



# Annual Report 2014

## Competenz

SKILLS FOR INDUSTRY





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# About Competenz

Competenz is one of New Zealand's 12 Industry Training Organisations (ITOs). We help companies in 37 industries across New Zealand build their employees' skills and, in turn, their businesses.

The main feature that distinguishes industry training from other training is that most learning takes place on-the-job.

## A mandate to represent our industries

We are set up by the 37 industries we represent (below). The government recognises our mandate to develop nationally recognised qualifications for our industries, and to coordinate training in these industries.

- **Engineering and related trades.** Fabrication, mechanical engineering, general engineering, machining, maintenance engineering, toolmaking, metal casting, fire protection, gunsmithing, heating, ventilating and air conditioning, lifts and escalators, locksmithing, refrigeration and air conditioning
- **Food and beverage.** Bakery, butchery, food and beverage manufacturing
- **Forestry.** Harvesting, silviculture
- **Manufacturing.** General manufacturing, steel manufacturing, wood manufacturing, furniture, pulp and paper, solid wood, wood panels
- **Plastics and materials manufacturing.** Glass container manufacturing, laundry and drycleaning, paint and coatings, pharmaceutical and allied products manufacturing, plastics processing, textiles manufacturing
- **Communications and media.** Journalism, packaging, printing, signmaking
- **Transport.** Maritime and rail

## Getting behind apprenticeships

We believe in the value of apprenticeships to help people learn. In 2014, almost 5,560 learners studied towards apprenticeships in our industries. This number included 389 apprentices seconded to companies through our contract with Apprentice Training New Zealand (ATNZ).

## How we work with our industry and training partners to help our learners build their skills

Activities	Managing training	Delivering training	
	Competenz	Employers	Training providers
Design qualifications to build industry skills	●	●	●
Set assessment standards for industry	●		
Agree training plans and track learners' progress	●	●	
Develop resources for learners and assessors	●		●
Administer training	●	●	●
<b>On-the-job learning</b>			
Train learners on-the-job		●	
Assess on-the-job learning	●	●	
Moderate on-the-job learning	●		
<b>Off-job learning</b>			
Train learners off-job	●		●
Assess off-job learning	●		●
Moderate off-job learning	●		

*Workplace training is an effective way for companies to build their skills. The qualifications Competenz develops and supports are helping our members lift their productivity and compete against the best in the world.*

*Kevin Chambers, Portfolio Manager, Tertiary/Legislation/ Human Resources/Training Development Employers and Manufacturers Association (Northern)*

# Chairman's report



## We've spent the year listening to you

When our board made plans for 2014, listening to our industries was high on the agenda. From May we've started all our board meetings with a breakfast at which local businesses join board members and the Competenz Senior Leadership Team to give us their views on critical issues involved in building and retaining a skilled workforce.

Since May we've brought together 60 people from all 37 industries we represent, in Rotorua, Wellington, Christchurch, Invercargill, South and West Auckland. Foresters have talked with plastics manufacturers, printers with furniture makers, butchers with naval personnel, managers from corporates with owner-operators from engineering workshops. Thank you to everyone who's given their views.

You've all told us that building and retaining a skilled workforce is more important than ever. You're facing similar challenges:

- There's a shortage of skilled people across the country.
- You're finding it hard to attract school leavers to the trades.
- You want flexible qualifications that meet current and future needs.
- You want training to be as easy as possible.

You're looking for us to help you meet these challenges. As you'll see in this report, that's been our focus this year.

## Strong financial management

One of the aims of the last two years' merger activity was to eliminate duplicated overheads and redirect money saved into supporting learners. We have done this effectively and without major disruption to our customers.

Our financial position is satisfactory for a not-for-profit: a small surplus (excluding merged funds) of \$293,000, and a strong balance sheet. We will invest some of our healthy cash reserves in 2015 to benefit our learners through updated resources and increased support.

## Our strategy for 2015 to 2020

Industry feedback like the views above has helped us put together our five-year plan. These are some actions you'll see us taking:

- We'll build stronger learning and career pathways for our learners that recognise that today's learners need to be tomorrow's learners too.
- We want to become skills partners for our companies. That means understanding their businesses, developing tailored plans to help them build skills, and advocating on their behalf to encourage government to continue to invest in a skilled New Zealand.
- We'll continue to invest in our Competenz team, to build the skills, 'can-do' attitude and ways of working that help our learners and companies get ahead.



# Board members

## Promoting safe and healthy workplaces across New Zealand

We continue to put a lot of effort into making sure our employees get home safely each night. So we were pleased this year to gain ACC tertiary accreditation for our business. We'll continue to build on this work in 2015.

As a skills partner, we have access to workplaces right across New Zealand. That access brings an opportunity and obligation to promote safe practices in the companies we work with, and we continue to do this. For example, we played an active part in the important Independent Forestry Safety Review, contributing to the terms of reference, writing submissions, and communicating the recommendations to the industry.

## Thanks

Thank you to the people who've made 2014 a successful year. To my fellow board members, thank you for your strategic guidance. To John Blakey and his Senior Leadership Team, thank you for the leadership you continue to show. To all our Competenz employees, thank you for your passion for helping learners and companies build their skills.

Finally, thank you to the companies, learners, assessors and training providers who partner with us to create a more competitive New Zealand.



*Mike Simm, Chairman Competenz*



### **Mike Simm – Chairman**

Business owner and professional director. Has a special interest in youth development and transitions from school to work.



### **John Blakey – CEO**

Competenz CEO since 2007. Has over 20 years' experience in vocational education and training.



### **Tom Barratt**

Managing Director of Degussa Peroxide Ltd. Has a wealth of experience in engineering and manufacturing.



### **Judy Newcombe**

Extensive senior management experience in large corporates and management consulting. Professional director.



### **Bill Newson**

National Secretary for the Engineering, Printing and Manufacturing Union (EPMU). Has played a significant role in developing trades training, including engineering apprenticeships.



### **Kelly Smith**

Has a strong commercial background in the fast moving consumer goods industry, including food and beverage. Extensive experience in sales, marketing, business planning and development.



### **Bryn Thompson**

Business owner, exporter and director with significant engineering and manufacturing experience. Qualified fitter/welder.



### **Brian Rhoades**

Professional director, involved in the forestry and wood manufacturing industries. Has extensive senior management experience in the manufacturing and food industries.

# CEO's report



## Building a more productive New Zealand

2014 has been the first full year of the 'new Competenz': the organisation that resulted from merging five Industry Training Organisations (ITOs) in 2013 and 2014. It's good to look back on a busy year and know we made a difference to the lives of New Zealanders in 37 industries across the country.

