

Strengthening Education Employment Linkages

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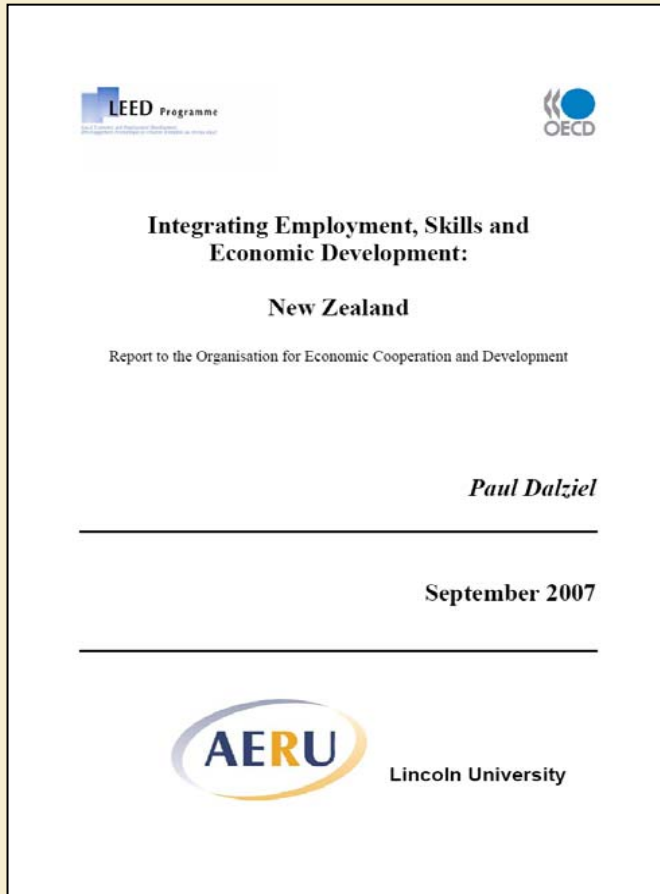


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Details

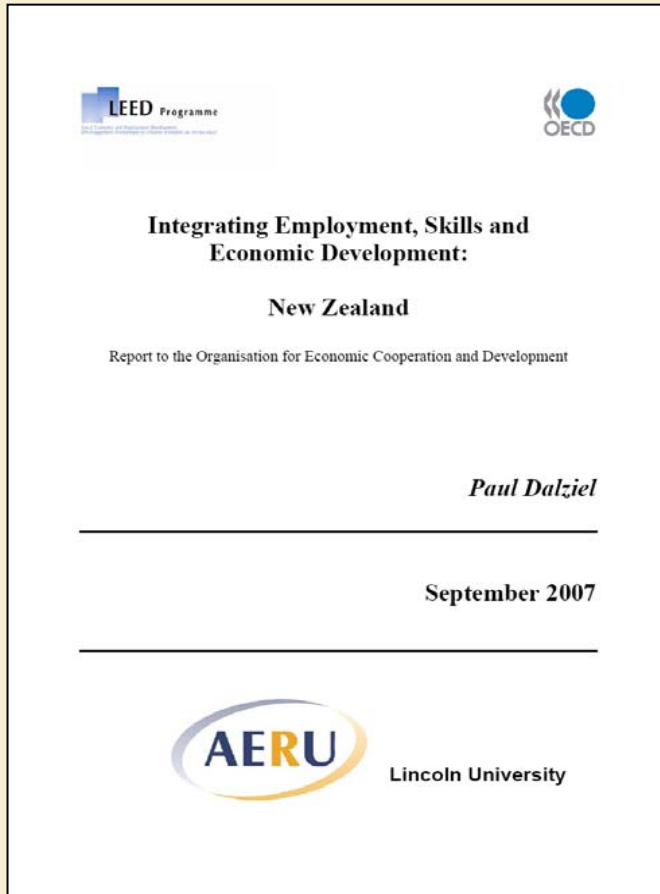
This PowerPoint presentation accompanied an invited address by Professor Paul Dalziel to the Canterbury Labour Market Strategy workshop, at the Christchurch Convention Centre, Christchurch, 26 November 2007.

