



# Submission

21 February 2025

**TO THE**

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**Ministry of Education and Tertiary Education Commission**

**ON THE**

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**Options for the future of Work-based Learning**

**FROM**

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**Beef + Lamb New Zealand Limited + Deer Industry New Zealand**

# SUBMISSION ON THE REDESIGN OF THE VOCATIONAL EDUCATION AND TRAINING SYSTEM

**To the:** Ministry of Education and the Tertiary Education Commission  
**Email:** [VocationalEducation.Reforms@education.govt.nz](mailto:VocationalEducation.Reforms@education.govt.nz)  
**Date:** 21 February 2025

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## Acknowledgements:

Throughout writing this submission we have collaborated with various organisations and industry representatives, including Federated Farmers, Cadet Farms, PTEs, Deer Industry NZ, members of the Food and Fibre Capability Leadership Group, DairyNZ, Seafood NZ, Horticulture NZ, Forestry ICAs, NZ Winegrowers, Māori Agribusiness, Meat Industry Association, NZ Pork, Muka Tangata, Food and Fibre CoVE, MPI, and ITOs.

While this is not an exhaustive list of our collaborators, it highlights the breadth of perspectives we have considered in developing our submission. However, this submission represents the views of Beef + Lamb New Zealand & the Deer Industry New Zealand and may not reflect the opinions of all industry stakeholders.

## 1. Executive Summary

Beef + Lamb New Zealand (B+LNZ) and Deer Industry New Zealand (DINZ) appreciate the opportunity to once again provide feedback on the future of the vocational education system in New Zealand. It remains that the sheep, beef and deer sector faces unique challenges and opportunities in the context of vocational education and training (VET) reforms. We still stand by the views and comments made in our earlier submission back in September 2024<sup>1</sup>

The red meat industry contributes around \$11.4 billion to New Zealand's export revenue, making it New Zealand's second largest goods exporter. The sector supports over 92,000 jobs, 35,700 directly and an additional 56,700 indirectly employed. Data shows that farm businesses with trained workers have higher production output and profitability.

Given how critical a skilled and capable workforce is to the future of the red meat sector, it is crucial that we get this right, especially if we are going to contribute to meeting the Government's doubling of exports objective.

There is a high degree of alignment across the agricultural sector in our views and we have continued to work closely with stakeholder across the wider food and fibre sector as we have prepared this submission. Both organisations have concerns about the two options that have been put forward for consultation – the independent and collaborative frameworks. We are not sure that either is right to meet the needs of the sheep, beef and deer learners.

While the Government has listened to some of the sector's feedback during the initial process, we still have some significant questions and concerns that we need clarity on with respect to work-based learning under either of the options.

It is essential that work-based learning remains accessible to farmers in all regions, with sustainable funding and tailored pastoral care from within their own sector. The latter is unique to the primary industries and is critical to learner success. It is currently not clear within the two options that this will be happen.

It also goes beyond apprenticeships; the red meat sector needs assurances that the new system will enable those *already* working in the industry to access professional development opportunities through work placed learning to support career progression such as from a shepherd to a farm manager.

The government's export target hinges on targeted investment in training, ensuring the primary industries have the skilled workforce to drive that growth.

Key recommendations:

- **Pastoral Care & Learner Support:** Crucial for learning success; needs clear definition and dedicated support systems for both learners and employers.
- **Industry Capacity & Career Pathways:** Professional development is vital, especially for multi-million-dollar farm businesses lacking best practices; clear career pathways are essential for attraction and retention.
- **Funding & Value Proposition:** Training costs must be affordable; farmers won't pay, jeopardising export goals; qualified workforce is essential for brand image.
- **Industry Leadership & Representation:** Equal representation in decision-making is vital; clarity needed on training delivery, "industry-led" involvement, and pastoral care definition.

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<sup>1</sup> B+LNZ September Submission Vocational Reform <https://beeflambnz.com/news/blnz-submission-vocational-reform>

- **Employer Support:** Built on employer resources; employers need recognition, approval as trainers, and valuable incentives for participation.
- **Model choice:** We think the independent model will service the needs of sheep, beef and deer farmers best however we need more clarity and assurance around the fragmentation risks and ensuring there is a strong partnership between industry and government in operating the entity chosen.

