




**SKILLS
ACTIVE** ITO
AOTEAROA

Active Careers through
On-Job Qualifications

Shareholder Handbook



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Introduction

Ngā Mihi

Thank you for choosing to be part of the exciting **industry training sector** in Aotearoa New Zealand. Your position as a registered **shareholder** with Skills Active Aotearoa shows that you care about **on-job education, training and qualifications** as much as we do. We hope you share our vision of being ‘**Industry’s first choice as a partner for workforce development**’. Welcome aboard!

The purpose of this handbook is to inform you about **Skills Active Aotearoa** and our place within the realm of industry training. We develop the skill standards and qualifications for the recreation, sport, fitness and snowsport sectors in New Zealand, and deliver those qualifications to people employed in our industries.

There has been a **major review** of industry training in New Zealand over the past few years, so we believe it is an appropriate time to update and refresh both **new and existing shareholders** on the role and functions of our ITO as it stands today.

This handbook provides a wide range of information relevant to your role as a valued shareholder. We also share our commitment to biculturalism and, for new shareholders, we provide some background on how Skills Active Aotearoa came about and its place in the broader tertiary education sector.

So, whether you are an existing or new shareholder, we invite you to read on.





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About Skills Active Aotearoa

Skills Active Aotearoa is New Zealand's Industry Training Organisation (ITO) for the recreation, sport, fitness and snowsport industries. It is a government-funded organisation whose role is to facilitate the development of world-class, nationally recognised qualifications that meet the needs of the industries we serve.

Skills Active Aotearoa facilitates the delivery of qualifications to those employed in our industries. It develops resources that reflect industry need, adding value as well as providing leadership on behalf of our industries with regard to workforce development, industry standards and skill development.

The qualifications developed by Skills Active Aotearoa are quality assured by the New Zealand Qualifications Authority (NZQA).



Purpose

To build a highly qualified workforce in the recreation, sport, fitness and snowsport industries, leading to productive and sustainable organisations that provide quality services to New Zealand.

Ki te whakakaha ake i te hunga mahi i te ahumahi ā-rēhia kia puta ai he whakahaere whai hua, whakauka hoki e tuku ratonga kounga ai ki Aotearoa.



Vision

We will be industries' first choice as a partner for workforce development.



Approach

We will be leaders and role models of biculturalism, service excellence and continuous improvement.

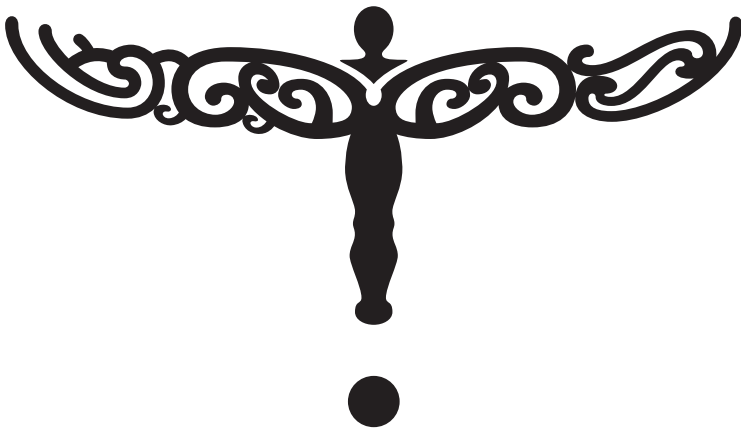
Our actions will be driven by our core values of Tika, Pono and Aroha.



