



Employers' use and views of the VET system 2019: technical notes

NCVER

This document was produced as an added resource for the report *Employers' use and views of the VET system 2019* for further information. The report is available on NCVER's Portal:
< <https://www.ncver.edu.au/research-and-statistics/collections/employers-use-and-views-of-the-vet-system> >

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Introduction

This document provides information about the 2019 Survey of Employers' Use and Views of the VET System, including how data are reported. The survey collects information on the various ways employers meet their skill needs. This may include hiring staff with vocational qualifications, employing apprentices and trainees, or providing staff with nationally recognised and unaccredited training. The survey focuses on employer engagement and satisfaction with the VET system. The results relate to employers' training experiences in the 12 months preceding their interview.

The 2019 survey was conducted using both online and computer assisted telephone interviewing between February and June 2019. The Wallis Consulting Group conducted the interviews on behalf of the National Centre for Vocational Education Research (NCVER). A total of 7007 interviews were conducted, with CATI interviews averaging 11.4 minutes in length and online interviews 9.9 minutes in length.

Background

The Survey of Employers' Use and Views of the VET System has been in its current form since 2005. In 2011, NCVER undertook a review of the survey, seeking feedback from users on the future content and methodology of the survey, and developed an approach that received strong support from users. The outcomes from the review were implemented for the 2013 survey and subsequent surveys closely mirror that survey. In 2019 an online component was added to the survey that allowed respondents the choice to either complete the survey online or via a CATI interview.

In the survey all employers were asked a set of core questions of approximately five minutes in length on their engagement and satisfaction with the VET system. These employers were then split into two groups and each asked a different set of questions, approximately five minutes in length. The first group answering questions on their choice of provider, the second group providing detailed information on employee skill levels and employers' reasons for training.

To maintain the time-series, questions from previous iterations of the survey have been retained in the 2019 questionnaire and new questions developed only where needed.

More information on the review can be found at <https://www.ncver.edu.au/research-and-statistics/collections/employers-use-and-views-of-the-vet-system>. A history of the employer can be found at <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-history-of-employer-survey>.

Scope

All organisations in Australia with at least one employee are in scope of the survey. For this survey, an employee is defined as “a person working in, or operating from, this organisation including full time, part time and casual employees.” An owner/operator is not classed as an employee, regardless of whether they pay themselves a wage.

The following organisations are out of scope of the survey:

- self employed and not employing staff
- private households employing staff
- foreign diplomatic missions
- consulates in Australia
- defence force establishments
- superannuation funds.

The survey respondent was generally the manager responsible for staff training at the workplace. If there was more than one manager then the most senior manager was interviewed, and if there was no manager responsible for training, personnel, staff development or human resources, then the manager of the organisation was interviewed.

Questionnaire design

The questionnaire was designed to measure the engagement and satisfaction of employers with three key areas of the VET system, namely the requirement that employees have a vocational qualification, apprenticeships and traineeships and nationally recognised training. Data on employers' use and satisfaction with unaccredited training were also collected for comparative purposes.

On initial contact, employers were asked a series of screening questions to determine whether they were in-scope of the survey. Only those in-scope of the survey were asked to complete it.

The 2019 questionnaire is very similar to those used for the seven previous biennial surveys.

Minor changes include:

- Reasons for recruitment difficulties will now be asked of all respondents, and will move to the core data items from Stream A;
- A new question has been added to the core data items asking about the employers first port of call to discuss skill needs;
- Training strategy questions have been deleted from Stream A.

The data items collected in the 2005, 2007, 2009, 2011, 2013, 2015, 2017 and 2019 surveys are shown in Appendix A.

Reference period

Employers were asked to provide information with respect to two reference periods.

The first period was the *last 12 months*. Employers were asked to supply information on whether they had experienced any recruitment difficulties, whether they had employees who required vocational qualifications as a job requirement, whether they had used apprentices or trainees and whether they had provided or arranged any nationally recognised training or unaccredited training.

The second period was the *last pay period*. Employers were asked to supply the total number of employees working in or operating from the organisation that received pay in the last pay period.

Survey methodology

Sample design and frame

Since 2005, the Australian Bureau of Statistics (ABS) Business Register has been used as the sampling frame for the survey. The ABS maintains a register of businesses and other organisations such as government departments and non-profit organisations operating in Australia (ABS, 2013). The source of information for the majority of businesses on the ABS Business Register is the Australian Business Register (ABR), which is a comprehensive register of information provided by businesses and other entities when they register for an Australian business number (ABN) with the Australian Taxation Office. It is maintained by the Australian Taxation Office.

