

## Event backgrounder: Prime Minister and Minister Hipkins' visit to Mulcahy Engineering Ltd to promote vocational education.

<b>To:</b>	Rt. Hon Jacinda Ardern, Prime Minister; and Hon Chris Hipkins, Minister of Education
<b>From:</b>	Deirdre Marshall, Manager, Delivery and Projects
<b>Date:</b>	17 November 2020
<b>Reference:</b>	E-20-00723

### Purpose

1. You are scheduled to visit Mulcahy Engineering Ltd (Mulcahy) in Auckland on Wednesday 18 November 2020 between 12.00pm – 1.30pm. At 12.00pm you will tour the site with Competenz Trust (Competenz) and Mulcahy staff, and meet with apprentices. This will be followed by a media stand up at 1pm.
2. The visit will provide you with the opportunity to discuss initiatives in vocational training including funding for apprentices and the upcoming campaign to raise awareness of vocational education and training (VET).
3. Biographies on Competenz Chief Executive, Fiona Kingsford; Competenz Chair, George Adams; Competenz General Manager Industry Training, Amanda Wheeler and Mulcahy Engineering Managing Director, Kayne Mulcahy, are attached as Appendix 2 to this event backgrounder.
4. We recommend this event backgrounder is proactively released following your visit, with commercially sensitive and some “free and frank” information removed.

### About Competenz

5. The Competenz Trust is a Transitional Industry Training Organisation (TITO) with a NZQA Category 1 external evaluation and review (EER) rating. Its primary focus is in the areas of manufacturing and construction; specifically food and beverage processing and mechanical engineering. It has industry coverage for engineering, manufacturing, forestry, communications and media, maritime and rail transport, and other related trades (locksmithing, fire protection, refrigeration, heating and air conditioning).
6. Competenz arranges employment-based training through apprenticeships and New Zealand Certificates under the Industry Training Fund.
7. Competenz advise they work with 3,500 employers across 37 industries in the course of their programmes.

8. Competenz has been allocated funding of \$23,835,098 from the Industry Training Fund in 2020. Total funding allocated across all funds in 2020 is \$30,804,439<sup>1</sup>.
9. Competenz has arranged the delivery of the following unadjusted Standard Training Measures (STMs)<sup>2</sup>: 5,160 in 2018; 5,435 in 2019; and 4,612 so far in 2020. These are funded from the Industry Training Fund which includes apprenticeships.
10. Translating STMs into actual learners; 16,377 learners were enrolled in Competenz programmes in 2019. So far in 2020, 15,312 learners have enrolled in its programmes.
11. Competenz' programme completion rates for 2019<sup>3</sup> are as follows:
  - Levels 1-3 - 76%, which is higher than the TITO sector average of 70%
  - levels 4+ - 67%, which is lower than the TITO sector average of 70%
  - Apprenticeships - 62%, which is the same as the TITO sector average.
12. At Competenz, in Industry Training levels 1-3, the programme completion rates of individual demographic groups either met or exceeded the TITO sector average of 70%:
  - Non-Māori/Pacific learners (77%),
  - Māori learners (70%) and
  - Pacific learners (81%).
13. At Competenz, in Industry Training level 4 and above, the programme completion rates of individual demographic groups were either at or lower than the TITO sector average of 70%:
  - Non-Māori/Pacific learners (70%)
  - Māori (61%) and
  - Pacific learners (65%)
14. The apprenticeship programme completion rates of individual demographic groups at Competenz either exceeded or were lower than that TITO sector average of 62%:
  - Non-Māori/Pacific learners (64%)
  - Māori (49%) and
  - Pacific learners (53%)

## **Competenz is fully engaged in RoVE**

15. Competenz is fully engaged in the Reform of Vocational Education (RoVE). It has staff directly involved with the reforms, such as the Design Group for the Workforce Development Councils. Its Chief Executive, Fiona Kingsford, is on the Manufacturing, Engineering and Logistics interim Establishment Board, as well as being seconded to Te Pūkenga on a part-time basis to help

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<sup>1</sup> Source; Data is at 16.11.2020 for the 2020 reporting year and has been sourced through Qlik app, My Allocations and Payments.

