



RINGA HORA
Services

Workforce Development Council

Ringa Hora 2026 Investment Advice to TEC

Prepared 1 November 2024



SECTION A – Context

A1. Is there any context you would like to provide for your advice?



- We want to see context that directly relates to your advice, rather than general industry insights.
- You may refer us to specific items in another document such as your Workforce Development Plan (WDP) (please provide page references). If the content is published elsewhere, please reference this.
- Keep this section brief as we only want information you have not already included in key documents such as WDPs or Operational Plans.
- If this section is not required leave it blank.

Service Sector context

The Service Sector is essential to New Zealand and its people. It provides critical public services, retail spaces for everyday essentials and electronics, and fosters connections through shared experiences like dining and coffee gatherings. Currently, many businesses within the sector are facing significant challenges, including tight operating margins, job losses, and even closures of prominent, long-standing businesses. While COVID-19's immediate impact has largely passed, and there are emerging signs of economic recovery, the repercussions of the last five years continue to affect New Zealanders. People are at the core of the Service Sector, both as kaimahi (workers) and as customers. As people's needs and expectations evolve, so must the sector in order to stay relevant and responsive.

The past five years has been marked by unprecedented disruption for many New Zealanders. COVID-19, the cost-of-living crisis, and ongoing shifts from technology and climate change have collectively reshaped both our work environments and consumer values. Rather than returning to a pre-2019 status quo, we are navigating a new reality with changed priorities, values, and spending habits. Businesses that adapt and respond to these shifts will be better positioned to succeed now and into the future. Many are already rising to the challenge by embracing new business models, identifying growth opportunities, and attracting customers during off-peak times. In this evolving landscape, the vocational education system plays a vital role in supporting business adaptation and growth by ensuring training is accessible and aligned with current needs. It is essential that this system delivers the right volume of training across specific qualifications to meet industry demands.

Factors shaping the sector

Several significant shifts are currently influencing the service sector. Each factor is interrelated, impacting businesses, the workforce, and customers alike. Together, these changes have created a challenging environment but are also driving innovation and new approaches.

- **Rapidly rising costs** – The cost of doing business has surged in recent years, with increases in rent, wages, compliance, and input costs such as milk and aviation fuel. Simultaneously, customers facing a cost-of-living crisis are reducing their spending and making more considered purchasing choices. This combination of rising expenses and decreased consumer spending has forced many businesses out of the market.
- **Changing consumer preferences** – Cost pressures and post-COVID reflections on personal priorities have accelerated shifts in consumer expectations that were already underway. Customers increasingly gravitate toward either low-cost options or premium, high-service, boutique experiences. They are also more deliberate in their spending, with a heightened awareness of consumerism, environmental impacts, and a preference for experiences over possessions.
- **Evolving workforce expectations** – The role of work in people’s lives, along with their expectations from employers, is shifting. Many workers now seek roles that align with their values, offer a sense of purpose, support well-being, and provide flexible working arrangements. The shift to remote and virtual work during COVID-19 demonstrated the viability of these options, which are now preferred by many. This evolution in work expectations has also influenced how people engage with services, where they choose to spend money, and their comfort with remote interactions. Businesses that can align with these evolving expectations are better positioned to attract and retain talent, and to re-engage workers who may take breaks.
- **Technology** – Technology is reshaping how people engage with service sector businesses and how these businesses operate. Time- and cost-conscious customers now expect tech-enabled options that provide fast and affordable services. The rise of online services, from shopping to banking, has transformed customer interactions with the sector. By leveraging technology for routine tasks, businesses can free up kaimahi (staff) to focus on delivering high-quality, personalised customer service. Additionally, utilising technology for back-office functions allows employees to dedicate more time and energy to building genuine connections with customers.
- **Changing workforce demographics** – New Zealand’s population is evolving in terms of ethnicity, age, gender roles, and disability, and these demographic shifts are influencing the Service Sector. It is increasingly essential for businesses to reflect the diversity of both their workforce and customer base, tailoring their offerings to meet varied customer values and demonstrating cultural awareness. The diverse mix of people working in the sector brings unique strengths, and businesses that can respond to individual needs will benefit from an enriched and inclusive environment.
- **Climate Change** – Climate change is increasingly impacting New Zealand, its people and its industries. The Service Sector is facing disruption caused by extreme weather events. In addition, these extreme events are causing rising operational costs due to higher energy and water usage and supply chain issues. Consumer behaviour is changing in response to demand more sustainable practices. Businesses are also adapting by investing in resilience measures to mitigate these impacts.

Building a Future Ready Workforce

As work itself changes, so do the skills needed for individuals to thrive. One of the primary ways businesses can adapt to their evolving operating environment is by investing in workforce development. This approach ensures that businesses possess the skills required to meet changing demands while enhancing labour productivity. While technical abilities remain essential, broader skill sets are increasingly vital, fostering resilience, adaptability, and success now and in future careers. Key skills for a future-ready workforce include:

- **Business skills** – Many service sector businesses are small, owner operated ventures led by individuals passionate about service delivery but who may lack robust business management skills. Investing in business upskilling can enhance business performance and longevity, helping owners navigate an increasingly complex market.
- **Leadership skills** – Effective leadership drives productivity, performance, and positive impact. Developing leadership at all organisational levels—and among diverse groups including Māori, Pacific people, and women—can bring significant benefits. While the value of leadership is widely acknowledged, formal leadership development is often lacking. Businesses that foster leadership skills are likely to experience gains in business outcomes as well as broader benefits for employees, customers, and communities.
- **Customer service skills** – Customer service has long been central to the service sector. As technology and cost pressures reduce direct human interactions, the quality of each interaction becomes even more critical. A workforce skilled in customer service—capable of accommodating diverse needs and delivering personalised service—offers businesses a competitive edge in a crowded market.
- **Digital and technology skills** – The modern workplace increasingly demands digital and technology proficiency across all service sector roles. At minimum, employees need digital literacy and confidence in using technology, with an additional need for more advanced skills in certain roles. Businesses that invest in elevating their workforce’s digital skills, particularly among those less familiar with technology, will be better positioned to adapt and leverage evolving digital opportunities.