Introduction



- Earlier this year I was asked to write the New Zealand Report for an international research project led by the OECD's LEED programme (published on www.dol.govt.nz website).
- The research project is on *Integrating Employment, Skills and Economic Development*.

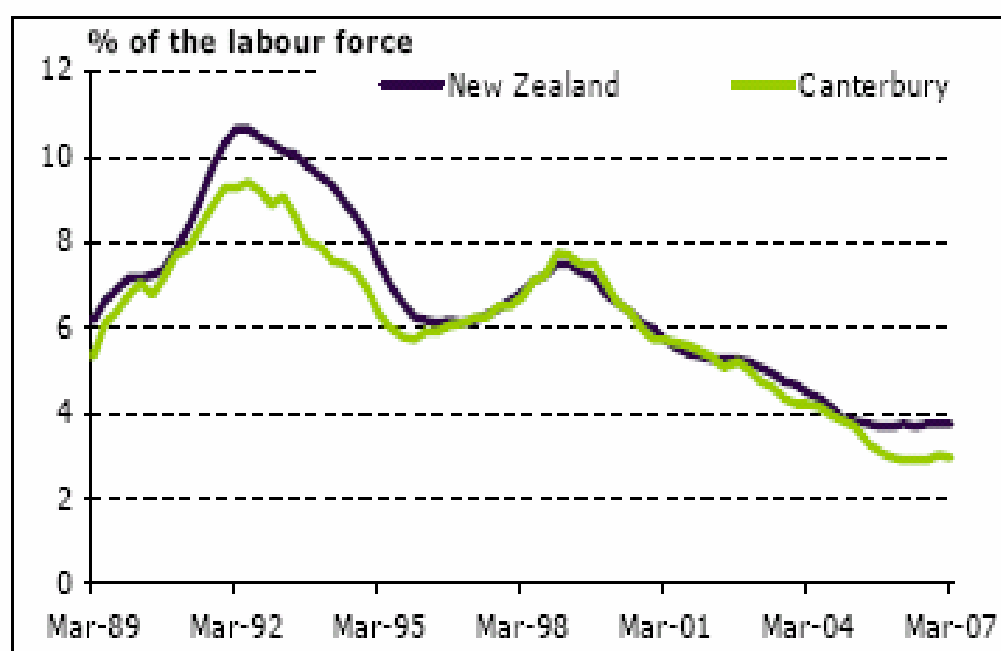
Why “Integrating”?



I'm not going to talk much about the report, but I want to reflect on why governments around the world (including our own) are thinking about how well national policies are **integrating** employment, skills and economic development.

Employment Policy

Unemployment Rates, 1989-2007

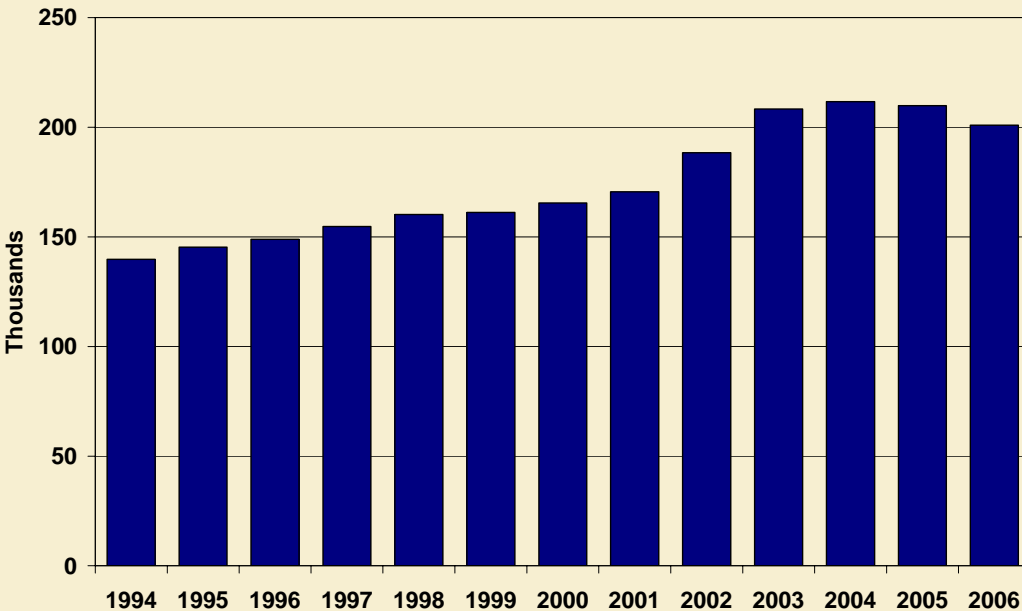


Source: Department of Labour, *Annual In-Depth Regional Report for Canterbury*, 2007.