As the graphs on pages 8 and 12 show, enrolments in our training programmes continue to be strong, and more learners completed credits than in 2013. These improvements have come from focusing on the basics: ensuring learners complete their credits on time, boosting our pastoral care, improving the learning resources which support our trainees.

## Government endorsement for our work

We receive much of our funding from the New Zealand taxpayer and expect to be held to account for how we spend it. So I'm pleased that Competenz performed well in three major government reviews.

- The New Zealand Qualifications Authority gave us an 'excellent' rating for the outcomes we are achieving for our learners.
- A Tertiary Education Commission audit resulted in the Minister of Tertiary Education continuing to 'recognise' us as the ITO for our industries for the next five years. It was also pleasing to receive letters from 69 companies endorsing our work.
- The Accident Compensation Commission granted us tertiary status for the work we are doing to promote a safe and healthy workplace for our employees.

## Understanding our industries' and learners' needs

We've put a lot of effort into better understanding our companies' and learners' needs. For example:

- our Sector Advisory Groups continue to meet regularly to help us understand trends and skill challenges in our industries;
- to identify ways to improve our business, we now survey monthly all learners who complete a trade or forestry apprenticeship or level 4 qualification, plus their companies;
- Competenz research with the University of Auckland identified that we need to do more to encourage Māori and Pasifika people into careers in the trades. You can read more on page 11.

## Partnering to build a more skilled New Zealand

We've worked hard to deliver what our industries ask of us. For example, companies want us to:

- offer flexible, modern qualifications. With their help, we're developing New Zealand Certificates that meet these needs. You can read more on page 20.
- help attract people to careers in the trades. In response, we've launched the nationwide Got a Trade, Got it Made! promotion with other ITOs.
- tailor training to their needs. Our work with the Royal New Zealand Navy is a good example. You can read more on page 17.
- make it easy for their employees to learn. It's pleasing to see over 600 learners now using Competenz eLearning to study when and where they want.

# Senior Leadership team

## Ineffective government policy and response to industry issues

Good education policy is a cornerstone of a thriving industry training sector. Competenz and other tertiary education organisations have responded well to the government's challenge of lifting performance. However, poor policy and a slow response to issues are hampering further progress. For example, the targeted reviews of qualifications have proved frustratingly complex for ITOs and employers who have contributed. Funding issues between ITOs and polytechnics remain unresolved.

These issues need to be resolved with greater urgency so that all parties can work collaboratively in the interests of industry and learners.

## Thanks

Thanks to the people who've helped build skills in our industries in 2014:

- The owners and managers of companies who believe, as we do, that investing in training means investing in a productive New Zealand.
- Our learners who put so much effort into gaining their skills.
- The assessors and training providers we partner with.

Finally, thank you to our Competenz Senior Leadership team and all our employees. You can be proud of the results we've achieved this year.



*John Blakey, CEO Competenz*



### **John Blakey – CEO**

Competenz CEO since 2007. Has over 20 years' experience in vocational education and training



### **Fiona Kingsford – Head of Strategy and Innovation**

Business strategy, continuous improvement, innovation, commercial development



### **Jim MacBride-Stewart – GM Industry Training**

Service delivery, business development, customer and learner support



### **Jamie Walker – GM Product Development & Quality Assurance**

Qualification development, industry leadership, resource development, quality assurance



### **Rachel Hopkins – GM Marketing & Communications**

Marketing, brand, communications, customer satisfaction, careers promotion, research



### **Julie Ingram – GM People & Culture**

Culture and engagement, health and safety, skills development, people policies and practices, organisation development, payroll and HR support



### **Mark Richardson – GM Finance & Corporate Services**

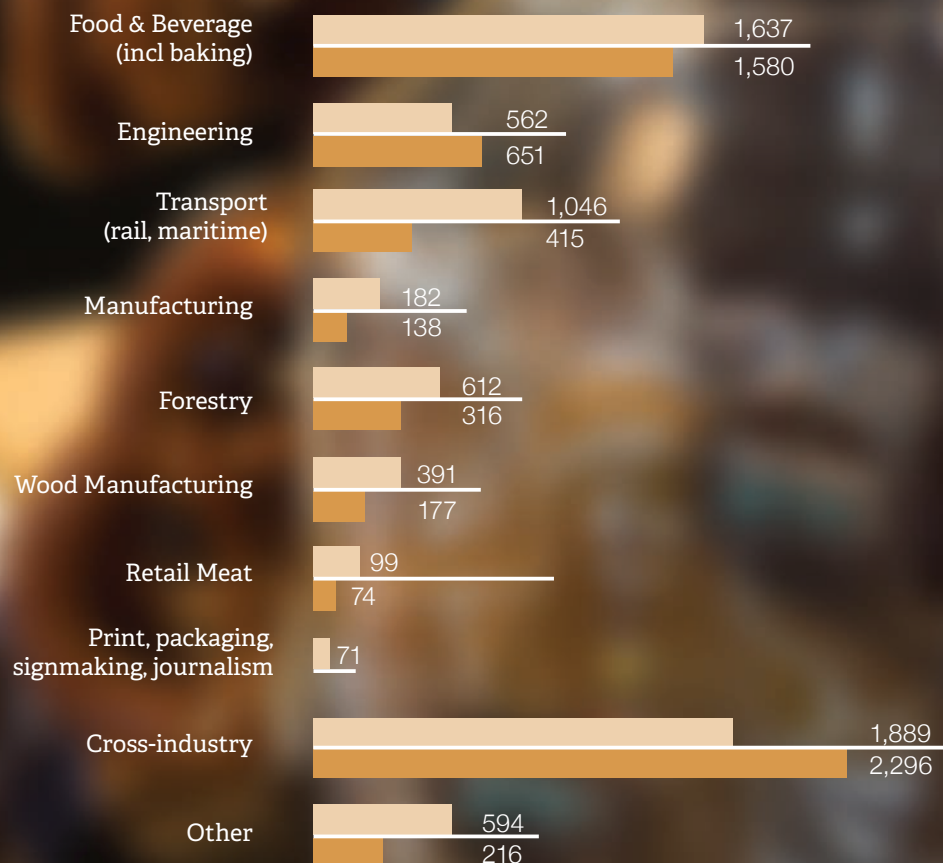
Finance, information and communications technology, customer service, legal, procurement