As skill requirements evolve, so do expectations around training and skill development. To effectively prepare the workforce for the future, training provision must be responsive and adaptable to meet both business and individual needs. In particular:

- **Ongoing upskilling** – The traditional model of front-loaded training, where most skill development occurs before or early in a career, no longer aligns with the demands of most roles. As jobs continue to evolve, ongoing upskilling throughout one’s career is essential. The training system must be designed to enable and encourage continuous learning, ensuring individuals can adapt to changing skill requirements.
- **Fit for purpose training** – With the rapid evolution of work, qualifications and training must also keep pace. However, parts of the tertiary education system struggle to meet the required speed and flexibility. To maintain relevance, the system needs a faster response to market demands and the adaptability to cater to individual business needs. Without these improvements, businesses may disengage from formal training pathways.
- **Micro-credentials and stackable learning** – There are growing demands from both workers and businesses for targeted, bite-sized learning to quickly address emerging skills gaps or supplement prior training. Micro-credentials, though relatively new to New Zealand’s tertiary landscape, are expanding into various fields. To maximise their impact, these credentials should be developed cohesively to meet business needs while providing stackable building blocks and clear progression pathways.

Methodology

To formulate our investment advice, we employed a methodology consistent with our 2025 investment advice process. This included an examination of the 112 qualifications overseen by Ringa Hora, alongside both qualitative and quantitative workforce insights across various service industry groups. For qualifications

where workforce demand was identified and a suitable qualification exists to address it, we applied a three-pronged approach to estimate the requested scale of change. This approach includes:

- **Industries where historical need is driven by COVID-19 impact on training** – For qualifications where training was significantly disrupted by COVID-19 but previously met industry needs, we have requested an increase in provision to pre-COVID-19 levels (either 2019 or 2020, depending on the qualification and industry context).
- **Industries where need is driven by employment growth** – For qualifications linked to occupations or industries experiencing employment growth, we have recommended an increase in provision proportionate to the projected employment growth over the next five years.
- **Industries where need is driven by an increased uptake of qualifications** – For qualifications expected to see growth due to increased uptake—resulting from factors such as regulatory changes or evolving industry standards—we have based our recommendations on evidence of anticipated demand and any current trends in uptake, using these to determine a percentage increase.

In instances where multiple contexts apply, we have employed a combined approach, opting for conservative estimates where data suggests varying levels of increase. Occupation and industry forecasts are sourced from the Shared Data Platform unless specified otherwise. Each recommendation was assigned a priority level based on the robustness of the evidence and external factors, such as market influences on the industry.

Maintaining Qualifications Not Explicitly Included

As Workforce Development Councils (WDCs), we are responsible for advising on the mode and scale of provision for all qualifications within our scope. Following direction from the Tertiary Education Commission (TEC), we have prioritised a select group of qualifications in this advice—primarily those in industries experiencing significant shortages or notable increases in training demand. This focus does not suggest a reduced need for vocational training investment in qualifications not highlighted here, nor does it imply the absence of skills shortages in industries not explicitly mentioned. For Service Sector qualifications not identified for an increase or decrease, we recommend maintaining current levels of investment and provision. Please refer to the Appendix for a list of Service Sector qualifications recommended for maintenance.

Additional information

For reference to the specific industry insights and the 2024 Workforce Development Plan and supporting Industry Action Plans ([Workforce Development Plan 2024 - Ringa Hora](#)).

Anticipated changes to the funding system in 2026 mean that this advice recommends only minor adjustments, in line with the 2025 Investment Advice. All qualifications under Ringa Hora's coverage that are not explicitly referenced below as requiring an increase or decrease in investment continue to fulfil a range of skill needs. We request that the Tertiary Education Commission (TEC) maintains provision for all qualifications not included in the list below. For the list of relevant Service Sector qualifications to maintain, please refer to the Appendix.

SECTION B – TEC investment advice

B1. Which specific qualifications and credentials do you want to see investment change?



Where this is specific and evidenced, this will be “give effect” advice. Advice may have been evidenced previously, have accompanying evidence this time, or be provided on TEC request.

- Please provide the full, accurate name of the qualification or micro-credential as it appears in New Zealand Qualifications Authority [NZQA] records and ensure the qualifications and/or micro-credentials you list are current (not discontinued or replaced).
- You can advise on changes such as increased learner diversity or mode changes. Please note that what is published in Plan Guidance about modes may depend on future Government decisions around work-based learning.

Qualification or credential	Mode	Specific regions?	Change you are seeking (increase, decrease, change)	Scale of workforce shortage	Evidence status (already supplied, attached, available on request).
Cross-Service Sector	The service sector workforce is highly transient and building corresponding qualifications is becoming crucial. Ringa Hora anticipates the introduction of the Future of Service Skills initiative by 2025, which will gradually phase out 23 existing entry-level services credentials that share similar outcomes over a three-year period. We expect that the combined volume of provision will continue to increase, in alignment with overall industry growth.				
New Zealand Certificate in Service Sector Skills (Level 3) [5025]	All	N/A	Increase	This qualification has been developed with industry support. It is critical to all industries, although the projected intake is unclear at this stage.	<p>NEW QUALIFICATION- Available on request.</p> <p>This qualification was created in July 2024 as part of the Future of Service Skills project in collaboration with Service Sector industries.</p> <p>The purpose of this qualification is to provide New Zealand service-based industries with individuals who have the transferable skills in customer service, teamwork, communication, health and safety, professional and ethical behaviour, problem solving, and critical thinking.</p>

