

## Important Information about SIT's Future

### **Context**

The Minister of Tertiary Education and Skills has released proposals on the future structure of the vocational education and training system in Aotearoa New Zealand, and the proposals are of great importance to Southern Institute of Technology (SIT) and to our Murihiku Southland region. The proposals are in the attachment "[Redesign of the vocational education and training system](#)".

We strongly support SIT operating as an autonomous institution, connecting with its community, and making its own decisions for the benefit of the whole region.

### **Stakeholder Consultation Meetings**

The Tertiary Education Commission (TEC) is inviting stakeholders to Consultative Meetings to discuss the proposals on Tuesday 20 August. These meetings are open to anybody who wishes to attend.

### **Meeting Details**

- Session 1:** 2.30-3.30 pm in SIT's Hansen Hall cnr of Ythan and Forth Streets  
(Primarily for education & training, iwi, councils, schools)
- Session 2:** 3.45- 4.45pm in Hansen Hall cnr of Ythan and Forth Streets  
(Primarily for industry, employers, health sector, community organisations)

We thought it was important to provide some information that may allow you to make an informed decision and a submission on the proposals.

### **It's Important that You Make a Written Submission**

TEC will consider only written feedback **so please make a submission** to support SIT to regain autonomy. You can use the following information as a guide for your submission:

**Proposal 1 – Re-establish independent regional ITPS, including SIT, that can show a robust pathway to financial sustainability. We agree with this proposal.**

**Reason: Because it will allow SIT to have the autonomy to make its own operational and financial decisions for delivering vocational education and training that is crucial for the Southland community, employers and economy.**

**Proposal 2 – Establishing an industry-led system for standards-setting and industry training. We agree with Option B in this proposal.**

**Reason: Because it has more options for learners and employers and will have a positive impact on maintaining and expanding the current range of local industry and apprentice training options for our region.**

**Proposal 3 – A funding system that supports stronger vocational training. We agree with all three proposed funding changes.**

**Reason: Because the changes will enable SIT to return to financial viability and operate as an autonomous institution delivering high quality vocational education and training and maximizing the benefits of international education.**

**You can provide feedback on the proposals by:**

#### **Emailing**

Email your feedback directly to [VocationalEducation.Reforms@education.govt.nz](mailto:VocationalEducation.Reforms@education.govt.nz). Submissions close 12 September 2024.

#### **Online submission**

Fill out a submission form and submit it online at:

[Vocational Education and Training Reforms consultation\(external link\)](#)

#### **Online Submission Template**

[Download](#) and fill out the submission template, and email it to [Vocational Education and Training Reforms consultation\(external link\)](#)

### **Supporting Evidence about SIT**

- 1. SIT is pivotal to the success of the Southland community.**
- 2. SIT's economic impact on the region is considerable.** SIT contributed a total value add of \$508.5 million in GDP to the Southland economy from 2018 to 2022. Annually SIT's total spend is \$65.4 million, and it provides employment of around 581 full-time equivalents (FTEs) in the Southland region. In addition, SIT's domestic and international students spend is \$91.7 million annually in the Southland region on rent, food, and other goods and services. **Combined, SIT and its students spend around \$157.1 million a year in the Southland region.** SIT is one of Southland's larger employers. In 2022, it employed 372 FTEs at its Southland campuses. (Source: Economic Impact Assessment 2022 Southern Institute of Technology BERL)
- 3. SIT is a leader in the community.** SIT is a crucial component in the Southland leadership framework where strategies are developed for the future of the region (e.g. Southland Regional Development Strategy; Beyond 2025 Southland; Murihiku Workforce Plan).
- 4. SIT's Zero Fees Scheme (ZFS) delivers multiple benefits for Southland.** The ZFS has added millions of dollars to the region's economy and boosted population growth.

The ZFS is an ideal example of SIT's integration with its community whereby local organisations and businesses contributed \$7.2 million in 2001 to fund the scheme for the first three years. SIT needs to be able to make its own decisions about important strategies such as the ZFS to thrive as an institution.

- 5. SIT is crucial to meeting the workforce needs of Murihiku Southland.** Every year SIT trains nurses, healthcare employees, “tradies” (construction/joinery/ engineers/automotive/electricians/ hairdressers), accountants, managers, supervisors, IT engineers, quantity surveyors, architectural technicians, chefs, environmentalists, film and animation employees, and many more, for the Southland workforce. We need SIT to be able to take guidance from local industry, its leaders and regional workforce strategies, and then make the best decisions on courses to meet our region's workforce needs using all available funding and resources.
- 6. SIT works closely with Murihiku Southland stakeholders: local iwi, industry, business and community organisations.** SIT values the expertise found in the Southland community and has a long history of working positively with local stakeholders. The institute has 40 Industry & Community Advisory Committees with approximately 250 external members who ensure that its courses are up to date and relevant to meet local needs. SIT has a strategic partnership agreement with Murihiku Regeneration to develop and offer the education and training their leaders request from SIT for Māori. SIT also has a strategic partnership with Te Wānanga o Aotearoa for the delivery of Te Reo Māori and tikanga in the community. It is important that SIT has the freedom to respond quickly when developing its own partnerships for the benefit of Southlanders.
- 7. SIT management and staff are very experienced and capable,** with the expertise and knowledge required to facilitate a successful transition to operating again as an independent ITP. While SIT lost a number of staff during the uncertainty of the past three years, a solid core of experienced, capable people remain at management, tutorial and administrative levels. We have no doubt that SIT has the capability in management and staff, plus the ability to form a new Council, to transition very capably back to an independent operation.
- 8. SIT's successful International Strategy** was requested by the community to boost population growth and the economy. The success of this strategy has helped Murihiku Southland to transition into a more diverse and multicultural population. Until 2020, when Covid-19 and centralised regulations impacted on this strategy, SIT had substantial numbers (up to 1,800) of international learners arriving in Southland to study, live and work as employees and/or running their own businesses as part of the local community. To undertake a successful international strategy SIT must be able to make its own strategic decisions about pricing and recruiting international learners.

**9. SIT is renowned for its innovation.** Examples are the Zero Fees Scheme (removing financial barriers); SIT2LRN (distance learning courses for people who can't attend classes in person); HyFlex programmes (learners can participate in classes either onsite in the classroom or offsite); and Virtual Reality for training purposes. SIT has the confidence it will be able to return to viability as an autonomous institution and therefore continue with its innovation strategies.

**10. SIT had a very successful financial track record** and had never recorded a deficit in its 52-year plus history, prior to the impact of the Covid-19 global pandemic and centralisation. Prior to 2020, SIT was consistently one of the highest performing ITPs in financials, asset management and return on investment. SIT's current deficit is the result of circumstances and decisions made beyond its control. However, SIT has confidence in its ability to return to financial viability once it is able to operate as an autonomous institution, making its own sound strategic and financial decisions. SIT's future success and ability to serve the region effectively are linked to its independence as an institution.