# Our performance in 2014

## Qualification completions by sector

■ 2014 ■ 2013

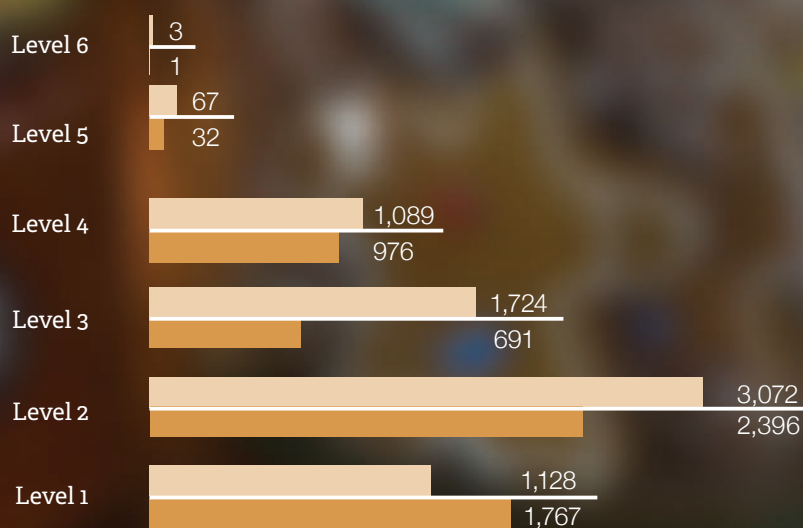


**71%**  
Credit  
completion  
rate

**67%**  
Programme  
completion  
rate

## Qualification completions by level

■ 2014 ■ 2013





# Helping our learners build skills and careers



## Rebekah Savage

**Bakery graduate**  
**Rolleston Bakery, Christchurch**

One of New Zealand's rising stars in baking, Rebekah Savage, has two great passions: bread and ink. Both appetites converge in her favourite tattoo, *vie au four*, which translates as 'life in the oven'.

A Competenz graduate, Rebekah recently completed a three-year baking apprenticeship at Rolleston Bakery in Christchurch. In 2014, she was named Weston Milling Trainee of the Year, beating the competition in a live bake-off at Fine Food New Zealand.

The ambitious twenty-one-year old is keen to keep learning and pushing herself.

"I have very high hopes and dreams that I want to accomplish. I'm aiming to be the next celebrity baker in New Zealand and produce a cookbook with my favourite recipes," says Rebekah. "A TV show would be the ultimate dream."

Having left school after NCEA Level 1 to pursue a career in baking, Rebekah's advice for secondary students is simple: choose your career path wisely and make the most of every opportunity that comes your way. "It might be the one that changes your life."

"Apprenticeships are a way of getting a trade under your belt. You get to earn money while you learn. You couldn't ask for more," says Rebekah. "I'm qualified, I have no student loan and I'm living the dream."



## Chad Whitehead

**Engineering apprentice**  
**New Zealand Steel, Waiuku**

Juggling an apprenticeship and hockey training to make the Black Sticks hockey team isn't always easy, but twenty-two-year-old Chad Whitehead is 'pretty happy' with the choice he's made.

As a kid Chad was always 'hands-on', so when his older brother Jesse took up an apprenticeship at New Zealand Steel, Chad looked to become an apprentice too.

He had to prove himself first. So after finishing school, Chad completed four weeks' work experience at the Waiuku steel mill and a pre-trade qualification.

Now in the fourth and final year of his National Certificate in Mechanical Engineering – General Engineering, Chad says he loves the variety of his work.

"I can be machining new parts, repairing gear boxes or making repairs to hot metal rollers. There's so much different equipment and so many machines to work with," says Chad. "I also like that, with an apprenticeship, I've been able to pay my own way for everything. I don't have to rely on my parents."

Outside work, Chad devotes his time to making the Black Sticks team. He's been played a couple of invitational games against Canada, taking him one step closer to his goal. And with just a few months left on his apprenticeship, Chad will soon achieve his other big goal – to become a fully qualified engineer.



**'Women can do  
a trade if they  
want to'**

## **Robyn Nicholson**

**Plastics apprentice  
Profile Polymers Ltd,  
Hamilton**

A plastics apprenticeship with Hamilton-based Profile Polymers is proving to be the opportunity Robyn Nicholson was looking for 'to explore and try new things.'

"I really wanted to try something different and push myself to see what I could do," says Robyn. "This is pretty different and I like it!"

The plastics industry offers many opportunities to work in different areas, from die manufacturing to extruding to injection moulding. For Robyn a typical day involves trialling dies, checking for the right flow and consistency, and modifying shapes and sizes. She's set her sights high and is learning AutoCAD so she can design dies herself.

Like many young people, Robyn was unsure what she wanted to do. However, with the foresight to know that trade skills would set her in good stead, she embarked on a pre-trades mechanical engineering course with ATC New Zealand.

A good track record of study and a meeting with Competenz account manager Roy Adams led to an apprenticeship with Profile Polymers. According to Roy, Robyn is "a top example of a young woman getting ahead in a trade".



# Helping Māori and Pasifika people build their skills in the workplace



The Government's Tertiary Education Strategy sets a priority for ITOs to lift the number of Māori and Pasifika learners who enrol in and complete education at higher levels.

In 2014 Competenz carried out research with the University of Auckland Business School to better understand the situation for Māori and Pasifika learners in the 37 industries we support. This research (*Helping Māori and Pasifika learners build their skills in the workplace*) showed that ethnicity does not predict whether our learners complete their qualifications. However, it revealed that Māori and Pasifika learners are enrolling in workplace trades training at a rate that is much lower than the rate at which they participate in the workforce.

Armed with this information, we are now targeting our efforts to encourage more Māori and Pasifika people into the trades. In 2014 these efforts included gaining national media coverage in *The New Zealand Listener* and on Māori TV's *Native Affairs* to raise the issue, and tell the stories of Māori and Pasifika people who are enjoying successful trades careers in engineering and butchery.

***Everyone needs someone they can turn to for help – their boss, a supervisor, or another learner.”***

(Māori learner)

## Aki Logovii

**A P Woodham Ltd, Auckland  
Studying towards a printing apprenticeship  
Finalist, Print Apprentice of the Year Award 2014**

When Aki Logovii arrived in New Zealand from Samoa 11 years ago, he took a job cleaning an Auckland printing company. Today Aki operates a six-colour printing press without supervision. A lot of hard work and the support of a good employer saw him named as a finalist in the Icon Papers Print Apprentice of the Year Award 2014.