- Employment policy in the 1990s was developed by the Department of Labour and the Ministry of Social Development to cope with very high unemployment.
- It was based on trying to keep unemployed people attached to the labour market.

Skills Policy

Domestic Students in Public Tertiary Education, 1994-2006

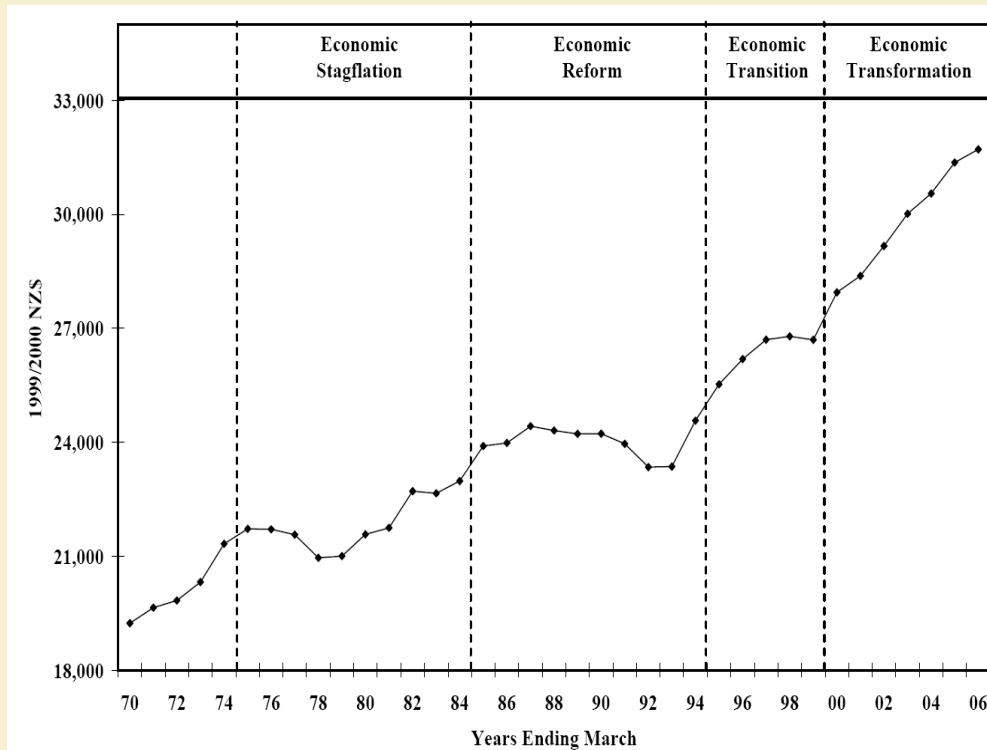


Source: www.educationcounts.govt.nz.

- Skills policy in recent years was developed by the Tertiary Education Commission and the Ministry of Education to combat low levels of participation in tertiary education.
- It was based on trying to increase enrolments in post-school education.

