



# Education Amendment (Update) Bill

PSA submission to the Education and Science Select Committee

## Introduction

### *Who we are*

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 62,000 members. We are a democratic organisation representing members in the public service, the wider state sector (the district health boards, crown research institutes and other crown entities), state owned enterprises, local government, tertiary education institutions and non-governmental organisations working in the health, social services and community sectors.

The PSA has been advocating for strong, innovative and effective public and community services since our establishment in 1913. People join the PSA to negotiate their terms of employment collectively, to have a voice within their workplace and to have an independent public voice on the quality of public and community services and how they're delivered.

The PSA represents approximately 74 members who work in Careers New Zealand. This submission has been informed by feedback to an anonymous questionnaire on the legislation sent to all our members at Careers New Zealand.

Comments from members that are quoted in this submission are derived from this feedback and are anonymous.

The PSA is an affiliate of the New Zealand Council of Trade Unions.

## PSA submission

### *Introduction*

The focus of this submission is clause 122, section 159F, of the Education (Update) Amendment Bill 2016 that proposes the disestablishment of Careers NZ and the transfer of its functions to the Tertiary Education Commission (TEC). The PSA also supports the submission to this bill of the NZ Council of Trade Unions which addresses the broader changes contained in the draft legislation.

### *Summary of key points and recommendations*

While some of our members agree with the problem definition outlined in the Regulatory Impact Statement which accompanies this legislation and which argues in favour of the transfer of Careers NZ to the TEC, our members do not agree that these problems will be addressed by the proposed transfer. Instead they are concerned that the proposed transfer will lead to a loss of service and further fragment careers information provision. In particular members are concerned that the future provision of careers information will be reduced to a website, and that the critical role that Careers NZ staff play in supporting and training “career influencers” – such as parents, family and whānau - and in providing professional development and oversight to careers advisors will disappear.

They are concerned that the proposal lacks concrete information about the future of careers information and advice in schools, that an artificial divide will be created between their services and the school sector, and that the focus of a new entity within the TEC will be narrowed to the tertiary sector. They argue that Careers NZ as a stand-alone agency is ideally positioned to provide independent, impartial and cross-sectoral advice and that its small size enables it to be nimble, agile and responsive.

Our members at Careers NZ worked extremely hard in 2014 and 2015 to contribute to significant organisational change following the 2013 Performance Improvement Framework (PIF) Review of Careers NZ. In the words of the Chief Executive in the 2014-2015 Annual Report this has been a “massive transformation”<sup>1</sup> that has positioned the organisation well to be “capitalise on knowledge, expertise and resources to deliver the services our customers need”<sup>2</sup>.

In the Annual Report both the Chief Executive and the Board Chair lauded the commitment and contribution of Careers NZ staff to service improvement. The Board Chair noted that: “as a small organisation, our staff are our greatest asset. They bring a wealth of skills, knowledge and networks, and are passionate champions for helping New Zealanders to help themselves to make informed learning and work decision. As noted by

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<sup>1</sup> Careers NZ (2015), *Annual Report 2014-2015*, retrieved 10 November 2016 from <https://www.careers.govt.nz/assets/pages/docs/annual-report-for-year-ended-30-June-2015.pdf>, p.5

<sup>2</sup> Ibid.

a number of our stakeholders, having our staff fully invested in effecting our new Career Ready strategy has already yielded significant gains”<sup>3</sup>.

Our members would like the opportunity to continue this performance and service improvement and are very concerned that this will be jeopardised through the proposed transfer.

For these reasons, the PSA recommends that clause 122, section 159F, of the Education (Update) Amendment Bill 2016 that proposes the disestablishment of Careers NZ and the transfer of its functions to the Tertiary Education Commission (TEC), be removed from the draft legislation.

### ***Lack of consultation***

The PSA firmly believes that best practice in the development of public policy is achieved when all key stakeholders are consulted as part of the policy process. Unfortunately there has also been little, if any, consultation with stakeholders and specialists in the development of the proposal to transfer Careers NZ to the TEC. In our opinion this is likely to undermine the quality of analysis provided to decision makers, including the identification of the perceived problem with the current arrangements, and the possible impacts of the proposed transfer of responsibilities to Careers NZ.

PSA members at Careers NZ are specialists in the provision of career advice. They are highly experienced professionals who have first-hand knowledge of the organisation and delivery of career information in New Zealand, and valuable insights to share on how service improvements could be achieved. It is deeply disappointing therefore that the decision to transfer Careers NZ to the Tertiary Education Commission was developed without any consultation with those who know the sector best.