Aki talks passionately about how young Pasifika learners need to choose a career they are interested in and make the best of opportunities.

“I love printing! I challenge young people to grab the opportunities offered. If they have a chance to be an apprentice, they should make the most of it and do it well.”



Aki Logovii with Competenz account manager David Eagles

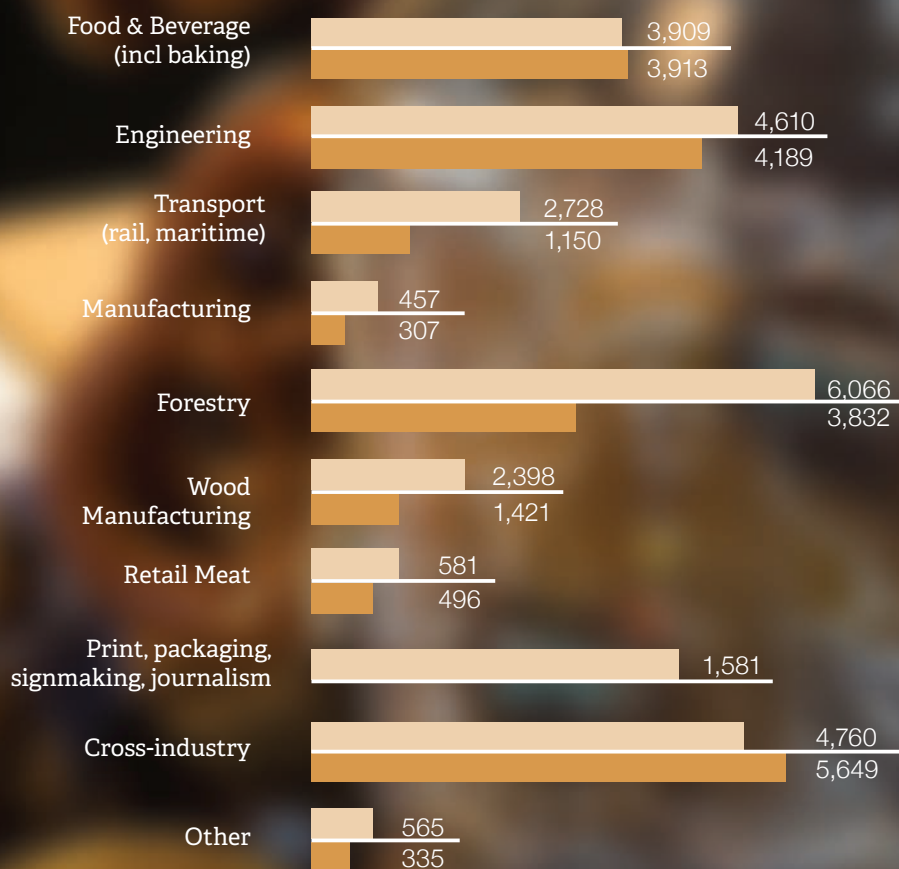


# About our learners

## Enrolments by sector

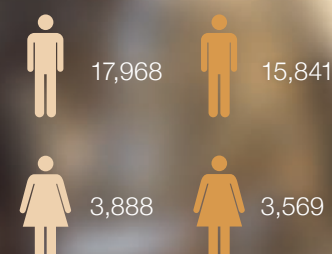
■ 2014 ■ 2013

2013 forestry and wood manufacturing data are from 1 May



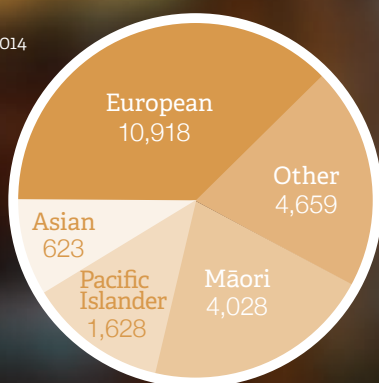
## Learners by gender

■ 2014 ■ 2013

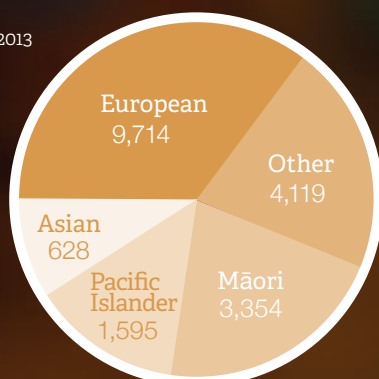


## Learners by ethnicity

2014

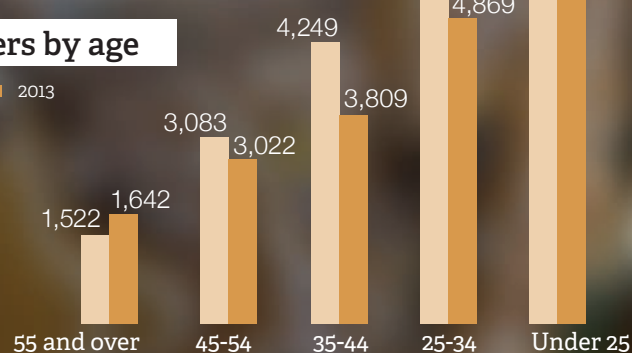


2013



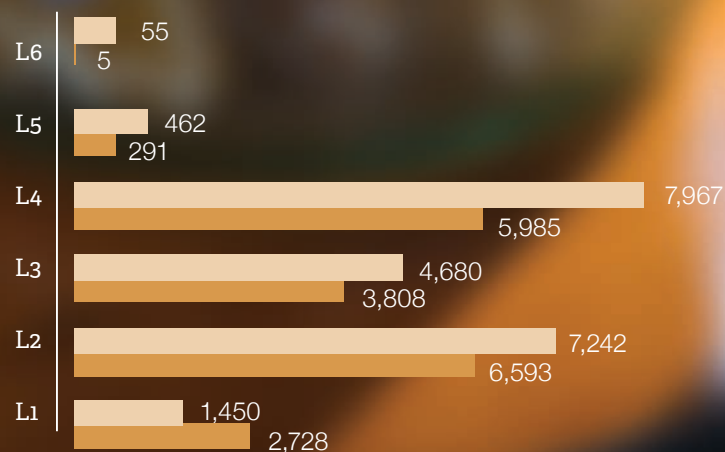
## Learners by age

■ 2014 ■ 2013



## Learners by level

■ 2014 ■ 2013







# Matt Stewart

**Forestry graduate  
Stewart Logging Ltd.  
Gisborne**

Matt Stewart was proud to be named Modern Apprentice of the Year at the 2014 Eastland Wood Council Forestry Awards and says he 'worked hard for it'. After completing back-to-back apprenticeships in general engineering and machine operations the future's looking rosy for this forward-thinking graduate.

