

Productivity Commission – CDANZ response to Draft Reports: Technological change and the future of work

This submission on the Productivity Commission’s Draft Reports supports the CDANZ submission on the [Issues Paper, April 2019](#)

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About CDANZ

Career development is:

“The lifelong process of managing learning, work, leisure and transitions in order to move towards a personally determined and evolving future.”¹

Career development is a life-long endeavour, and career support for all workers is a social justice issue, to build career and income resilience through this new age of accelerating change and disruption.

The Career Development Association of New Zealand (CDANZ) is a national organisation with 500+ members drawing together the broad range of people working in the careers and related fields under a unified professional vision:

“Excellence in career development across diverse fields of practice through sustainability, professionalism, and advocacy for all New Zealanders.”

CDANZ recognises that the process of career development occurs in many settings, including education, industry, commerce, government, and the professions. CDANZ is a key point of contact in New Zealand for policy makers and other stakeholders with interests in career development.

CDANZ works to champion policies which lead to the enhancement of career development in New Zealand. We collaborate with aligned associations and the international career development community to offer support, research, and mechanisms that are mutually beneficial.

General Comments

CDANZ supports the work of the Productivity Commission. Careers work has a clear focus on preparing people for the future of work and assisting people to make effective transitions in the face of rapid change.

¹ [Canadian] National Steering Committee for Career Development Guidelines and Standards, 2004.

Like the Commission, CDANZ is conversant with, and aware of, the forces and impact of technology on work; this is required knowledge in our work with clients, no matter their age, stage, or circumstance.

The Commission's work is incredibly timely, particularly during a period where provision of central Government career products and services has shifted from Careers New Zealand to the Tertiary Education Commission and, to some degree, the Ministry of Education.

This recent shifting of responsibility and focus has brought into sharper relief the current state and quality of career provision in New Zealand. Our overarching position is that although the different future scenarios are a helpful thermometer to gauge technology adoption and impact, overall New Zealand is woefully under-prepared for the impact of technology on work, and on our current and future workforce.

CDANZ sees the Commission's work as an opportunity to inform government policy of the current shortfalls. A summary of the CDANZ position on the Productivity Commission's Draft Reports are:

- The findings and recommendations around technology change and the future of work create an opportunity to evolve policy settings and systems for an equal and just New Zealand.
- Every individual is on their lifelong career development journey where work (paid and unpaid) and learning are essential to their wellbeing (financial, relational, etc).
- A well-functioning labour market needs competent and confident workers, and workplaces that encourage career and skill development.
- The system requires professional career development expertise to support individuals and workplaces. See the joint statement from the OECD, ILO, UNESCO, the EU Commission, the European Centre for the Development of Vocational Training, and the European Training Foundation [Investing in Career Guidance](#) (Dec 2019)².
- CDANZ has a qualified and competent workforce of career practitioners ready and willing to support a 'system that learns & innovates' (Figure 4.4, Draft Report 2, p82). CDANZ equips its members with quality standards, benchmarks, professional development, and resources.

We support the identified areas for further research, particularly on the impacts for workers and displaced workers, i.e. the gig economy, the income effects of involuntary job loss, and evidence-based approaches to current and new labour market programmes for a wider group of people, including displaced workers. In this submission we respond to the findings and recommendations relevant to career development and provide commentary on ways to address these concerns.

CDANZ would like to express our keen interest in further discussion and contribution to policy development on this critical topic.

² Investing in Career Guidance (2019) downloaded from:
https://www.cedefop.europa.eu/files/2227_en.pdf?utm_source=activetrail&utm_medium=email&utm_campaign=jmc@iccdpp.org

Summary comments: Risks and Opportunities

“The Government has asked the Commission to examine how New Zealand can maximise the opportunities and manage the risks of disruptive technological change and its impact on the future of work and the workforce.”

This submission responds to the draft reports with relevance to career development, with a separate section for each report. Below are some concluding statements under the headings of Risks and Opportunities, as follows:

Risks

The existing system is fragmented and sub-optimal.

