

Training and Skills Commission Submission to NCVER Review of *Survey of Employer Use and Views of the VET System*

Thank you for the opportunity to provide comment on the issues raised in the discussion paper *Review of the Survey of Employer Use and Views of the VET System*.

The Training and Skills Commission is an independent advisory body to the South Australian Government on skills and workforce development priorities. In 2009 the Commission released its first *Five year plan for skills and workforce development*. The plan made recommendations for fundamental changes in the State's post school education and training system, to ensure South Australia has the skills available to support future growth of the economy and sustainable employment opportunities. The plan was updated in 2010 to reflect changing economic conditions and consultation with stakeholders regarding the proposed policy reforms.

The majority of the Commission's recommendations have been incorporated into the South Australian Government's *Skills for All* policy reform agenda, which was released in February 2011. The major reforms being introduced in South Australia include:

- South Australians will be eligible for a government funded training subsidy to meet their training needs, with the level of funding varying depending on the qualification.
- Individuals with prior qualifications will be eligible for subsidies to gain a skill set recognised by industry.
- Training providers will need to go through a quality approval process to become a *Skills for All* provider, and students will be able to choose their provider from the approved list.
- Caps and incentives on enrolment numbers will be used to ensure that student demand is in line with industry need.
- Accurate, up to date information about career and training options will be made available to support informed decision making by clients of the system.
- A focus on the development of foundation skills to support VET pathways.
- Learning support services will be available to help students facing disadvantage to succeed in training and complete a qualification.
- The purchaser and provider functions within DFEST will be separated through the formation of an Office of TAFE SA.
- A requirement for industry to increase its participation and co-investment in training and workforce development.
- Funding of endorsed workforce development advisors to assist enterprises and industry clusters with workforce development.

The Commission is now in the process of monitoring progress against its recommendations to Government and is working with the Department of Further Education, Employment, Science and Technology (DFEST) to implement the *Skills for All* reforms. Data and analysis from NCVER surveys and research is critical in developing the evidence base to support policy reform, as well as the measurement of progress against these reforms.

The Commission's plans are available at: www.tasc.sa.gov.au

The *Skills for All* policy is available at: www.dfeest.sa.gov.au/skillsforall

The Commission's submission is attached.

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FEEDBACK FORM

Review of the Survey of Employer Use and Views of the VET System

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Publication permission

Please note that all responses will be consolidated and made available on the NCVET website unless advised otherwise. Responses will only be identified by organisation. Do you give permission for this submission to be made publically available?

- Yes, including my organisation
- Yes, but not identifying my organisation
- No, this submission is not to be made publically available

Feedback relating to issues in the discussion paper

1. Purpose of the survey

1.1 From a policy perspective, interest will remain in collecting information on employers' engagement and satisfaction with the VET system. Are there any other areas of employers' interaction with the VET system that are of interest from a policy/research perspective?

The South Australian Training and Skills Commission (TaSC) is of the view that the effective **use of skills** in the workplace is as important as the acquisition of those skills. The TaSC's Five Year Plan includes strategies and recommendations to improve levels of skills utilisation in South Australia and many of these have been adopted in the SA Government's *Skills for All* policy reforms. TaSC has adopted a key performance measure relating to *skills utilisation* and will be monitoring trends in published estimates. Reporting on this measure requires data from the SEUV re the current skill level of employees relative to the needs of the organisation.

As the regulator of VET in South Australia, TaSC has a commitment to addressing **quality** issues in the sector. Employers' views on the quality of the system are an important indicator in determining overall levels of quality and identifying quality issues. With the move to national regulation of the VET sector, it will be important to continue to collect data through the SEUV on employers' views of quality, which can be analysed alongside other measures of quality, for example the AQTF quality indicators. TaSC has adopted a key performance measure relating to *quality* and will be measuring trends in published estimates. Under the South Australian *Skills for All* policy reforms registered training providers will need to undergo a quality approval process to access public training funds. It will be important to measure trends in employers' views of the quality of training delivered in South Australia to assess the effectiveness of the policy reforms.

1.2 What information does your organisation need to better understand the relationship between employers and the VET system?