"There are definitely opportunities to climb the ranks. You can gain management skills or even run a crew of your own," says Matt. "I needed to go where the work was. And here in Gisborne forestry is a major industry."

Eastland Wood Council chairman Iain McInnes says forestry is skilled work, often involving costly and potentially dangerous machinery.

"We rely on Competenz to set high standards for our industry's qualifications. We want to be confident that, when people go on site, they know what they're doing and they're doing it safely," says Iain.

For Matt forestry is a family affair. Employed at his father's firm, Stewart Logging, he has no intention of resting on his laurels and neither do the rest of the clan.

In 2014 they were named Forestry Family of the Year and took home the Outstanding Environmental Management Award at the Eastland Wood Council Forestry Awards.

"Competenz has been great in helping me get through my apprenticeship and to where I want to go," says Matt.



# Celebrating achievement

Building a more productive New Zealand is a partnership with supportive employers, hardworking learners and dedicated training providers. Here we acknowledge some of the people and organisations who played their part in 2014.



## B&D Doors

Over 20 employees from B&D Doors in Christchurch graduated with core and competitive manufacturing qualifications



## Malachi Geerlofs

Dongwa Patinna  
Gore

Winner of the refrigeration and air conditioning industry's Wallie Askew Award 2014



## Nathan Roberts

Goodman Fielder  
Auckland  
Young Bread Baker of the Year





## Luka Young

PAK'n Save  
Lincoln Road, Auckland  
2014 Butcher Apprentice of  
the Year



## Steven Hunter

Sealed Air Ltd  
Hamilton  
2014 Print Apprentice of the Year

**14**  
government-  
funded  
polytechnics

**30**  
privately-  
owned  
training providers

# New Zealand Steel, we salute you!

We congratulate New Zealand Steel (and their parent company BlueScope) for their commitment to training. Since 2003, the Waiuku-based steelmaker has put 75 people through apprenticeships. We are currently helping 18 engineering apprentices and three scaffolding and rigging apprentices build their skills.

***We believe in apprenticeships, it's as simple as that. They're a structured, practical way to build the skills we need.***

*Peter Walker, Maintenance Contracts Superintendent  
New Zealand Steel*

# Partnering with our companies to build skills and productivity

## Best practice training turns out top apprentices

### McAlpine Hussmann Ltd

#### Refrigeration and air conditioning, nationwide

McAlpine Hussmann has been designing, engineering, installing and servicing cutting-edge refrigeration and air conditioning systems for the supermarket and food retail industry for 75 years. Over the past decade, they've also been delivering exceptional on-the-job training.

"It's hard to find good talent, so we train our own. And because we want to do that well, we've put in place practices that turn out top apprentices," says Lance Fry, the company's National Service Manager.

The Auckland-based firm, with branches throughout New Zealand, reviewed its flagging apprenticeship programme in 2002. Today, with support from Competenz, its workforce development programme includes many 'best practice' features.

Working with Competenz, McAlpine Hussmann tailor training packages to suit their business. For example, in many cases the company chooses unit standards, and the order in which apprentices tackle them, based on its work programme. When asked why they train to the nationally recognised qualifications Competenz offers, Lance says it's 'because they work'.

The company recruits and inducts employees into its apprenticeships carefully, using aptitude and attitude tests and setting clear expectations. Managers set quarterly targets with learners and review progress regularly, stepping in quickly if learners fall behind.

Reward and recognition matter. McAlpine Hussmann link their 22 apprentices' pay directly to qualifications, rewarding effort not time served. They celebrate success with the annual McAlpine Hussmann Apprentice of the Year Award.

The benefits of this commitment to best practice training? A more competitive workforce and customers who appreciate the service a skilled engineer can offer.



Calvin Busby is in the third year of his apprenticeship at McAlpine Hussmann





*We've had a close partnership with Competenz for many years and have received outstanding support. By tailoring training programmes and materials to suit our business, Competenz has helped us lift our employees' skills significantly – with great results for our business and our people.*

*Evelyn Davis, General Manager Human Resources  
Tegel Foods Limited*



Commander Grant presents Petty Officer Marine Technician Rowley with his graduating certificate

## **Building nationally recognised naval skills and careers**

### **The Royal New Zealand Navy, Auckland**

Partnering with Competenz to enrol servicemen and women into nationally recognised qualifications is proving a cost-effective way for the Royal New Zealand Navy to retain skilled personnel and make best use of its training resources.

“Competenz has been highly professional,” says Ian Bateman, Manager External Relations and Qualifications at the New Zealand Defence College. “They’ve worked hard to understand the Royal New Zealand Navy’s needs and tailor support to suit.”

The Navy has a strong training culture and impressive training infrastructure. What the service lacked was a way for its highly skilled personnel to achieve formal civilian qualifications that reflected the skills and knowledge they were gaining in their naval careers.

That’s where Competenz, and the nationally recognised qualifications we support, came in.

“We’ve put a lot of effort into understanding the training the Navy offers and how the skills its personnel gain match what’s needed for a national qualification,” says Competenz account manager Lara Williams.

“Now, when servicemen and women are training, they’re also gaining recognised civilian qualifications – like the New Zealand Certificate in Maritime Level 2. That’s an incentive for them to stay with the Navy.”

The resulting training programme also meets one of the criteria all our customers seek from their training investment – value for money.

“The work we’ve done with Competenz has helped us realise savings and work more effectively, by making best use of our own training resources,” says Ian.

In 2014 over 2,000 naval personnel enrolled in the maritime and mechanical engineering qualifications Competenz supports.



Dion Wharemate and Dane Moss from Smudge Signs

## Matua Wines

### Winemakers with production facilities in Auckland and Marlborough and vineyards nationwide

For national winemaker Matua Wines, 2014 saw 73 operations employees work toward national certificates in competitive and core manufacturing, as the company continues a training journey that has added training awards to the trophies it regularly wins for its wines.

“It’s been a hugely rewarding process,” says Health, Safety and Environment Coordinator Paula Langford. “Over the year the company’s seen significant improvements in competitive manufacturing, with our employees actively seeking out opportunities across our business.”

The journey to Matua’s success started in 2012 with a tailor-made training programme, Raising our Glass, which builds on the company’s ways of working and strong safety focus. The programme also helps empower employees by building confidence and communications skills.

