

Irene King
Chief Executive
Aviation Industry Association of New Zealand
PO Box 2096
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Ref A556626

Dear Irene

TEC review of funding for pilot training

In recent weeks you may have heard that the TEC was working on the terms of reference for a Review of funding for pilot training (the Review). We have recently finalised the scope of work for the Review and I am writing to let you know what the Review is about and who is undertaking the work.

The Review has three work streams all of which are scheduled for completion by 9 July 2010. Each work stream is designed to provide the TEC with information to assist its decision making about funding for pilot training.

The first work stream is examining the efficiency and effectiveness of existing funding for pilot training and is being undertaken by LECG on the TEC's behalf. The TEC has asked LECG for advice about the training and employment outcomes associated with pilot training, value for money analysis and data about the demand and supply of commercial pilots in New Zealand.

The second work stream focuses on the subcontracting arrangements for flight training between a sample of ITPs and their subcontracted providers and is being undertaken by Ernst Young. The information that is being gathered as part of this will enable the TEC to better understand how funding is being used.

The final work stream involves consultation with a small number of organisations and individuals with an interest in pilot training in New Zealand including the Aviation Industry Association, Air New Zealand and some ITPs and flight training organisations.

The consultation stream of the Review is being undertaken by Janet Molyneux Consulting on the TEC's behalf and is based around a series of focus questions.

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The focus questions are:

- What level and form of support for pilot training do you believe should be funded by government and what costs should be met by students
- How do you think funding for pilot training should be allocated and what types of providers should receive funding
- What do you think the effect of any change in funding levels from government would be
- How can the effectiveness of government funding for pilot training be increased
- What can be done to improve training and employment pathways for commercial pilots
- What do you think about current selection methods for enrolling students in funded pilot training
- If you think there are differences in the type of training, and level of support, that students receive as part of training for a CPL and PPL in different subsectors
- What you would like to see from the Review
- Any other matters you want to bring to the TEC's attention that you think should be taken into account.

Janet will be in contact in the next couple of days to make arrangements to talk. If you would like to talk to her before that her contact details are:

Janet Molyneux Consulting
7 Argyle Avenue
Palmerston North
4410

Email: janetmolyneux@xtra.co.nz
Contact number 027 6814898

Some aspects of the Review are similar to parts of New Zealand Trade and Enterprise's recent work analysing the size and value of the aviation industry, and the Aviation, Travel and Tourism Training's Organisation's Aviation Strategic Training Plan and Map of Provision. The TEC has commissioned a separate review to ensure an independent source of advice in the time available.

If you have any general questions about the Review please contact Craig Press.

Craig's contact details are:

Craig Press
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DDI 04 462 5324

Yours sincerely

Murray Johnson
Group Manager ITP and Wānanga Investment