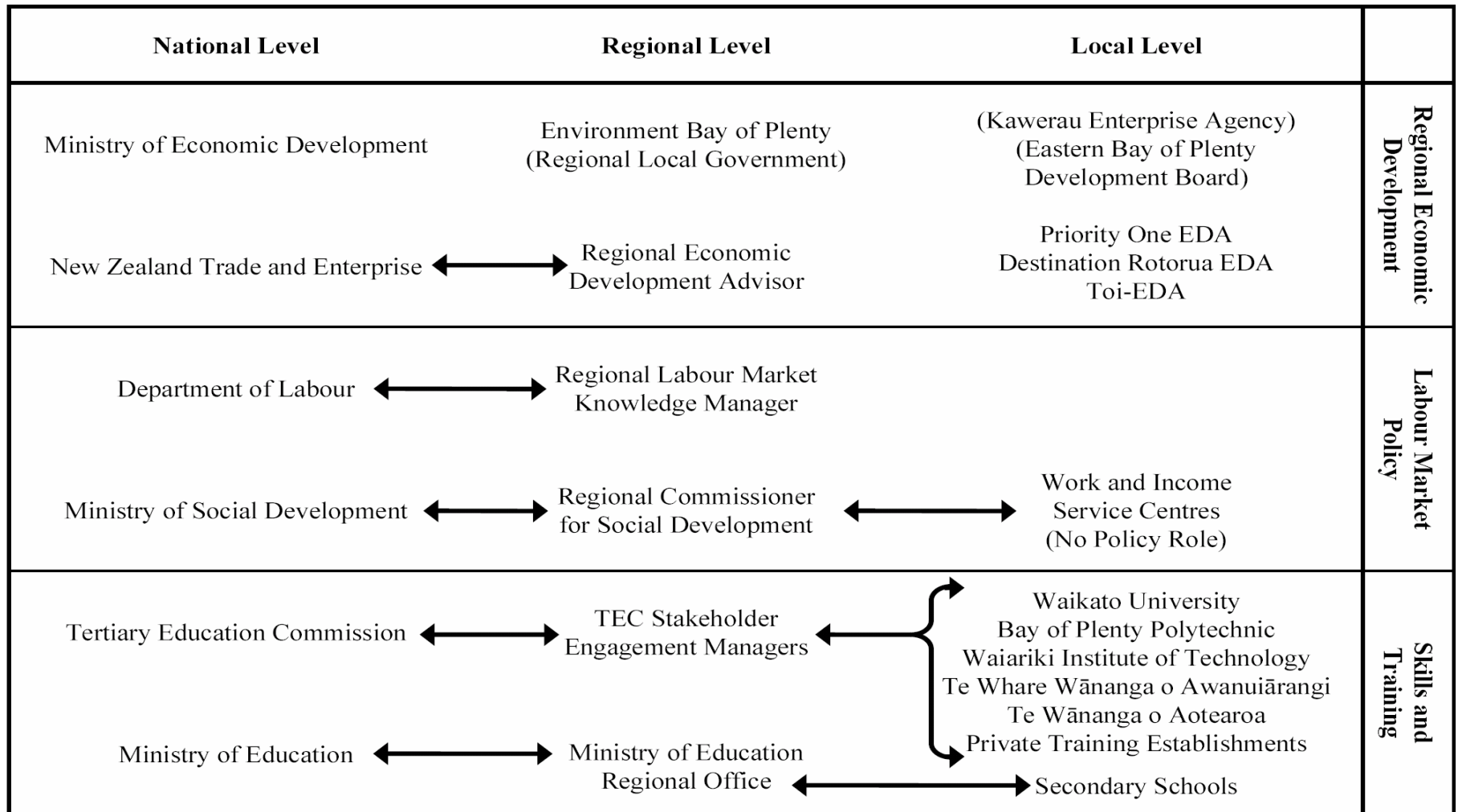
Development Policy

New Zealand Real Gross Domestic Product Per Capita, 1970 to 2005



- Development policy in the 1990s was created by the Ministry of Economic Development and NZTE to encourage economic transformation.
- It was built on promoting regional economic development within a sound national framework.

The Institutional Landscape



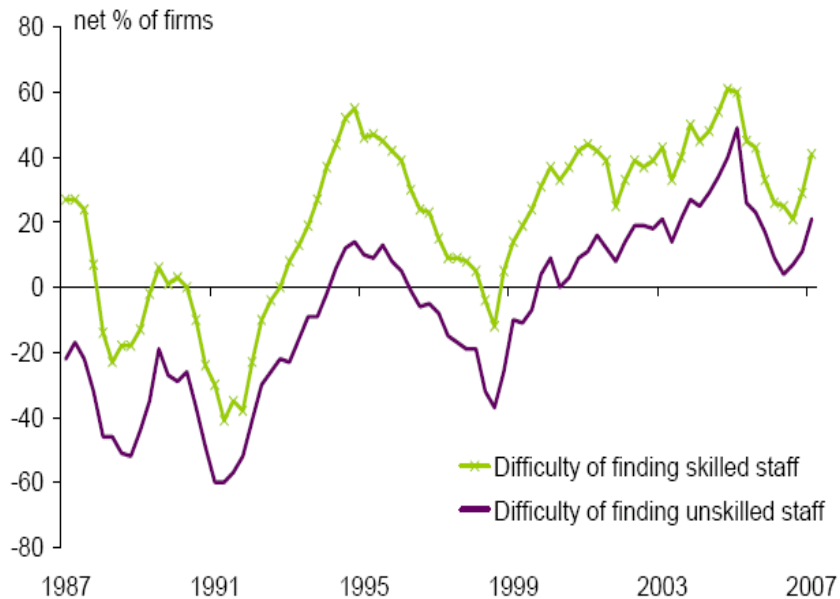
Source: P. Dalziel, *The New Zealand Report for the IESED Project*, 2007.