<p>Core Service Sector Skills Micro-credential (Level 3) [5101]</p>	<p>All</p>	<p>N/A</p>	<p>Increase</p>	<p>This qualification has been developed with industry support. It is critical to all industries, although the projected intake is unclear at this stage.</p>	<p>NEW QUALIFICATION- Available on request.</p> <p>This qualification was created in August 2024 as part of the Future of Service Skills project in collaboration with Service Sector industries.</p> <p>The purpose of this micro-credential is to provide a credential that recognises the core, transferable service sector skills in customer service skills and knowledge required for individuals to work as part of an effective team to foster a safe, sustainable, and productive workplace.</p>
<p>Business</p>	<p>Investing in business qualifications—particularly those centred on leadership, first-line management, and small business operations—yields benefit that extend far beyond the individual level, creating a ripple effect across vocational education and training provision.</p> <p>The business qualification suite transcends industry boundaries and impacts sectors beyond those directly covered by Ringa Hora. The Ringa Hora team engaged with the other five Workforce Development Councils (WDCs) to inform the recommendations below, recognising that the demand for business qualification training spans the entirety of the New Zealand economy.</p> <p>We recommend increases in three qualifications detailed below, focusing on team leadership, first-line management, and small business management. These qualifications address critical skill gaps and are poised to generate benefits across the economy. For other qualifications within the business suite, which continue to meet various skill needs, we request that the Tertiary Education Commission (TEC) maintains current levels of provision.</p>				
<p>New Zealand Certificate in Business (Accounting Support Services) (Level 4)- [2455]</p>	<p>N/A</p>	<p>All regions</p>	<p>Increase</p>	<p>Increase by 10% of learners in 2026 to meet growing learner and workforce demand.</p>	<p>NEW RECCOMENDATION- Available on request.</p> <ul style="list-style-type: none"> • Forecast data projects 10% for managers (source: Infometrics and Shared Data Platform) • Qualification data (source: TEC)

NZ Certificate in Business (First Line Management) (Level 4)- [2456]	N/A	All regions	Increase	Increase by 10% of learners in 2026 to meet growing learner and workforce demand.	Already supplied <ul style="list-style-type: none"> • Forecast data projects 10% for managers (source: Infometrics and Shared Data Platform) • Qualification data (source: TEC) • All WDCs have indicated they support increased provision of this qualification.
NZ Certificate in Business (Introduction to Team Leadership) (Level 3)- [2453] [Ringa Hora is consulting on the Level 3 New Zealand Certificate in Business (Introduction to Team Leadership) which is likely to be modified and renamed the <u>New Zealand Certificate in Leadership (Level 3)</u> before 2026].	N/A	All regions	Increase	Increase learners by 10%- in line with workforce demand and industry's projected growth of manager roles by 2028.	Already supplied <ul style="list-style-type: none"> • Forecast data projects 10% for managers (source: Infometrics and Shared Data Platform) • Qualification data (source: TEC) • Additional requests from Waihanga Ara Rau.
NZ Certificate in Business (Small Business) (Level 4)- [2457]	N/A	All regions	Increase	Increase by 10% of learners in 2026- in line with industry's projected growth of manager roles by 2028.	Already supplied <ul style="list-style-type: none"> • Forecast data projects 10% for managers (source: Infometrics and Shared Data Platform) • Qualification data (source: TEC)
Hospitality	<p>The hospitality sector continues to grapple with staffing shortages, a situation exacerbated by recent economic fluctuations that have significantly impacted the industry and highlighted long-standing challenges stemming from the COVID-19 pandemic. According to the Restaurant Association, employee numbers in the sector increased by 7.3 percent in 2023 compared to 2022, buoyed by the return of international workers to Aotearoa. Operators have reported some alleviation of the staffing challenges that peaked in 2022.</p> <p>However, the industry still faces a shortage of skilled employees, particularly in senior roles such as chefs and restaurant managers. Many members of the association with plans to open additional locations are reconsidering these initiatives due to uncertainty about their ability to recruit the necessary staff to operate these new outlets. This need for skilled</p>				

	<p>workers is outlined in the roadmap of key priorities for 2024 presented in the Hospitality Report 2024, produced by the Restaurant Association. One of the six identified priorities is to increase training for New Zealanders to address skills shortages by:</p> <ul style="list-style-type: none"> • Investing in hospitality through enhanced training, promotion, and government engagement. • Assessing current skills shortage metrics. • Reviewing the existing education framework to identify gaps. • Centralising training or establishing a central accreditation system to ensure education is consistent and effectively targets skills shortages. <p>We recommend increases in two qualifications, detailed below, that focus on Cookery. These qualifications address critical skill gaps and are expected to generate significant benefits across the economy. Other qualifications within the Hospitality and Food Services suite continue to meet various skill needs, and we request that the Tertiary Education Commission (TEC) maintains provision for qualifications not included in this recommendation.</p>				
<p>NZ Certificate in Cookery (Level 4)- [2101]</p>	<p>Preference for in-person training.</p>	<p>All regions</p>	<p>Increase</p>	<p>As per 2025 recommendation: Increase investment to lift enrolment to 800 learners in 2026 with the intention to rebuild to pre-COVID-19 volume of 1,700 learners by 2028.</p>	<p>Already supplied</p> <ul style="list-style-type: none"> • Qualification data (source: TEC). • Projected growth of 3,000 for chefs between 2022 to 2028 (from 22,153 to 25,681) (source: Infometrics).
<p>NZ Diploma in Cookery (Advanced) (Level 5) with strands in Cookery, and Patisserie- [2102]</p>	<p>Preference for in-person training.</p>	<p>All regions</p>	<p>Increase</p>	<p>As per 2025 recommendation: Increase investment to lift enrolment to 350 learners in 2026 with the intention to rebuild to pre-COVID-19 volume of 750 learners by 2028.</p>	<ul style="list-style-type: none"> • Industry continues to face skilled employee shortages for senior roles, in particular senior chefs and restaurant managers, 2024 Hospitality Report (source: Restaurant Association). • Industry engagement and insights (including the Restaurant Association and Hospitality NZ). • Hospitality Workforce Development Plan (Hospitality & Food Industry Action Plan 2024 - Ringa Hora)

