



Submission

Teaching Council Fees and Levy Consultation

ABOUT PPTA TE WEHENGARUA

PPTA Te Wehengarua represents the majority of teachers engaged in secondary education in New Zealand, including secondary teachers, principals, and manual and technology teachers.

Under our constitution, all PPTA Te Wehengarua activity is guided by the following objectives:

- to advance the cause of education generally and of all phases of secondary and technical education in particular;
- to uphold and maintain the just claims of its members individually and collectively; and
- to affirm and advance Te Tiriti O Waitangi.

This submission is from the PPTA Te Wehengarua Executive and is on behalf of all of our members.

GENERAL COMMENTS

The Post Primary Teachers' Association Te Wehengarua (PPTA) has been in contact with the Teaching Council throughout the consultation process, expressing our significant concerns about the information provided and whether our members genuinely have the ability to influence the outcome of the proposed fees and levy increase.

Our fundamental objection is that the consultation seeks to convince teachers that the proposed fees increase is needed to cover the Teaching Council's actual costs. It does not ask them directly to evaluate if these costs are reasonable. They are not asked if they think this is a reasonable amount to be charged for the work the Teaching Council is undertaking, nor are they asked what they can reasonably afford to pay for their registration body given the current economic situation that they find themselves in. PPTA believes that the Teaching Council has an obligation to live within its means, and an obligation not to set fees that cause teachers undue financial pressure. If the amount of money that teachers are able to pay for Teaching Council fees and the levy is not enough to cover its current work plan, the Teaching Council must find alternatives, such as restricting its activities, or seeking additional financial support from the Minister of Education.

PPTA has, over the many years and changes to the teachers' registration body, advocated for a Teaching Council that provides "the bouncer at the door" of the profession, ensuring high public confidence through monitoring of initial teacher education, registration of teachers, and responsibility for conduct and competency proceedings. Any work pertaining to the professional development of teachers – not just in the leadership space but any form – should not be undertaken by the Teaching Council, and teachers do not want to pay for it. We see it as a fundamental conflict of interest that the body responsible for conduct and competency proceedings should also be the body administering teachers' professional development.

PRE-CONSULTATION

PPTA, as an education stakeholder, was invited to take part in the “pre-consultation” where the Teaching Council gave information about the aspects of the Teaching Council’s work that it intended to consult on. During this process, we raised several questions and outlined a number of concerns in writing. Some of these questions and concerns were addressed, some were not, but either way there is no evidence that this feedback changed the nature of the intended consultation.

What we had expected from the pre-consultation commitment is to have seen the consultation documents in advance of their distribution to teachers. This would have allowed us, and the other stakeholders, to help the Teaching Council craft a consultation process that would allow genuine consultation.

We have substantial concerns, outlined below, about the nature of the consultation, that could have been addressed prior to teachers receiving these materials.

CONCERNS WITH THE CONSULTATION DOCUMENTS

- 1. They are too long and contain an unnecessary level of detail.** The full consultation document stands at 50 pages. The 20-page “summary” containing ten proposals relating to financial and legal details is unnecessarily complicated and may serve to dissuade teachers from making submissions.
- 2. The timing of the consultation is not responsive to the current situation.** Term One is generally an ill-advised time to ask teachers to undertake a meaningful consultation, indicating the Teaching Council either lacks an understanding of the nuances of the school year, or has a disregard for them. Sticking to this timeframe as it became apparent that it would coincide with the peak of the COVID-19 omicron wave indicates further that the Teaching Council has little concern as to whether teachers are able to take part in this consultation. This is a time when teachers are sick, their families are sick, and their students are sick, and those who are not sick are trying to keep schools up and running. PPTA wrote to the Teaching Council to ask it to extend the consultation period, in the hope that this would allow more teachers the opportunity to take part after the crisis had lessened. The Teaching Council declined, stating the need to stick to the timeframe or it would run out of money. There does not seem to have been any attempt to appeal to the Minister of Education (who is also the Minister for COVID-19) for interim funding to allow this consultation to take place after teachers, and the nation, had moved past a health crisis.
- 3. The Teaching Council’s proposed charge to teachers of \$472.21 is almost the same as the amount proposed in the 2020 consultation decision overturned by the judicial review in 2021.** In 2020, the Teaching Council consultation gave teachers the choice between a fee of \$470 or \$500 for a three-year renewal of a practising certificate. The decision it released following the consultation was for \$157 for one year, which equates to \$471 for three years. The judicial review overturned these decisions, leading us to this renewed consultation. Again, the proposed fee sits at roughly the same mark: \$472.20. The quantum appears to be fixed.

The Teaching Council believes it has provided full detail of its actual costs in order to justify that this is a reasonable charge. If that is the definition of reasonable, what is it that teachers could say in this consultation round that would change the outcome of the consultation? A fee that is less than this may not be enough for the Teaching Council to continue to operate in the way that it has or wishes to. It may feel that with less money it may not be able to fulfil its statutory functions in the manner that it currently is. Be that as it may, these are not teachers’

problems. These are problems for the Teaching Council and the Minister of Education to resolve. The answer cannot be “we will charge teachers more money than they can afford to undertake functions they do not wish their registration body to do, and if they don’t pay, they lose their livelihoods and careers”.

