

2019-20

ANNUAL REPORT



© National Centre for Vocational Education Research, 2020



With the exception of cover design, artwork, photographs, all logos, and any other material where copyright is owned by a third party, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia <<http://creativecommons.org/licenses/by/3.0/au>>.

This document should be attributed as NCVER 2020, *Annual report 2019–20*, NCVER, Adelaide.

Stock images sourced from Getty Images.

ISSN 1039-4842

TD/TNC 140.18

Published by NCVER, ABN 87 007 967 311

Level 5, 60 Light Square, Adelaide SA 5000

PO Box 8288 Station Arcade, Adelaide SA 5000, Australia

Phone +61 8 8230 8400 **Email** ncver@ncver.edu.au

Web <<https://www.ncver.edu.au>>

Follow us:  <<https://twitter.com/ncver>>  <<https://www.linkedin.com/company/ncver>>

CONTENTS

About NCVER	4
Chair's message	5
2019-20 highlights	7
Connecting with us	14
What we delivered	15
Governance	17
Directors' report	18
Financial reports	22
Appendices	30
Company structure	31
Published works	32
Presentations and submissions	34

ABOUT NCVER

OUR VISION

Maximise the power of data analytics integrated with research to transform national understanding of VET.

OUR MISSION

Deliver products and services that engage, inform and influence all participants in Australia's VET sector.

OUR SERVICE QUALITY STANDARDS

Effective partnerships - We are highly responsive to our stakeholders' needs through partnering with them to deliver organisational goals and objectives

Leading products and services - We contribute to policy, practice and VET system improvement through products and services that are trusted, authoritative and highly valued

Efficient practices and processes - We maximise effective information flows through adopting leading practices and technologies

Sound governance standards - We safeguard private information by upholding the highest standards of privacy, security and data integrity

High quality of work - We produce high quality, timely and relevant work using leading and contemporary techniques

Impactful communication - We communicate widely and effectively with the VET sector and our messaging is tailored to the needs of stakeholders

WHAT WE DO

The National Centre for Vocational Education Research (NCVER) is the national professional body responsible for collecting, managing, analysing and communicating research and statistics on the Australian VET sector.



CHAIR'S MESSAGE

As I write this, Australia is adapting to one of the greatest challenges to face society in recent years - the global Coronavirus pandemic. Without doubt, the VET system has and will continue to play a pivotal role supporting the economy through the crisis and into the recovery phase. This in turn has highlighted the essential role that NCVER plays in providing **high-quality and timely information** to enable governments and the training system to respond effectively to the fast-changing needs of the Australian economy.

During 2019-2020, NCVER has focussed on a range of new initiatives that establish a strong foundation to support governments' needs and those of the wider community.

NCVER realigned the **company structure** during the year. This was done to better meet the changing priorities of our stakeholders. The focus of the new structure is designed to further strengthen our capabilities. It will also facilitate greater collaboration across the business to produce high-quality research and analytical products that support Commonwealth and State and Territory government reforms. To this end, the organisation is developing a new **Strategic Plan** for 2021 – 2023 which will consolidate our important role in informing and influencing the VET system.

NCVER is leading the **VET Data Streamlining, Data Design and Governance program**. This program will deliver a new, more flexible and responsive VET Information Standard and Data Governance model. Key activities this year have focused on consulting broadly with VET sector stakeholders to better understand what information they need for the future and what challenges need to be addressed that relate to data capture and use.

Two **new surveys** were undertaken during the year; the Apprentice and Trainee Experience and Destination Survey, which provides a valuable update to the data last published in 2010; and the National VET Workforce Survey, which provides an overall estimate of the size and nature of the VET workforce, including the number of trainers and assessors employed and the qualifications they hold.

We released a new look **Total VET students and courses publication** in 2019 which features a range of innovative products including infographics and data visualisation. And we celebrated **25 years of the Longitudinal Surveys of Australian Youth** with the release of a special report that showcases the value of this long running program in aiding our understanding of youth pathways and transitions.

A number of **significant national research reports** were undertaken in consultation with jurisdictional authorities and endorsed by senior officials. These focussed on topics ranging from VET for secondary school students, apprenticeships and traineeships, recognition of prior learning (RPL), return on investment from training, skills needed by VET practitioners to train the workforce for Industry 4.0, through to the online delivery of VET qualifications.

We continue to update and improve the **National Industry Insights Report** website for the Australian Industry and Skills Committee (AISC), which brings together industry intelligence and other data to assist industry to prioritise training package development.

“The global coronavirus pandemic has highlighted the essential role that NCVER plays in providing high quality and timely information for governments and the training system to respond to the fast-changing needs of the Australian economy”

CHAIR'S MESSAGE

A major highlight of the year was the 28th annual **National Vocational Education and Training Research Conference 'No Frills'** held at TAFESA in Adelaide on 10-12 July 2019. The theme 'The Student Journey: skilling for life' reflected the importance that VET plays in the learning that people undertake throughout their entire lifetime. In addition, a range of very popular podcasts in the '**Vocational Voices**' series were released during the year on topics as diverse as online VET, the future of public providers and skills sets and their use now and in the future.

We have continued to **evolve our products and services** across the main outputs of data, research and VOCEDplus. Our overarching strategy has focused on migrating as much product as possible to digital formats accessible through the NCVER web portal. The next phase is to enhance the functionality and interactivity of our products and extend their reach across a wider range of mobile platforms.

And for the first time, in response to the Coronavirus travel restrictions, we started planning for the first fully '**online**' **No Frills conference** in July 2020.

I welcome on board our new directors, **Peter McKay**, Deputy Director-General – Strategy with the Queensland Department of Employment, Small Business and Training (DESBT) and **Suresh Rao**, Information Technology Adviser. In addition, I'd like to express my thanks to our other directors for their continuing commitment and enthusiasm for the work of NCVER. We have vigorous debates at NCVER board meetings. While the content of the debates is occasionally contentious, the manner in which they are conducted is impressive. We build on older ideas to work through to new ones for better approaches to business.