## 2. Introduction

Beef + Lamb New Zealand (B+LNZ) & Deer Industry NZ (DINZ) thanks The Ministry of Education (MoE) and the Tertiary Education Commission (TEC) for the opportunity to submit on the options for the future of work-based learning future within the vocational education system in New Zealand.

B+LNZ & DINZ recognises the crucial role of tertiary education and workplace training in maintaining the red meat sector's position as a world leader in food production. We welcome the opportunity to continue working with education agencies to ensure the redesigned VET system provides high-quality, learner-centric training aligned with current and future sector needs, thereby supporting the development of a skilled and capable workforce.

Our submission provides feedback on four consultation questions:

1. Which of the two models – Independent or Collaborative work-based learning – does your organisation prefer?
2. Why will your preferred model work best for employers and learners in work-based learning?
3. What does your organisation think are the main benefits, costs and risks of each option for employers and learners in your industry?
4. Both models will involve a transition process, but this will be different for each. What will be the critical factors in making transitions work for your industry?

## About Us

B+LNZ is an industry-good body funded under the Commodity Levies Act 1990, through a levy paid on all cattle and sheep slaughtered in New Zealand (except bobby calves). B+LNZ represents both neurodiverse learners and sheep and beef levy-payers and has the mandate to submit on their behalf on matters that affect them. B+LNZ's levy payers include deer and dairy operations that also have dry stock livestock. When we refer to the sheep and beef sector, we are encompassing all these farmers who are involved in sheep and beef production, even if it's not their primary income stream.

DINZ) is a statutory marketing authority established in 2004 with its own regulations under the Primary Produce Marketing Act 1953. DINZ represents New Zealand's deer farmers, processors, and exporters, advocating for the industry's interests, investing in research and development to enhance deer farming practices and products. DINZ also plays a vital role in marketing and promoting New Zealand venison and other deer-derived products globally, while ensuring high quality standards across the industry. Ultimately, DINZ works to support the sustainable growth and prosperity of the New Zealand deer industry.

The sheep, beef and deer workforce are currently older than the national average, with 42% aged 55 or older (21% aged 65+ and another 21% aged 55-64). This aging trend could challenge future workforce sustainability. However, the Shearing Services industry has a much younger profile, with over half of the workforce under 35, and two-thirds identifying as Māori.

Industry and farmer involvement is crucial for navigating the complexities of training and education policy and ensuring effective delivery models. Skills development demonstrably improves worker

retention and sector capability. Work-based learning pathways offer a proven and successful approach to upskilling future generations, seamlessly connecting education with on-farm and agribusiness careers. We need a system that recognises and supports excellence among training providers to ensure the best ITOs offer high-quality, practical courses that prepare candidates for on-farm work and ensure we have a work ready workforce that has had the ability to complete qualifications while continuing to provide employment across the sector.

## Response to questions raised.

### Question 1: Which of the two models – Independent or Collaborative work-based learning – does your organisation prefer?

Both organisations have concerns about the two options that have been put forward for consultation – the independent and collaborative frameworks. We are not sure that either is right and a combination of the two may be the solution to meet the needs of the sheep, beef and deer learners.

In terms of the independent option, we are concerned about the risk of fragmentation and costs that could occur in the second step of setting up this option. Given there are 6 sectors involved (dairy, sheep and beef, deer, horticulture, forestry and seafood).

We also question the capacity of polytechnics to deliver the necessary ongoing training and pastoral care for the primary sector, given their historical challenges in rural coverage and specialised support which the collaboration model is proposing. The fragmentation that this will bring across the sector is a concern and will create unnecessary complexity for learners and employers.

### Question 2 & 3: Why will your preferred model work best for employers and learners in work-based learning? And What does your organisation think are the main benefits, costs and risks of each option for employers and learners in your industry?

As part of this consultation, we have actively engaged with those working in sheep, beef and deer businesses and with owners and farm managers to understand their needs when it comes to work-based on farm training.