<p>Tourism and Travel</p>	<p>The tourism industry has been rebuilding since COVID-19 and has successfully reinforced its position as New Zealand’s second-largest export earner, generating an impressive \$11.6 billion for the year ending March 2023. The industry is demonstrating significant growth, as reported by the Tourism Evidence and Insights Centre:</p> <ul style="list-style-type: none"> • International tourism expenditure surged by 456.9 percent (\$8.9 billion) to reach \$10.8 billion, contributing 11.4% to New Zealand’s total exports of goods and services. • GST collected from international tourists amounted to \$1 billion, reflecting an increase of \$858 million. Overseas visitor arrivals to New Zealand rose by 858.7 percent to 2,199,073 • Tourism generated a direct contribution of \$13.3 billion to GDP, accounting for 3.7 percent of the total GDP, which represents an increase of 30.9 percent (\$3.1 billion). • The indirect value added by industries supporting tourism contributed an additional \$8.8 billion, accounting for 2.5 percent of GDP. <p>In terms of employment, 189,432 individuals were directly employed in tourism, representing 6.7 percent of the total workforce in New Zealand. In total, 317,514 people were either directly or indirectly employed in tourism, equating to one in nine New Zealanders. This positive trend has continued into 2024, with international visitor numbers growing by 21% (reaching 1.6 million) and domestic visitors increasing by 4.7% (reaching 2.6 million) during the same period.</p> <p>We recommend increases in two qualifications, detailed below, focusing on Tourism and Travel. These qualifications address existing skill gaps and are expected to generate significant benefits across the economy. Other qualifications within the Tourism and Travel Services suite continue to meet various skill needs, and we request that the Tertiary Education Commission (TEC) maintains provision for qualifications not included in this recommendation.</p>				
<p>NZ Certificate in Tourism (Level 4)- [2202]</p>	<p>N/A</p>	<p>All regions</p>	<p>Increase</p>	<p>As per 2025 recommendation: Increase investment to lift enrolment to 400 learners in 2026 with the intention to rebuild to pre-COVID-19 volume of 600 learners by 2028.</p>	<p>Already supplied</p> <ul style="list-style-type: none"> • Qualification data (source: TEC) • Projected annual growth of 5.7% between 2023 and 2028 (source: Infometrics) • Forecasts indicate employment growth of almost 30% pa to return to pre-COVID-19 levels by 2026 (source: Infometrics).
<p>NZ Certificate in Travel (Level 4)- [2204]</p>	<p>N/A</p>	<p>All regions</p>	<p>Increase</p>	<p>As per 2025 recommendation: Increase investment to lift enrolment to 150 learners in 2026 with the intention to rebuild to</p>	<ul style="list-style-type: none"> • Tourism Satellite Account report (source: MBIE and Stats NZ)

				pre-COVID-19 volume of 200 learners by 2028.	<ul style="list-style-type: none"> • Industry engagement (including Travel Agents Association of New Zealand). • Tourism and Travel Workforce Development Plan (Tourism & Travel Industry Action Plan 2024 - Ringa Hora)
Aviation and Airport Services	<p>The aviation industry is relatively mature and generally possesses a strong understanding of its workforce needs and timelines. Between 2013 and 2020, the workforce increased by approximately 33%, followed by a temporary decline during the COVID-19 pandemic in 2021 and 2022. This is expected to continue, with estimates showing that the workforce will grow by about 3% annually. While challenges exist across the New Zealand aviation sector, specific occupations face unique difficulties, as reported by Aviation Industry Association (AIA) in collaboration with Scarlatti:</p> <ul style="list-style-type: none"> • Fixed-wing pilot shortages across operator types and pilot roles. There is a notable shortage of fixed-wing pilots across various operator types and roles. This shortage stems from a long-term mismatch between pilot demand and supply. Currently, the workforce requires approximately 200 new pilots each year, a number expected to rise to about 250 annually over the next decade. • Helicopter pilot shortages. There is an observable shortage even more pronounced than that of fixed-wing pilot. • Aviation engineer shortages. The aviation engineering workforce is also experiencing shortages. Unlike the pilot shortage, addressing this issue will require different strategies, focusing more on workforce attraction. Current estimates indicate a shortage of around 500 aviation engineers, with the gap between supply and demand widening by an average of 7% each year. • Flight attendants and baggage handlers and ground crew. Flight attendants, baggage handlers, and ground crew are essential roles within the aviation sector. Although specific modelling has not been undertaken, workforce composition statistics suggest opportunities to promote greater workforce diversity in these areas. <p>We recommend increases in qualifications as detailed below, specifically focusing on air traffic control, engineering, mechanics, and flight attending. These qualifications address critical skill gaps, align with the rising enrolments in specific areas, and will generate benefits across the economy. We also request that TEC maintains provision for qualifications not included below, as they continue to meet a range of skill needs within the aviation suite.</p> <p>Given the highly regulated nature of the industry, obtaining relevant qualifications is essential for establishing a successful career in aviation. It is important to note that we have not included a recommendation for pilot training in this advice. This decision reflects our understanding that investment related to pilot training falls within a capped funding framework, which is beyond the scope of TEC investment advice. We will engage separately with industry stakeholders, TEC, and the Ministry of Education to discuss the additional investment needed for pilot training.</p>				

NZ Certificate in Aerospace Engineering (Level 4) [4741]	All modes	All regions	Increase	This qualification has been developed with industry support. It is critical to the Aviation industry and has a projected uptake of 50 learners per year.	<p>NEW QUALIFICATION- Available on request</p> <p>This qualification was established in January 2023 and is currently experiencing an increase in enrolments. It is designed for learners aspiring to pursue a career in the aerospace industry, specifically as aerospace engineers specialising in spacecraft and launch vehicles. It offers a pathway to various training opportunities, both on-the-job and off-the-job, in Aerospace or Aeronautical Engineering.</p>
New Zealand Certificate in Airport Operations (Level 4) with strands in Airport Customer Service, Airport Maintenance, Airport Safety, and Aviation Security- [2537]	Preference for in-person training.	All regions	Increase	Increase by 75 to meet growing learner and workforce demand.	<p>NEW RECCOMENDATION- Available on request</p> <ul style="list-style-type: none"> • Qualification data (source: TEC). • Scarlatti AIANZ Aviation workforce insights report. • Industry engagement and insights (source: Aviation Peak bodies).
New Zealand Certificate in Aviation (Ground Handling) (Level 3) with strands in Air Cargo, and Ramp Operations- [1948]	Preference for in-person training.	All regions	Increase	Increase by 40 to meet industry demand for baggage handling and ground crew.	<p>NEW RECCOMENDATION- Available on request</p> <ul style="list-style-type: none"> • Qualification data (source: TEC) • Projected growth rate of 3% per year from 2019 (source: Scarlatti AIANZ Aviation workforce insights report). • Industry engagement and insights (source: Aviation Peak bodies).