We echo the concerns expressed in the CTU submission to this bill that there is also a troubling lack of detail as to when and how the Ministry of Education will consult with the school sector regarding the proposal to eventually shift school career services resources to schools. As the CTU notes: “We believe that consultation should take

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<sup>3</sup> Op cit, p.4

place before legislating for the change. That is accepted practice in any significant change involving a range of stakeholders. As with other proposals in this Bill, consultation has been unsatisfactory, belated or non-existent.<sup>4</sup>

The Ministry of Education Regulatory Impact statement on the “Options for Improving the Careers Information Service” acknowledges this lack of consultation with Careers NZ or with schools as one of the main gaps in its analysis. Our members can identify areas for service improvement under the current arrangements and flaws in the proposed transfer plan; unfortunately their insights are likely to be lost if the process continues as planned. We argue that the reform shouldn’t take place until adequate consultation has taken place with all key stakeholders, including staff at Careers NZ and with schools.

### ***The Strengths of Careers NZ***

Our members advocate strongly for Careers NZ to remain as a stand-alone independent entity within the state sector. They believe that this institutional arrangement affords the service many benefits, including:

- Objectivity, independence and impartiality: “at the moment we are seen as independent and un-biased due to the fact we have no specific link with tertiary institutions - we provide info/advice about all/any courses, careers and jobs”.
- Being small enough to be nimble, and agile: “we are known for our outstanding digital agility – we are known for leading the way in government for this”.
- Delivering “incredible value for our funding”.

Data attests to the success of Careers NZ. In 2014-2015<sup>5</sup>:

- 70% of New Zealanders aged 15-24 years knew about Careers NZ;
- there were approximately 3.98 million NZ based hits to the Careers NZ website (this equates to 8 visits every minute);

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<sup>4</sup> CTU (2016), “Submission of the NZ CTU to the Education and Science Select Committee on the Education (Update) Amendment Bill 2016”, 10.

<sup>5</sup> Careers NZ (2015), *Annual Report 2014-2015*, retrieved 10 November 2016 from <https://www.careers.govt.nz/assets/pages/docs/annual-report-for-year-ended-30-June-2015.pdf>.

- 313 schools and tertiary organisations were supported by Career NZ's career education or development services;
- 25,983 people received direct advisory services via the phone or online;
- 84% of New Zealanders who knew about Careers NZ trusted their information and advice;
- 85% of website users agreed the Careers NZ website was relevant to their needs;
- 96% of people who used Careers NZ's direct advisory services found the support helpful;
- 86% of schools and tertiary organisations found Career NZ's professional development and career education services helpful; and
- 94% of whānau, aiga and families found Careers NZ support useful.

### ***Problem definition***

Opinion was divided amongst our members as to the problems described by the Ministry of Education in its review of career services. Some agreed that there is fragmentation and duplication in the current system, while others disagreed.

Those members who agreed that there is some degree of fragmentation and duplication did not agree that transferring Careers NZ to the TEC would address these problems, but could make them worse. They thought that problems in the current service arose from a lack of co-ordinated information provision from government departments, and inadequate funding.

Members were also dismayed at the prospect that the transfer to TEC could undo much of the progress that has been made in recent years to improve cross-sector co-ordination and to develop a systems-wide approach to careers information. One member noted that "we have only just got our house in order and are really delivering. It seems tragic that we're now being killed off".

### ***Impact of the disestablishment of Careers NZ***

The PSA has concerns about the impact of the proposal to disestablish Careers NZ and create a careers information service within the TEC. In general, the government papers that support the proposal suffer from inadequate impact analysis. This arises

partially from the lack of consultation with key stakeholders, as discussed above, and from gaps in the Ministry of Education's understanding of the sector, which it acknowledges in its Regulatory Impact Statement: "While the Ministry has a clear understanding of Careers New Zealand's focus, the breadth of its activities and the programmes it runs, there are uncertainties about its market penetration and the take up of its services"<sup>6</sup>. Our members point out that data on reach and use of Career NZ services is a core performance measure reported annually in Careers NZ annual reports<sup>7</sup>.

PSA members who responded to our survey identified some of the specific concerns about the potential impact of the proposal as follows.

### *1. Unclear future for the school sector*

A confusing element of the proposal relates to the future provision of careers information in schools. The RIS notes that one of the benefits of the proposed transfer of careers information services to TEC is that it will "use its careers funding to support coordination between schools, tertiary education providers and employers on the skill requirements and pathways for school students into work. This will enable the delivery of a seamless flow of careers advice for students through school, tertiary education and into employment" (p.11). It's not clear how this co-ordination function will be undertaken once funding and responsibility for careers services in schools transfers to the schooling sector, as the legislation proposes.

Members are concerned that connections with schools will be lost as a result of the planned eventual shift of school careers information and professional development to the school sector: "this will result in a loss of engagement with schools so we won't be able to link employers and educators".

This lack of certainty about the future provision of careers information, support and professional development in schools undermines the robustness of the proposal and

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<sup>6</sup> Ministry of Education "Regulatory Impact Statement: Options for improving the careers information service", retrieved 3 November 2016 from <http://www.education.govt.nz/assets/Documents/Ministry/Regulatory-Impact-Statements/Ed-Update-Amendment-Bill/Careers-System-Review-Regulatory-Impact-Statement.pdf>, p.1.