Training to the national qualifications Competenz supports plays an important part.

“Our team really value the chance to gain a qualification that’s recognised nationally,” says Paula.

Paula appreciates the way these qualifications can be flexible and tailored to Matua’s needs.

“Working with Competenz we’ve built training programmes that retain our training style and methodology – and that’s important to us. As well as rewarding staff, the programmes maintain Matua’s safety-first focus and ensure our team is competent to industry standards.”

Matua’s global parent Treasury Wine Estates recognised the New Zealand business’ success with a major award in 2013. Matua has been a finalist for other national awards for the role their training plays in lifting staff engagement.

In the spirit of continuing to build nationally recognised skills, the Matua team is playing a leading role in helping Competenz launch New Zealand’s first national cellar operations qualifications.



Members of the Matua team learning on-the-job at the company's Matua Marlborough site







*Progressive Enterprise's Countdown operations are one of Burwater Pacific's major customers*



*Qualified engineer David Hall from Carter Holt Harvey, Kinleith*

## Developing skills in the workplace and the real world

### **Burwater Pacific Group, Auckland**

Burwater Pacific Group, an NZQA-approved Private Training Establishment (PTE), has been developing and delivering food safety programmes for more than 25 years. Now, the challenge for New Zealand's food industry is a new generation entering the workforce with little experience in preparing food domestically or commercially.

"Our trainees are engaged at a fundamental level in all aspects of food quality across manufacturing, retail and hospitality," says Nigel Burrows, director of Burwater Pacific Group. "So, we work hard to establish the connection between quality, safety and skills that can be applied both at home and in the workplace."

The company, with offices in Auckland and Christchurch, works closely with Competenz to deliver off-the-job training for the National Certificate in Food and Related Product Processing, Level 2. Last year, more than 500 trainees completed the programme, typically within their first year of employment at firms like Progressive Enterprises Ltd and its suppliers.

Michelle Kesha-Johnson, account manager at Competenz, applauds Burrows and his team for their commitment, credibility, creativity and a completion rate of 95 percent.

With a background in environmental health, adult education and training, media, hypnotherapy and improvisation, Burrows brings a unique perspective to its comprehensive training portfolio.

"We're teaching from a position of real life experience in the food industry. And incorporating presentation and media brings the entire learning process to life."

The best part of the job, says Burrows, is the opportunity to help build students' confidence, which carries into all aspects of life.

# Supporting our industries

The 37 industries we support make a major contribution to the New Zealand economy. In 2014, our industries:

**Employed**  
**263,000**  
**New Zealanders**

**Contributed**  
**\$25b<sup>over</sup>**  
**to New Zealand's GDP**

**Provided**  
**12%**  
**of New Zealand's jobs**

These are some of the activities we carried out in 2014, at an industry level, to help our industries make this contribution.

## Promoting careers in the trades



We launched the nationwide Got a Trade, Got it Made! promotion with six ITOs. The campaign celebrates and promotes careers in the trades. National Got a Trade week is 21 to 28 August 2015.

## Leading our industries in 26 reviews to develop their new qualifications



*Manufacturing industry experts attending a Competenz-led working group*

We brought together experts from hundreds of companies across New Zealand to tell us the structure and content they want in their new qualifications, the New Zealand Certificates. Most of these qualifications will be available in 2015, with the remainder in 2016.

## Celebrating our learners' success

Joining our companies to celebrate our learners' achievements is one of the highlights of our work. In 2014 we continued to sponsor awards and support award functions, and to showcase learners' success in our communications. You can read more about some of our successful learners on page 14.

## Advocating on behalf of our industries

We continued to advocate strongly with government, on behalf of our industries, for a more skilled New Zealand. While government has made many positive changes to the vocational education system in recent years, there are still challenges to be resolved.



## Offering scholarships for learners



*Matthew Devlin from Orora Packaging, winner of the Competenz Print Scholarship 2014, with Competenz account manager Malcolm Pearce*

We offered scholarships to encourage graduates to continue their learning at levels 5 and 6. The Competenz Engineering Scholarship, Competenz Print Scholarship and Competenz Plastics Scholarship build the advanced technical and business skills our industries are looking for.

## Supporting industry events



*Engineering apprentice Jaric Savill from Aztech Engineering (pictured here with Competenz regional manager Steve Brookes) represented New Zealand at WorldSkills International in Germany*

We continue to support events across our industries. For example, we co-hosted the annual Pride in Print awards to celebrate success in printing; we supported WorldSkills, the international 'trades Olympics' which showcases talented young trades learners; we sponsored the Rising Young Baker Competition.

## Promoting safe workplaces in our industries



*Matt Stewart from Stewart Logging*

Promoting safe workplaces is a top priority. In 2014 all our account managers attended training to help them promote safe practices in the companies we work with. We also played an active part in the Independent Forestry Safety Review, recommending ways to improve safety and communicating the review's recommendations widely.

## Building a pipeline of future employees

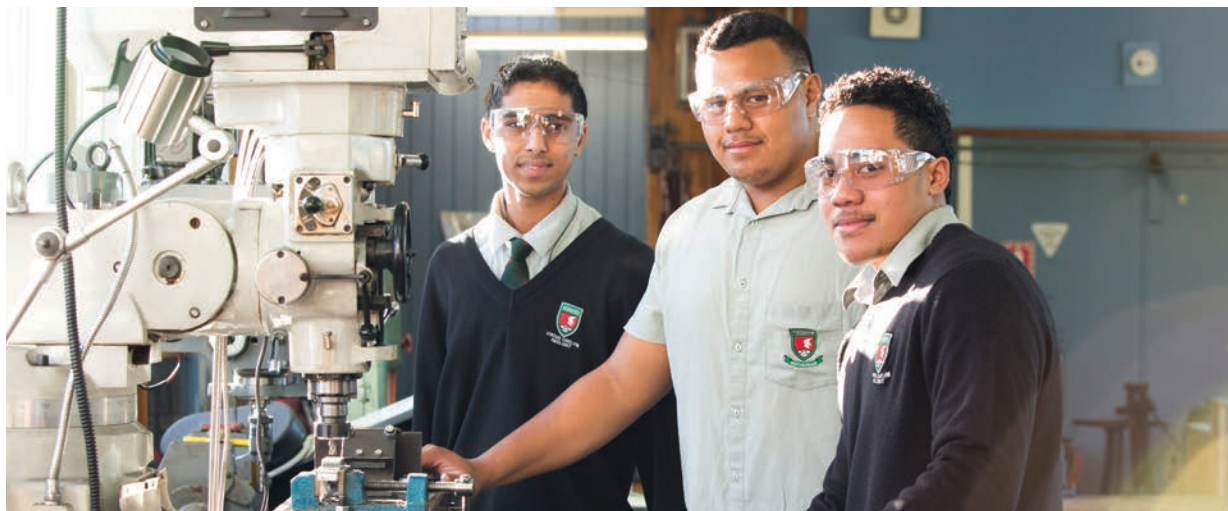


*John Sandford, Head of Technology (Hard Materials) at Aorere College, Auckland, with year 13 students*

Our careers team works with schools to support the vocational learning our industries need, promote the trades as worthwhile careers, identify potential apprentices, and encourage placements with industry.