A functioning workforce that navigates a changing world of work requires a functioning education and career development system. With recent government changes and multiple reviews the system is in a state of flux, under-prepared, and not ‘fit for purpose’ for the future. The CDANZ position is that New Zealand is woefully under-preparing workplaces and individuals for the impact of technology on work and will continue to be so until there is provision of an all-age, all-stage career development support service.

The facts are currently:

- There is no national career development policy
- Career development is not consistently integrated into education delivery
- Quality of support provision is inconsistent and generally difficult to access
- We are behind other countries in providing effective/quality services for those recently made redundant
- The vast majority of workers are left to their own devices in making forced and unforced career transitions
- There is little sign of government initiatives to support social equity through access to career development services across life age and stage.

Regardless of the rate of change coming to New Zealand, the current system is inadequate and lagging other OECD countries. The provision of career development services has gone speedily backwards over recent years and needs to quickly change direction and approach. If technology does bring faster change than we are anticipating we will be totally unprepared. CDANZ sees the Commission’s work as an opportunity to inform government policy of the current state, shortfalls, and opportunities.

Workforce marginalisation

CDANZ acknowledges that technology brings positive change to people’s working lives, but also significant negative impact, especially when facing change, or worse, job loss. Most at risk are the slow adopters of technology or those already marginalised within the existing labour market. Work is deeply psychological, relational and ultimately identity-forming, whilst also providing a socio-economic lifeline. CDANZ believes early investment in quality career development interventions increases people’s career resilience and propensity to cope with change and loss, connecting them to resources that place them in a stronger position to change or re-enter work more quickly.

CDANZ believes a lifelong career development approach that builds career competency across the population is far more effective than supporting clients and families once they feel the full brunt of technology disruption on their lives.

CDANZ sees the Commission's work as an opportunity to inform the government that there are interventions to assist in career transition and improve the resilience of workers when facing change.

Pipeline, Pathway and Systems thinking

In the last ten years there has been a strong narrative and experimentation with pipeline, pathway, and systems thinking. The complexity of individual decision-making for those subject to the system has not been adequately acknowledged. The result has been poor resource allocation and inconsistency in the provision and quality of services that help people navigate complex work and training decisions.

The current singular focus on employability skills and labour pipelines ignores an unavoidable pre-requisite: human choice and choice-making, and the knowledge required to enable this process for individuals. The lifelong journey through the schooling system and beyond needs people to be equipped with the skills to make quality choices on training and skill-building on an ongoing basis.

The Labour Coalition's Wellbeing Budget incorporates ideals oft-mentioned by the Hon Grant Robertson stressing the importance of our workforce having access to, and enjoying, meaningful work. This is where career development services provide the bridge. Building job-related skills will get people jobs, but how do we support people to ensure those skills and jobs are good choices for them, and that they are building meaningful careers? This is the work of professionals in the career development industry; it is what we are trained to do, with a commitment to professional development to remain current and effective.

CDANZ sees the Commission's work as an opportunity to inform the government of the complexity of learning and work decision-making; it is not just about providing opportunity, but additionally to provide support for people to identify the myriad opportunities within their own context.

Income Scarring

When people face change or job loss income scarring is an obvious risk and common outcome, as shown in research referred to by the Commission. Scarring also goes further, psychologically, relationally, and with regard to one's core identity, with impacts on confidence and self-esteem. It is important the government is fully aware of the potential for scarring when a person is detrimentally impacted by change in their work. The cost is not only to the individual, but to family/whanau, community and country. Research suggests career intervention can lessen different kinds of scarring to the individual, including financial and emotional, with positive outcomes for mental health.

CDANZ sees the Commission's work as an opportunity to inform the government that there are interventions available right now that are capable of lessening all types of scarring to the individual, provided by people with expertise in career development.

Opportunities

CDANZ sees the Commission's work as an opportunity to inform government policy of the current shortfalls while also recommending the following approach:

1. A stock-take and environmental scan of the current career development service provision in education and the workforce.
2. Government supported leadership to develop a co-ordinated career development strategy across the private and public sector, incorporating current programmes

being addressed and/or implemented by TEC, MOE, MBIE, MSD, and ACC, amongst others.