When we asked farmers 'How strongly do you agree or disagree with the following statement ...work-based learning for the future of the sector is essential?' 70% of respondents strongly agreed.

**On Farm Learning** - Farm employers need to be approved work-based learner trainers and the value of incentives for employers to train is therefore needed. Work based learning is crucial but also a huge time commitment for the employer when done properly. With a work-based learning model, there are direct costs incurred by the business for the employee down time, equipment and resources of their business as well as additional administrative time. We agree that some off farm learning is also important to broaden exposure to new concepts and approaches to farming, also to learn from others who may have broader experience or have been exposed to tertiary education.

One of our farmers quoted *"I found feed budgeting easier to understand and teach when in the paddock stepping out areas, measuring pasture swards, and assessing post grazing residuals"*.

However, farmers agree that on-farm learning and mentorship programmes are effective ways to meet training needs and have flexibility to align learning with the work being performed. There is a balance to be struck between delivery and acknowledgement of the burden incurred by the employer in supporting effective work placed learning.

One of our farmers quoted *"In my experiences, I have found work-based training to be an effective way for people to learn who may not be great learners in a classroom. When they have a more practical mind. The hands-on approach opposed to reading or seeing pictures. I have been through*

*different stages, from shepherd to now business owner. Everything I have learnt has been from on farm, work-based learning.”*

There is a concern that isolated learners, especially those in remote or underserved areas, may face significant barriers due to inadequate broadband connections. Reliable internet access is a crucial component for participating in online learning, and without it, these students are at a severe disadvantage. Approximately 13% of rural households lack access to reliable broadband connections. The digital divide can exacerbate educational inequalities, leaving some students behind. More details on the nature and extent of connectivity issues for rural users can be found in the March 2023 report from 'Research First' –“Rural Users Digital Connectivity Experiences”<sup>2</sup>.

**Providers** - We recognise that there were features of ITOs that worked and need to be retained in the new system including the ability to adjust resources to meet changing needs, such as contracting private providers when necessary.

Private providers are an essential component, as they offer flexibility to provide accessible training to rural learners. It is acknowledged that the independent model will enable this, however, the concern is how this will be sustainably managed. Will the current funding model support standing up of new entities to enable industry to provide the required training platforms for the existing ITO's to fall into?

Under a collaborative model, this requires learners to be away from their workplace. This will be a significant challenge and hurdle to overcome for many employers due to the variability of farm work from farm to farm and distances from farm to training provider. Historically polytechnics have not been able to provide and have never delivered an ITO-style work-based learning to meet the needs of learners, due to this.

One of our farmers quoted *“Due to our remote location for many years, we did not do a lot of work-based learning. There needs to be more accessible courses for farmers, young and old, as there is always so much to learn and make connections with others which is so important, for us all at any age.”*

We do want to highlight that like other stakeholders the quality assurance division that the collaborative entity model option will bring is positive. However, our concern as noted above is

1. The need for wide geographical spread of learners to be met
2. The ability for work-based learning needs to be met with a sustainable funding model and,
3. Pastoral care within the context of their own industry which meets the cultural and learning diversity of our learners.

Historical data indicates that the current funding dispersals per learner, both campus- and workplace-based, are insufficient to provide adequate pastoral care, and meet delivery costs in what can often be a low volume delivery setting.

One our farmers quoted *“We have always employed young people with very little on farm experience but fantastic attitudes. Learning on the job has been vital to their success as shepherds and the success of our business. Primary ITO has been an important part of our employee's development over the years”.*

**Farmer and Industry Input** - In terms of course content, there is significant value in having experienced farmers involved in designing and reviewing course content. This helps ensure it's relevant to everyday sheep, beef and deer farming, rather than focusing solely on theoretical concepts. Prioritising practical, hands-on training over theoretical or book-based learning is crucial to

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<sup>2</sup> Rural Connectivity Experiences Report <https://www.mpi.govt.nz/dmsdocument/58336-Rural-Users-Digital-Connectivity-Experiences-March-2023>

reflecting the competencies required on farms. There needs to be a strong focus on outcomes, not outputs.