The following types of information are needed for the TaSC to develop its policy advice to the SA Government:

- How employers determine their workforce development needs (including training) and whether this process is linked with their business planning
- How employers access information about training options and the quality of providers
- Employers' investment in training (time and financial)
- The role of VET relative to other sectors in meeting employers' skill development needs eg the schooling sector, Adult Community Education and higher education
- Employers' views of the quality of VET professionals and the equipment/facilities used to deliver and assess training
- Employers views on Recognition of Prior Learning (RPL)
- Other approaches used by employers to meet skill needs eg 'poaching' workers, retention strategies - and the link between use of training and difficulty in recruiting staff

- Reasons for difficulty in recruiting staff.

2. Data items currently collected in the survey

2.1 What information do you use from the survey (if any)?

Currently the main data item used from the SEUV is the measure of skills utilisation (proportion of employers reporting that their employees have skill levels above/below what is required for the needs of the organisation).

As the TaSC continues to develop its policy advice and work with DFEEST to implement the *Skills for All* reforms, the information requirements listed above will become increasingly important.

2.2 Do you agree with the priorities we have assigned the current data items?

No, several of the data items listed in table 3 (low priority) are considered important by TaSC – see 2.4 below.

2.3 Do you agree with the data items we have ranked as high priority and are proposing to retain?

Yes

2.4 Do you agree with the data items we have ranked as low priority and are proposing to remove? If not, have you used any of this information in the past? How do you propose using this information in the future if the questions are retained?

No. In particular the TaSC considers it critical that the NCVER continues to collect data from employers re the *rating of current skill levels of employees relative to the needs of the organisation* (refer discussion above). The Commission is committed to working with government and industry to improve levels of skills utilisation in South Australia to support productivity growth and quality jobs. As discussed above, the TaSC has adopted the NCVER measure as a key performance indicator of its success in this policy area.

In providing advice to the SA Government on priorities for skills and workforce development, TaSC also requires data on *reasons for recruitment difficulties* (to determine appropriate responses) and the *importance of employing people with vocational qualifications* (to inform policy and program development aimed at increasing employers' commitment to training).

2.5 Are there any data items we have ranked as medium priority that you believe should be removed from the survey?

The Commission considers the data items of *vocational qualifications as a job requirement* and *nationally recognised training* as important in informing policy development. The data items on *apprenticeships/traineeships* could most likely be sourced from other surveys/research.

2.6 Are there any data items you consider should be added to the survey? How would you use this information?

Refer 1.2.

3. Scope and methodology

3.1 Does the current scope satisfy your needs from a policy/research perspective?

Yes, it is important that state level data is available, as well as industry breakdowns.

3.2 Do you favour a mixed mode approach for the survey (both telephone and online)?

3.3 What levels of accuracy do you require from the survey?

Data for SA for the main data items and some breakdowns by industry sector.

3.4 Would you favour a shorter survey in exchange for more accurate estimates?

Only if the data items discussed above as being important to TaSC are retained.

4. Options for 2013 onwards

4.1 What are your views on having a core set of questions (as noted in table 2 of the paper) each year with the option for including a separate module on a topic of interest?

This approach could provide useful information on topics of interest but should not be at the expense of the data items considered as important to TaSC, as identified above.

4.2 Do you have any suggestions for issues that could be included in a question module approach, either past or present?

The question module approach should be used to gather information which contributes to the measurement of the objectives, outcomes and outputs under the National Agreement for Skills and Workforce Development – as per Appendix 1 of the Discussion Paper, in particular:

- Australian industry and businesses develop, harness and utilize the skills and abilities of the workforce
- Skills are used effectively to increase labour market efficiency, productivity, innovation, and ensure increased utilisation of human capital.

As outlined in the NASWD, the progress measures for these objectives/outcomes are: *hard to fill vacancies* and the proportion of people employed at or above the level of their qualification, by field of study.

The question module approach could also be used to ask employers about their business planning and workforce planning; and where they get information about training options and providers. It would also be useful to explore in more details the reasons for difficulty in recruiting staff, and the occupations which are proving most difficult.