3. CDANZ supports the concept of an insurance system for workers with the proviso it is not focussed solely on easing financial burden but incorporates professional career support to re-engage and develop the skills required to integrate quickly back into work and/or move forward with other goals.
4. For those delivering services to people in work transition there is an opportunity to use benchmarks and professional standards to ensure delivery of a quality and consistent service, with consideration given to a focus on the future alongside the present predicament.
5. Further career development assistance for specific groups already marginalised in the labour market.
6. Career expertise needs to be incorporated into the early, and all, phases of RoVE, to ensure students are working on their career development journey whilst learning the “hard” skills required, to help ensure their career resilience and confidence.
7. Ensure access to quality career development services; New Zealanders need access to lifelong career development support when and where they need it, from people with current knowledge and experience in this dynamic industry. Regulation of this sector is a worthy consideration, as with any service that depends on quality for effectiveness and carries a risk of harm.

In closing this section, support from the International Labour Office (ILO) is clearly stated in their 2019 publication for the Global Commission on the Future of Work: Work for a Brighter Future (p33) ³:

“To support people through increasing labour market transitions, governments need to increase investment in public employment services (PES), combining digital services with personal counselling and placement services and improving labour market information to support decision-making. By making active labour market policies proactive, workers can be better prepared for these transitions.”

Draft report 2: Employment, labour markets and income

CDANZ has no significant comment to make on the following findings and recommendations	F1.1, F1.3, F1.4, F1.5, F1.6, F1.7 F2.2, F2.3, F2.4, 2.5, F2.6, F2.7, F2.8 R2.2, R2.3 F3.4, F3.4 F4.1 Chapter 5 F and Q
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F1.2	Inwards and outwards migration are responsible for numerically larger effects on the size and composition of New Zealand’s labour force than is the output of its
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³ Global Commission on the Future of Work: Work for a Brighter Future, International Labour Office, Geneva, 2019.

	school system. Policy makers, employers, unions and others often characterise the broader education system as a “skills pipeline”.
CDANZ	<p>The skill pipeline is a dominant narrative in resource decision-making that is easy to conceptualise for policy makers and employers, etc. CDANZ believes that if stakeholders want the system to function optimally, they need to appreciate the complexity of people’s career decision-making processes, rather than perpetuating a simplistic and out-dated ‘matching model’. Additionally, the career guidance mechanisms that have the potential to maximise opportunities for the right people getting to the right pipelines should be considered in this process.</p> <p>For a dynamic labour market, flexibility between pipelines and mechanisms to cope with pipeline failure are important. Within the New Zealand context that mechanism to support transitions is not well supported or understood.</p> <p>CDANZ strongly recommends a broader conceptualisation of how the system functions and how people currently use and make sense of that system. Currently, in the Productivity Commission’s research it seems there has been little regard paid to how people consider and make decisions about their future. This balance is important when considering services that will help navigate a system that will ultimately become more complex and fragmented.</p>
F1.8	The benefits and costs of greater technology adoption will likely fall unevenly on workers and households, creating significant costs for some. However, to lift overall incomes and wellbeing, policy settings must encourage greater technology adoption. Government should resist policies that protect existing firms and workers as these tend to discourage technology adoption.
CDANZ	We agree that technology will fall unevenly on workers and we encourage policies around firms’ and workers’ adoption of technology. CDANZ knows appropriate career interventions can make a significant contribution to those who are marginalised by labour market disruption and assist workers to adapt, cope, and become more engaged within a changing labour market.
F2.1	Issues of insecure work, poor job quality, low wages and equity of opportunities are not specific to digital labour platforms. Policies should target these issues rather than the platforms or their underlying technology.
CDANZ	CDANZ agrees. There appears to be no government agency providing a competent and in-depth service to address these concerns. Career Development methodologies and competencies have been developed to address these precise issues. CDANZ believes methods of funding or support for people who have these issues, or could have these issues, need to be considered.
R2.1	Stats NZ should work with the Ministry of Business, Innovation and Employment and Inland Revenue to improve measurement of non-standard work and of work mediated by digital labour platforms
CDANZ	CDANZ supports this recommendation. Clarity on the dynamic of the labour market is important.