New Zealand Certificate in Aeronautical Storekeeping (Aviation Parts Handling/Aviation Toolstore) (Level 3)- [2902]	Preference for in-person training.	All regions	Increase	Increase by 25 to meet growing learner and workforce demand.	NEW RECCOMENDATION- Available on request <ul style="list-style-type: none"> • Qualification data (source: TEC) • Projected growth rate of 3% per year from 2019 (source: Scarlatti AIANZ Aviation workforce insights report). • Industry engagement and insights (source: Aviation Peak bodies).
NZ Certificate in Aviation (Flight Attendant) (Level 4) with optional strand in Operator Specific Operational Flight Attending- [2881]	N/A	All regions	Increase	Increase by 150 to meet growing learner and workforce demand.	NEW RECCOMENDATION- Available on request <ul style="list-style-type: none"> • Qualification data (source: TEC) • Projected increase growth of 3.7 % pa for Flight Attendants between 2022 to 2028 (from 1,841 to 2,291). (source: Infometrics). • In line with 3% growth rate prediction as per Scarlatti AIANZ Aviation workforce insights report. • Industry engagement and insights (source: Aviation Peak bodies).
NZ Certificate in Air Traffic Services (Air Traffic Services Theory) (Level 5)- [2230]	Preference for in-person training.	All regions	Increase	As per 2025 recommendation: Increase by 70 to meet projected workforce growth and pre-COVID-19 volume.	Already supplied <ul style="list-style-type: none"> • Scarlatti AIANZ Aviation workforce insights report.

NZ Diploma in Air Traffic Services (Level 6) with strands in Aerodrome Control and Approach Control Procedural, and Area and Area Control Procedural- [2231]	Preference for in-person training	All regions	Increase	As per 2025 recommendation: Increase by 80 to meet projected workforce growth and pre-COVID-19 volume.	<ul style="list-style-type: none"> • Qualification data demonstrates course 90% completion rate (source: TEC). • Industry engagement (including major agencies such as Airways- Crown entity that operates all air traffic towers in New Zealand).
NZ Certificate in Aeronautical Engineering (Specialist Support) (Level 4) with strands in General Aviation, Aeronautical Composites, Aeronautical Electroplating, Aeronautical Machining, Aeronautical Non-Destructive Testing, Aircraft Furnishings and Equipment, Aircraft Mechanical, Aircraft Painting, Aircraft Powerplant, Aircraft Structures, Armament, Avionics, Engine Ground Running, and Rotorcraft- [2900]	Preference for in-person training.	All regions	Increase	Increase by 25 to meet growing learner and workforce demand.	Already supplied <ul style="list-style-type: none"> • Scarlatti AIANZ Aviation workforce insights report. • Qualification data (source: TEC). • 11.2% pa for Aircraft Maintenance Engineers between 2022 to 2028 (from 1,480 to 2,795) (source: Infometrics). • 10.9% in Aircraft Maintenance (Avionics) between 2022 and 2028 (from 245 to 457) (source: Infometrics). • 14.7% pa for Aeronautical Engineers between 2022 and 2028 (from 173 to 392) (source: Infometrics). • Industry engagement and insights (source: Aviation Peak bodies).
NZ Diploma in Aeronautical Maintenance Certification (Level 6) with strands in Aeroplane, Rotorcraft, Powerplant Piston, Powerplant Turbine, Electrical, Instrument, and Radio- [2907]	Preference for in-person training.	All regions	Increase/Maintain	Increase by 25 to meet growing workforce demand.	
NZ Certificate in Aeronautical Engineering (Applied Skills) (Level 4) - strands in Aeronautical Composites, Aeronautical Non-Destructive Testing, Aircraft Mechanical, Aircraft Powerplant, Aircraft Structures, Armament, Avionic Electrical Repair, Avionic Instrument Repair, Avionic Radio Repair, Avionic Maintenance, and Rotorcraft- [2909]	Preference for in-person training.	All regions	Increase	Increase by 40 to meet growing learner and workforce demand.	

Security	We recommend increasing qualifications in the areas of security guards and officers. These qualifications address existing skill gaps, align with the growing enrolments in these fields, and are expected to generate significant benefits for the economy.				
NZ Certificate in Security (Foundation) (Level 3)- [3642]	All- blended approach with an emphasis on in person training, where possible	All regions With a focus beyond the main centres as there is a need for more training in regional/rural areas.	Increase	Increase by 150 to meet growing learner and workforce demand.	Already supplied <ul style="list-style-type: none"> • Qualification data (source: TEC) • Projected growth of 3.1% pa for Security Officers between 2022 to 2028 (from 8,782 to 10,584). (source: Infometrics) • Labour shortages (particularly security technicians and monitoring operators), NZ Security Association (source: September 2024 NZSA newsletter). • Industry engagement and insights (including NZ Security Association). • Tourism and Travel Workforce Development Plan (Ringa Hora, Security Industry Action Plan 2024 - Ringa Hora)

What will TEC do with this advice?

All advice will be assessed. The assessment will consider whether the advice reflects evidenced workforce information. Advice that meets this expectation will:

- Inform the targeted priorities for vocational education published in Plan Guidance.
- Form basis for engagement.

All funding decisions are made based on a range of factors, including the targeted priorities. We also consider other factors such as provider performance and stability (including financial), regional distribution of training, learner outcomes and the success of under-served learners.

SECTION C – New providers

C1. Are there qualifications or credentials that you want TEC to consider new providers for?



This advice may impact the approval of new providers.

- This is the place to signal where you want to see new providers in a specific area of provision, but the provision as a whole is not a priority for growth.
- This may relate to ensuring that the available provision is adequate or more diverse (and that this requires more providers).
- Please note that future Government decisions around work-based learning providers may impact the opportunity for new providers in this mode.
- This section may not be relevant. If that is the case please leave it blank.

Qualification	Mode	Specific regions?	Rationale for inclusion (no more than 50 words)	Evidence status (already supplied, attached, available on request).
Aeronautic Engineering qualification suite	N/A	Any	There are significant shortages in the aviation engineering workforce, necessitating varied strategies to address this issue. These strategies should include upskilling existing workers and attracting new talent, with a particular emphasis on supporting Māori and Pacific learners and workers. Current estimates indicate a shortage of approximately 500 aviation engineers, with the gap between supply and demand expanding by an average of 7% annually.	Aviation Workforce Insights: Evidence based advocacy - Aviation Industry Association.

What will TEC do with this advice?

This advice will inform TEC's criteria for and assessment of new provider requests.

SECTION D – New qualifications and credentials

D1. Are there qualifications or credentials that you are developing or plan to develop that will be available in the next 12-18 months?