The vast majority of organisations included on the ABS Business Register have simple structures. For these organisations, an Australian Business Number (ABN) equates to one statistical unit. For a relatively small number of organisations, the ABN does not provide a suitable statistical unit. These organisations are usually large, with complex and varied operations. For these units, a type of activity unit (TAU) equates to one business. The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an enterprise group that can report production and employment data for similar economic activities. TAUs may have operations in one or more states/territories.

Organisations may operate in more than one state or territory. In the 2019 survey, as for the surveys since 2011, employers were selected based on the location of their head office. This approach was adopted for the first time in 2011 following a change to the structure of the ABR. In the 2005, 2007 and 2009 surveys, each state in which a business operated stood a chance of selection.

The survey sample is drawn from the population of organisations in-scope of the survey from the September snapshot of the ABS Business Register. Organisations in-scope of the survey were randomly selected and stratified by:

- state (each of the 8 states and territories)
- industry (19 ANZSIC divisions)
- employer size (small = 1-9 employees, medium = 10-99 employees, large = 100 or more employees).

The ABS designed and selected the survey sample to include only in-scope organisations; that is organisations in Australia with one or more employees. The 2019 survey sample was designed to maximise overlap with respondents to the 2017 survey. About 59% of employers who responded to the 2017 survey were selected to participate in the 2019 survey. This was done to increase the precision in estimates of change over time. The sample overlap reduces the likelihood of any changes over time being due to different employers being surveyed, and where changes have occurred, allows us to more confidently report these as real changes. It was also hoped increasing the sample overlap with previous respondents to the survey would increase response rates.

To reduce the number of non-employing organisations selected in the sample frame, units with an active Income Tax Withholding (ITW) role who had not reported wages and salaries on their Business Activity Statement return for at least five consecutive quarters were excluded from the sample.

The ABS designed the 2019 sample to achieve the accuracy levels shown in table 1 for seven key survey indicators (table 2). The ABS advised that these levels of accuracy could be achieved by interviewing approximately 9044 employers from a list of 43 000 businesses supplied from the ABS Business Register.

Table 1 Desired accuracy levels of key indicators from the 2019 survey

Level	Desired standard errors (SEs) on estimates of proportions
Australia	0.010
State	0.025
Industry (ANZSIC 06)	0.050
Employer size group	0.015

Table 2 Key survey indicators used in the design of the 2019 sample

Key survey indicator
Engagement with vocational education and training system
Engagement with formal vocational qualifications
Engagement with apprenticeships/traineeships
Engagement with nationally recognised training
Satisfaction with formal vocational qualifications
Satisfaction with apprenticeships/traineeships
Satisfaction with nationally recognised training

Fieldwork

Fieldwork was conducted in two phases. All employers were sent a personalised letter and brochure approximately two weeks before initial telephone contact to allow enough time for the letter to reach the appropriate person. A copy of the letter and brochure can be found at <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-2019>.

The letter provided login details for the employer to complete the survey. The letter and brochure were also used to reassure potential respondents of the legitimacy of the survey, provide definitions of the terms used in the survey, and ultimately maximise the response rate. An 1800 (free call) number was also set up and details printed on the letter and brochure for respondents to call to obtain further information about the survey, make an appointment for interview, or opt out of the survey. The survey was open between February and June 2019. For telephone interviewing, a maximum of six calls were made to try and contact an organisation, find the correct person to interview, and conduct the interview. Reminder emails and SMS's were sent to encourage employers to complete the survey. In 2019 refusal conversion, which is where a respondent who initially refuses to participate is recontacted to try and gain an interview, was carried out. These interviews were carried out by more experienced interviewers.

Pro-Rating

A key objective of the survey is to obtain state level estimates. In some instances, the head office contact could only provide information for the head office combined with other state operations. In such cases, the information collected was pro-rated or imputed to obtain information for the head office location only.

Weighting

All percentages published have been derived based on stated responses. As the survey was undertaken as a sample rather than a census, responses have been weighted to population benchmarks of in-scope organisations from the ABS Business Register at the time of sampling.

An improved weighting methodology was developed for the 2013 survey, which takes account of out-of-scope and ceased businesses identified during fieldwork. This approach was used from 2015 onwards. For consistency, and to maintain the time-series, the same methodology was applied to responses to the 2005, 2007, 2009 and 2011 surveys.

To better represent the number of in-scope organisations, population benchmarks for weighting have been adjusted based on the proportions of in-scope organisations by employer size and industry. Weighting adjustment factors were calculated by deriving the proportion of in-scope organisations as a ratio of all organisations with determined scope for each combination of employer size and industry grouping. In 2019, there were three size categories and 19 industry categories giving a total of 57 groupings. Responses were then weighted to the adjusted population benchmarks using the following stratification variables:

- state (each of the 8 states and territories)

- industry (19 ANZSIC divisions)
- employer size (small = 1-9 employees, medium = 10-99 employees, large = 100 or more employees).