F3.1	Workers who lose their job can face lower earnings in subsequent jobs. Such “income scarring” appears to be large and long lasting in New Zealand. However, research is based on small samples and is possibly subject to selection effects. Further research would help to better understand the extent and causes of income scarring in New Zealand.
CDANZ	CDANZ recommends further research, while experience of our practitioners would suggest income scarring happens often. This issue goes further, into health, psychological and relationship scarring. A person who experiences job loss can suffer a multi-layered impact that has significant cost, not only to the individual. Research suggests career intervention can lessen that scarring.
F3.2	Poor job matches may contribute to income scarring in New Zealand. Financial stress on displaced workers and New Zealand’s thin labour markets may underlie poor job matches.
CDANZ	CDANZ agree with this finding, but again the scarring is far deeper and profound than just income. It impacts identity, relationships and families. Career development is focussed on wise and informed choices and avoiding poor matches. Many New Zealanders find it difficult to access or afford job search support services and therefore endure longer periods of unemployment, or repeat the same poor match.
F3.3	Improved income smoothing mechanisms in New Zealand would increase the wellbeing of displaced workers. It would also facilitate labour-market dynamism, improve labour market matching, build human capital, and foster favourable attitudes towards technology adoption.
CDANZ	CDANZ strongly agree with this recommendation with a caveat. CDANZ believes that career development interventions can address a lot of the concerns of scarring and matching, provided that the services are delivered by competent professionals. CDANZ has done a lot of work in developing a Career Competency Framework that ensures practitioners are able to support diverse client issues. CDANZ believes it is not just about providing services, but ensuring the deliverers of those services are competent and have ongoing professional development.
F3.5	Portable individual redundancy accounts could promote labour-market flexibility while enhancing income security. However, such accounts do not pool risk across workers, and may provide low levels of support for young workers or those who experience multiple job losses.
CDANZ	CDANZ supports this concept in principal and recommends these accounts have requirements or access to services that would encourage addressing any residual issues, engagement in learning, choice-making and marketing of skills. A comparable exemplar is ACC, where clients have access to a range of services designed to enable claimants to return to employment. Several other European countries have a similar approach. Providers of these services are regulated and CDANZ has an excellent relationship with ACC, with our Professional members being core providers for delivery of some programmes.
F3.6	An unemployment insurance system funded by employers and workers, with payments linked to previous earnings, would smooth the incomes of displaced

	workers. It could be designed to cover self-employed workers. However, it would reduce net wages, increase the cost of labour, and discourage hiring.
CDANZ	CDANZ encourages this initiative in principle, however we question why it needs to be linked to previous earnings, which may address some of the concerns about cost. Again, we believe the system should be linked to professional career services that assist people in their re-integration into the workforce.
F3.8	A package of changes to benefits and tax credits that provide greater, time-limited, support for displaced workers would build off an existing system that is relatively neutral to work arrangements. Unlike portable individual redundancy accounts and unemployment insurance, changes to benefits and tax credits would not discourage hiring because they would be funded from general taxation.
CDANZ	CDANZ in principle encourages this approach. Again, we believe the system should be linked to services that assist people in the re-integration into the workforce.
F4.2	New Zealand's spending on AMLPs is low internationally, according to the OECD. This is not, of itself, a reason to increase spending. New Zealand's ALMP spending per unemployed person is much closer to the OECD average.
CDANZ	There is an opportunity to support those who are in work with their career development. New Zealand wants a dynamic and productive labour force - this will require more than just training opportunities. Informed decision-making around training, promotion opportunities, transition, and succession planning are foundational to a smoothly operating labour market where people feel confident in seeking meaningful work. Currently these services, if available, are limited to organisations that have invested in workforce planning. It is argued only a small percentage of the workforce have access to this type of service and it is likely to be highly inequitable. CDANZ recommend AMLPS programme that are accessible to a broader base of the population.
F4.3	Access to ALMPs in New Zealand is narrow compared to most OECD countries. This is because most programmes are linked to income support, and access to income support in New Zealand is narrow.
CDANZ	CDANZ agree with this finding. If access to ALMPs programmes became wider, for example workers who are in at risk industries, less scarring may be an expected outcome.
F4.4	Employment and income support services are closely integrated within the Ministry of Social Development (MSD). Consequently, many MSD programmes are not available to, or designed for, workers who have lost their job and seek a new one, for workers at risk of unemployment, or for those seeking to enter the workforce but not eligible to receive a main benefit.
CDANZ	CDANZ agrees with this finding. CDANZ practitioners regularly comment on clients who, after a long period of unemployment without seeking income support, find there are no services that focus for any length of time, depth and competency on their career development needs. CDANZ recommends a broadening out of the support services who can ably support trade, technician, professional or middle management in exploring other options, and that those