This section is important for signaling future qualifications or credentials you may wish us to prioritise investment in.

- This is the place to tell us about any qualifications or credentials that you intend to develop or significantly revise that may be available in 2026. Include any new qualifications or credentials that will replace existing ones identified as no longer fit for purpose.
- This will be “have regard” advice until the qualifications and/or credentials are listed on the New Zealand Qualifications and Credentials Framework. Once listed you can get in touch with us to make this give “give effect’ advice. This will follow the process for out-of-cycle advice and may require evidence.

Area of provision and/or qualification/ credential name (if known)	Level	Mode (if specific)	Qualification or micro-credential	Estimated date it will be available	Description of content (10–20 words)	Name of qualification or micro-credential this will replace (if relevant)
Certificate or Micro-credential/s in event planning	Level 4	N/A	Certificate or Micro-credential/s	Mid-2025	Key skills and competencies required to organise and manage successful events in a business context.	Indirect replacement for 2208 & 2209 Convention and Incentive qualifications expired December 2023: <ul style="list-style-type: none"> • New Zealand Certificate in Tourism Conventions and Incentives (Level 4) (60 credits) Ref: 2208 • New Zealand Diploma in Tourism Conventions and Incentives (Level 5) with strands in Conference Organisation, Convention Bureaux, Incentives Planning, and Venue Sales and Operations (120 credits) Ref: 2209
New Zealand Certificate in Leadership (Level 4)	Level 4	N/A	Qualification	2025	This qualification is being developed with industry support. Although leadership	N/A

					<p>qualifications are covered by Ringa Hora, it is envisaged that all Workforce Development Councils will be involved and utilise this suite of redesigned qualifications/ credentials.</p> <p>Te Manu Arataki Qualification review and development of new products has indicated a need for a Level 4 leadership qualification. More information can be found at the national consultation Ringa Hora website.</p>	
Business Qualification Suite	(3 to 7)	TBC	<i>Qualification</i>	2025	<p>There is a current review of all the Business qualification suite. This will include reviewing current unit standards under the following subfields to develop skill standards and any micro-credentials as needed.</p> <p>This review may result in new qualifications; however, these changes are still being consulted on and not yet finalised.</p>	<p>The Business review will include reviewing current unit standards under the following subfields to develop skill standards and any micro-credentials as needed.</p> <ul style="list-style-type: none"> • Accounting • Business Administration • Business Environment • Business Operations and Development • Financial Management • Marketing

What will TEC do with this advice?

This advice supports TEC's future investment planning. When new qualifications or credentials are developed, providers will come to TEC for funding. We want to understand what you intend to create or revise and their importance to industry.

SECTION E – Future workforce needs

E1. What emerging skill needs or major projects will impact future workforce needs and tertiary education for your sectors?



This section captures significant future tertiary education and training needs you see emerging beyond 2026.

- You may be aware of a future skill need or major project in one of your sectors that you expect will impact on workforce needs and tertiary education in the future. For example, this could include:
 - a change occurring in industry
 - a significant shift in the skill needs in a sector (that will impact qualifications and training)
 - major infrastructure projects
- This is “have regard” advice as it does not provide specific, evidenced recommendations for the mix of vocational education and training TEC invests in.
- We encourage you to keep this as **brief introductory headlines**. You may instead refer us to the relevant content on your website or in a WDP.
- If this section isn’t relevant, leave it blank.

Area of need or project	Expected occupations or skills that may be impacted	Timeframe	Who is involved (from tertiary education) e.g., WDC, providers etc
Airtaxi prototypes ¹	Implications for fields such as software engineering, Artificial Intelligence, robotics, composite material, and aviation design.	Unclear	The project is backed by aviation and transport technology industries, including former staff from the likes of Nasa, Google, Boeing and Honeywell.
Artificial Intelligence	Implications for sectors such as financial advisory, contact centres, retail, and tourism are significant. The rise of hybrid contact centres and online retail and tourism platforms utilizing AI is notable. This blending of on-site and remote operations has implications for workforce training. As AI and automation streamline repetitive tasks, employees are increasingly tasked with managing more complex queries, such as troubleshooting technical issues on online platforms, navigating intricate product specifications, and resolving disputes. Additionally, industries now require workers to engage through multiple multimedia channels simultaneously. Consequently, there is a pressing need for industries to upskill staff in both technology usage and the management of increasingly complicated inquiries.	Unclear	N/A

¹ [Watch: Self-piloted flying taxi being tested in Christchurch - NZ Herald](#)

Facial Recognition	Implications for the retail and security sectors include the rapid expansion of facial recognition technology, which enhances proactive response and early intervention. This advancement may significantly impact workforce roles and expectations, requiring employees to respond quickly and effectively to security concerns.	Unclear	This project is backed by Retail New Zealand and the Police-led Retail Crime Prevention Programme.
Virtual reality training	Implications for the security industry, specifically for security conflict management. This training needs to be delivered in person; however, the development of virtual reality training may support more people to access this training across the motu, especially in rural areas where many have difficulty attending limited training locations.	Unclear	N/A
Climate Change	Implications for the business portfolio and the Financial and Advisory industry, especially for insurance related occupations. The increasing severity and frequency of extreme weather conditions has the potential to shift the expectations and nature of insurance offerings and services which will undoubtedly have an impact on the training needed for the workforce. In addition, the increasing demand for sustainable and resilience business practices means there is likely to be an increase in training and upskilling of business owners in this area.	Unclear	N/A

What will TEC do with this advice?

This advice will help TEC plan for future education and training investment needs.

SECTION F – Other information

F1. Is there anything else you would like to advise TEC of in relation to investment in vocational education and training?



This section provides you with a space to record matters the template does not cover.

- Please ensure this advice is within TEC's role to action. It is important that advice is given to the correct government agency to be actioned. If you are unsure about this, refer to the guidance document.
- We recommend a maximum of 200 words for this section.
- If this section isn't relevant, leave it blank.