I would also like to thank **Julie Wobber** who retired as the Chair of the Audit and Risk Committee of the NCVER Board. Julie has undertaken this role with distinction since 2013 and her professionalism and guidance will be missed.

Importantly, I acknowledge the **NCVER team** for continuing to undertake their work with professionalism and commitment during these challenging times. When the inevitability of working from home loomed, the NCVER team rose immediately to the challenge. My special thanks go to MD Simon Walker for his decisive leadership during this period, and to the executive staff for versatility in setting up staff to work effectively from home. But I would especially like to mention NCVER staff who have adapted to very different working circumstances. Your productivity during these difficult times is to be commended and is much appreciated, as is your willingness to adapt, in many cases with humour. In individual work environments where children and pets are occasionally unsolicited assistants, the term 'cat'-aloguing takes on a whole new meaning for the VOCEDplus team.

It is also important to note that the responsibilities we carry out are done so under the auspices of **Skills Ministers** throughout the nation. We thank these ministers and their officials for their interest and oversight, and look forward to working with them in the years ahead to enhance the efficacy and expand the availability of training in Australia.

Ruth Shean
Chair



2019-20 HIGHLIGHTS

Engage widely and collaboratively to anticipate, understand and address national and state and territory VET information needs and priorities

During the year we transitioned from working with the Research Working Group (RWG)¹ on **research and analysis topics** for endorsement by the Skills Senior Officials Network (SSON), to working directly with the SSON, and with VET peak bodies and jurisdictions, to identify key priority areas for research and analysis and to ensure strong alignment with the VET Reform Roadmap. This involved wide consultation with officials and other stakeholders to develop topics of prime concern, and to meet the pressing needs of the Australian workforce emerging from the COVID-19 pandemic. As a result, 16 projects are underway designed to inform and influence VET policy and practice.

In July 2019 we held our 28th **National Vocational Education and Training Research Conference 'No Frills'** in Adelaide with co-sponsor TAFE SA. The theme: The Student Journey: skilling for life discussed issues around how workers must become lifelong learners to enable them to grow and evolve with their job. The conference was opened by Senator the Honourable Michaelia Cash, Federal Minister for Employment, Skills, Small and Family Business. This year was the first time Podcasts were conducted onsite featuring key presenters.

We contributed **5 submissions** to parliamentary and other inquiries to promote the role of VET and assist in the review of key areas of the VET sector. This was in addition to providing data and advice to the Productivity Commission's Review of the National Agreement on Skills and Workforce Development (NASWD).

National Skills Week was again a feature of our social media calendar. This annual event runs nationwide with the aim to celebrate and inform students and the wider public of the diversity and career pathways available through VET.



¹ The Research Working Group (RWG) was a subcommittee of the SSON advising officials on research priorities and matters in the VET sector.

Produce integrated statistics, research and analytics that provide comprehensive insights to inform and influence the VET sector

The **first reports** from several important new statistical collections and surveys were released this year. These were *Government funding of VET*, *Understanding the Australian vocational education and training workforce* and *apprentice and trainee experience and destinations*.

We released an enhanced **Total VET Activity students and courses report** which featured a larger range of innovative products suited to different user types, including new, infographics and enhanced data visualisation.

NCVER published important research which reported on the scope and profile of the national VET workforce including an estimate of the **number of trainers and assessors within the sector**. The profile of teaching qualifications held by the trainers and assessors was also reported for registered training organisations (RTOs). This will be used to assist decision makers and other VET sector stakeholders when considering changes to regulatory requirements that affect VET trainers and assessors.

We are using **data linkages** to transform the value of the Longitudinal Surveys of Australian Youth (LSAY) to both participants of the survey and the policy and research community that use the data. Linking LSAY data with other sources including NAPLAN scores, My School, VET data and higher education records enables us to improve the quality of the data, increase the richness and depth of information available, and provides an opportunity to refine the survey questions. Linked data have now been published and are available for access from the Australian Data Archive via a formal request and approval process for NAPLAN, My School and VET data. Linked data with higher education will be available in late 2020.

Over the past 25 years, the **Longitudinal Surveys of Australian Youth** (LSAY) have provided insights into the diverse pathways young Australians take and how they have changed over time. We marked this major milestone with a new report that brings together a selection of previously published work to showcase the value of this long running program, for which NCVER has managed the analytical, reporting and publishing services for LSAY since 2007.

We are developing a more sophisticated data science capability in the organisation and significant experimental work has occurred around **machine learning**. We are exploring the use of this advanced methodology to enhance our predictive analytics in our statistical publications and research reports. One current area of investigation is the development of a machine learning methodology for estimating rates of completion for apprentice and trainee contracts.

NCVER contributed research and analytical expertise to the Looking to the Future: Report of the review of Secondary Pathways into Work, Further Education and Training chaired by Professor Peter Shergold, AC. A team from NCVER reviewed existing Longitudinal Surveys of Australian Youth (LSAY) research to provide insights of relevance to the Terms of Reference and prepared a statistical appendix focused on youth pathways.



Assure the quality, integrity and transparency of our VET related products and services, instilling confidence in their use

Work continues on the **reform of the National Student Outcomes Survey**. Our vision for the future of student surveys is to transition from an overlap of cross-purpose, cross-sectional surveys to a suite of shorter, more targeted surveys that systematically capture more meaningful information across a VET student's experience. We are moving in this direction with the 2020 survey designed to report against updated key market segments and with many students receiving a shorter, more targeted questionnaire.

In 2019, we conducted the **National Apprenticeship and Trainee Experience and Destination Survey**, which was last undertaken in 2010, following the first survey in 2008. Results were published in December 2019 providing information on how well employment-based training prepares people for ongoing employment, what motivates people to undertake an apprenticeship or traineeship, which factors lead to completion and non-completion, and how satisfied employees are with both on-the-job and off-the-job training.

The 2019 **Survey of Employer Use and Views of the VET system** provided more ways for employers to have their say by offering an online option. Prior to 2019 the survey was conducted purely by telephone interviews.