Skill Shortages and Employers

- In the last 3-4 years, the economic context for employment, skills and economic development policies has changed dramatically.
- High unemployment, low participation in tertiary education and weak economic growth in the regions have been replaced by skill shortages constraining enterprise growth.
- Employers are demanding better co-ordination from government agencies to meet this issue.

Labour and Skill Shortages

Figure 1: Difficulty of finding skilled and unskilled staff, 1987-2007



Source: Quarterly Survey of Business Opinion, NZIER

Figure 2: A shortage of labour as main constraint on expansion, 1987-2007

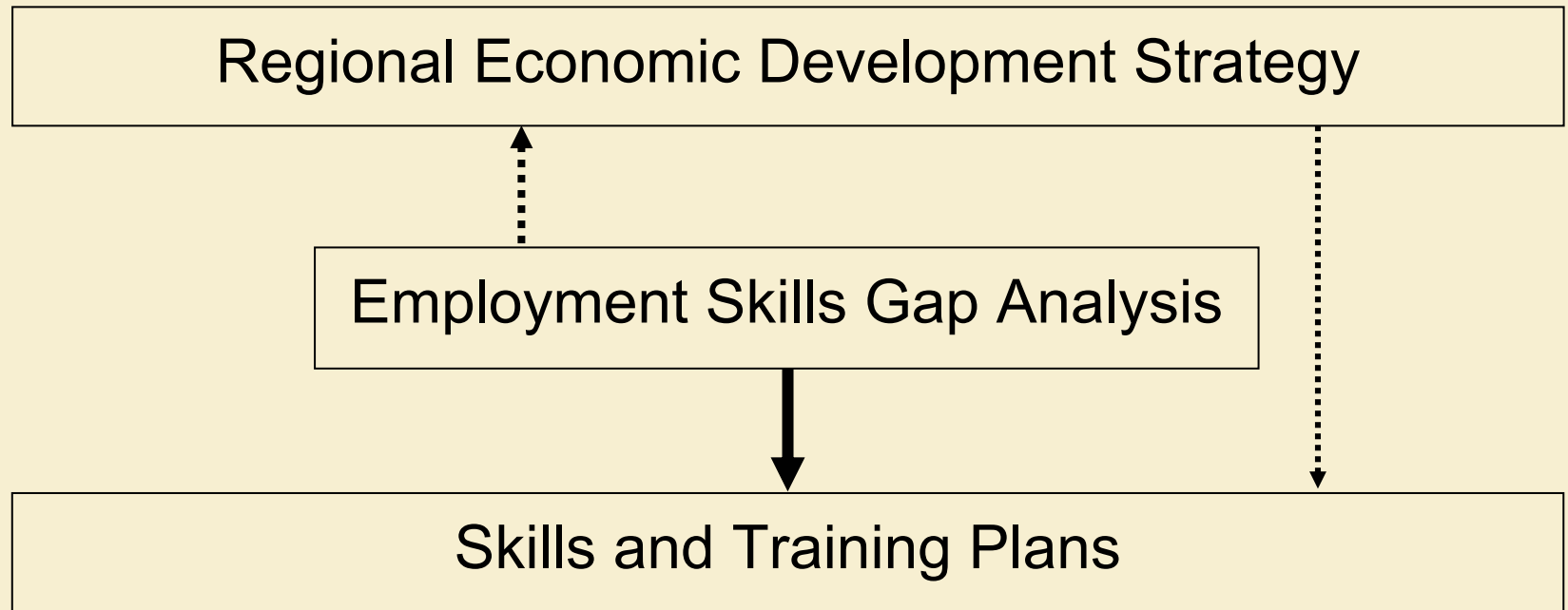


Source: Quarterly Survey of Business Opinion, NZIER

The Government's Response

- The Skills Action Plan (May 2002)
- Job Vacancy Monitoring Programme
- Regional Employment and Skills Forums
- Regional Skill Gap Analyses
- Annual In-Depth Regional Labour Market Reports
- MSD Partnership Agreements with Industries
- The Tertiary Education Strategy 2007-2012
- The Regional Facilitation Programme

Skills Training and Regional Development



There are some risks in developing skills and training plans *directly* from an employment skills gap analysis without placing the analysis within a regional development context.

Employers are demanding higher productivity

- Employment policy can identify people who are in low productivity jobs or unemployed.
- Skills policy can ensure educators provide quality programmes to meet current needs.
- Economic development policy in the regions can identify the high skill jobs being created.
- **Integration** of employment policy, skills policy and economic development can contribute to raising a region's labour productivity.

We Must Think About the Next Generation

“In the next decade, the largest ever group of young New Zealanders will make the transition from secondary schooling into tertiary education and the workforce. ... This is a strategic opportunity to ensure our workforce can compete with the best in the global economy.”

(Developing the Second Tertiary Education Strategy, 2007/12, p. 11)

School Leavers in Transition to Work

- Recent OECD work emphasises the importance of public policies to help young people **make good choices** during their transition years from school to work.
 - Education choices while still at school
 - Part-time employment choices while in education
 - Career aspirations and career choices
 - Post-compulsory education and training choices

The Education-Employment Linkages Project

- FRST is funding a \$2 million five-year research programme on education employment linkages for youth in New Zealand.