In developing the 'Service Sector Workforce Development Plan', we observed the following common themes across all industries in the Service Sector:

Factors relating to support for learners

- **Diversity and equity-** The future workforce will be increasingly diverse, and the sector must embrace and celebrate the wide range of cultures and perspectives of its people.
- **Recognition of prior learning (RPL)-** Recognising on-the-job training and qualifications, as well as encouraging the credentialisation of training, is essential for uplifting the skills of our service sector workforce and addressing the skills shortage across all sectors. Currently, much training is delivered on the job, but this experience is not always acknowledged or credentialised.
- **Pastoral care-** Providing pastoral care is crucial for improving the accessibility of the vocational education system and the workplace for all, including Tāngata Whaikaha, Māori, and Pacific workers. In particular, the need for mental health support in training provision for hospitality workers has been highlighted.

Factors relating to broad skills needs

- **Digital skills-** These skills are critical to industry; however, a significant portion of the workforce lacks basic digital skills. Changes in innovation and technology require businesses and kaimahi to adapt operations in response to rapidly changing customer demands.
- **Leadership skills-** There is a significant need for enhanced leadership training and support across all Ringa Hora industries. Leadership should reflect all communities, including Māori, Pacific peoples, Tāngata Whaikaha, women, and communities affected by climate change, among others.

Factors relating to the way training is delivered

- **Flexible and adaptive modes of delivery-** In work-based learning, providers are responsible for creating programmes and resources, but delivery often occurs in the workplace, with employers overseeing day-to-day training. Some employers struggle to provide digital support to their employees. Those

enrolled in training without access to digital resources and support are less likely to succeed, which can impact productivity. This challenge is particularly significant for communities affected by climate change, as access to digital resources may be further compromised.

- **Micro-credentials**- Micro-credentials can effectively upskill employees by equipping them with skills and knowledge that meet immediate workplace needs, rather than pursuing lengthy qualifications that may not be as relevant to their current roles. Additionally, micro-credentials enhance recruitment efforts, as they make employees' experience and credentials more visible to potential employers

Alongside evolving skill needs, there has been a shift in how individuals prefer to access training and skill development. Training provision must be responsive and adaptable to effectively meet the requirements of the future workforce and workplace. In particular:

- **Ongoing upskilling** – The traditional model, where individuals primarily complete their training at the beginning of their careers, is increasingly irrelevant for many roles. As job responsibilities rapidly evolve, continuous upskilling throughout one's career has become essential. The training system must be structured to enable and encourage individuals to engage in ongoing learning and development.

F2. Are there other system issues for vocational education that you are engaging with other government agencies (including the Ministry of Education) on that you want to share with TEC?

This section provides you with a space to record matters the template does not cover.



- All policy issues (e.g. relating to the Education and Training Act, provider eligibility, learner eligibility, funding rates etc.) are the responsibility of the Ministry of Education (MoE). We expect WDCs to work directly with MoE on these issues.
- You may list these issues here, so we are aware of those discussions. There is no requirement to complete this section.
- You may also highlight specific work being undertaken with other government agencies such as the Ministry of Business, Innovation and Employment or the Ministry of Social Development.
- Any issues raised should be relevant to the investment round. Other issues and activities can be discussed with your Relationship Manager and/or communicated through your progress reports to TEC.
- **Note this is not the place to raise issues related to the consultation on vocational education system changes.**

- **Aviation funding cap:** It is important to highlight that we have not included a recommendation for pilot training in this advice. This decision is based on the recognition that investment in pilot training falls under a funding cap and is outside the scope of TEC investment advice. We have engaged, and will continue to engage, separately with Industry, TEC, and the Ministry of Education to discuss the additional investment required for pilot training.
- **Literacy and numeracy eligibility criteria:** Ringa Hora advocates for enhanced support for adults' literacy and numeracy skills, particularly for those in low-skilled employment, to boost workplace productivity. While the recent changes to the learner eligibility criteria for literacy and numeracy aim to streamline and target funding, they may inadvertently disadvantage priority groups by not adequately addressing their unique needs and barriers. The increasing demand for literacy and numeracy skills within the industry underscores the necessity for more inclusive and comprehensive support systems to ensure that all learners can succeed and contribute effectively to the workplace. Currently, these criteria pose challenges, as they are prerequisites for many occupations, leading to difficulties in upskilling staff. Ringa Hora is eager to collaborate with the Tertiary Education Commission and the Ministry of Education to enhance the accessibility of funding for qualifications that support literacy and numeracy development.
- **Driver's License Training:** The Ministry of Education's 2025 Funding Determinations consultation proposals suggest tightening funding for driver's license training, particularly for Gateway students. Ringa Hora advocates for maintaining this funding, as driver's licenses are a crucial pathway to employment for young people, enabling them to secure jobs and access their places of work, especially in rural areas. Furthermore, removing this support would create significant barriers not only to employment but also to accessing education, health services, and overall wellbeing.
- **Apprenticeship Boost:** The Government is making changes to Apprenticeship Boost. From 1 January 2025, it will only be available for employers of first-year apprentices in targeted sectors with skills shortages. Whilst this still covers Food & Hospitality and Aerospace Engineering & Technology, the rationale behind the chosen industries and occupations is unclear, as well as the level of engagement with industry throughout the decision-making process. Ringa Hora recommend this process be done with a transparent and process in consultation with industry.

What will TEC do with this advice?

We will confirm with the Ministry of Education and/or the New Zealand Qualifications Authority that they are aware of issues raised in this section and that WDCs have raised them. Where you inform us of work with other government agencies, we will note this but take no direct action.

