

## **TEC releases misleading and partial industry training data**

**12 December 2009**

The Tertiary Education Commission (TEC) has released misleading and partial data about the performance of Industry Training Organisations (ITOs) and industry trainees.

“The Commission’s release this week of incomplete data gives an inaccurate portrayal of the achievement of ITOs and their trainees,” Industry Training Federation Executive Director Jeremy Baker said today.

“ITOs arrange training for more than 190,000 people working in 35,000 businesses each year, at a cost to the taxpayer of about \$1,000 per trainee. Equivalent training delivered by tertiary education providers, such as polytechnics, costs the taxpayer at least three times as much in tuition costs, as well as the cost of student fees, loans and allowances.

“Industry trainees have an average qualifications completion rate of 37% over a five year period. This is directly comparable to the completion rate for tertiary education providers offering the same kinds of programmes. Part-time university students have a 40% completion rate after six years, despite being funded at up to eight times the rate of industry trainees.

“Reports released by the TEC this week ignore the 3.6 million credits on the National Qualifications Framework that industry trainees attain each year. All industry trainees are engaged in part-time study, so it is to be expected they will take longer to complete their programmes than full-time students. On average each industry trainee attains 20 credits each year of industry-relevant learning. For many it is the first formal attainment they have ever received yet TEC seems to be ignoring this.

Mr Baker said the data on ITOs’ assets, released for the first time by the Commission, also needed to be looked at in a wider context.

“The data shows that net ITO assets have risen more slowly than the number of trainees over the last six years, reflecting the prudent management of taxpayer and industry funds. Running prudent reserves has allowed many ITOs to use those reserves to offer packages to support trainees and employers during the recent downturn.

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“It is irresponsible and misleading for the TEC to have released this data without wider sector context. The reality is the current cash assets of the 20 polytechnics, at \$250 million, is more than the total of all the assets available to the 39 ITOs.

“ITOs welcome robust discussion about performance in tertiary education, including their own performance. Every part of the sector can do better. But it is vital that all of the relevant information is released, so that the public can make an accurate assessment of the relative performance of different parts of the system. Releasing partial and incomplete information does not help this process, and is undermining of the achievements of industry trainees and employers,” 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.*

*An analysis of the relative resources available to ITOs and ITPs (polytechnics), which both provided training to around 190,000 people in 2008, is **attached**.*

*Also **attached** is a full picture of the attainment of industry trainees, and the benefit these achievements return to workers, industry and the nation.*