- 4. The economic benchmarking done by the Teaching Council is inaccurate.** When the consultation documents were first made available to teachers, some members with expertise in economics raised concerns about the methodology. We took their concerns to Business and Economic Research Limited (BERL) for an external opinion. They describe this document as “inexpert” and its conclusions therefore “erroneous”. Amongst these concerns were:
- Use of the Consumer Price Index (which is for households) instead of the Producer Prices Index used by other analogous organisations
 - Use of an unknown “wages index” to calculate wage increases (or insufficient referencing of a recognised index)
 - This “wages index” puts wage inflation at 40.4%, almost double the Labour Cost Index (again used by similar organisations) figure of 19.2%
 - Inaccurate ratio of salaries and wages costs in comparison with other costs
 - Using the correct inflation indices, the inflation costs of the Teaching Council sit at 19.2%, significantly less than the 33%.

PPTA acknowledges that at the time this submission was made, the Teaching Council had agreed to seek further advice about its economic indices and that this process had begun.

- 5. Elements of the consultation document are misleading and are not in good faith.** BERL noted an example of this, which we had raised repeatedly with the Teaching Council during the consultation, as being Table 4 on page 28. It shows the current equivalent annual cost of renewing a practising certificate for teaching, compared with the same cost in a selection of other professions. However, it should really show the cost of the proposed fee and levy, not the current cost. BERL also noted that the table raises unanswered, relevant questions. When comparing certification costs in teaching with certification costs in other professions, who pays the cost? Is it the employer or the employee?
- 6. Reliance on the Deloitte report to prove “actual and reasonable” costs is misleading for teachers.** Quite apart from the fact that this adds to the length and complexity of information presented to teachers, it also seeks to add a level of certainty around the Teaching Council’s costs that does not exist. As pointed out by PPTA’s legal counsel, this report provides “negative assurance only” in that within the limited scope of its investigation, it did not find any evidence of “unreasonableness”. It is also deficient in its ability to help teachers make an informed submission, in that it does not address the fees and levy apparent in the ten proposals on which the Teaching Council is seeking submissions.

PPTA’S SUBMISSION ON PROPOSALS 1, 6 AND 9

Proposal 1: Set fees and the levy for teachers and holders of LATs (as set out in Tables 1 and 8), to cover the Council’s actual and reasonable operating costs.

PPTA members support the existence of a teacher registration body and understand that the law allows the Council to set fees and levies.

PPTA also understands that the Teaching Council has not raised its fees since 2010, and that therefore an increase can be expected.

However, we consider the increases proposed to be unreasonably large. We believe a reasonable fee would be a 19.2% increase based on the inflation indices given by BERL. This would be an increase from \$220.80 to \$263.20 for the renewal of a Category One certificate. The other fees and the levy should also be increased by 19.2% respectively.

The expansion of Teaching Council activities and therefore associated costs has been consistently opposed by teachers. If the law mandates that these activities are done, they must be done within the constraints of the Teaching Council's income, or further funding must be provided by the Minister of Education.

One area where PPTA and the Teaching Council agree that there was a significant increase in cost during this ten-year period is the changes in reporting mandates that saw a large increase in the number of conduct cases reaching the level of the Disciplinary Tribunal. The law has since been amended to reduce mandatory reporting criteria, which should see a decrease in costs. This expected decrease in costs in this area is nowhere to be seen in the Teaching Council's consultation document.

Proposal 6: Continue to fund the cost of establishing standards for initial teacher education (ITE) qualifications and approving ITE programmes collectively from all teachers and holders of LATs with ITE providers contributing towards approval, review and monitoring of their programmes.

Having followed up with the Teaching Council in further depth into the costs associated with ITE monitoring, we find that a very small amount is recovered from ITE providers. Only those costs directly related to the review panels are charged to the ITE provider. The Teaching Council expressed reluctance to increase the percentage of these costs covered by providers, as it is likely to be passed on to students. While we agree that this is not desirable, what this means is that instead of passing it on to students, it is passed on to teachers. This is not reasonable. It is a problem for the Teaching Council, the ITE providers, and the Minister of Education to solve, not simply to be put on the teachers' fees.

Proposal 9: Fix fees and the levy for a three-year period, with an allowance for expected inflation over the period.

PPTA opposes this strongly. Fees and levies should be fixed until such time as further consultation is undertaken. There must be no automatic increase tied to expected inflation. Both of these measures allow for continued increases in fees that teachers have no control over.

Teachers are unable to claim continuous pay rises linked to expected inflation, because the government has to be able to budget for its costs. It cannot budget for an increase in teacher salaries of an unknown quantity. Neither should teachers be expected to budget for a continual increase in fees and levies of unknown quantity.