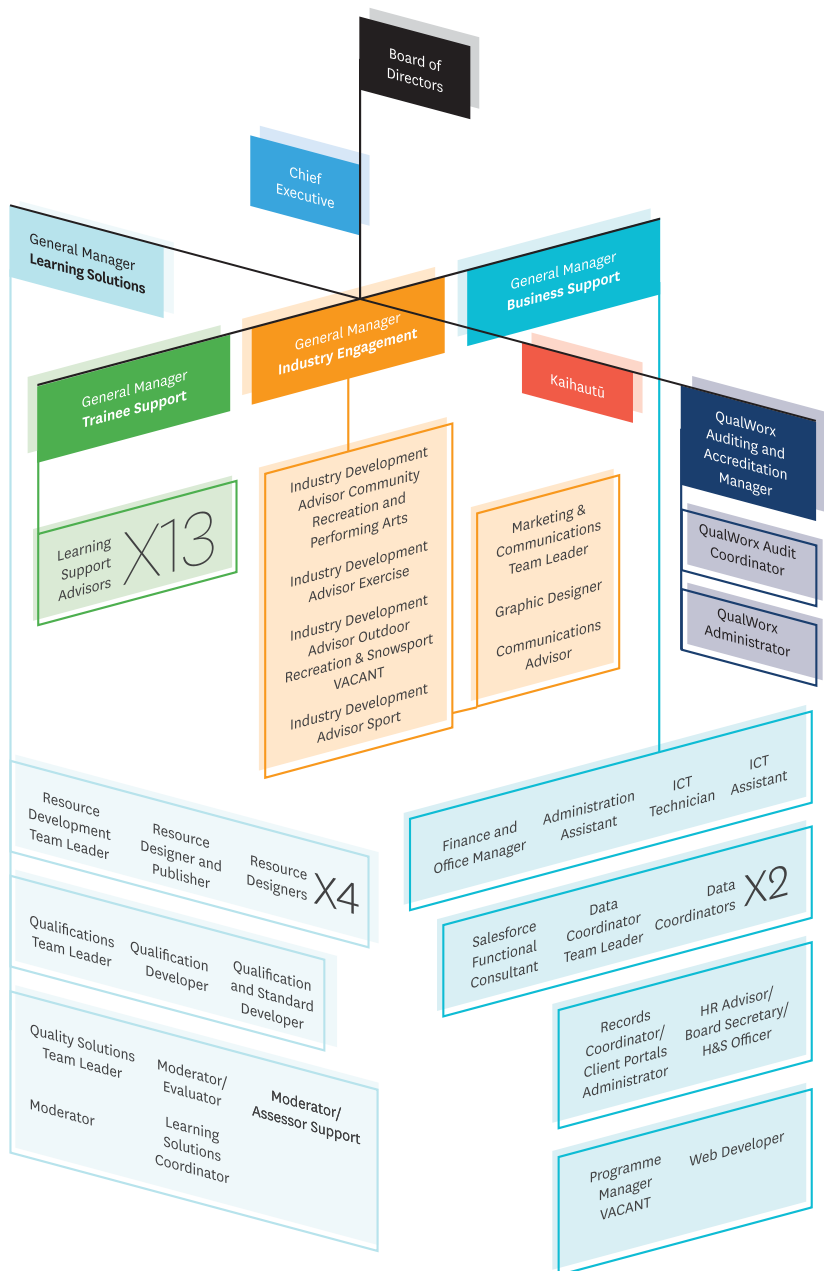
Commitment to biculturalism

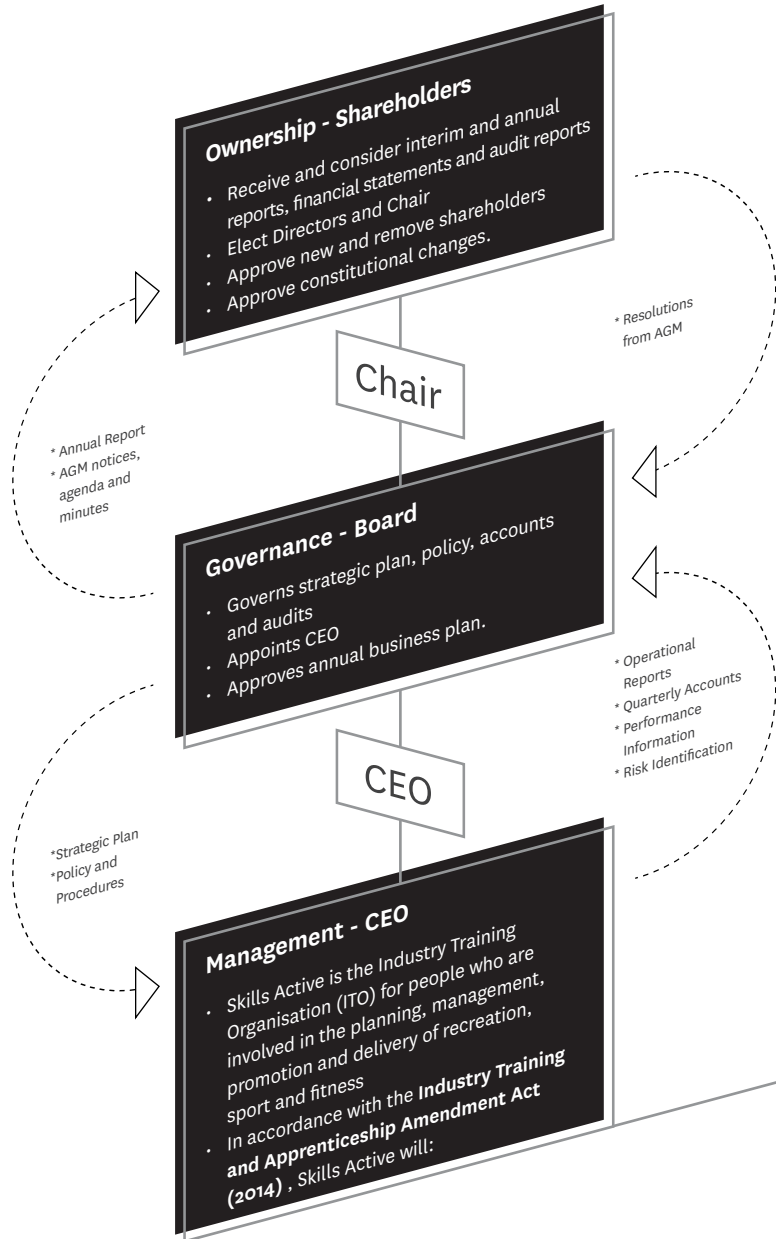
Te Tiriti o Waitangi sets a framework for biculturalism and partnership in all facets of New Zealand life and endeavours. Skills Active Aotearoa takes this seriously. We enact the bicultural framework through our vision, values and purpose and in all that we undertake.