<sup>7</sup> See Careers NZ website for annual reports, [www.careers.govt.nz](http://www.careers.govt.nz).

is a key reason why the PSA does not support the transfer. We don't believe that legislators should be making substantive decisions to replace the current model of career information services without a full understanding of alternative provision.

## *2. Loss of personal interaction*

One of the strongest concerns from members is that the transfer could result in a likely increased emphasis on digital information provision, with a loss of important personal interactions. Our members are concerned that careers information could be reduced to a website “without having ‘real people’ on the ground, delivering the career development message around the country”. This would impact particularly heavily on people with low literacy skills for whom high levels of digital content can be overwhelming.

Members highlight the importance of Careers NZ's regional offices in delivering train-the-trainer, industry-focussed, and community-specific events. These regional offices have been particularly important in developing training that meets the needs of Māori and Pasifika learners, Work and Income clients, new migrants and international students. Members are concerned that the transfer to TEC will lead to the closure of Careers NZ's regional offices: “we are worried that the service will narrow and lose the diversity we have worked so hard to grow, also lose the unique perspective that the career development lens provides – a mixture of labour market knowledge, career theory and a whole-of-life approach”.

One member commented about the importance of the relationships that Careers NZ staff have been able to develop: “We have been integral in turning people's lives around by providing a heart-centred meaningful relationship with our fellow New Zealanders. Our journey so far has been rich and rewarding especially when we are at the receiving end of the many who have made an informed progression in their life and career”.

## *3. Loss of professional development and the “career influencer” role*

Members are concerned that the professional development function that Careers NZ delivers to “career influencers” in schools and community organisations and to parents, families and whānau will be lost. They asked “where is the evidence that the



new way will support family and whānau in anything more than information on a website?” They note that the proposals shed “doubt about the role for professional development of others outside of the education system, i.e. community groups, iwi, and family/whānau as significant influencers of young people”.

A loss of the professional development oversight in Careers NZ could undermine the quality of careers advice being delivered in the field. Similarly, the direct relationship between careers advisors and staff at Careers NZ provides important “intelligence” to Careers NZ staff and ensures that their digital information is kept up-to-date and is clear and coherent.

#### *4. Narrowing of the focus*

Members are concerned that the shift to the TEC necessarily implies a narrowing of the careers information service to the tertiary sector. One member noted that the Careers NZ focus “will probably be watered down, and will not focus on all of our current audiences - only people in tertiary education. Which is an issue, given a lot of unemployed people in NZ are not tertiary qualified”.

Other members were worried that the shift to the TEC could undermine the independence and impartiality of Careers NZ.

#### *5. Further fragmentation*

While one of the objectives of the transfer proposal is to reduce fragmentation of the careers information system, many of our members commented that the transfer may in fact exacerbate current fragmentation, particularly between the TEC and the school sector.

As noted above, the future of schools-based careers information provision is unclear. Nonetheless, the starting principle that school services will be separated from the rest of the careers information service has caused significant concerns for our members who feel this is a false and arbitrary separation that may create more problems than it solves. The healthy collaboration and exchange of information, expertise and experience that currently exists between Careers NZ and career consultants who

work with schools, communities, whānau and employers “would be lost if the ‘school-facing’ parts of the business were moved out”.

Members noted that one of the strengths of the current structures is that it facilitates a broad range of cross-sector relationships and allows staff to play a “connecting” role between communities, educators, employers, government department and agencies. Similarly, our staff in different parts of the business benefit significantly from collaboration and information flow within the business.

One member noted that “there are opportunities created by bringing Careers New Zealand closer to TEC in terms of aligning tertiary planning and priorities with careers advice and data sharing. However aligning Careers New Zealand with tertiary and moving "schools-based" professional development into schools would seem to deepen divisions between compulsory education and post-compulsory education/employment - which makes the claim that this shift will better support successful transitions questionable”.

## Recommendations

In light of our members’ concerns about the possible reduction in service that could occur should Careers NZ be transferred to TEC, and in the absence of detailed plans about the future provision of careers information in schools, we recommend this proposal not be supported. Our members argue that there are many benefits of Careers NZ remaining an independent, stand-alone entity, and that any problems of fragmentation and duplication can be addressed within current structures.

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## References

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Ministry of Education (2016) "Regulatory Impact Statement: Options for improving the careers information service", retrieved 3 November 2016 from <http://www.education.govt.nz/assets/Documents/Ministry/Regulatory-Impact-Statements/Ed-Update-Amendment-Bill/Careers-System-Review-Regulatory-Impact-Statement.pdf>

NZCTU (2016), "Submission of the NZ CTU to the Education and Science Select Committee on the Education (Update) Amendment Bill 2016".