**NSW DET response to the NCVER Review of the Survey of Employer use and views of the VET System**

**General comments**

The NSW Department of Education and Training (DET) supports any enhancement of the scope and methodology for the Survey of Employer use and views of the VET System (SEUV).

It is recommended that NCVER further explore how the Employer Survey complements other national performance reporting activities particularly in relation to employer interaction and outcomes from the National Agreement for Skills and Workforce Development.

The main published report for this survey does not contain easily accessible reliability indicators such as confidence intervals, i.e. no easy assessment can be made of the statistical significance of any differences, especially between states and over time. These are available in detailed spreadsheets, but not in the main report.

There was a 14.4 percentage point difference between the response for small employers compared to large employers in relation to the 2009 Survey of Employer Use and Views of the VET System (small employers had a response rate of 64.4 per cent while large employers had a response rate of 78.8 per cent). There was also a wide variation in the response rate across industry groupings (from 62.7 per cent for Communication Services to 84.8 per cent for Government Administration and Defence). **Will NCVER examine this issue in relation to future surveys?**

1. **Purpose of the Survey**
	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 employer’ interaction with the VET system that are of interest from a policy/research perspective?**

There are a range of areas related to employers’ interaction with the VET system which are of additional interest for NSW. These include the following:

* ongoing communication and liaison between the employer and a Registered Training Organisation, especially in relation to the supervision of apprentices and trainees
* language, literacy and numeracy deficiencies in employers’ staff and their impact on employer ability to successfully complete VET training
* the VET sector’s ability to deliver language, literacy and numeracy training
* flexible delivery including online delivery, particularly in relation to regional and remote delivery
* employer willingness to support work-based training. This can impact on the design of programs
* the importance of full qualifications compared to more limited customised skill sets as a means to improving business success.

It is preferable for the Employer Survey to be shorter if this means that more resources can be allocated to increasing the sample size and interview schedule to improve the reliability of the survey.

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

NSW DET considers that the alignment of some of the questions in the SEUV with questions in the AQTF Employer Satisfaction Survey could assist Registered Training Organisations to benchmark performance against national data.

NSW DET is interested in how stakeholders use the results of the Employer Survey. For example, what use do Industry Skills Councils have for Employer Survey trend data? Do they use the survey information extensively at the industry level and is it considered reliable? NCVER could prepare a report on these questions.

1. **Data items currently in the survey**
	1. **What information do you use from the survey (if any)?**

The current survey provides valuable information for NSW in terms of the relevance of training for employers, industry requirements and the importance of meeting skill levels.

This information is used to benchmark TAFE NSW performance against national and state level data and to establish targets and strategies for improvement at a TAFE wide and Institute level.

NSW has also monitored these data for a number of years as part of national reporting, including past KPM reporting in the Annual National Report as well as measures used for the Report on Government Services.

* 1. **Do you agree with the priorities we have assigned the current data items?**

NSW DET would recommend rating ‘Reasons for recruitment difficulties’ as a high priority item.

It is incongruous to rate ‘whether an organisation experienced any difficulties recruiting staff in the past 12 months’ as a high priority with ‘reasons for recruitment difficulties’ as a low priority (page 8). Research published by NCVER (Smith & Oczkowski, *2009)* noted that recruitment difficulties are a key factor that influences decisions about training. The reasons behind recruitment difficulties may not be training related (for example, the industry or enterprise may have low comparative wages, there may be a poor perception of the industry, the industry may have skill shortages caused by a rapidly ageing workforce or the work may have limited career opportunities).

If the item ‘reasons for recruitment difficulties’ is deemed a low priority data item and removed, it would result in a less rich understanding of the relationship between training and associated workforce and industrial issues.

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

NSW DET agrees with the data items ranked as high priority. It is recommended that the following data items which are currently ranked as medium priority should also be ranked as high priority:

* the level of satisfaction with the quality of training from main training provider
* who conducts majority of nationally recognised training (external or internal)
* types of organisations used to conduct nationally recognised training
* types of organisations to conduct the majority of formal training for apprentices/trainees
* types of organisations used to conduct majority of unaccredited training.

To ensure consistency, once agreed, core questions should not be changed.

* 1. **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?**

NSW DET agrees with the data items currently ranked as low priority being removed from the survey, with the exception of the item referred to under 2.2.

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

Given that the survey is conducted once every two years, it may be appropriate to remove the following questions:

* expectations regarding the number of apprentices/trainees to increase, stay the same or decrease in the next 12 months
* expectations regarding nationally recognised training to increase, stay the same or decrease in the next 12 months
* expectations regarding unaccredited training to increase stay the same or decrease in the next 12 months.
	1. **Are there any data items you consider should be added to the survey? How would you use this information?**

Please refer to item 1.1 above.

At the moment the survey refers to ‘part qualifications’ but this is not linked to business success. A question around skill sets could provide information on the use of this approach to building skills and information on employer knowledge of nationally defined Training Package skills sets and RTO developed Skill Sets.

It is preferable for the Employer Survey to be shorter if it means more resources can be allocated to improving the sample size, interview schedule and reliability of the survey.

1. **Scope and methodology**
	1. **Does the current scope satisfy your needs from a policy/research perspective?**

The current scope satisfies the needs of NSW DET from a policy, research and performance reporting perspective.

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

It is recommended that the effectiveness of the online methodology be carefully scrutinised as part of the 2013 Employer Survey pilot to determine any impact on the effectiveness and reliability of the survey.

* 1. **What levels of accuracy do you require from the survey?**

There are a number of potential issues with the Survey of Employer Use and Views (SEUV). These include concerns by jurisdictions on previous findings and trends from the survey in addition to the issue of high standard errors which have the potential to make jurisdiction comparisons meaningless.

NSW requires an increased level of accuracy in using the Employer Survey outcomes for performance reporting and benchmarking purposes. The discussion paper notes that users have become increasingly concerned with the accuracy of the estimates and the ability to measure progress over time, particularly at a state and industry level. TAFE NSW is also concerned with measuring progress over time at the provider level.

The discussion paper notes that for the 2009 Employer Survey, at the industry level, there were 12 estimates of employer engagement with the VET System with relative standard errors greater than 25 per cent. In response to these concerns the NCVER has increased the number of interviews to 7,400 for the 2011 Employer Survey. NSW DET supports this increase.

It is unclear from the discussion paper if the proposed design parameters will sufficiently improve the level of accuracy for estimates at the provider or industry level. NSW recommends that NCVER consider this issue and address it in the outcomes of the discussion paper and the public meeting scheduled for mid 2011.

* 1. **Would you favour a shorter survey in exchange for more accurate estimates?**

NSW DET supports the option of a shorter survey in exchange for more accurate estimates.

1. **Options for 2013 onwards**
	1. **What are your views on having a core set of questions (as noted in table 2) each year with the option for including a separate module on a topic of interest?**

NSW DET would support having a core set of questions with the potential for a separate module on topics of interest.

Additional one off questions could be used to assess employer satisfaction with specific VET policy initiatives such as the Productivity Places Program and successive funding programs such as the Critical Skills Investment Fund. However, it would be important to distinguish factors associated with the administration of these initiatives compared to delivery issues within the Employer Survey. The two year timeframe could however limit the surveys ability to provide timely information on current policy initiatives.

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

It is recommended that the new Training Plan Model and the level of industry engagement with the Skills Councils and Training Packages could be included in a question module approach. This could be particularly useful to determine if there are various levels of engagement depending on the size and nature of the industry/enterprise.