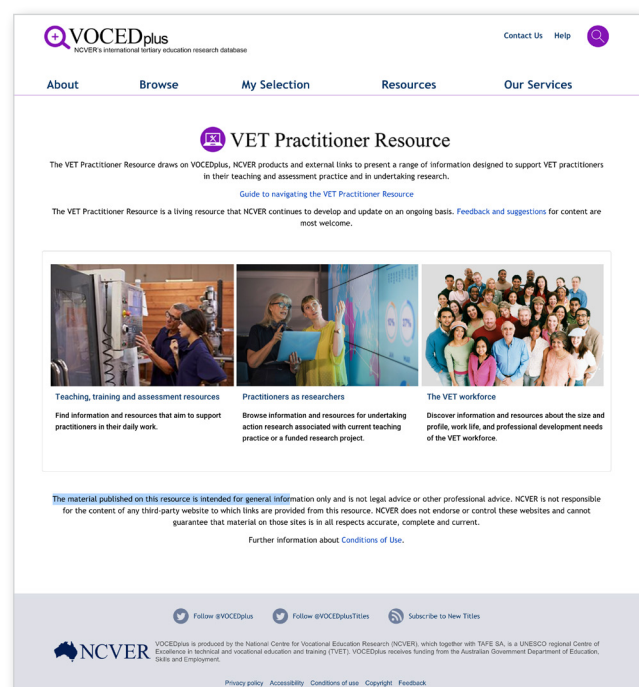
In response to the global **Coronavirus pandemic**, NCVER has stepped up its activities to better understand how this worldwide event will impact VET. Firstly, we have added several extra questions to the 2020 National Student Outcomes Survey related specifically to COVID-19. These have included introducing questions around whether student's training has been cancelled or postponed, whether they have been temporarily stood down from work or their hours have changed, whether they lost their job in this time or are looking for work due to the pandemic. We are also planning to introduce a module related to COVID-19 to the 2021 Survey of Employers Use and Views of the VET System. In addition, NCVER has commenced specific research which focuses on issues such as identifying VET's role in addressing youth unemployment following the crisis, industry innovation during and post-COVID-19 and how this will impact VET and understanding better the capacity of the VET workforce to meet the skills and workforce development needs of Australia in the pandemic.

Develop and implement ambitious, intelligent, customised and accessible VET-related products and services that are used and valued by our diverse stakeholders

Launched in July this year, the **VET Practitioner Resource** draws on the content of the VOCEDplus database, other NCVER products and external links to provide a single access point, via the VOCEDplus website, to a range of resources designed to support VET practitioners in their teaching and assessment practice and in undertaking research. The VET Practitioner Resource is organised into three sections:

- **Teaching, training and assessment:** access standards, guidance, research and good practice resources to inform daily work, and select from Australian resources with some international examples. This section is the largest and has been separated into six topic pages to make finding information easier.
- **Practitioners as researchers:** this section is for those who would like to undertake research, whether to examine an aspect of their own educational practice or to participate in a funded research project.
- **The VET workforce:** contains information about the size and profile, working life, and professional development needs of the VET workforce.

We further improved and updated the **National Industry Insights Report website** during the year on behalf of the Australian Industry Skills Committee and the Australian Government Department of Education, Skills and Employment.



2019-20 HIGHLIGHTS

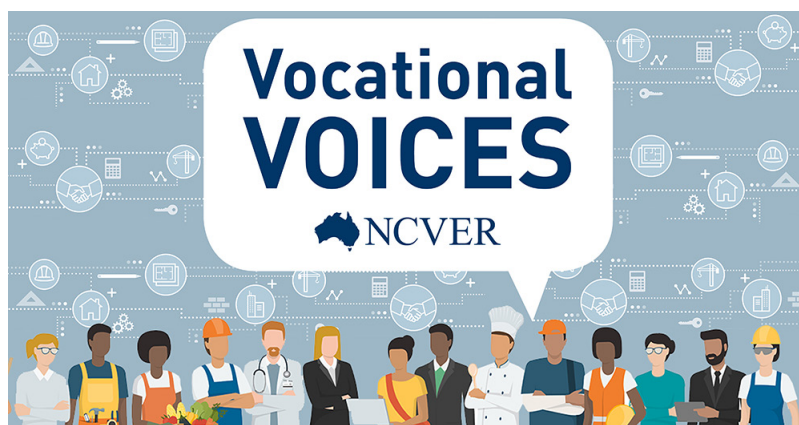
Use targeted communication channels to enhance our impact by promoting and explaining our work so that it can inform and influence the VET sector

In July this year we introduced **Vocational Voices**, the official podcast of NCVER. These 30-minute episodes feature leading experts discussing current trends in VET. In August 2019 a special 'No Frills' episode aired covering a collection of presenters from NCVER's national conference.

As a response to the social distancing requirements and travel restrictions surrounding the global Coronavirus pandemic, NCVER commenced planning for its first ever 'virtual' **National Vocational Education and Training Research**

Conference 'No Frills' conference to be held in July 2020. Using an online delivery platform, the conference will focus on the theme of 'work readiness' and the important role VET plays in preparing people for employment.

NCVER continued to transform our key **data and research products and services**. In the last year we migrated as much product as possible to digital formats through the NCVER web portal and made these accessible through mobile devices, and to further develop our **data integration and analytics platform** to provide better and more intuitive access for our many stakeholders.



Further develop our people as a highly skilled, adaptive and professional workforce, who are committed to our values and learning culture

NCVER staff were involved in:

- 23 conference and stakeholder presentations
- 36 training courses

We held a diverse and engaging **in-house seminar series** of 5 seminars. These seminars enhanced VET knowledge across the company and helped forge collaborative learning and partnership.

In October 2019, **realignment of the company structure** was finalised. The focus of the new structure will be to further strengthen our capabilities and facilitate greater collaboration across business units to facilitate the production of high quality, relevant research and analytical products.



Improve the efficiency and effectiveness of our systems and processes to underpin success and performance

In November 2019, the Skills Senior Officials Network (SSON) endorsed NCVER to lead the development of **Data Design and Governance policy options for the VET sector**, in support of the overarching VET Data Streamlining initiative. The **Data Design and Governance program** was established in early January 2020 and comprises three main projects:

- Developing a new VET information standard
- Developing technology integration and Application Programming Interface (API) governance options
- Developing a new data governance model.

