in the workforce and to volunteers, rather than restricting access based on employment status.

The New Zealand tertiary system has some boundaries and biases evident in education and training policy. One such restrictive and biased policy favours training for employees over those in other work arrangements, including volunteers. Volunteers struggle to access vocational training – and funding – in the current system. Training is targeted at people currently in employment. VNZ agrees with the finding F3.1 and recommendation R3.1 of the Draft report 3: *Training New Zealand's workforce – Technological change and the future of*

¹ Stats NZ, *Non-Profit Institutions Satellite Account: 2013* (StatsNZ, 2015). Retrieved from http://archive.stats.govt.nz/browse_for_stats/economic_indicators/NationalAccounts/non-profit-institutions-2013.aspx

² MartinJenkins, Social service system: The funding gap and how to bridge it (Martin Jenkins, 2019), p.25

³ StatsNZ, Statistics New Zealand Labour Market Quarterly (StatsNZ, 2019). Retrieved from <https://www.stats.govt.nz/information-releases/labour-market-statistics-september-2019-quarter>

⁴ Jo Goodhew, Volunteer sector worth billions to New Zealand <https://www.beehive.govt.nz/release/volunteer-sector-worth-billions-new-zealand> [accessed 27 January 2020]

work, which confirm the excessive restrictions on access to work-based training. These restrictions are based on defining a “trainee” as a person with a training agreement that is part of an employment agreement under the Employment Relations Act 2000.

This definition continues to exclude volunteers from accessing to training and funding. The Education (Vocational Education and Training Reform) Amendment Bill currently before Parliament continues this approach, also defining training in a way that requires trainees to have a training agreement attached to an employment agreement. Consequently this actively excluding volunteers. Such a definition is not required to implement any aspect of the proposed reforms and it does not serve any apparent policy purpose. It is an unjustified disparity in access to education and training and therefore, in support of the Productivity Commission’s recommendation R3.1, VNZ asks for the removal of this barrier to volunteers training.

4. New migrants’ eligibility for government-funded vocational training

VNZ supports recommendation R3.2 in regards with the eligibility criteria to receive government training subsidies. VNZ agrees with The Productivity Commission on the benefit of ensuring new migrants’ eligibility to both work-based and provider-based government-funded vocational education.

VNZ has recently developed a national “Recent migrant volunteering strategy” as part of its broader Migrant Volunteering Programme⁵. Volunteering experiences of recent migrants were collected and analysed. The [findings](#) highlighted the popularity of volunteering amongst recent migrants, alongside several benefits and challenges. Volunteering was reported to be an effective way for recent migrants to gain a sense of connection to their communities, as well as enabling them to develop professional skills in the New Zealand context. Volunteering in lieu of employment or as a pathway to paid work is a recurring theme mentioned by recent migrants which signifies the ongoing difficulties the face in gaining meaningful employment.

5. Conclusion

VNZ supports recommendations R3.1 and R3.2 of Productivity Commission Report on Training New Zealand’s workforce. Endorsing recommendation R3.1, VNZ asks that the Government should widen access to work-based education and training for all people who are in the workforce and for volunteers, rather than restricting access based on employment status. In support of recommendation R3.2, VNZ wants the government to ensure that new migrants are eligible for both work-based and provider-based vocational education and training in the proposed reforms of the vocational education and training system.

⁵ VNZ, *A National Strategy to Support Volunteering for Recent Migrants* (Wellington: VNZ, 2019)