- It brings together three research institutions:
 - the AERU research unit at Lincoln University,
 - the New Zealand Centre for Educational Research,
 - He Pārekereke at Victoria University.

The Aim of the Research Project

How can formal support systems best help young New Zealanders make good education-employment linkages to benefit themselves, their communities, and the national economy?

- in school communities.
- in regional communities.
- in Māori and Pacific communities.
- in employer-led channels.

An Example of an Employer-Led Channel

- The Economic Development Agency for the Western Bay of Plenty regional partnership is Priority One, which was set up in 2001.
- It is an unusual economic development agency in New Zealand, because it was set up by, and is accountable to, local business.
- It is responsible for implementing the region's economic development strategy, *SmartEconomy*, but I want to focus on a particular programme it operates called INSTEP.

The Priority One Team



**The INSTEP
Manager**



The INSTEP Programme

- INSTEP aims to increase the understanding of students, teachers, principals and parents about:
 - business, and how it relates to economic growth;
 - the value and relevance of education; and
 - future employment opportunities within the Western Bay of Plenty.

The INSTEP Programme

- The INSTEP Programme works by networking participating schools with local businesses, and through a work plan of projects contributing to increased knowledge in schools about local employment trends and opportunities.
- This is a long-term investment in the region's future by *employer-led* contributions to stronger education employment linkages in the schools.

Two Initiatives by INSTEP

Principals Big Day Out

- INSTEP organises each year a day out for school principals, where they are hosted by an important local industry to obtain a hands-on experience of emerging trends.
- One year, for example, the Principals were taken for helicopter flights so that they could see the significance of the horticulture sector in the region before meeting industry leaders.

Targeted Teachers into Industry

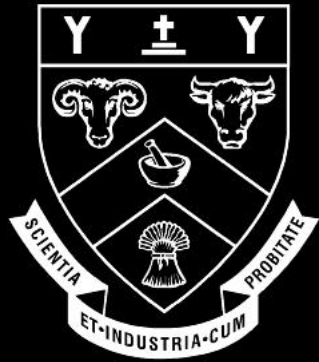
- INSTEP organises twice a term visits by teachers of relevant subjects to local industry to discuss skills, attitudes and qualifications.

Conclusion

The education employment linkages research project started on the 1st of July this year.

More information can be found on its dedicated website:

www.eel.org.nz



Lincoln University

Te Whare Wānaka o Aoraki



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