

Industry training adds significant value to the economy

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New research into the economic costs and benefits of industry training shows high returns to the New Zealand economy from skilled workers. The research, was commissioned by the Industry Training Federation (ITF) and completed independently by business and economic research company BERL.

“Our industry training system is a unique partnership between Government, employers, workers and industry. All share the benefits, and all contribute to making it work,” ITF Chief Executive Mark Oldershaw said today.

“The new research indicates how great those benefits are to the country’s GDP – particularly through the impact on the export sector.

“It shows that if the Government investment in industry training was removed, the long term impact on GDP would be more than \$7 billion a year. Given that the Government’s industry training fund is currently \$156 million, that is a significant return on investment.

“The research also points to how important it is to invest in training at all levels of the workforce. Training for those at the lower end of the skills spectrum makes a huge difference to driving the productivity of a workplace. It also sets those workers on a pathway to further skill and development.

“In a society that pushes for high levels of skills and development, this research shows that it is essential not to overlook the need to also invest in skills and workforce development at all levels.”

Mr Oldershaw said the research would be used to inform the Government’s review of industry training, due to be completed next year.

“With his Cabinet announcement this week, Prime Minister John Key signalled he was keen to ensure greater linkages between education, skills, jobs and growth. The industry training sector is well positioned to support this ambition,” Mr Oldershaw said.

Contact: Mark Oldershaw – 021 978 903 or www.itf.org.nz for the full report