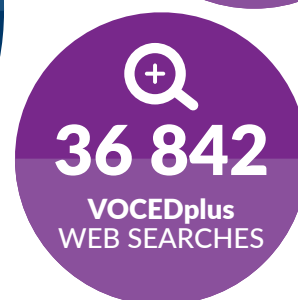
Across all three projects, NCVER is responsible for ensuring that the needs of our extensive stakeholder group are understood and reflected in the outcomes of the program of work.

A key focus of this work during the year has been on defining the new **VET Information Standard**, with input from all NCVER stakeholders, and partnering with governments to prepare the **VET Data Streamlining extended Proof of Concept (VDS ePoC)** project - a cloud-based system that enables near-real-time and event-based system-to-system data exchange to validate and collect Vocational Education and Training (VET) data to be used for multiple purposes.

Under the annual **Internal Audit Plan**, NCVER engaged a specialist privacy and information security partner to undertake a **maturity assessment** against the Australian Privacy Principles. The outcome of this assessment will inform further improvements to NCVER's processes and technologies to be delivered in 2020-2021.

NCVER also engaged a specialist external firm to determine NCVER's **identity and access management requirements**, select an appropriate technology solution and implement the solution in a staged approach commencing in the second half of 2020. Once fully implemented the identity and access management solution will enable NCVER to provide simple, secure and personalised access to NCVER products and services.

CONNECTING WITH US



WHAT WE DELIVERED



29

MEDIA
RELEASES



5

DATA VISUALISATIONS



8

INFOGRAPHICS



85 221

VOCEDplus
RECORDS



23

CONFERENCE AND
STAKEHOLDER
PRESENTATIONS



5

SUBMISSIONS



43

AVETMISS-COMPLIANT
SOFTWARE REGISTER



WHAT WE DELIVERED



266

**NO FRILLS'
ATTENDEES**



80

**EDUCATIONAL
WORKSHOP ATTENDEES**



748

**PUBLIC WEBINAR
ATTENDEES**



7700

**PODCAST
DOWNLOADS**

28th National Vocational Education and Training Research Conference 'No Frills'



Workshops:

- Australian VET returns on investment
- Digital skills
- Advancing VET pedagogy
- Exploring data from the Longitudinal Surveys of Australia Youth (LSAY)
- Understanding and using our data products and tools: region, industry and more!
- VOCEDplus: resource discovery to support practitioners

Public Webinars:

- VET for secondary school students: employment and further training destinations
- Discover more pluses! What's new in VOCEDplus (run for Velg Training)
- The dynamics of qualifications: implications for VET
- A VOCEDplus primer: focus on adult literacy and numeracy (run for Australian Council for Adult Literacy)
- Getting to know the Australian VET workforce

Season 2:

- Industry 4.0 - what does it mean for jobs and skills?
- Apprenticeship rates - should you believe the hype?
- The student journey: skilling for life
- Unaccredited training and why employers use it

Season 3:

- Training packages: meeting student needs?
- Youth pathways: from school to work and everything between
- Qualification design for the future of VET

Season 4:

- Online VET: a good course of action?
- Skill sets: their role now and into the future
- The future role of public providers
- VET's response to Industry 4.0 and the digital economy: what works

GOVERNANCE



CORPORATE STATUS

An independent, not-for-profit company limited by guarantee owned by the Australian Government, State and Territory ministers responsible for VET. Granted charitable status.



9

COMPANY MEMBERS

Company members are the Australian Government, State and Territory ministers responsible for vocational education and training.



27 NOV 2020

ANNUAL GENERAL MEETING

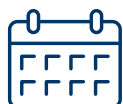
Mandatory meeting of company members to consider the annual report and the company's performance and strategy.



9

BOARD MEMBERS

- five of the Directors are nominated by the members of the company
- one of the Directors is nominated by the Australian Council of Trade Unions
- one of the Directors is nominated jointly by the Business Council of Australia and the Australian Chamber of Commerce and Industry
- one of the Directors is nominated by the Board on the recommendation of the Chair
- one of the Directors is the Managing Director of NCVER



4

BOARD MEETING DATES

18 September 2019
3 December 2019
27 March 2020
26 June 2020



5

AUDIT AND RISK COMMITTEE MEMBERS



4

AUDIT AND RISK COMMITTEE MEETING DATES

17 September 2019
2 December 2019
26 March 2020
25 June 2020



115

EMPLOYEES (HEADCOUNT)

As at 30 June 2020



\$2,079,216

NET OPERATING DEFICIT

The deficit resulted from the recognition of amortisation expenditure associated with the development of intangible assets, with related revenue recognised in prior periods.

DIRECTORS' REPORT

NCVER BOARD

A board of nine directors sets the policies and strategic direction of NCVER and oversees the management of the company. The directors submit their report with respect to the company for the year ended 30 June 2020.

COMPANY OFFICERS



Ruth Shean

*Chair, NCVER board and
Member, Audit and
Risk Committee*

FAICD, FGIA, FCIS,
FIPAAWA

Appointed January 2019



Lynne Austin

*Director, NCVER board
and Member, Audit and
Risk Committee*

MAICD, AFIML

Appointed January 2018



Ian Curry

Director, NCVER board

Appointed November 2018



Megan Kirchner

*Director, NCVER board
and Member, Audit and
Risk Committee*

GAICD, BA, EMPA

Appointed: January 2018



Simon Walker

*Director, NCVER board
and Member, Audit and
Risk Committee*

Appointed Managing Director
October 2018



Catherine White

Director, NCVER board
B.Ed, GAICD, MIML

Appointed November 2018



Nadine Williams

Director, NCVER board
BA, EMPA

Appointed November 2018



Peter McKay

Director, NCVER board

Appointed July 2019



Suresh Rao

*Director, NCVER board
and Member, Audit and
Risk Committee*

B.Sc, M.Stat, PMP (Project
Management Institute)
Appointed: July 2019



Julie Wobber

*Independent Chair,
Audit and Risk Committee*
BA, DipEd, MBA, MAICD

Resigned June 2020



Peter Brass

Company Secretary

BEC, FCPA, GAICD, CPRM
Appointed Company Secretary
February 2020

Detailed profiles on
the board of directors
are available on the
NCVER Portal

[Click here](#)

PRINCIPAL ACTIVITIES

The principal activities in which the company was engaged during the year were collecting, managing, analysing and communicating research and statistics on the Australian vocational education and training (VET) sector.