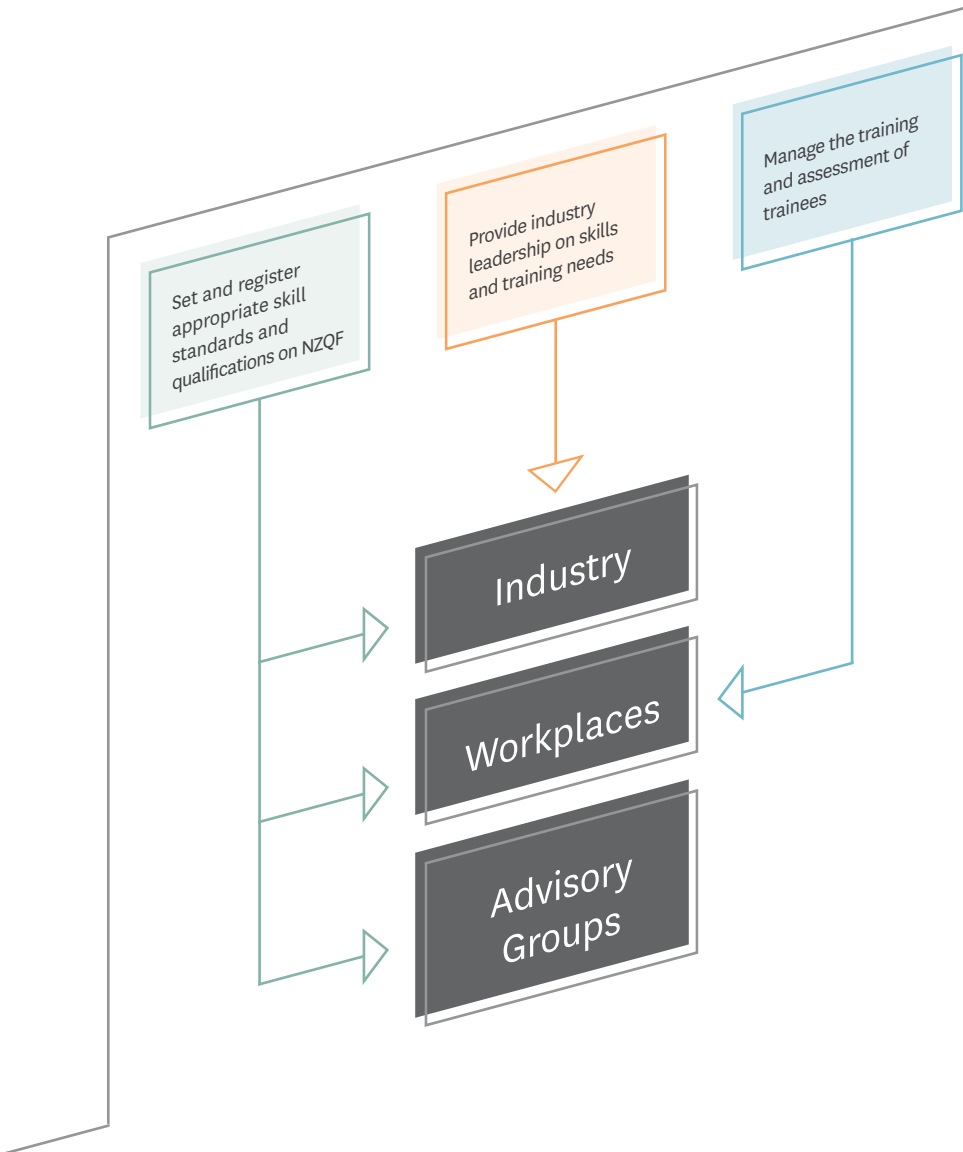
Hei Mauri Tū symbolises everything we are at Skills Active Aotearoa. To read more go to page 15 or visit 'Our Brand' on our website www.skillsactive.org.nz.



Skills Active Aotearoa's structure







A background to industry training in New Zealand and to Skills Active Aotearoa

Many of our existing shareholders remember Skills Active Aotearoa as ‘Sfrito’, the original name of our organisation. This stood for the ‘Sports, Fitness, Recreation Industry Training Organisation’. While these remain our core sectors, we became ‘Skills Active Aotearoa’ in 2009.

Skills Active Aotearoa (or Sfrito as it was then) started out in 1995, in response to a 1990 review of on-job and off-job training by the then Labour government. As part of this review, low levels of systematic training were identified as an impediment to improved economic growth.

In several reviews of the tertiary education system employers voiced widespread dissatisfaction about the traditional apprenticeship system. Specifically, it was felt that the system was not sufficiently responsive to the changing needs of industry, lacked co-ordination and was limited to traditional trades, resulting in a decline in the number of employees engaged in apprenticeships. Young Pakeha men also dominated the training statistics.

Recommendations from these reviews were picked up by the incoming National government, leading to the development of the **Industry Training Strategy**.

The primary objective of the new strategy was to expand industry training beyond the traditional trades and to link it to the new **National Qualifications Framework (NQF)**, the cornerstone of the new, seamless education system. To achieve this, government needed to engage industry in the new system to ensure that the qualifications developed and delivered were relevant to their needs. **The Industry Training Act 1992 marked the end of the old apprenticeship boards and the introduction of Industry Training Organisations (ITOs) as we know them today.**

Industry training organisations are well recognised today in New Zealand’s tertiary education sector. Numerous phases of the industry training strategy since its inception have allowed Skills Active Aotearoa to grow into a leading ITO for New Zealand’s recreation, sport, fitness and snowsport industries.



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What is an ITO in today's world of 'education'?

