



Submission on

**Options for the future of Work-based Learning**

21 February 2025

## About us

1. The Aviation Industry Association (AIANZ) is the peak membership body that represents the interest of the commercial aviation industry in New Zealand. Founded in 1950, its overall goal is to and support a safe, sustainable, and resilient sector in New Zealand. So, while safety is front and centre of everything we do, we also enable our members and the wider aviation sector to grow and innovate.
2. The membership of the organisation includes more than 200 operators from small to large who operate aircraft in many sectors of the industry. They include flight and ground training, agriculture, scheduled and charter air transport services, freight, photography, search and rescue, surveillance, and tourism. Our membership also includes companies that service, maintain, design or manufacture for these sectors, including engineers. In more recent times, unmanned aerial vehicles (UAVs) or drones have become an important part of AIANZ's diverse membership.
3. New Zealand has the most aircraft per capita in the world that are integral to our economy and for traversing NZ's terrain in a brief period. The high number of helicopters, for example, have been vital to the swift response to Cyclone Gabrielle earlier this year and the Kaikoura earthquake in 2016. There are 4,600 aircraft and 900 helicopters operating in New Zealand. This represents one aircraft for every 1,120 people and one helicopter for every 5,700 people.
4. The aviation industry in New Zealand plays a critical role in the country's economy. As an island nation, aviation is an important connector for domestic and international markets. Aviation also plays an important social role in the work that it does to support disaster relief, search and rescue activities and medical emergencies.
5. Our role is primarily a policy one that is supported by evidence-based advocacy and lobbying to Government and their agencies. We support members in regulatory matters, advancing professionalism in all safety matters while being recognised as the voice of the country's commercial aviation industry.
6. The Association itself is organised into six divisions which are:
  - a. New Zealand Agricultural Aviation Association (NZAAA)
  - b. New Zealand Helicopter Association (NZHA)
  - c. Unmanned Aerial Vehicles Association (UAVNZ)
  - d. Training and Development
  - e. Supply, Service and Engineering that includes the Aircraft Engineers Association (AEANZ)
  - f. Operations (including scheduled airlines and tourist flight operators).

## Introduction

7. The AIANZ appreciates the opportunity for consultation on Options for the future of Work-based Learning that follows on from the September 2024 consultation on Vocational Education and Training. Our submission is brief since many of the issues were canvassed last year, and it is pleasing that at least some of these matters have been taken on board by officials and acknowledged in this latest consultation.
8. In our submission to the Tertiary Education Commission (TEC), on 12 September 2024, the Association supported *Option B of Proposal 2 for more focused industry-specific standard-setting bodies under which arranging industry training is done by providers*. Our preference for this option was because it offered a platform for an industry-led independent organisation that would be able to respond to the changing workforce needs of the industry, while providing the best opportunities for input on how the governing units are structured. For this reason, the AIANZ would favour the Independent Work-based Learning Model.
9. Notwithstanding our support for the Independent Work-based Learning Model, the AIANZ has some concerns about what is being proposed. These concerns focus on the **composition and role of Industry Skills Boards (ISBs), pastoral care and levy-raising**.

## ISBs (Composition and Role)

10. Following a meeting with the Minister of Vocational Education Hon Penny Simmonds on 4 February 2025, it is understood the Government wants as few ISBs as possible to reduce costs. While this is appreciated, consultation will need to take place on how best ISBs are grouped to represent broad interests as well as who serves as Board Members on these entities.
11. A case in point is aviation which has traditionally been grouped as a service industry for vocational education, but equally it could be represented by an ISB focused on transport and logistics. Before any decisions are made on the make-up of ISBs, we would encourage further consultation with the AIANZ to determine the best fit. We appreciate that industries do need to be clustered, but there should also be an opportunity for reciprocal arrangements to exist between ISBs.
12. It is our view that ISBs, much like the current **Workforce Development Councils (WDCs)**, should have a vital role in the setting of qualifications and standards. If they are like WDCs, the ISBs will be more attune to the needs of industry, but also nimbler in being able to respond to changes in qualifications and standards. In the past, the New Zealand Qualifications Authority (NZQA) has been too slow in how it operates in this regard.
13. A further function for an ISB might also include the ability to assess international qualifications to benchmark New Zealand qualifications with overseas jurisdictions. The developers of training programmes should be encouraged to work closely with ISBs and international providers to adapt programmes that are suited to a New Zealand context.

14. In aviation, the WDC (Ringa Hora) has played a critical role in workforce development, planning, and research and the AIANZ believes this is a role that could still be managed by an ISB in partnership with the industry. A recent illustration of this was the successful workforce pilot and engineer demand and supply project between Ringa Hora and the AIANZ in 2024.
15. The AIANZ still believes the ISBs are best suited to provide investment advice into TEC, a role currently administered by the WDCs. They could also assume responsibility for some funding decisions that would hasten and streamline current processes.

#### Pastoral Care

16. Giving pastoral care responsibilities to the ISB is not an approach favoured by the AIANZ. We believe pastoral care responsibility is best suited to the training provider since they are the organisation that has the closest relationship to the student. Having an ISB operate this function seems illogical given it is not a fit for purpose role for an ISB and will merely add more complexity to a system the Government is trying to simplify and streamline. By way of example, in the aviation industry, the pastoral care element for student pilots would generally be provided by a flight training organisation (FTO).

#### Levy Raising Powers

17. The AIANZ would be concerned if an ISB under the Independent Work-based Learning Model, could unilaterally implement and charge levies to an industry to fund its work. Current industry training funding levels should be maintained. A levy will simply add more costs and especially compliance to the system. This is particularly so in a regulated industry like aviation which is levied by the Civil Aviation Authority (CAA) and pays around 90% of the Authority's operating costs. Further costs to business on top of current levies (albeit for a different function), could threaten the financial viability of some businesses and illustrates more cost recovery that is being passed on to business.

#### Other Comments

18. It is vital the new Vocational Educational model supports aeronautical engineering training which is high cost and low volume in nature. These are niche, yet critical programmes needing support, as engineers are in high demand in the aviation industry.
19. The AIANZ would also welcome more practical information as how the Work-based Learning Model will operate as there is not a lot of detail provided in the February 2025 consultation document.

#### Conclusion

20. To sum up, the Association re-emphasises its support for Option B, which is for Work-based Learning to be delivered by the educational provider, who would also retain ownership of the pastoral care element. The role and composition of the ISB is critical as detailed above and the AIANZ does not support the ISB having levy-raising powers.

End.