Weighting removes sample bias with respect to state, industry and employer size and so all survey estimates should be based on weighted counts when tabulations are produced.

Survey response

Details of the response rate achieved at the national level for the 2019 Survey of Employers' Use and Views of the VET System are shown in table 3. Response rate is calculated as the number of interviews achieved divided by the number of in-scope organisations.

Table 3 Survey response summary, all employers, 2019

Survey response	Employers	
	n	%
Employers selected	43 000	NA
Sample issued to field	36 410	NA
Total determined in-scope	10 529	100.0
Responded	7007	66.5
Did not respond	3522	33.5
Refused	2977	28.3
Relevant person not available	545	5.2

The response rates by state (table 4), employer size (table 5), and industry (table 6) are shown below.

Table 4 Survey response rates by state, all employers, 2019

State	CATI	CAWI	Total interviews n	Response rate %
	interviews	interviews		
	n	n		
New South Wales	1056	376	1432	62.0
Victoria	921	270	1191	61.1
Queensland	738	258	996	66.1
South Australia	608	229	837	69.1
Western Australia	536	201	737	69.6
Tasmania	529	172	701	75.0
Northern Territory	462	135	597	74.8
Australian Capital Territory	375	141	516	67.6
Australia	5225	1782	7007	66.5

Table 5 Survey response rates by employer size, all employers, 2019

Employer size (Number of employees)	CATI interviews	CAWI interviews	Total interviews	Response rate
	n	n	n	%
1 – 9	3548	1049	4597	63.2
10 – 99	1149	461	1610	72.2
100 +	528	272	800	78.3
Australia	5225	1782	7007	66.5

Table 6 Survey response rates by industry, all employers, 2019

Industry (ANZSIC06)	CATI interviews	CAWI interviews	Total interviews	Response rate
	n	n	n	%
Agriculture, forestry and fishing	228	68	296	76.3
Mining	111	42	153	65.1
Manufacturing	324	103	427	67.8
Electricity, gas, water and waste services	77	37	114	73.1
Construction	942	251	1193	64.9
Wholesale trade	221	56	277	60.0
Retail trade	386	137	523	67.0
Accommodation and food services	444	117	561	66.1
Transport, postal and warehousing	177	49	226	64.0
Information media and telecommunications	91	38	129	70.5
Finance and insurance services	151	60	211	64.5
Rental, hiring and real estate services	178	68	246	62.9
Professional, scientific and technical services	535	194	729	59.9
Administrative and support services	189	85	274	65.2
Public administration and safety	112	43	155	75.2
Education and training	144	77	221	88.0
Health care and social assistance	309	134	443	64.5
Arts and recreation services	143	57	200	76.6
Other services	463	166	629	70.4
Australia	5225	1782	7007	66.5

Privacy

All employers were assured of complete confidentiality. No information has or will be released in a way that will enable the identification of any individual employer or respondent. Name and address details of the employer and respondent were used only by the fieldwork contractor during the process of the initial mail out and the interview and have not and will not be given to any other persons, organisations or departments. The fieldwork contractor worked with a small number of external service providers to administer the survey. Companies providing printing and collation services were provided with the employers' contact details for the purposes of

administering the survey. Any contact details of employers and respondents held by the fieldwork contractor or their external service providers for the purpose of this survey were destroyed upon conclusion of the project.

Survey data

The 2019 survey collected information from employers about:

- Organisational characteristics (Part A)
- Recruitment difficulties (Part B)
- Skill needs and formal vocational qualifications (Part C)
- Training requirements (Part D)
- Apprenticeships and Traineeships (Part E)
- Nationally Recognised Training (Part F)
- Unaccredited training (Part G)
- Any further comments about the VET system (Part H)

For each type of training (Parts E, F, G) employers were asked:

- Reasons for providing training
- Types of training providers used
- Reasons for choosing main provider
- Satisfaction with aspects of training from the main provider
- Overall satisfaction with training
- Reasons for dissatisfaction (not Part G)

A copy of the questionnaire can be found at <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-2019>.

Additional information is available, subject to reliability and confidentiality constraints.

Appendix A lists all data that is available from the 2005, 2007, 2009, 2011, 2013, 2015, 2017 and 2019 surveys. Note that the standard industry classification (ANZSIC) changed in 2006. Data from the 2005 survey is only available using the old industry classification (ANZSIC93). Data from both the 2007 and 2009 surveys are available using both industry classifications. Data from the 2011 survey onwards are only available using the new industry classification (ANZSIC06).