The role of an Industry Training Organisation

Industry Training Organisations (ITOs) are recognised by the Minister for Tertiary Education, Skills and Employment under the **Industry Training and Apprenticeship Amendment Act (2014)**. They are established by specific industries and are responsible for:

- setting national skill standards for their industry/industries
- providing information and advice to employees and their employers
- arranging for the delivery of on-job and off-job training (including developing training packages for employers)
- arranging for the assessment of trainees
- arranging for the monitoring of quality training.

Recently the government undertook another review of all industry training in New Zealand and, as a result, a number of ITOs merged or were disbanded. Skills Active Aotearoa has remained intact, although we now operate with similar or in some cases lower levels of TEC funding. The Tertiary Education Commission (TEC) website lists all recognised industry training organisations – see www.tec.govt.nz.



While this review of ITOs was being undertaken, a full review of the tertiary qualifications available in New Zealand also commenced during 2008-2009. This is known as the Targeted Review of Qualifications (TRoQ).

This review found that the existing qualifications system was difficult because it:

- was not relevant to some employers and industry
- was not user-friendly
- the status of qualifications was unclear
- contained a large number of similar qualifications, which made distinguishing between qualifications and identifying education/career pathways difficult.

The TRoQ review by Skills Active covers 175 qualifications developed by 36 PTEs, ITPs, Wānanga and ITOs.

Skills Active Aotearoa is leading the review of the Recreation, Sport, Fitness and Snowsport qualifications. That began in March 2012. We are also actively involved in the **Performing Arts** qualification review, given its overlap and synergy with the recreation industries.



Aotearoa New Zealand's Tertiary Education Strategy (2014-2019)

The **Tertiary Education Strategy (TES)** sets out the government's long-term strategic direction. This strategy highlights the need to support business growth and innovation through the development of relevant skills and research, improving outcomes for all.

Achieving this is based on **six priorities** according to the TES:

- Priority 1: Delivering skills for industry**
- Priority 2: Getting at-risk young people into a career**
- Priority 3: Boosting achievement of Māori and Pasifika**
- Priority 4: Improving adult literacy and numeracy**
- Priority 5: Strengthening research-based institutions**
- Priority 6: Growing international linkages.**

The strategy focuses on ensuring there is an outward-facing and engaged tertiary education system, with strong links to industry, community and the global economy.



Relationship between Ministry of Education, Tertiary Education Commission, NZQA, Industry, Skills Active ITO and Training Providers

Ministry of Education (MoE)

- Provides strategic leadership to all sectors
- Offers support and resources for the community, teachers and education providers
- Manages the compulsory education sector's property portfolio
- Provides strategic leadership to the tertiary sector.

Tertiary Education Commission (TEC)

- Creates and implements the government's policy for the tertiary sector
- Provides funding for universities, polytechnics, wananga, private training establishments, industry training organisations (ITOs) and other tertiary education providers.

New Zealand Qualifications Authority (NZQA)

- Manages the NZ Qualifications Framework (NZQF)
- Regulates the writing of unit standards
- Sets quality standards for both qualifications and providers
- Works with stakeholders from education, industry and business on qualifications and standards
- Is a Standard Setting Body (SSB).

Recreation, Sport, Fitness and Snowsport Industry

- Agrees on and sets industry best practice
- Defines graduate profiles (skills and knowledge those completing qualifications should demonstrate).

Skills Active ITO

- Is a Standard Setting Body
- Develops and maintains national standards and qualifications with industry.

Training providers

- Deliver standards-based courses either inside or outside the workplace.

Our strategy for Māori success

Skills Active Aotearoa is committed to being a leader and role model of:

- biculturalism
- work skills development
- service excellence.

A large part of this commitment is ensuring that this vision is enacted for Māori. In 2010, the Skills Active Aotearoa Board was asked to work with Māori shareholders to develop a strategy for Māori success. The resulting cooperation between Māori shareholders, Skills Active Aotearoa staff and Board members led to a strategy whose aim is to continue to improve success for Māori in vocational training.