OPERATING RESULTS

The company is a not-for-profit company and is exempt from lodging income tax returns. Any monies remaining at the end of a financial year are added to the accumulated funds. The net operating deficit was \$2,079,216.

SHARES, ISSUES AND DIVIDENDS

The company does not issue any shares or debentures and does not pay dividends.

AFTER BALANCE-DATE EVENTS AND LIKELY DEVELOPMENTS

No matters and circumstances have arisen since the end of the financial year that significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in financial years subsequent to the financial year ending 30 June 2020.

ENVIRONMENTAL REGULATION

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee's role is to assist the Board of Directors to fulfil its corporate governance responsibilities in relation to financial reporting, internal control structures, privacy controls, risk management systems and audit processes. The Committee has an independent chair.

During the 2019–20 financial year, the Audit and Risk Committee focused on its obligations regarding privacy compliance, legislation updates, as well as significant emerging projects that impact on company operations and risks.

Furthermore, the Committee reviewed several internal audits, including a review of internal storage and access to identifiable data and attendance and leave management. These reviews have significantly strengthened the company's privacy and financial/HR systems and processes.

The Committee considered a range of financial matters including the company's funds management and accounting policies, budget and audit reports. The Committee has maintained its strong focus on reviewing and monitoring major risks, data quality and data releases. The Committee also continues to review privacy related matters, insurance and the company's staffing profile, including management of staff leave.

The recommendations to the Board resulting from these reviews have assisted the company to meet its statutory and prudential obligations as well as fulfil its corporate governance responsibilities.

DIRECTORS' REPORT

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Company has arranged indemnity insurance for its Directors and Officers. This coverage is included within the Association's Liability Insurance which also covers Professional Indemnity with a premium cost of \$17,437 during 2019-20 (\$16,155 during 2018-19).

DIRECTORS' BENEFITS

The Board hereby states that during the 12 months to 30 June 2020:

- a) No Director of the company, no firm of which the Director is a member or no body corporate in which a Director has a substantial financial interest, other than specified in part (b), has received or become entitled to receive a benefit as a result of a contract between the Director, firm or body corporate and the company;
- b) No Director of the company has received directly or indirectly from the company any payment or other benefit of a pecuniary value other than as shown in the accounts as received in aggregate by Directors and other than the Managing Director receiving remuneration for services provided to the company under the normal terms and conditions of employment.

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

During the year, four Board meetings and four Audit and Risk Committee meetings were held. Attendances were:

	BOARD MEETINGS (NUMBER)		AUDIT AND RISK COMMITTEE MEETINGS (NUMBER)	
	Eligible to attend	Attended	Eligible to attend	Attended
Ruth Shean	4	4	4	4
Lynne Austin	4	3	4	3
Ian Curry	4	4	-	-
Megan Kirchner	4	4	4	4
Peter McKay ¹	4	2	-	-
Suresh Rao ¹	4	4	4	4
Simon Walker	4	4	4	4
Cathy White	4	4	-	-
Nadine Williams	4	3	-	-
Julie Wobber ²	-	-	3	3

Notes: ¹ Appointed 1 July 2019

² External independent member and Chair of the Audit and Risk Committee only

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under Section 60–40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 29.

Signed in accordance with a resolution of the Directors.



Ruth Shean
Chair



Simon Walker
Managing Director

Dated at Adelaide this 25th day of September 2020

FINANCIAL REPORTS

DIRECTORS' DECLARATION

In the opinion of the Directors of National Centre for Vocational Education Research Ltd ("NCVER"), the summarised financial report comprising the Summarised Statement of Profit or Loss and Other Comprehensive Income, Summarised Statement of Financial Position, Summarised Statement of Changes in Equity, Summarised Statement of Cash Flows and the attached notes:

- a) give a true and fair view of the company's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards as discussed in Note 1; and
- b) are consistent with the full financial report of NCVER for the year ended 30 June 2020.

At the date of this statement, there are reasonable grounds to believe that company is able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Directors.



Ruth Shean
Chair



Simon Walker
Managing Director

Dated at Adelaide this 25th day of September 2020

FINANCIAL REPORTS

Summarised Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020

	2020 (\$)	2019 (\$)
REVENUE		
Conferences and workshops	116,890	131,442
Contributions from members	1,496,540	1,474,708
Contract revenue	18,558,584	18,204,385
Interest	198,960	247,186
Publications	1,482	2,188
Sundries	312,149	185,058
Total Revenue	20,684,605	20,244,967
EXPENSES		
Premise lease interest	373,052	389,214
Operating expenses	9,707,005	10,556,733
Salaries and related payments	12,683,764	11,524,390
Total Expenses	22,763,821	22,470,337
Net Operating Deficit	(2,079,216)	(2,225,370)
Net Decrease in Equity	(2,079,216)	(2,225,370)
Other Comprehensive Income		
Total Comprehensive Income for the Year	(2,079,216)	(2,225,370)
Total Comprehensive Income Attributable to Members of the Entity	(2,079,216)	(2,225,370)

Summarised Statement of Changes in Equity for the year ended 30 June 2020

	(\$)
Retained earnings at 1 July 2018	7,901,035
Net operating deficit for 2018-19	(2,225,370)
Retained earnings at 30 June 2019	5,675,665
Net operating deficit for 2019-20	(2,079,216)
Retained earnings at 30 June 2020	3,596,449
Total equity at reporting date	3,596,449

The accompanying notes form part of these financial statements.

