



**The New Zealand Aged Care Association's submission on  
the Reform of Vocational Education (RoVE)**

**Health, Community and Social Services Workforce  
Development Council (WDC)**

**Order in Council proposals**

**5 February 2021**

## Introduction

1. This submission is from the New Zealand Aged Care Association (NZACA), the peak body for the aged residential care (ARC) industry in New Zealand. We represent over 90% of the nearly 40,000 beds in the country's ARC sector. Our members range from the very small stand-alone care homes to the large co-located sites that include care services and retirement villages. Our members' services include rest home, hospital, dementia and psychogeriatric care, as well as short-term respite care and around 600 Young Persons with Disabilities (YPD) residents.
2. Advocating and lobbying to government to shape policies and create an environment that helps our members provide outstanding quality care is at the heart of what we do. We provide leadership on issues that impact on the success of our members. We also produce valuable research, professional development opportunities, information and publications to help our members make informed business decisions, improve capability and keep them up to date with industry developments. We also encourage and recognise industry excellence and innovation through our annual awards programme.
3. We have a small team based in Wellington and led by Chief Executive, Simon Wallace, a representative Board of 11 directors and a network of 16 branches around New Zealand. Any enquiries relating to this paper should in the first instance be referred to Simon Wallace, Chief Executive at [simon@nzaca.org.nz](mailto:simon@nzaca.org.nz) or by phone to 04 473 3159.
4. This short submission highlights the key issues the NZACA has with respect to the order in Council proposals for the Health, Community and Social Services Workforce Development Council (WDC).

## Comment

5. In its initial submission in April 2019, the NZACA expressed its support for the Government's approach to the reform of vocational education (RoVE) on the basis that such reforms would lead to greater industry involvement in the training system. The Association also said the reforms were vital to ensuring the aged residential care (ARC) sector could meet the changing needs of its residents who are increasing in number and acuity and need a workforce with the right skills to meet these needs.
6. Since our submission was made in 2019, the global pandemic has served to reinforce the importance of a trained, qualified and experience workforce, both caregivers and nurses, to look after the most vulnerable cohort of New Zealand's population. Currently, this workforce includes around 30,000 employees, comprising 22,000 caregivers, 5,000 nurses and ancillary workers in roles such as activity coordinators, cooks, cleaners, and gardeners.
7. So, as an industry with a large workforce and a lot of learners, the establishment of the Workforce Development Council (WDC) that will set standards, develop qualifications, and shape the vocational education curriculum, is critical for the aged care sector.

#### The Health, Community and Social Services WDC

8. The NZACA and some of its members participated in the recent Zoom briefing (26 January 2021) on the WDC, facilitated by Gillian Dudgeon and her team at the Tertiary Education Commission (TEC). These sessions have provided a better understanding of the role and purpose of the WDC, how they will be established and the criteria for appointment of directors.
9. The primary concern for the NZACA and its membership is the size and coverage of the WDC that is likely to represent the Health, Community and Social Services sectors. The aged care sector itself is large with our 30,000-plus employees supporting 40,000 older New Zealanders in care across some 650 ARC sites.
10. Considering the original purpose of RoVE was to focus on an industry led development process with involvement in setting standards, determining the relevance of training, and advising the TEC on investment decisions into vocational education, the NZACA is concerned that current governance arrangements for the WDC give no certainty this will happen.
11. Our Association is not alone in its reservations about how its voice will be heard and recognised amongst the 40 other sectors this WDC will cover. While there is some information on the mechanisms for industry engagement (page 22 of OIC proposal document), more detail needs to be provided as to how this process will evolve and how the composition of the industry stakeholder groups are decided. Again, there is a risk that even the stakeholder groups will not have the representation needed so that all sector voices are heard and then articulated at the Council level.

#### Governance arrangements

12. The proposed make-up of the Council itself casts doubt on the representation mandate. While the age care sector is committed to the principles of Te Tiriti o Waitangi and indeed embraces these principles in its everyday work, having five Maori members (out of a Council of 10) may prevent ethnic minorities who make up the workforce, and others with relevant expertise, from being effectively represented on the WDC. For example, in the aged care workforce, approximately 20% are Asian, 15% are Maori and 12% are of Pasifika descent.
13. The NZACA understands that some of the other WDCs have opted for a different make-up, not the 50/50 balance of Council members between Maori and non-Maori. Therefore, the NZACA would like to understand why this composition is being proposed for the Health, Community and Social Services WDC when it may not necessarily be representative. The purpose of these reforms is to give industry more of a say in the vocational training system, so there should also be industry representation on this WDC.
14. The Appointments Committee should itself be more representative of the workforce and be required to justify its selection in accordance with all the criteria set out on page 13 of the OIC consultation document. At the same time, there should be a process (and timeframe) for appointments to be challenged.

15. In terms of employee representation, this must not be restricted to a union organisation since many employees and learners do not belong to unions. Indeed, in the aged care sector, less than 30% of the total workforce is unionised.

#### ANZSIC

16. Care should be exercised if industry coverage is linked only to the Australia, New Zealand Standard Industry Categories (pages 23 and 24 of OIC consultation document). Like the Australian and New Zealand Standard Classification of Occupations (ANZSCO), these categories are very outdated and should not be relied upon as a proxy for all job titles in sectors.

#### Industry at the centre

17. While this process is concerned exclusively with the Order in Council provisions to set up the six WDCs, it is central to how industry will be represented and therefore the relevance of training, standard setting, and advice on TEC investment in vocational education. At the same time, the objective at least as far as the aged care sector is concerned, must be a system that is future-focused and recognises the evolving nature of the environment in which our members (rest homes) work. The WDC must not see RoVE as simply re-organising what is already being done.
18. As presented at the Zoom sessions on 26 January 2021, industry engagement means the WDC must allow opportunities for industry to provide information that will assist the Councillors to make decisions, provide information on current and future skill needs, provide information on the relevance of qualifications, and provide information on career pathways.

#### Conclusion

19. In principle, the NZACA remains supportive of RoVE because reform of the vocational educational system was long overdue in order to provide a stronger voice for industry. However, as the reform process has continued (through 2019 and 2020), the Association is concerned that the industry voice will be diminished through the creation of a WDC that cannot in all reasonableness adequately represent a wide range of sector interests.
20. The NZACA seeks reassurances from the TEC and other agencies that are managing this process, that checks and balances are put in the system so all sector views can be heard especially if they are not represented on the WDC. If this does not happen, the risk is the WDC will be seen as serving only those sectors who are represented and so confidence in the original intent of the reforms will diminish.

End.