Key actions for Māori vocational success within this strategy are ongoing and are realised by:

- targeting workplaces with high Māori staffing levels
- ensuring brand/image of all communications is welcoming to Māori
- adopting kaupapa Māori and Akoranga Māori approaches with our workplaces
- ensuring all Skills Active Aotearoa staff are trained so they can engage appropriately with Māori trainees and workplaces
- reviewing and developing qualifications and resources to ensure they meet the needs of Māori
- building relationships with Iwi, hapū and other Māori stakeholders to create greater awareness of the career opportunities available through Skills Active Aotearoa.



Hei Mauri Tū – our brand



(On the image, s right-hand side), through the Maui design, the external koru represents Tā-whiri-mātea.

Takarangi represents the clouds of unrest and opportunity in the atmosphere. Maui is accredited with flight, through perseverance and acquisition of knowledge.

(On the image’s left-hand side), the external koru represents Tā-ngā-roa.

This Puhoro design is representative of how Tā-ngā-roa receives the wake of the waka, upon which achievement is progressed.

From our understanding of the separation we can identify that there is a world of heavenly kōrero, information. This is represented by the figure of a human that looks to be ascending above a sphere. This is likened to Tāne-nui-ā-rangi or Tāwhaki, as he ascended to the uppermost heaven to acquire ngā kete o te wānanga me ngā whatu e rua.

To read about our Māori strategy, go to the Skills Active Aotearoa website then ‘Strategic Direction’ under ‘About us’.



Who can become a Skills Active Aotearoa shareholder?

Skills Active Aotearoa is a **charitable** company. There are **1,000 ordinary shares** in Skills Active Aotearoa, allotted to various shareholders. Of the total shareholding, **50 percent (50%) is held by Māori organisations** and **50% by non-Māori organisations**.

Approximately 40 industry ‘umbrella bodies’ covering the following sectors are eligible to become shareholders in Skills Active Aotearoa:

- Community recreation
- Exercise
- Outdoor recreation
- Snow sports
- Sport
- Ngā Mahi a te Rēhia (Maori sport and recreation).
- Performing Arts

Each shareholder has voting rights, according to their share allotment.

Shareholders nominate and vote directors and a chairperson on to a Board at the annual AGM. The Chief Executive of Skills Active Aotearoa reports to this Board, elected by the shareholders.

Who are Skills Active Aotearoa shareholders?

You can see the full list of **current shareholders** on the Skills Active Aotearoa website under ‘**About us**’ then ‘**Our Shareholders**’.

Interested in becoming a shareholder?
There is a list of criteria and an application form on the ‘Our Shareholders’ page of the website.

The Skills Active Aotearoa **Constitution** is also available on the same page of the website.

Understanding your role as a Skills Active Aotearoa shareholder

A number of criteria exist for holding and maintaining a shareholding in Skills Active Aotearoa. These include:

- Each shareholder must have a legal personality.
- Each shareholder must have, as a principal focus, its industry representation role (as opposed to a commercial focus) and represent the interests of the sector that the share category relates to.
- Each shareholder must be a national body representing a significant part of the sector that the share category relates to. If a significant group of the sector is not represented by any national body, then there may be a regional body that can represent that group.

Shareholders' hui

There are usually **one or two shareholders' hui each year**. The first precedes the AGM (normally in June) and a second is sometimes held around November. These hui are opportunities for shareholders to engage with the Board Chair and Directors as well as members of the Skills Active Aotearoa team. They are also a time when items or actions from the previous hui may be reported on.

We encourage all shareholders to take part in these hui.

Annual General Meeting

All shareholders are encouraged to attend the AGM. The Board must, in accordance with Section 120 of the Industry Training Act, call an annual meeting of shareholders.

This must be held:

- (a) not later than 6 months after the balance date of the company; and
- (b) not later than 15 months after the previous annual meeting.

Working in harmony: Shareholders, Board and the team at Skills Active Aotearoa

Skills Active Aotearoa is passionate about what counts, and we are a busy organisation with many staff employed throughout New Zealand. The Board provides the strategic direction or vision for the whole organisation and the Chief Executive and management team implement this. As a shareholder, you have the right to review this direction at the general meeting.