	<p>services be provided before a transition or redundancy. This is a function of the current career system that is not “joined up” to support people in real-world situations, and far from customer-centric.</p> <p>A system and government ministry/agency-wide career development strategy could address these gaps for a more cost-effective and customer-centric approach to supporting our workforce. It is not apparent from TEC’s Careers System Strategy to date that an attempt is being made to do so.</p>
F4.5	<p>Reliably measuring the effectiveness of labour-market programmes is challenging. Programme evaluation is patchy and rarely robust. International and New Zealand evidence suggests that labour-market programmes in general, and ALMPs in particular, have mixed effectiveness.</p>
CDANZ	<p>CDANZ accepts this finding that there needs to be a more robust approach to programme evaluation. However, we do wish to make a case that there is significant evidence that a range of career guidance interventions make a difference on people’s career transitions. Although there is little New Zealand evidence due to some lack of support identified in earlier comments, there is significant evidence from other countries with comparable economies. Services in New Zealand are also offered on a contractual basis based on outcomes, and much of this is ‘moving sand’ based on government intentions and priorities at the time. This fragmentation of service delivery makes it difficult to measure longitudinally.</p>
F4.6	<p>There would be benefit to displaced and at-risk workers, and the labour market more generally, if suitable and cost-effective labour-market programmes were available to a wider group of people. There is patchy information at the present time on the cost-effectiveness of existing programmes for existing clients. This is inadequate to justify expanding these programmes to a wider group of people. The measured introduction of small-scale pilots could generate the information required to be confident that programme expansion would be beneficial.</p>
CDANZ	<p>CDANZ agree with the first part of this finding, whilst suggesting the evidence exists now on the type and nature of AMLPs that make a difference. Pilots and programmes are often caught in political and electoral cycles. One approach could be to consider overseas offerings from experts such as the International Centre for Career Development (ICCDPP), which has a great source of information on what is working well in other countries, and which New Zealand actively participated in and contributed to prior to Careers New Zealand joining with TEC. One meta-analysis conducted recently found that displaced workers who received career development support from qualified practitioners found work 2.67 times faster in the 6 months following job loss than those operating without support – the research and evidence are most certainly there.</p>
R4.1	<p>The Government should not create new or expand existing labour-market programmes without considering issues of system architecture, service commissioning and evaluation.</p>

CDANZ	CDANZ agrees with this finding. CDANZ commissioned a scoping paper to look at the state of the career development industry in New Zealand ⁴ . A layered approach was strongly recommended based on European Lifelong Guidance Policy Network (ELGPN) ⁵ . It is strongly recommended that the Productivity Commission consider ELGPN framework and the recommendations that place the framework in a New Zealand context pp 17 – 22.
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Draft report 3: Training New Zealand's workforce

CDANZ has no comment on these findings and recommendations	F 2.2, F2.3, F2.4, F3.2, F3.3, F3.5, F3.7, F3.8 R3.1, R3.3, R3.5, R3.6
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F2.1	New Zealand workers have high rates of participation in work-related education and training, compared to workers in other OECD countries. People in professional occupations or with higher levels of prior education are more likely to take part in work-related education and training.
CDANZ	CDANZ agrees with this finding however would add that it should also mention the significant amount of training “churn” that exists in the current system.
F2.5	Barriers to education and training, for both employers and workers, include insufficient time, the cost of training, lack of information, and concerns about relevance and quality.
CDANZ	Other significant barriers to training include clarity of career direction, confidence, support around decision-making, and other lifestyle issues. It should also be noted that mostly it is not one issue but a combination. The “lack of information, and concerns about relevance and quality” mentioned above are clearly career development issues which could be addressed with the right support.
F3.4	Micro-credentials have the potential to facilitate labour market dynamism. Despite the recent introduction of New Zealand Qualifications Authority (NZQA) rules for the approval of micro-credentials and Tertiary Education Commission guidelines for their funding, considerable barriers remain to the provision of NZQA-approved micro credentials.
F3.6	Recognition of prior learning (RPL) would make it easier for individuals to move from one industry to another, as in-work learning is formalised by RPL via a credential. However, current funding policy creates a barrier to RPL.