# Building a pipeline of future employees

Our careers team works with schools to support the vocational learning our industries need, promote the trades as careers, identify potential apprentices, and support placements with industry.



*Year 13 hard materials students at Aorere College, Auckland*

## Preparing school students for vocational study in the workplace

Our Tools4Work programme gives secondary students hands-on experience to prepare for a career in engineering while they achieve NCEA standards. We develop practical projects that need basic engineering skills, and learning resources to support these projects. We also produce tools and materials to help teachers build their students' skills.

### In 2014:

- Over 8,000 students in 250 secondary schools used our Tools4Work programme
- 130 teachers attended our Tools4Work Professional Development Day to help them prepare their students.

Thank you to Blackwoods Protector for supporting the Tools4Work programme.

## Our Competenz-accredited schools: students meeting industry standards

Seven schools across the country are now Competenz-accredited. This accreditation tells employers that students graduating from these schools in engineering subjects have met the standards industry expects.

### These are our Competenz-accredited schools:

- Waitakere College, Auckland
- Waiuku College, Waiuku
- Gisborne Boys High School, Gisborne
- Awatapu College, Palmerston North
- Linwood College, Christchurch
- Hornby High School, Christchurch
- Taieri College, Dunedin.

**TOOLS4WORK**





## Promoting the trades and forestry as worthwhile careers for young people

Our careers team works with school careers and transition advisers to promote the benefits of workplace training and careers in the trades and forestry. Increasingly, we also work with employers seeking apprentices, to identify and place young learners who will meet their needs.

### In 2014:

- we visited over 70 schools nationwide
- we promoted careers in our Competenz industries at 44 careers expos
- we presented to 800 careers advisers at the Careers and Transition Educators Conference to bust the myth that 'trades are for boys'.

# Building trade skills in the Far North

In a predominantly rural, Māori community with high unemployment, Kaitaia College has made a commitment to developing trade skills that serve its students well in local industry and beyond.

The secondary school has been involved in our Competenz Tools4Work programme since its launch in 2006, and its teachers are big believers in giving students the opportunity to 'learn by doing'.

Students can earn National Certificate credits towards their NCEA in mechanical and auto engineering, and construction skills.

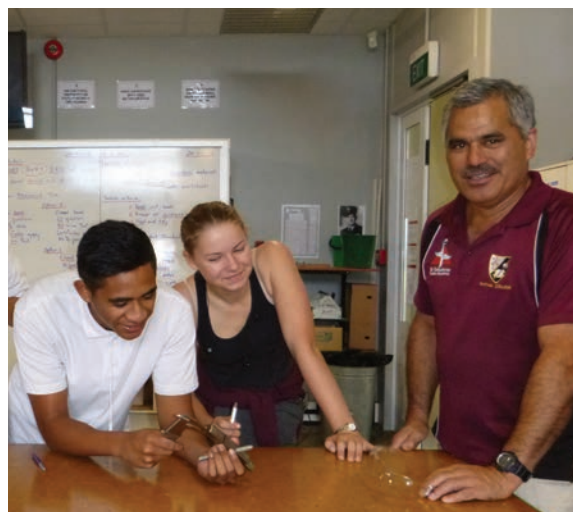
"Kaitaia College is doing really well with Tools4Work," says Brian Lane, Competenz careers advisor. "They have new facilities and their students are responding well to the hard work their teachers put in."

While practical workspaces have fallen by the wayside at other schools, Kaitaia College has invested in a new technology block with a workshop, full garage, hospitality suite and classrooms.

It also takes a 'whole of school' approach to delivering the programme. For example, to cover some units, maths teachers move into the workshop where they can teach trade-related calculations in context.

Schools with strong Māori and Pasifika communities tend to do well with Tools4Work, observes Brian. A communal culture translates into students working together and learning from one other.

"It's not just about developing trade skills, but life skills as well," Brian says. "Students need discipline and extra reassurance to help build their confidence and develop a strong work ethic."



Teacher of mechanical engineering Selwyn Subritzky with students from Kaitaia College

*I tell my students that a trade certificate gives them options. They can run a business, work overseas, or teach like me.*

*John Sandford, Head of Technology (Hard Materials)  
at Auckland's Aorere College*


# Summary financial statements


## Summary statement of financial position

As at 31 December 2014

	Consolidated	Competenz	Consolidated	Competenz
	2014	2014	2013	2013
	\$000s	\$000s	\$000s	\$000s
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10,493	8,626	7,677	5,983
Trade and other receivables	2,413	1,355	2,128	1,159
Government grants due	183	183	267	267
Prepayments	373	350	332	312
Intercompany receivable	-	865	-	996
<b>Total current assets</b>	<b>13,462</b>	<b>11,379</b>	<b>10,404</b>	<b>8,717</b>
<b>Non-current assets</b>				
Property, plant and equipment	2,263	2,263	2,382	2,382
Intangibles	1,420	1,420	2,057	2,057
<b>Total non-current assets</b>	<b>3,683</b>	<b>3,683</b>	<b>4,439</b>	<b>4,439</b>
<b>Total assets</b>	<b>17,145</b>	<b>15,062</b>	<b>14,843</b>	<b>13,156</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	3,650	3,189	3,064	2,697
Government grants payable	1,374	1,374	612	612
Goods and services tax payable	638	234	508	162
Income received in advance	38	38	186	186
Employee leave benefits	1,255	615	1,175	564
Lease incentive	9	9	57	57
Provisions	227	227	80	80
<b>Total current liabilities</b>	<b>7,191</b>	<b>5,686</b>	<b>5,682</b>	<b>4,358</b>
<b>Non-current liabilities</b>				
Provisions	34	34	205	205
<b>Total Non-current liabilities</b>	<b>34</b>	<b>34</b>	<b>205</b>	<b>205</b>
<b>TOTAL LIABILITIES</b>	<b>7,225</b>	<b>5,720</b>	<b>5,887</b>	<b>4,563</b>
<b>NET ASSETS</b>	<b>9,920</b>	<b>9,342</b>	<b>8,956</b>	<b>8,593</b>
<b>ACCUMULATED FUNDS</b>				
Accumulated funds	9,920	9,342	8,956	8,593
<b>Total accumulated funds</b>	<b>9,920</b>	<b>9,342</b>	<b>8,956</b>	<b>8,593</b>