Here's a brief overview of what each team in Skills Active Aotearoa does:

Board Chair and elected Directors

The Board Chair and each Director, elected by the shareholders, are appointed for a term of **3 years**. During this time they are responsible for developing the strategic direction of Skills Active Aotearoa with the Senior Management Team. The Board meets each quarter and interacts regularly with the Chief Executive to ensure that the Skills Active Aotearoa Strategic Plan is implemented. The Chief Executive reports to the Board.

Chief Executive and Senior Management Team

The Senior Management Team is tasked with providing leadership to ensure Skills Active Aotearoa continues to meet its strategic goals. The Kaihautu is part of the Senior Management Team to ensure we continue to develop and meet our bi-cultural commitment.

Trainee Support Team

The Trainee Support Team works directly with employers and their employees to facilitate and coordinate the achievement of workplace qualifications. This team has the skills and expertise to develop and implement workplace training and development.

Industry Engagement Team

The Industry Engagement Team provides the conduit between industry and Skills Active. The team of Learning and Development Advisors, one per sector that we service, set up and maintain relationships with key industry partners to ensure that Skills Active continues to meet the sector needs.

Learning Solutions Team

As the name suggests, the Learning Solutions Team develops learning solutions (unit standards, qualifications and learning and assessment resources) for each industry sector. They work closely with experts within industry to ensure that all materials are targeted and relevant. The Learning Solutions Team also manages the quality assurance functions of Skills Active Aotearoa, ensuring that robust quality processes are integrated across all areas.

Business Support Team

While you will find the Business Support Team in the Skills Active Aotearoa offices rather than out on the road, their role is critical to the smooth operations of Skills Active Aotearoa and the interface with workplaces and trainees. They work hard to ensure the best 'back-end' service possible is provided to all Skills Active Aotearoa's customers.

Glossary of terms

A wide range of terms and definitions are used in relation to tertiary education and industry training in general and within Skills Active Aotearoa specifically. Here are some of the most common:

NGO:	A Non-Governmental Organisation (NGO) is an organisation that is neither a part of government nor a conventional for-profit business.
NFP:	A Not-for-Profit (NFP) organisation is generally created to benefit the community or parts thereof, or they may have a specific membership. As the name suggests, they do not have the objective of making profits, which will be distributed to shareholders or owners.
ITO:	An Industry Training Organisation (ITO) sets national training skills for their particular industries. ITOs are recognised by the Associate Minister of Education (Tertiary Education) under the Industry Training Act 1992. The Industry Training Federation website is at www.itf.org.nz
NZQA:	The New Zealand Qualifications Authority (NZQA) works closely with the industry education sector, including Skills Active Aotearoa, ensuring that New Zealand qualifications are regarded as credible and robust, nationally and internationally. NZQA reports to the Minister of Education and the Minister for Tertiary Education, Skills and Employment. Their website is at www.nzqa.govt.nz
TEC:	The Tertiary Education Commission (TEC) is responsible for funding tertiary education in New Zealand. The TEC website is at www.tec.govt.nz

Frequently asked questions (FAQs)

We have found over the years that there are a number of questions that new shareholders often ask. This section hopefully answers many of the queries you may have as a valued shareholder. If we have not answered your question here, please contact the Executive Assistant to the Chief Executive at Skills Active Aotearoa on 0508 475 4557.

Q1: Is my travel covered as a shareholder attending AGMs or other Hui?

A: Travel is subsidised.

Car Travel (subsidy paid in petrol vouchers)

Those travelling from outside where the meeting is being held:

- Between 30 km - 130 km drive (one way) to the Hui a shareholder may claim up to \$60 as a contribution towards petrol; or
- More than 130 km drive to the Hui the shareholder may claim up to \$100 as a contribution towards petrol.

Air Travel

- Those who fly direct to the location the meeting is being held in may claim up to \$150 towards travel.
- Those who are from areas that do not provide a direct flight to the location the meeting is being held in may claim up to \$200 towards travel.
- Subsidies for travel are paid following the event upon receipt of a travel subsidy claim form and proof of payment of travel.

Q2: What is a quorum?

A: A quorum is the percentage of shares that must be present/represented at the AGM (**not** the percentage of shareholders) in order for a meeting to continue according to the constitution. For the Skills Active AGM, the quorum is 40%.