FINANCIAL REPORTS

Summarised Statement of Financial Position as at 30 June 2020

	2020 (\$)	2019 (\$)
CURRENT ASSETS		
Cash Assets	4,624,235	4,062,828
Receivables	3,455,893	4,356,729
Investments	3,446,465	3,446,465
Prepayments	745,725	572,228
Total current assets	12,272,318	12,438,250
NON-CURRENT ASSETS		
Property, furniture and equipment	5,952,146	6,843,209
Intangible assets	846,347	2,252,964
Total non-current assets	6,798,493	9,096,173
TOTAL ASSETS	19,070,811	21,534,423
CURRENT LIABILITIES		
Payables	930,479	1,877,754
Provisions	2,228,729	2,170,513
Lease liability	378,160	344,309
Other liabilities	5,698,118	4,903,120
Total current liabilities	9,235,486	9,295,696
NON CURRENT LIABILITIES		
Provisions	316,054	262,080
Lease liability	5,922,822	6,300,982
Total non-current liabilities	6,238,876	6,563,062
TOTAL LIABILITIES	15,474,362	15,858,758
NET ASSETS	3,596,449	5,675,665
EQUITY		
Retained Earnings	3,596,449	5,675,665
TOTAL EQUITY	3,596,449	5,675,665

The accompanying notes form part of these financial statements.

FINANCIAL REPORTS

Summarised Statement of Cash Flows for the year ended 30 June 2020

	2020 Inflows (outflows) (\$)	2019 Inflows (outflows) (\$)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members, customers etc.	24,560,733	21,512,543
Payments to suppliers and employees	(23,350,030)	(20,468,222)
Interest paid	(373,052)	(389,214)
Interest received	187,391	238,366
Net cash provided by / (used in) operating activities	1,025,042	893,473
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for furniture, equipment and leased premises	(119,326)	(376,954)
Payments for computer software	-	(111,603)
Receipts from investments	-	3,050,000
Net cash provided by investing activities	(132,576)	2,572,443
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments to reduce equipment lease liability	(13,250)	(13,260)
Payments to reduce premise lease liability	(331,059)	(287,315)
Net cash used in financing activities	(344,309)	(300,575)
NET INCREASE / (DECREASE) IN CASH HELD	561,407	3,165,341
Cash at the beginning of the financial year	4,062,828	897,487
CASH AT THE END OF THE FINANCIAL YEAR	4,624,235	4,062,828

The accompanying notes form part of these financial statements.

Notes to the Summarised Financial Statements for the year ended 30 June 2020

Note 1: Basis of Preparation

The summarised financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the requirements of the Australian Charities and Not-for-profits Commission Act 2012. NCVER is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply.

The summarised financial statements and specific disclosures have been derived from NCVER's full financial report for the financial year. The summarised financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of NCVER and should be read in conjunction with the full financial report which includes all disclosures required by the relevant financial reporting framework.

The summarised financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The accounting policies used in the preparation of NCVER's full financial report have been consistently applied, unless otherwise stated and are, in the opinion of the Director's, appropriate to meet the needs of NCVER.

The presentation currency is Australian Dollars.

Note 2: Discussion and Analysis of the Financial Statements

The discussion and analysis is provided to assist members in understanding the concise financial report. Financial statements and the information contained in the concise financial report has been derived from the full 2020 Financial Report of NCVER.

Statement of Profit or Loss and Other Comprehensive Income

In 2020 revenue increased by 2.2% compared to last year and expenses increased by 1.3% resulting in a decrease in the deficit for 2020 of 6.6%. Contract income increased by 1.9% due mainly to the commencement of a new funding block resulting in increased work performed per the Annual Implementation Plans. This also resulted in an increased salary and wage expense for the year. Operating expenses decreased by 8.0% due to mainly to a reduction in the amortisation of software projects.

Statement of Financial Position

Net assets decreased by 36.6% which is attributed to a 62.4% decrease in intangible assets due to the continued amortisation and a 16.2% increase in income received in advance. Cash assets also increased by 13.8%. Receivables dropped by 13.7% due to the timing of grant income received and Prepayments increased by 30.3% due to the purchase of extended warranties on servers and other prepaid IT expenditure.

Statement of Cash Flows

Net cash flows from Operating Activities increased by 14.7% during the year. Receipts from members and other customers increased by 14.2%, however this was offset by an increase in suppliers and employee payments by 14.1%. Overall, cash increased by 13.8%. Interest received decreased by 21.4% due to a lower interest rate environment.

Note 3: Remuneration of directors

Income received or due and receivable by the directors of NCVER Ltd from the Company.

2020 (\$)	2019 (\$)
60,699	58,075

Note 4: Contingent Liabilities

There are no material contingent liabilities at year end.

Note 5: Events after Reporting Date

The directors are not aware of any significant events since the end of the reporting period.

**INDEPENDENT AUDITOR'S REPORT ON THE SUMMARISED FINANCIAL STATEMENTS
TO THE DIRECTORS OF NATIONAL CENTRE FOR VOCATIONAL EDUCATION RESEARCH LTD*****Opinion***

The summarised financial statements, which comprise the summarised statement of financial position as at 30 June 2020, the summarised statement of profit or loss and other comprehensive income, summarised statement of changes in equity and summarised statement of cash flows for the year then ended, related notes and directors' declaration are derived from the audited financial report of the National Centre for Vocational Education Research Ltd for the year ended 30 June 2020.

In our opinion, the summarised financial report derived from the audited financial report of the National Centre for Vocational Education Research Ltd for the year ended 30 June 2020 are consistent, in all material respects, with that audited financial report, on the basis described in Note 1.

Summarised Financial Statements

The summarised financial statements do not contain all the disclosures required by the Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summarised financial report, therefore, is not a substitute for reading the audited financial report of the National Centre for Vocational Education Research Ltd.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 25 September 2020.

Directors' Responsibility for the Summarised Financial Report

The Directors are responsible for the preparation of the summarised financial report on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on the summarised financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.



Nexia Edwards Marshall
Chartered Accountants

Adelaide
South Australia



Jamie Dreckow
Partner

25 September 2020

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT
2012**

In accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the board members of National Centre for Vocational Education Research Ltd.

As lead audit partner for the audit of the financial statements of National Centre for Vocational Education Research Ltd for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in respect of the audit.