⁴ D Furbish, A scoping paper on Career Development in New Zealand. Downloaded from <http://www.cdanz.org.nz/uploads/Scoping%20Paper%2024July.pdf>

⁵ The European Lifelong Guidance Policy Network (2015). Guidelines for policies and systems development for lifelong guidance. Jyvaskyla, Finland

CDANZ	CDANZ supports improved access to micro-credentials and RPL as providing an even playing field for individual career development. CDANZ also believes there are other interventions that would also make it easier for individuals to transition to other roles and between industries. For example, career planning interventions assist in lifting resilience and self-determination, including how to market transferable skills and qualifications. There is a lack of funding for these types of services in New Zealand creating a massive inequity; they are currently self-funded for adults or via employer provision - generally made available to selected salaried white-collar employees.
R3.1	In implementing its reform of the vocational education and training system, the Government 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. Where apprenticeships or other training programmes need long-term ongoing relationships between trainees and their work-based supervisors, this should be specified in programme requirements, rather than through a legal definition of “trainee”.
CDANZ	CDANZ supports this recommendation but also suggests career guidance interventions would also assist greatly to ensure that training choices are appropriate to the individual, and sustainable. Without support this approach could lead to even more churn in the existing training infrastructure.
R3.2	In implementing its reforms of the vocational education and training system, the Government should ensure that people legally entitled to work in New Zealand will be eligible for both work-based and provider-based vocational education and training that is connected to their work, regardless of their visa status or length of residency.
R3.4	The Government should extend funding eligibility to providers for students who do not intend to pursue full qualifications and remove specifications that limit the provision of short courses.
CDANZ	CDANZ supports these recommendations to better meet the education and learning needs of all those making New Zealand their home, and to meet the labour market needs of employers, including the self-employed and those in small to medium sized enterprises.
R3.7	To reduce duplication and improve accountability, the Government should clarify the roles and responsibilities of the various agencies and organisations in the new vocational education system.
CDANZ	<p>CDANZ strongly supports this recommendation. Currently there are myriad pilots, new initiatives, existing programmes and service provisions, and swathes of career information. This plethora only serves to overwhelm the (often already overwhelmed) customers attempting to access and use services. It also makes it difficult for others to work effectively with government.</p> <p>Additionally, the Government needs to ensure the new vocational education system incorporates career development considerations and services into the roles and responsibilities – there has been no evidence of this to date. Tertiary providers absolutely need to utilise career development professionals to support students. Career expertise needs to be incorporated into the early phases of the</p>

	reform. The approach to education we need should not simply fall back on the traditional roles and approaches that we know are stale and inappropriate to new world of work.
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Draft report 4: Educating New Zealand’s future workforce

A critical quote and statement in the draft report is:

A report for the New South Wales Department of Education entitled Preparing for the best and worst of times argued that the “central challenge is not to predict the future but to prepare for uncertainty. This is best achieved by developing in individuals the capacity to adapt successfully to changing situations” (Buchanan et al. 2018, p. 3).

The core functions of career development and career development interventions are to help and develop individuals in adapting to changing situations. This ‘best approach’ is not evident in current career development service provision in New Zealand, rather services are fragmented and inaccessible for most in this country.

The report talks about the failure of the education system within the overview, however inadvertently fails to make a similar statement about *“the failure of the system to “help people make well informed choices and avoid closing of viable options inadvertently, unnecessarily, or too early”*. This important point has simply not been addressed, and we believe it needs to be.

CDANZ believes the biggest opportunity for the New Zealand workforce is to interweave education with career development. Currently career development thinking and knowledge is minimalised and not integrated consistently at any level in the New Zealand education system.