Q3: What is the difference between a proxy and a representative?

A: A representative has speaking and voting rights and also counts towards a quorum. A proxy has voting rights only (the shareholder will tell the proxy who to vote for if they are unable to attend) and they do not count towards a quorum.

It is important that you are clear on this when submitting your proxy or representative in writing.

Q4: What happens if a shareholder cannot attend the AGM?

A: Sometimes it is just not possible to attend the AGM. Other options are:

- send a suitable proxy or representative
- postal vote (if permitted).

It is a legal requirement that, if sending a proxy or representative, this must be put in writing and addressed to the Skills Active Chair prior to the AGM beginning.

If this is still not possible and a shareholder is unable to attend the AGM in any manner, Skills Active will send the shareholder a letter out of courtesy to advise that if they do not attend the next AGM by any of the above-mentioned means, the shareholder will be in default as per the below clause 16.1h of the Shareholder agreement.

‘A Shareholder is in default (Default) if that Shareholder (the Defaulting Shareholder):.....

.....fails to attend and vote at two consecutive Annual Meetings, either in person, or by proxy or representative, or by Postal Vote (if permitted) as the case may be.’

Q5: What happens if a shareholder misses two consecutive AGMs?

A: In accordance with clause 16.1h and 16.2 of the Shareholders Agreement a Shareholder will be notified in writing that: ‘If a Shareholder is in Default, then:

(a) (unless otherwise agreed by Special Resolution) all rights attaching to the Shares held by the Defaulting Shareholder (including voting rights) will be suspended; and

(b) if required in accordance with either of clauses 7.4 or 7.4A, the Defaulting Shareholder must transfer its Shares in accordance with that Special Resolution.’

Q6: What happens to shares when a shareholder goes into default?

A: The shares are suspended until the next AGM where a Special Resolution is put to transfer those shares amongst the remaining shareholders in that sector category.

Q7: When are default shareholder shares transferred?

A: Any special resolutions of this nature ie transfer of shares due to default, will be done prior to any other agenda items that involve voting with shares. When shareholders vote in favour of shares the default shareholder’s shares to be redistributed, this happens immediately and is effective for subsequent items on the agenda that involve voting with shares. For example:

There are five shareholders in the Outdoor Recreation category, each having 20 shares (totalling 100 shares). Shareholder X in this category was not represented in any way at the 2013 or 2014 Skills Active AGM. A special resolution will be put at the 2015 AGM to redistribute these shares, due to default, among the remaining shareholders in this category.

The first voting item on the AGM agenda is for default shareholders. The resolution is put to transfer, pro rata, the shares that Shareholder X holds among the remaining shareholders in the Outdoor Recreation category. The resolution is put and passed. As of that moment, the remaining four shareholders now hold 25 shares each and for any remaining items on the agenda such as the election of directors or any other type of resolutions etc, they hold 25 shares to vote with.

Q8: What happens if shareholders vote against the shares of a shareholder in default being redistributed among the remaining shareholders in that category?

A: The Shareholder would remain in default and the shares in questions would continue to be suspended. Effectively, Shareholders must vote to redistribute the shares to release them back in to that categories 'pool' of shares. However, the shareholder is welcome to reapply to become a Skills Active shareholder again.

Q9: How will a shareholder know if they are at risk of being in default?

A: Following an AGM where there is no form of representation by a shareholder, they are sent a courtesy letter by email to advise that, if they are not represented in any way at the next year's AGM, they will go into default.

If we have not received an RSVP from a shareholder, we will also attempt to contact them a month or so out from an AGM where, if they are not represented, they would go into default.

Q10: How will a shareholder know if they are in default?

A: We will send a letter by email and post to the contact details we have advising them that they are in default, why and that their shares will be redistributed among the other shareholders in their category. This communication also gives the shareholder information on how to reapply for shareholding should they wish to do this.

We hope you have found the information in this handbook helpful. It has been prepared for you by the Board of Skills Active Aotearoa. For further information on any material in this handbook, please contact:

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