

## Matching tertiary spend with what we need

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Government needs to ensure that the tertiary education system better matches what is needed in the workforce.

A new report and tool released today by the Industry Training Federation matches up the government's spend on vocational education and training with the industries that uses those skills.

"More than half of funding for tertiary education is industry-related vocational education and training and can be matched to about 90% of the workforce," Federation Executive Director Jeremy Baker said today.

"It is the first time this information has ever been available in this way and we are advocating that where there is a direct relationship between the training and education and a particular industry, the government should have processes to ensure that those industries have a much greater say on what is made available.

"This would benefit government, industry, and individuals, as well as give providers of tertiary education a greater guidance on what courses and training they should be focusing on.

- Government benefits by a more efficient use of taxpayer funds
- Industries benefits by graduates and trainees gaining more useful and relevant skills
- The individual benefits by gaining more certainty that the money and time they invest in their education and training is more likely to lead to meaningful career options.

"We take it for granted that government spending on tertiary education should have relevance to the country's social and economic well being. This cannot be achieved unless the allocation that relates directly to particular jobs and industries is what workplaces need.

"Currently, there is no system in place to achieve that."

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“Industry is keen to work with government to develop a more responsive system. It does not necessary require more funding, but it does require a significant shift in how decisions are made for the way that funding is allocated,” Mr Baker said.

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*The Industry Training Federation is a voluntary membership organisation representing all of New Zealand’s 39 Industry Training Organisations.*

*The report released by the Federation today outlines how an industry-led vocational education and training system could operate. It is complemented by a software-based tool which links publicly funded tertiary education and training throughout the country, with the related industries.*