Nexia Edwards Marshall
Chartered Accountants



Jamie Dreckow
Partner

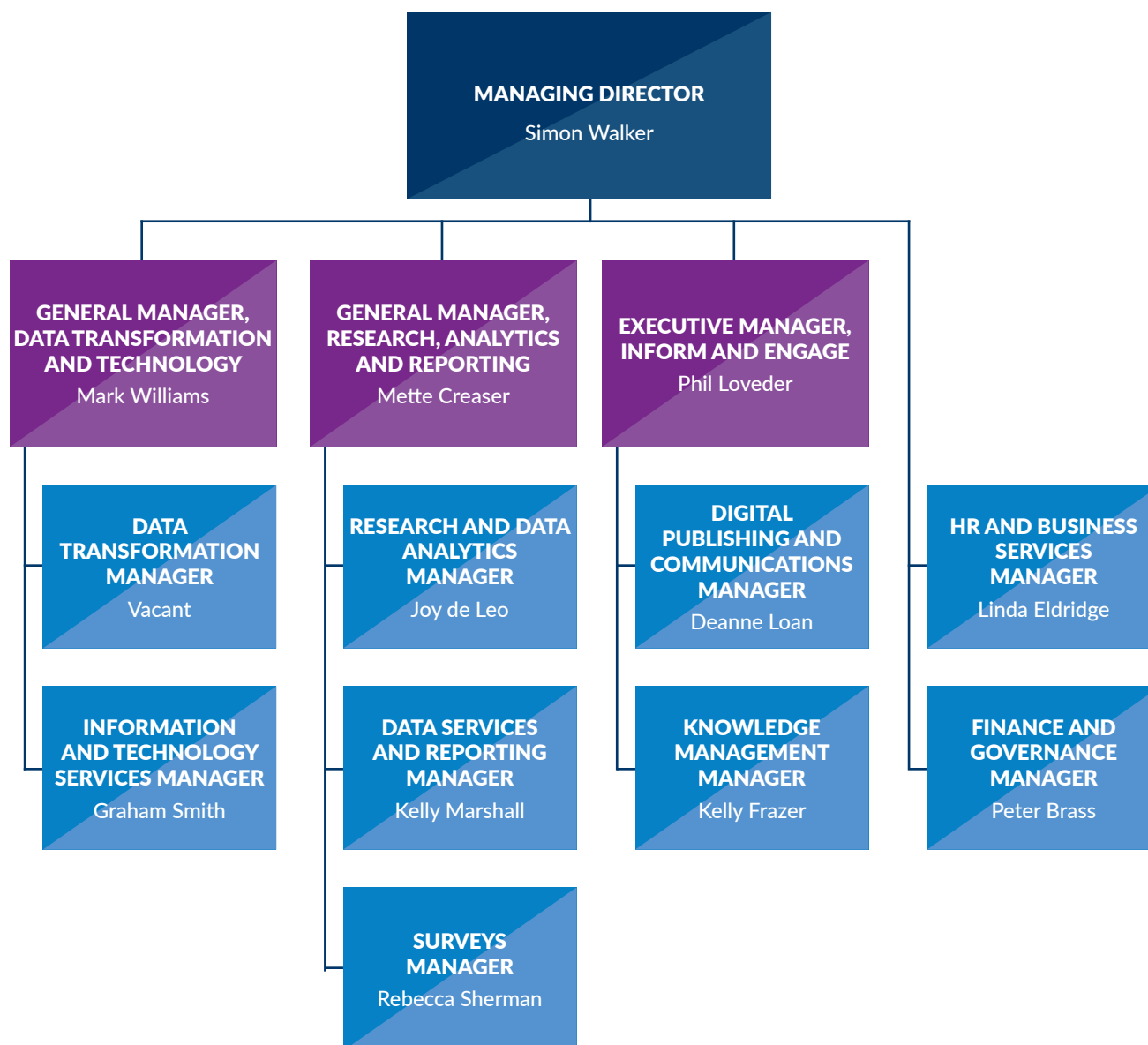
Adelaide
South Australia

25 September 2020

APPENDICES

Company structure	32
Published works	33
Presentations and submissions	35

COMPANY STRUCTURE



EXECUTIVE

Simon Walker, Managing Director

Mette Creaser, General Manager, Research, Analytics & Reporting

Mark Williams, General Manager, Data Transformation and Technology

Phil Loveder, Executive Manager, Inform and Engage

Peter Brass, Manager, Finance and Governance

Linda Eldridge, Manager, HR and Business Services

PUBLISHED WORKS

The following work was published during 2019–20.

Superseded publications can be found in the VOCEDplus database <<https://www.voced.edu.au>>.

STATISTICAL PUBLICATIONS

Apprentice and trainee experience and destinations - 2008, 2010 and 2019
Apprentice and trainee experience and destinations 2019
Apprentice and trainee experience and destinations 2019: infographic
Apprentices and trainees 2019: December quarter – Australia
Apprentices and trainees 2019: September quarter – Australia
Apprentices and trainees 2019: June quarter: Australia
Apprentices and trainees 2019: March quarter: Australia
Completion and attrition rates for apprentices and trainees 2018
Employers' use and views of the VET system 2019
Employers' use and views of the VET system 2019: infographic
Government funding of VET 2018
Government-funded students and courses – January to September 2019
Government-funded students and courses – January to June 2019
Government-funded students and courses – January to March 2019
Government-funded students and courses 2018
Historical time series of apprenticeships and traineeships in Australia: infographic
International onshore VET graduate outcomes 2019
International onshore VET graduate outcomes 2019: infographic
Total VET students and courses 2018
Total VET students and courses 2018: infographic
VET in Schools 2018
VET qualification completion rates 2017
VET student outcomes 2019
VET graduate outcomes 2019: infographic
Visualising school-to-work pathways using LSAY: infographic