For and on behalf of the Board who authorise the issue of the financial statements on 22 April 2015

  
John Blakey, CEO

  
Mike Simm, Chairman



## Summary statement of comprehensive income

For the year ended 31 December 2014

	Consolidated	Competenz	Consolidated	Competenz
	2014	2014	2013	2013
	\$000s	\$000s	\$000s	\$000s
<b>REVENUE</b>				
Government grants	24,003	24,003	18,940	18,940
Industry income	25,943	10,321	23,095	9,121
Other revenue	652	604	580	536
Funds introduced from mergers	671	671	2,066	2,066
<b>Total revenue</b>	<b>51,269</b>	<b>35,599</b>	<b>44,681</b>	<b>30,663</b>
<b>EXPENSES</b>				
Training costs	10,077	10,033	9,108	9,041
Employee entitlements	28,606	13,344	23,870	10,174
Other expenses from ordinary activities	11,622	11,473	9,091	8,932
<b>Total expenses</b>	<b>50,305</b>	<b>34,850</b>	<b>42,069</b>	<b>28,147</b>
<b>Net surplus / (Deficit)</b>	<b>964</b>	<b>749</b>	<b>2,612</b>	<b>2,516</b>
Other comprehensive income / (loss)	-	-	-	-
<b>Total comprehensive income / (loss) for the year</b>	<b>964</b>	<b>749</b>	<b>2,612</b>	<b>2,516</b>

## Summary statement of changes in accumulated funds

For the year ended 31 December 2014

	Consolidated	Competenz	Consolidated	Competenz
	2014	2014	2013	2013
	\$000s	\$000s	\$000s	\$000s
<b>Opening balance</b>	<b>8,956</b>	<b>8,593</b>	<b>6,344</b>	<b>6,077</b>
Total comprehensive income for the year	964	749	2,612	2,516
<b>Closing balance</b>	<b>9,920</b>	<b>9,342</b>	<b>8,956</b>	<b>8,593</b>

## Summary cash flow statement

For the year ended 31 December 2014

	Consolidated	Competenz	Consolidated	Competenz
	2014	2014	2013	2013
	\$000s	\$000s	\$000s	\$000s
Net cash flows from / (used in) operating activities	3,207	3,089	(1,773)	(2,250)
Net cash flows from / (used in) investing activities	(391)	(446)	3,547	3,507
Net increase / (decrease) in cash and cash equivalents	2,816	2,643	1,774	1,257
Cash and cash equivalents at beginning of year	7,677	5,983	5,903	4,726
<b>Cash and cash equivalents at end of year</b>	<b>10,493</b>	<b>8,626</b>	<b>7,677</b>	<b>5,983</b>

## Notes to the summary financial statements

The summary financial statements for Competenz and its subsidiary (collectively “the group”) for the year ending 31 December 2014 were authorised for issued by the Directors on 22 April 2015. The summary financial statements have been extracted from the audited full financial statements and are presented in New Zealand dollars. All values are rounded to the nearest thousand dollars. The summary financial statements have been prepared in accordance with FRS-43: Summary Financial Statements.

The summary financial statements cannot provide as complete an understanding as the full financial statements can. A copy of the full financial statements can be obtained by emailing [info@competenz.org.nz](mailto:info@competenz.org.nz). The full financial statements for the year ended 31 December 2014 were authorised for issue by the Directors on 22 April 2015.

An unqualified audit opinion was issued for the full financial statements. The full financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. The full financial statements comply with New Zealand equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for not for profit entities.

Accounting policies have been applied on a consistent basis with the full financial statements. The useful life of certain assets (the learning management system and leasehold fitout) have been revised resulting in an additional \$744K of depreciation and amortisation during 2014.

### Business Combinations

On 1 January 2014, the Group acquired the Communications and Media ITO (CMITO). The purpose of the organisation was to develop industry qualifications, define training standards, provide support for industry training, assessment and moderation processes to the Communications and Media industries. The total funds introduced was \$671K.

	CMITO
	2014 \$000s
Cash	847
Accounts receivable	71
Other current assets	22
Plant & equipment	27
Liabilities	(296)
<b>Funds Introduced/Gain on acquisition</b>	<b>671</b>



## Independent Auditor's Report

### To the Members of New Zealand Engineering Food & Manufacturing Industry Training Organisation Incorporated (Competenz)

The summary financial statements of Competenz and its subsidiary on pages 24 to 26, which comprise the summary statement of financial position as at 31 December 2014, the summary statement of comprehensive income, summary statement of changes in accumulated funds and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Competenz and the group for the year ended 31 December 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 22 April 2015. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Competenz and the group.

This report is made solely to the incorporated society's members, as a body, in accordance with the Competenz constitution. Our engagement has been undertaken so that we might state to the incorporated society's members those matters we are required to state to them in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the incorporated society and the incorporated society's members as a body, for our work, for this report, or for the opinions we have formed.

### Directors' Responsibilities

The directors are responsible for the preparation of summary financial statements in accordance with FRS-43: Summary Financial Statements.

### Auditor's Responsibilities

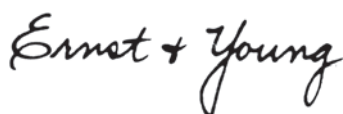
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA(NZ)) 810, "Engagements to Report on Summary Financial Statements."

We provide consulting services to Competenz. We have no other relationship with, or interest in, Competenz or its subsidiary.

Partners and employees of our firm may deal with the incorporated society on normal terms within the ordinary course of trading activities of the business of the incorporated society.

### Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Competenz and the group for the year ended 31 December 2014 are consistent, in all material respects, with those financial statements, in accordance with FRS-43.



22 April 2015

Auckland





Competenz is a multi-sector industry training organisation.  
We help Kiwi industry grow skills, careers and businesses  
and make it easy to learn on-the-job.  
[www.competenz.org.nz](http://www.competenz.org.nz) 0800 526 1800