<sup>2</sup> Source: Data is at 13.11.2020 for the 2019 reporting year and has been sourced through Qlik app, My Provision – ITR.

<sup>3</sup> Source: Data is at 13.11.2020 for the 2019 reporting year and has been sourced through Qlik app My Performance – ITR.

develop an implementation plan to support the transfer of arranging industry training into the institute.

16. Competenz is keen to facilitate an early transition of its arranging training activities into Te Pūkenga, and is working closely with the RoVE project team to enable this to occur as quickly and seamlessly as possible.

### **Competenz learners are enrolled in TTAF funded programmes**

17. The Targeted Training and Apprenticeship Fund (TTAF; also known as free trades training) is supporting learners to undertake VET without fees. The TTAF covers fees from 1 July 2020 until 31 December 2022 and is paid directly to tertiary education organisations (TEOs) by the TEC.
18. Appendix 1 provides information on the number of Competenz learners:
  - enrolled in specific TTAF areas, namely: apprenticeships; electrical engineering; manufacturing, mechanical engineering and technology; primary industries (Table 1); and
  - enrolled in TTAF programmes by gender (Table 2).
19. Since 1 July 2020, 3,634 learners have enrolled in TTAF programmes at Competenz. Females comprise 15% of these learners.

### **About Mulcahy Engineering Ltd**

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20. Mulcahy is a fabrication and manufacturing company. It has grown from being a small facility with five employees to having a 6,000m<sup>2</sup> plant in Avondale, Auckland and a team of 140.
21. Mulcahy is a family run business that has been operating for 40 years. Its customer base includes the food and dairy industries, materials handling, original equipment manufacturing, agriculture, horticulture, and architectural sectors.
22. The company provides the following engineering and manufacturing services to its customers: design, laser cutting, tube laser cutting, punching, pressing, and a full scope of fabrication services such as polishing, machining, and welding.
23. An ongoing investment in technology is a key part of the company's strategy. Mulcahy has recently signed a \$1 million contract with Epicor Software Corporation to automate its business processes.
24. The company currently has 10 Competenz apprentices. There are no female apprentices.

### **The VET marketing campaign will commence on 15 November**

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25. The TEC marketing campaign to promote VET commenced on 15 November 2020.
26. The objectives of this campaign are to:
  - improve the perception of VET, and
  - increase participation in VET.

27. The key audiences for the campaign are school leavers, adult learners (including those needing to retrain due to COVID-19), Māori, Pacific people, people with disabilities, women, employers and influencers (teachers and parents).
28. Research undertaken shows that although the majority of people have heard of VET, most lack understanding of the full breadth of options (for both learners and employers). This viewpoint leads many people to think of VET as a lesser or limiting choice.
29. There are two phases to the marketing campaign. Phase 1 of the campaign, which commenced on 15 November 2020, involves 'seeding' content with social influencers and radio stations.
30. Phase 2 of the campaign will commence on 6 December 2020. This will be an integrated marketing campaign which will include:
  - mass communications (TV, Video On Demand, radio) aimed at all audiences across New Zealand.
  - targeted communications (programmatic digital, social, radio and search) aimed at specific audiences communicating relevant benefits and messages.