This draft report has not identified the opportunities to:

- Promote and support good career development practice within the educational journey
- Support career development education within the curriculum, so students see the link between themselves, learning and work
- Increase the accessibility of career development interventions for those who need it and thus engaging/re-engaging them with learning and work
- Support students to develop the skills needed to make informed choices and identify alternative learning and career paths throughout their lifetimes.

CDANZ strongly believe it is these steps, which the Productivity Commission can recommend to “better prepare young learners for a changing world of work” P1.

CDANZ has no fixed opinion for or against the following findings	F2.1 F2.2
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F1.1	Desirable characteristics of an education system for the future of work are its ability: to empower people to learn new skills and knowledge throughout life;
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	and to help people make well-informed choices and avoid closing off viable options inadvertently, unnecessarily or too early.
CDANZ	CDANZ is in total agreement; career development is an evidence-based discipline that can achieve these specific outcomes. The challenge in New Zealand is that there are recognised deficiencies in the current education and career delivery system that are sub-optimal. Current system initiatives being delivered by MOE and TEC are not addressing those concerns, and we are not convinced they will do so from our knowledge of current activity and plans, in which we are well versed.
F2.3	The national curriculum, in its expressed intent, is well-suited to prepare young people for the future of work. However, there is clear evidence of a systematic implementation failure of the national curriculum. For many students, their experience of the national curriculum falls far short of its intent.
CDANZ	CDANZ agree with the expressed intent. To be effective in preparing students for the future, career development learning needs to be embedded into the curriculum. For some years Career Development Benchmarks have been available to schools to ensure best practice for careers departments and the delivery of relevant programmes to students. They were developed to provide guidance and the ability to measure success. There are schools that have made a commitment to using the Benchmarks and delivering quality career programmes and services, but it has always been a matter of choice for principals. This should not be the case, along with the funding to match – schools can choose how they spend career development funding; it needs to be ‘ring fenced’ and applied only to this important function. There are three sets of Benchmarks: for Intermediate, Secondary School, and Tertiary. CDANZ members played a strong part in the development and roll-out of these Benchmarks.
F2.4	The “well-lit” pathway or route from secondary school to university works well for some students, but not for all. Variability in careers advice, timetabling constraints and regulatory requirements – especially those related to University Entrance – add to the difficulty of developing vocational-focused pathways in schools.
CDANZ	CDANZ generally agrees with this finding but also sees flaws. Does the “well-lit pathway” work for some or most? “Some” is not enough to call a pathway well-lit. The number of young people changing and dropping out of tertiary study confirms this is an issue. We agree there is significant variability in career advice – according to how funding is used by a school, the perceived value by the school (generally the principal) of career development interventions, the ratio of careers education providers to students, and the skills and experience of the careers team. Most are trying to serve too large a base of students to be effective, teach classes as well, and many do not hold career specific qualifications. Career development skills are very different to teaching skills, and the qualifications are therefore very different. These variables represent huge problems in a school’s ability to provide effective career services to its students. The provision of career development services in schools has come under fire somewhat recently, however it is not surprising it is difficult to provide an effective service given the situation described above, which seems to exist to some degree in most schools.

