

Thursday, 08 May 2014

Murray Sherwin
Chair
New Zealand Productivity Commission
PO Box 8036
The Terrace
Wellington 6143

RE Submission on draft Productivity Commission report on Regulatory institutions and practices

Dear Murray

Thank you for the opportunity to provide comment on the draft Productivity Commission report on Regulatory institutions and practices.

As the Industry Training Organisation (ITO) for the public sector, we have a key interest in the Compliance sector and its capability.

The focus of our comments is limited to Chapter 12 Workforce capability, as this is the key area that ITOs operate in. We hope our response provides some insight and further context to the report.

Kind regards



Alexandra Vranjac-Wheeler
Head of Agencies & Regulatory

Background

The Skills Organisation, formerly the Electrotechnology Industry Training Organisation (ETITO), merged with Learning State, the former ITO for public sector and local government, in 2012. The Skills Organisation assumed coverage for both public sector and local government at that time. We are now the ITO for 20 industries.

We submit the following for your review:

For the most part we agree with the recommendations contained within the document. Where recommendations have been made we have provided context and suggested response.

We refer to page 298, paragraph 2, Towards a comprehensive framework of compliance qualifications; “As noted earlier, regulatory staff can access many different qualifications. The NCQP noted in 2009 that because most regulators carry out similar activities, there is a case for developing qualifications based on core competencies. This would lead to common standards being articulated across the compliance sector, creating a more cohesive and integrated workforce and helping agencies work more effectively together (NCQP, 2009, p. 24). The sector, through the CCCP (see below) began work on developing a set of national qualifications. However, these qualifications were overtaken by the Targeted Review of Qualifications (TROQ) that began in early 2011, in line with the third element of the package outlined in Box 12.4.”

Recommendation: more correctly this sentence should read:

The sector, through the CCCP (see below) and the ITO began work on developing a set of national qualifications.

We refer to page 298, paragraph 3, “(Box 12.5 provides an example of learning outcomes.)”

Recommendation: more correctly this sentence should read:

(Box 12.5 provides an example of graduate outcomes.)

We refer to page 298, paragraph 4, We refer to “The first stage of the TROQ review has been completed and the NZQA has granted The Skills Organisation approval to develop new qualifications by the end of 2014.”

We note that the outcome of the Commission’s report and responses to it need to be reflected in qualification development activities. Therefore, the qualification development activities are planned to be launched in the second half of 2014, and are unlikely to conclude by the end of 2014. These are anticipated to be listed on the New Zealand Qualifications Framework in 2015.

We refer to page 299, Box 12.6. It is noted, “As some financial advisers held other qualifications, The Skills Organisation helped to develop exemptions.”

As The Skills Organisation role is not that of a regulatory body we would recommend that following change be made to accurately reflect our participation in this matter.

As some financial advisers held other qualifications, The Skills Organisation helped to link these to the qualification and the regulator used these to inform their exemptions.

We refer to page 300, bullet point 2, which states that the CCCP had developed draft national qualifications.

Recommendation: we recommend the following amendment to reflect that in industries with an ITO, national qualifications by definition, are only able to be written by the industry ITO. We suggest this sentence should read:

The CCCP had partnered with the ITO to develop national qualifications, and is now working with the ITO, The Skills Organisation, (and the Police, the Open Polytechnic, and UNITEC) to develop new qualifications through the TROQ process.

We refer to page 305, paragraph 5, under Clarify roles and responsibilities

“The CCCP has been involved in similar areas, as it both designed national qualifications (before The Skills Organisation was established) and has accredited training providers across the sector.”

We refer to our comment. The CCCP partnered with the ITO to write the national qualifications. Also, we note that CCCP maintains a list of ‘approved’ providers. We suggest the use of the term ‘Accredited’ has a particular meaning in tertiary education, and while the approved providers services are valuable, they do not fit the definition of accredited.

We refer to page 307, paragraph 4, under Accrediting training providers

The paragraph refers to The Skills Organisation’s ‘accreditation’ role where The Skills Organisation should seek to maintain adequate quality and consistent standards, and to recommend for accreditation a number of service providers sufficient to promote diversity and competition.

We note that NZQA accredits training providers to deliver approved programmes.

The Skills Organisation supports this process by evaluating applications from tertiary education organisations seeking to deliver programmes. This results in formal support for their programme application to NZQA.

The Skills Organisation formalises the industry requirements for training and assessment in a document approved and published by NZQA. The Skills Organisation evaluates provider applications for consent to assess against unit standards from an industry point of view. We then provide feedback, necessary guidance, and formal support for applications to NZQA when all requirements are met. Consent to assess is awarded by NZQA.

In terms of New Zealand qualifications, The Skills Organisation has a similar process to evaluate programmes to support providers seeking approval and accreditation of their programmes by NZQA.

In the future, The Skills Organisation will evaluate whether organisations seeking to deliver and assess against the NZQF unit standards and award NZQF qualifications, should be accredited, although it is the NZQA that awards the consent (The Skills Organisation, www.skills.org.nz).

A single pathway to accreditation would promote consistent quality between training providers but could also reduce competition and diversity. The challenge is to set the accreditation standard and process so that it protects quality and consistency, but without unduly restricting competition.

Recommendation 12.5 states:

“That The Skills Organisation, as the accreditor of training providers, should seek both to maintain quality and consistent standards of provision, and to promote diversity and competition.”

We suggest a more accurate reflection of our mandated role might be as follows;
“That The Skills Organisation, as the ITO, and NZQA, as the accreditor of training providers, should seek both to maintain quality and consistent standards of provision, and to promote diversity and competition”.

<ENDS>