### **A VET information campaign was run between September and October 2020**

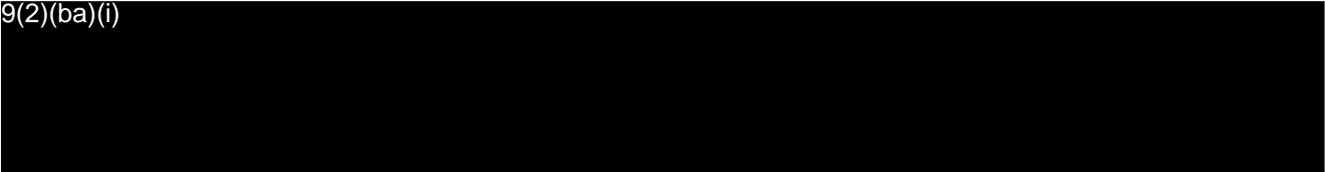
31. This purpose of this campaign was focused in a different area and was designed to raise awareness of:
  - the Targeted Training and Apprenticeship Fund (TTAF) with learners
  - the range of funds available to employers, including the Apprenticeship Boost.

### **Matters that Competenz may raise with you**

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32. The TITOs are currently waiting for notification of their 2021 funding allocation. The TEC has provided each TITO, including Competenz, with an update on when they will be notified.

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### **Risks and Issues**

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#### **Women are faring worse in the labour market and have lower participation in TTAF programmes**

34. Statistics NZ has confirmed that women have fared worse than men across key labour market measures since COVID-19<sup>4</sup>. Nationally, the seasonally adjusted number of people in employment fell by 31,000 between the March and September 2020 quarters – over two-thirds

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<sup>4</sup> Source: Stats NZ <https://www.stats.govt.nz/news/covid-19s-impact-on-women-and-work>, 4 November 2020

(22,000) were women. As a result, the employment rate for women fell from 62.8% to 61.2% over the period. The rate for men fell from 72.8% to 71.8%.

35. A Parliamentary Oral Question was asked (6 August 2020) about action being taken to address the high job losses for women and what steps had been taken to get women into jobs in the food and fibre sector and the construction and infrastructure sector<sup>5</sup>. This was followed by a Stuff article (9 August 2020) on the same topic with reference to the government's investment in trades and apprenticeship training<sup>6</sup>.
36. Females participate at lower rates in trade training than males. In 2019, 17% of learners across all the programmes that Competenz offer identified as female. Of those learners enrolled in a TTAF programme at Competenz in 2020, 13% identify as female (Appendix 1).



**Deirdre Marshall**

Manager, Delivery and Projects

Delivery Directorate

Tertiary Education Commission

17 November 2020

**Rt Hon Jacinda Ardern**

Prime Minister

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**Hon Chris Hipkins**

Minister of Education

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<sup>5</sup> Source: [https://www.parliament.nz/en/pb/hansard-debates/rhr/document/HansS\\_20200806\\_051120000/12-question-no-12-women](https://www.parliament.nz/en/pb/hansard-debates/rhr/document/HansS_20200806_051120000/12-question-no-12-women), Sitting date 6 August 2020

<sup>6</sup> Source: <https://www.stuff.co.nz/business/women-of-influence/122366842/women-bearing-brunt-of-covid19-job-losses>, 9 August 2020

## Appendix 1: Competenz Enrolments in the Targeted Training and Apprenticeship Fund - 2020

Table 1: Numbers of learners enrolled in specific TTAF target areas

Provider	TTAF Target Area	Enrolled before July 2020	Enrolled after July 2020	Total
Competenz Trust	Electrical Engineering	859	400	1,234
	Manufacturing and mechanical engineering and technology	5,355	1,785	6,892
	Primary Industries	1,944	1,413	3,212
	Apprenticeships Only	119	37	155
<b>Total</b>		<b>8,277</b>	<b>3,634</b>	<b>11,482</b>

Table 2: Numbers of TTAF learners enrolled by gender

Provider	Gender	Enrolled before July 2020	Enrolled after July 2020	Total
Competenz Trust	Female	1,012	547	1,445
	Male	7,245	3,075	10,007
	Unknown	20	12	30
<b>Total</b>		<b>8,277</b>	<b>3,634</b>	<b>11,482</b>