ANNEX

APPENDIX 1 – List of qualifications to maintain

Qualification or credential
New Zealand Certificate in Cookery (Level 3)
New Zealand Certificate in Accommodation (Level 3) with strands in Housekeeping, Portering, and Reception
New Zealand Certificate in Food and Beverage Service (Level 3) with strands in Barista, Bar Services, Buffet Services, Café Services, Function Services, Quick Service Restaurant Services, and Restaurant Services
New Zealand Certificate in Food and Beverage Service (Level 4) with strands in Restaurant Services, and Quick Service Restaurant Services
New Zealand Certificate in Catering Services (Level 3)
New Zealand Certificate in Catering Services (Level 4)
New Zealand Certificate in Hospitality (Level 2)
New Zealand Certificate in Hospitality (Advanced) (Level 5) with strands in Accommodation, Food and Beverage Service, Catering Services, and Quick Service Restaurant Services
New Zealand Certificate in Hotel Reception (Level 4)
New Zealand Diploma in Hospitality Management (Level 5)
New Zealand Diploma in Hospitality Management (Level 6)
New Zealand Certificate in Hospitality (Level 3)
New Zealand Certificate in Professional Wine Knowledge (Level 5)
New Zealand Diploma in Professional Wine Management (Sommelier)
New Zealand Certificate in Contact Centres (Level 3)
New Zealand Certificate in Contact Centres (Level 4)
New Zealand Certificate in Cleaning (Level 2) with optional strand in Health Care Facilities Cleaning
New Zealand Certificate in Laundry Processing (Level 2) with optional strand in Washroom Procedures
New Zealand Certificate in Cleaning (Level 3) with optional strands in Specialist Cleaning, and Supervision
New Zealand Certificate in Tourism (Introductory Skills) (Level 2)
New Zealand Certificate in Tourism (Level 3) with strands in Aviation, Tourism and Travel, and Visitor Experience
New Zealand Certificate in Tour Guiding (Level 4)
New Zealand Certificate in Travel (Level 4)
New Zealand Certificate in Travel (Level 5)
New Zealand Diploma in Tourism and Travel (Level 6)
New Zealand Certificate in Real Estate (Salesperson) (Level 4)
New Zealand Certificate in Real Estate (Level 6)
New Zealand Certificate in Real Estate (Level 5) with strands in Business Broking, Commercial and Industrial, Residential, and Rural

New Zealand Certificate in Real Estate (Level 5)
New Zealand Diploma in Aviation (Aeroplane and Helicopter) (Level 6)
New Zealand Certificate in Aviation (Airline Check-in) (Level 3)
New Zealand Certificate in Aviation (Ground Handling) (Level 3) with strands in Air Cargo, and Ramp Operations
New Zealand Diploma in Aeronautical Engineering (European Regulations) (Level 5) with strands in Mechanical, and Avionics
New Zealand Diploma in Air Traffic Services (Level 6) (Flight Information, and Aerodrome and/or Area Flight Information)
New Zealand Diploma in Air Traffic Services (Flight Information) (Oceanic Air-Ground) (Level 6)
New Zealand Certificate in Airport Operations (Level 4) with strands in Airport Customer Service, Airport Maintenance, Airport Safety, and Aviation Security
New Zealand Diploma in Airport Operations (Level 5)
New Zealand Certificate in Aeronautical Engineering (Pre-employment Skills) (Level 3)
New Zealand Certificate in Aeronautical Engineering (Production Control) (Level 6)
New Zealand Certificate in Aeronautical Engineering (Workplace Introductory Skills) (Level 4)
New Zealand Certificate in Aeronautical Storekeeping (Aviation Parts Handling/Aviation Toolstore) (Level 3)
New Zealand Certificate in Aircraft Servicing (Level 3)
New Zealand Diploma in Aeronautical Engineering (Maintenance Planning) (Level 5)
New Zealand Diploma in Aeronautical Engineering (Quality and Safety - SMS) (Level 6)
New Zealand Diploma in Aeronautical Engineering (Technical Support) (Level 6)
New Zealand Certificate in Aeronautical Engineering (Aircraft Manufacture) (Level 4)
New Zealand Certificate in Aeronautical Engineering (Gas Turbine Overhaul) (Level 4)
New Zealand Certificate in Aeronautical Engineering (Maintenance Control) (Level 4)
New Zealand Diploma in Aviation (General Aviation) (Level 5) with strands in Aeroplane, and Helicopter
New Zealand Diploma in Aviation (Level 6) with strands in Aeroplane Flight Instruction, Aeroplane Airline Preparation, Helicopter Flight Instruction, and Helicopter Airline Preparation
New Zealand Diploma in Commercial Skydiving (Level 5)
New Zealand Diploma in Airport Operations (Level 5) with strands in Airport Environmental, Airport Safety, and Aviation Security
New Zealand Certificate in Air Traffic Services (Aerodrome Control) (Level 6)
New Zealand Certificate in Air Traffic Services (Area Surveillance) (Level 6)
New Zealand Certificate in Retail (Customer Service and Sales Support) (Level 2)
New Zealand Certificate in Retail (Level 3)
New Zealand Certificate in Retail (Level 4)
New Zealand Certificate in Sales (Level 3)
New Zealand Certificate in Sales (Level 4) with optional strand in Sales Prospecting
New Zealand Certificate in Distribution (Level 3) with optional strand in Mechanised Goods Handling
New Zealand Certificate in Distribution (Level 4)
New Zealand Certificate in Security (Intermediate) (Level 4)
New Zealand Diploma in Security (Level 6)

New Zealand Certificate in Financial Services (Level 4) with strands in Banking, Family/Personal Budgeting, and Insurance
New Zealand Certificate in Credit Administration (Level 3)
New Zealand Certificate in Credit Management (Level 4)
New Zealand Certificate in Organisational Risk and Compliance (Level 6)
New Zealand Certificate in Organisational Risk and Compliance (Level 4)
New Zealand Certificate in Case Management (Level 5)
New Zealand Certificate in Case Management (Practice Leadership) (Level 6)
New Zealand Certificate in Public Sector Service Delivery (Level 4)
New Zealand Certificate in Regulatory Practice (Core Knowledge) (Level 3)
New Zealand Certificate in Regulatory Practice (Operational Knowledge) (Level 4)
New Zealand Certificate in Regulatory Practice (Operational Practice) (Level 4)
New Zealand Certificate in Regulatory Practice (Level 5) with strands in Audit, Inspection, and Investigation
New Zealand Diploma in Regulatory Investigations (Level 6)
New Zealand Certificate in Intelligence (Introduction) (Level 3)
New Zealand Certificate in Intelligence (Level 5) with strands in Collection, and Collation
New Zealand Diploma in Intelligence Analysis (Level 6)
New Zealand Certificate in Business (Introduction to Small Business) (Level 3)
New Zealand Certificate in Business (Accounting Support Services) (Level 4)
New Zealand Diploma in Business (Level 5) with strands in Accounting, Administration and Technology, Human Resource Management, Leadership and Management, Marketing and Sales, and Project Management
New Zealand Diploma in Business (Level 6) with strands in Accounting, Administration and Technology, Human Resource Management, Leadership and Management, Māori Business and Management, and Marketing and Sales
New Zealand Certificate in Business (Administration and Technology) (Level 4)
New Zealand Certificate in Project Management (Level 4)