RESEARCH PUBLICATIONS

Are skill sets booming? An analysis of training package skill sets
Completion rates for group training organisations and direct employers: how do they compare?
Do course durations matter to training quality and outcomes?
Exploring the recognition of prior learning in Australian VET
Incorporating digital skills into VET delivery: good practice guide
Initial and continuing VET in Australia: clarifying definitions and applications
Online delivery of VET qualifications: current use and outcomes
School-to-work pathways
Teaching digital skills: implications for VET educators - good practice guide
The dynamics of qualifications: implications for VET
The student journey: skilling for life
Traditional trade apprenticeships: learnings from the field
Traditional trade apprenticeships: training activity, employer incentives and international practice
Understanding the Australian vocational education and training workforce
Understanding the return on investment from TVET: a practical guide
Visualising school-to-work pathways using LSAY: infographic

CORPORATE PUBLICATIONS

NCVER annual report 2018-19
Research messages 2019

LONGITUDINAL SURVEY OF AUSTRALIAN YOUTH

Generation Z: leaving school
Life at 24: then and now
25 years of LSAY: Research from the Longitudinal Surveys of Australian Youth
25 years of LSAY: infographic
Y09 wave 11 data release



PRESENTATIONS AND SUBMISSIONS

Date	Presenter	Title	Event	Location
10-12 July 2019	Knight G, O'Dwyer L, Loveder P	Australian VET returns on investment	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Semo R, Gu O	Exploring data from the Longitudinal Surveys of Australian Youth (LSAY)	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Cavallaro T, Fischer D	Understanding and using our data products and tools: region, industry and more!	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Polvere R, Frazer K	VOCEDplus: resource discovery to support practitioners	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Forrest C	Insights from 20 years of the Longitudinal Surveys of Australian Youth	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	White I	Unaccredited training: why employers use it and does it meet their skill needs?	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	O'Dwyer L	Provision of foundation skills by community education providers in regional Australia - what does it look like and does it help get people into VET?	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Chew E	School to work transitions of youth in Australia: a sequence analysis approach using the Longitudinal Surveys of Australian Youth (LSAY)	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
10-12 July 2019	Stanwick J	Are skill sets booming? Use and utility of skill sets	28th National Vocational Education Research Conference 'No Frills'	Adelaide, South Australia
22-23 August 2019	Cavallaro T	NCVER Data as a Planning Tool	ACPET Conference	Surfers Paradise, Queensland

PRESENTATIONS AND SUBMISSIONS

Date	Presenter	Title	Event	Location
4 September 2019	Loveder P	Understanding the future skills needs of the tourism, travel and hospitality services industry	ATCC/AFTA annual national skills conference	Sydney, New South Wales
24 September 2019	Walker S	Transforming understanding of the Australian VET System	VELG National VET Conference	Brisbane, Queensland
14-19 October 2019	Creaser M	International cooperation on VET research – a debate on VET Skills development priorities	European Skills Commission - 2019 European Vocational Skills Week	Helsinki, Finland
17-19 October 2019	Loveder P	The importance of matching skills and jobs through understanding the supply and demand equation and the role of VET in preparing people for jobs of the future.	21st Anniversary Conference of the Korean Research Institute for Vocational Education and Training (KRIVET)	Seoul, South Korea
7 November 2019	O'Dwyer L	Foundation Skills Provision by CEPs in Regional Australia	AMEP/SEE Forum 2019 Skills for a Better Future	Sydney, New South Wales
18 November 2019	O'Dwyer L	Foundation skills provision by community education providers in regional Australia	2019 Community Colleges Australia Annual Conference	Brisbane, Queensland
2 December 2019	Forrest C	Should school students combine school and work, and other answers from the Longitudinal Survey of Australian Youth	Australian National University: Beyond Year 12 Conference	Canberra, Australian Capital Territory
9 December 2019	Osborne K	Disadvantaged learners in VET; relevant findings from NCVER research	Australian Council of Deans of Education Vocational Education Group 2019 Conference	Wagga Wagga, New South Wales
18 February 2020	Griffin T	Online delivery of VET qualifications	TAFE NSW Digital Forum:	Adelaide, South Australia

PRESENTATIONS AND SUBMISSIONS

STAKEHOLDER PRESENTATIONS

Date	Presenter	Title	Event	Location
4-5 July 2019	Semo R	Lessons learnt from the Longitudinal Surveys of Australian Youth (LSAY)	ACSPRI Applied Longitudinal Data Course and UQ Business School seminar series	Adelaide, South Australia
18 December 2019	Griffin T, Loveder, P	Online Delivery of VET Qualifications - Current Use and Outcomes	BAPPENAS and Australian Government: The Future of Digital and Distance Learning in Indonesia	Adelaide, South Australia
30-31 January 2020	Loveder P	Australia's approach to measuring VET sector performance and identifying specific measures around the effectiveness of modern Apprenticeships	Federal Institute for Vocational Education and Training	Adelaide, South Australia
6 April 2020	Loveder, P	Australia's use of Artificial Intelligence in VET: A case study	JET Education Services virtual conference on the extent and nature of Artificial Intelligence (AI) take-up in Vocational Education and Training: Benefits and Consequences.	Adelaide, South Australia

SUBMISSIONS

Date	Inquiry or Review
19 July 2019	Vocational pathways to employment: A review of VET for school students Submitted to the South Australian VET for Secondary School Students Public Consultation
31 July 2019	Inquiry into sustainable employment for disadvantaged jobseekers Submitted to the Victorian Legislative Assembly Economy and Infrastructure Committee's Review
8 August 2019	High-level consultation on proposed APEC Women in STEM principles Hearing held with the Department of Industry, Innovation and Science review into Women and STEM
6 September 2019	Jobs for the Future in Regional Areas Submitted to the Senate Select Committee into Jobs for the Future in Regional Areas
5 June 2020	Skills for Victoria's Growing Economy Issues Paper: Submitted to the Skills for Victoria Independent Review



National Centre for Vocational Education Research Ltd

Level 5, 60 Light Square, Adelaide SA 5000, Australia

PO Box 8288 Station Arcade, Adelaide SA 5000, Australia

Phone +61 8 8230 8400 **Email** ncver@ncver.edu.au **Web** <https://www.ncver.edu.au>

Follow us:  <https://twitter.com/ncver>  <https://www.linkedin.com/company/ncver>