### Caveats:

- The figures above are based on information reported through the Industry Training Register (ITR) for the purposes of funding tertiary education and the register of approved TTAF eligible programmes maintained by TEC. The data excludes any reporting outside of the ITR and relies on the accuracy of data reported by Transitional ITOs.
- Industry training enrolments occur continually throughout the year. Enrolments may take several months to be processed. Therefore, the 2020 enrolments in the above table are subject to change and may not be directly comparable to previously published data.
- Please note, due to Covid-19 restrictions in place between April and June 2020 there was a delay in apprentices starting their programmes. This delay has caused a corresponding increase in new starters in July 2020.
- Where learners were enrolled before 1 July 2020, these figures also include learners who commenced their study in a prior year and are currently completing their qualification.

## Appendix 2: Biographies of key staff/attendees

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Chief Executive: Fiona Kingsford

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Fiona Kingsford's career with Competenz has included positions such as General Manager of Organisational Development, General Manager Trade Training, and General Manager Strategy and Transformation before being appointed CEO in January 2016.

Fiona is the Chairperson of Māori and Pasifika Trades Training (MPTT) Auckland. She is currently serving on the Forestry Ministerial Advisory Group, a role she has held since 2018.

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Chair, Competenz: George Adams

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A former chair of the New Zealand Food and Grocery Council, George was appointed to the Competenz board in May 2018, and holds chairman and directorship roles at a number of companies in the food and beverage industry. He also chaired the 2014 Independent Forestry Safety Inquiry.

George is an experienced professional executive and director, and a strong advocate for the fast-moving consumer goods (FMCG), forestry, and health and safety sectors.

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General Manager, Industry Training, Competenz: Amanda Wheeler

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Amanda has been General Manager, Industry Training at Competenz since October 2018. Prior to taking up this role she was Stakeholder Relations Manager at Competenz.

Amanda has held roles at The Skills Organisation, The Workchoice Trust and the Foundation for Youth Development Waitakere.

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## Managing Director, Mulcahy Engineering Limited: Kayne Mulcahy

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Kayne has been Managing Director of Mulcahy Engineering Limited since 1992. He took over the full running of the business from his father, Murray Mulcahy, in 2012.

He holds qualifications in mechanical engineering, production engineering, and engineering management.

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### **Mulcahy Engineering – other key personnel**

General Manager – Production: Brett Ritchie

General Manager – Engineering: Laurence Ashby

General Manager – Finance: Pieta Niccol

Project Engineering Manager – Engineering: Simon Buckingham

Project Engineering Manager – Production: Logan Fraser

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## Event run sheet – VET campaign launch

Wednesday 18 November 2020 – 12:00 – 1:30pm

Mulcahy Engineering and Fabrication Ltd – 5 Charann Place, Avondale, Auckland

Time	Details	Who	Comments
12:00pm	PM and Minister Arrival at Mulcahy Engineering and Fabrication Ltd	Prime Minister Rt Hon Jacinda Ardern and Minister of Education, Hon Chris Hipkins	<b>VIP car for PM and Minister?</b>  <b>Other attendees</b> <i>From Competenz</i> CEO Fiona Kingsford GM Industry Training Amanda Wheeler PR representative Lisa Joe from Joe Public  <i>From PM's Office</i> <b>TBC</b>  <i>Media</i> <b>TBC</b>
12:00pm	Welcome and health and safety briefing	Mulcahy Managing Director, Kayne Mulcahy	Requirements for visit in factory: Closed-toed shoes, high-vis vests (will be provided), move around with someone from the business (will be organized by Kayne)
12:05pm	Factory tour, meet apprentices and others	PM, Minister Hipkins and other attendees	Meet the apprentices on the factory floor
1:00pm	<b>Media stand up</b> (Will this be live-streamed on Facebook? What media will attend?)		
	Section to be completed by PMO		
1:30pm	PM and Minister to depart	PM Jacinda Ardern and Hon Chris Hipkins	<b>VIP car departure DETAILS TBC</b>