While tertiary education provides a theoretical foundation, practical skills are essential for success in the sheep and beef sector. Micro-credentials and short courses can bridge the gap between theory and practice, develop industry-specific skills, and enhance employability. These programs can help graduates stay up to date with industry trends and support career progression.

**Pastoral Care** - The value of pastoral care provided by ITOs and PTEs should not be underestimated. Their ability to communicate directly with employers and employees provides valuable feedback, timely responses to challenges, and opportunities for continuous improvement. Pastoral care is demonstrably linked to improved learner well-being, motivation, personal development, higher completion rates and academic outcomes. The potential for increased flexibility within the Independent Work-Based Learning model is acknowledged. However, rural employers require explicit assurances that this will not inadvertently lead to further fragmentation of service provision or a reduction in service quality within geographically isolated regions. There also needs to be consideration on the different cultural needs of learners and whatever system is chosen needs to be adaptable and delivery to the same level of support whether learners are located on the outskirts of main centres or in the back blocks of Ruatoria. Farmers are prepared to make adjustments should support be available.

One of our farmers quoted *“I have had three cadets on the farm. Basic pastoral care is very important. Surprisingly how little some know about the basics of keeping themselves alive. This has driven our business to be more structured in how we operate which helps both the person in training to learn basic concepts and for us to be more efficient with our time”*.

The proposed collaborative model, however, introduces a separation between pastoral care provision and training delivery, resulting in increased administrative burden and associated costs for both providers and employers. Critically, the unique characteristics of pastoral care delivery within the food and fibre sectors, coupled with reduced funding for work-based learning, render the collaborative approach unsustainable for small and medium-sized employers which, is of significant concern.

**Costs** - Affordable training is crucial for farm businesses and workers to realistically engage with vocational education. Excessive costs risk excluding small and medium-sized enterprises from taking on trainees, hindering workforce development and increased productivity gains. Training costs have risen in recent years, placing a substantial financial burden on employers who already operate on tight margins. Any new model must ensure training affordability to avoid disincentivising on-farm learning. Funding mechanisms must be carefully structured to avoid undue financial pressure on farm businesses. Relying on industry levies or excessive student fees will likely decrease participation rates, ultimately undermining the sector's workforce development goals. If the government is serious about productivity and export value gains, then we recommend that incentives for training are offered to employers to enable them to add a quality training element to their businesses.

**Question: Both models will involve a transition process, but this will be different for each. What will be the critical factors in making transitions work for your industry?**

***Option B. Independent***

The proposed transition of Te Pūkenga's primary unit into a holding entity is presented as a less disruptive initial step. However, we express concern regarding the potential for subsequent disruption as a permanent structural solution is sought. The proposed timeframe for this process introduces a risk of prioritising expediency over thorough consideration and testing, potentially leading to suboptimal outcomes. The successful execution of this initiative necessitates:

- clear organisational structures
- a well-articulated vision
- a process of facilitated consultation
- the allocation of appropriate human resources to ensure end-to-end management and set-up costs.

***Option C. Collaborative***

We would like to ensure that there is greater national coordination beyond the ISB's to reduce the risk of regional fragmentation as implementation occurs. The collaborative model raises risks with pastoral care being separated. The shift does not remove the threat to food and fibre programmes due to their lower volume and higher delivery costs.

**Conclusion:**

B+LNZ & DINZ appreciates the opportunity to provide input into the current consultation process and have the chance for voices of the sheep, beef and deer sector heard. We believe it is critical in ensuring the most appropriate VET system is in place to allow the red meat sector to effectively contribute to New Zealand's economy and our overall New Zealand brand image.

Both organisations recognise the potential for a less disruptive transition offered by the independent model. However, the absence of a clearly defined strategy for sustainable funding presents a significant concern. Furthermore, while the collaborative model while it offers regionalisation its feasibility in meeting the needs of geographically dispersed learners, while maintaining sustainable funding and pastoral care, requires further assurance.

Our position is that any chosen structural model must demonstrably address the critical challenges of cost, quality, and access to ensure the efficacy of rural vocational education. A VET system that supports these principles will better serve rural communities, sustain New Zealand's economic growth, and secure a skilled workforce for the sheep, beef and deer sector's future.