	<p>In summary, the issues in secondary schools are: teacher/pupil ratios, funding, school attitude to career development as a right, and appropriateness of staff qualifications and experience. The importance of career development education in schools has only decreased in recent years with the demise of Careers New Zealand and the withdrawal of support to secondary schools. Schools have been left very much to their own devices while we await the Ministry of Education's Career Action Plan for Schools, which we understand has no career development expertise within the current team drafting the plan.</p> <p>The use of terms like 'well-lit pathway' and / or 'vocational pipeline' are invariably unhelpful and not user-centric to those that engage in the system. The terms do not bring a human centred approach, where the diversity of student population and career development competencies are required to navigate a complicated system. The current system requires significant decision-making so early within a young person's career development, at a stage where they should be exploring options rather than finalising options around pathways. Young people often finalise choices with very little formal career development input, lack confidence, and very often make mistakes.</p>
F2.5	<p>Keeping options open, along with enabling students to change course as needed, is an important attribute of an education system. But barriers exist to changing course and provider, especially in tertiary education.</p>
CDANZ	<p>We agree with this statement (see above commentary), however this occurrence could be lowered massively with appropriate career development embedded throughout the education system. Yes, we need the ability to change, however there is a more important piece of work in supporting people to make better quality choices as they traverse their education. This work needs happen in parallel. In cases where the error of an unsuitable choice is made, students are often not automatically in the right space to then make a better choice. Changing courses requires career development interventions in addressing personal concerns and working through a sound process of looking at alternatives. Currently these interventions do exist within tertiary providers, usually paid for by student fees rather than government edict, but again there are inconsistencies in the delivery of services across different tertiary settings.</p>
Q3.1	<p>This report identifies challenges and opportunities for reform to the education system in preparing young people for the future of work. What other constraints, issues, challenges and opportunities should the Commission consider?</p>
CDANZ	<p>CDANZ believes one of the biggest challenges that is not recognised or considered enough is how career development theory and practice can make a contribution to education and those who use the education system.</p> <p>Currently there is a significant focus on how to organise the education system without enough thought around how to empower the students who use that system. Career Development has a significant body of research, practice and understanding on how to empower students so they make informed and appropriate decisions. We exist at a time where little consideration is given to career development knowledge in the design of the education system. The system focus is on fixed pathways and pipelines rather than the reality of the need for students and workers to have a range of career management competencies to navigate a complex and changing world of work.</p>

CDANZ believes the optimal system resembles a DNA strand, where education is interwoven with career development interventions as appropriate for age, stage, and circumstance – and, similarly, no one person’s needs are exactly the same as another’s.
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Draft report 5: Technology adoption by firms

CDANZ generally supports the thinking of the Productivity Commission.

In particular,

“the government policies that support workers in the event of job loss, rather than protecting jobs or failing firms, can support the beneficial reallocation of resources”.

Career development interventions, with a qualified and experienced practitioner, are particularly powerful for those who are facing job loss or considering re-skilling. The challenge is that New Zealand currently does not support those in job loss or re-skilling in any proactive and consistent manner.

The CDANZ position is supported by the Productivity Commission’s very own Tim Maddock; in his opinion piece “It doesn’t pay to lose your job”⁶ he states:

“New Zealanders who lose their job experience, on average, an especially large scarring effect by international standards.”

From the perspective of the New Zealand workforce, how this often plays out is that a person may be entitled to a benefit but holds out as long as they can from going to a government agency. They run with their immediate emotions, with who and what they know, often under-prepared for the challenges of a prolonged job search. For them, it may not matter whether they make a good or poor job choice as long as it brings in money and pays the bills. In most cases this person has very little professional support to deal with the emotional roller coaster, failures in the job hunting process, or to look beyond the immediate dilemma to more long term appropriate work and training. Where there is a provision of service anecdotal experience within our professions tells this this is an extremely inequitable situation. The long-term result, as we know, can be income scarring which impacts the person, their quality of life, and his/her family and whanau. The lower the socioeconomic rung you’re on, the less chance you have of being offered professional and effective support to improve your situation.

This transition time for many is a period of psychological uncertainty, from a financial, social, relationship and wellbeing angle. The effects are damaging for the individual but also ripple through whanau and family units.

Tim Maddock supports his opinion by quoting Fletcher (2015) and also OECD data. The OECD data suggests:

“..that New Zealand’s support is among the least generous in the short term, but relatively more generous to people unemployed for long periods of time.”

⁶ Maddox, T (2019, August 14). It doesn't pay to lose your job. Retrieved from <https://www.productivity.govt.nz/futureworknzblog/it-doesnt-pay-to-lose-your-job/>

Why should we wait for long periods of time to provide a level of support?

Maddock's key points that CDANZ agrees with are that:

- The system is not designed in a way that helps people to move smoothly from one job to another.
- Low levels of support could also make New Zealanders less welcoming of new technology.

CDANZ believes there is a far more effective way to support those who are affected by technology change at the same time as re-invigorating and engaging people for the changing times ahead. What is required is greater government support for career development thinking.

CDANZ is keen to assist the New Zealand government and its supporting agencies during this transition time.

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