Reliability of estimates

Two types of error are possible in an estimate based on a survey: sampling error and non-sampling error. Non-sampling error may occur as a result of errors in the reporting, recording or processing of data. Sampling error is a measure of the variability that occurs because a sample, rather than the entire population, responds to a survey.

Estimates from the Survey of Employers' Use and Views of the VET System are subject to sampling variability. This is because they are based on information provided by a sample rather than a population. The estimates may differ from those produced if all employers had been included and responded to the survey. The standard error is one measure of the likely difference. Standard errors enable us to calculate confidence intervals, or significance levels, for the estimates. By convention, a 95% confidence interval is applied in judging the reliability of survey estimates. That is, there are 19 chances in 20 that the estimate obtained from the sample will be within two standard errors of the true population value (i.e. the value if the whole population is surveyed).

Data tables include information on each type of training by state, industry and employer size, as well as the margin of error. The margin of error allows data users to view the amount of certainty (or error) in a reported measure sourced from information provided by a sample rather than a population. Please refer to <https://www.ncver.edu.au/research-and-statistics/collections/employers-use-and-views-of-the-vet-system>.

Data comparability

This is the eighth time the survey has been conducted in this form. Previous surveys were conducted in 2005, 2007, 2009, 2011, 2013, 2015 and 2017. The majority of data items between these earlier surveys and the 2019 survey are directly comparable. A review of the survey content and methodology was conducted in 2011. The review resulted in a number of changes to data items collected in the 2013 survey. However, a set of core data items (employer engagement and satisfaction with various aspects of the VET system and whether the employer experienced recruitment difficulties) remained the same to allow for time series comparisons across the surveys. The data items collected across the eight surveys can be found in Appendix A.

Previous employer surveys conducted in 1995, 1997, 1999 and 2001 focussed on employer satisfaction with recently hired VET graduates. Because of this difference in focus, there are no comparative data available between these earlier surveys and the 2005 and subsequent surveys. Further details regarding the history of the survey can be found at

<https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-history-of-employer-survey>.

Data item	2005	2007	2009	2011	2013			2015			2017			2019		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Expect number of apprentices/trainees to increase, stay the same, decrease in next 12 months				✓												
Occupations of apprentices/trainees in last 12 months	✓	✓														
Reasons organisation has had apprentices/trainees in last 12 months	✓	✓	✓	✓		✓			✓			✓			✓	
Method of hiring apprentices/trainees	✓	✓	✓	✓												
Reasons for using a group training organisation to hire apprentices/trainees	✓	✓	✓													
Types of organisations used to conduct formal training for apprentices/trainees	✓	✓	✓	✓			✓			✓			✓			✓
Types of organisations used to conduct MAJORITY of formal training for apprentices/trainees	✓	✓	✓	✓			✓			✓			✓			✓
Reasons for using main type of training provider	✓	✓	✓				✓			✓			✓			✓
Level of satisfaction with various aspects of training for apprentices/trainees from main provider							✓			✓			✓			✓
Overall level of satisfaction with training for apprentices/trainees from main provider										✓			✓			✓
Level of satisfaction with the quality of training from main training provider	✓	✓	✓	✓												
Importance of apprenticeships/traineeships in meeting skill needs	✓	✓	✓	✓												
Level of satisfaction with apprenticeships/traineeships in meeting skill needs	✓	✓	✓	✓	✓			✓			✓			✓		
Reasons for dissatisfaction	✓	✓	✓	✓		✓			✓			✓			✓	
Suggestions for improvements	✓															
Nationally recognised training:																
Whether organisation ever arranged or provided for employees to undertake nationally recognised	✓	✓	✓	✓	✓			✓			✓			✓		

Data item	2005	2007	2009	2011	2013			2015			2017			2019		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
training in last 12 months																
Reasons organisation does not have employees who have undertaken nationally recognised training	✓	✓	✓	✓												
Whether know where to look for information about nationally recognised training		✓	✓													
Percentage of employees provided with nationally recognised training in last 12 months	✓	✓	✓	✓	✓			✓								
Whether nationally recognised training was for full qualification or for specific subjects/modules		✓	✓													
If both, was the majority for a full qualification or for specific subjects/modules		✓	✓	✓		✓			✓			✓			✓	
Expect amount of nationally recognised training to increase, stay the same, decrease in next three years		✓	✓													
Whether amount of nationally recognised training increased, stayed the same, decreased in last 12 months				✓												
Expect amount of nationally recognised training to increase, stay the same, decrease in next 12 months				✓												
Occupations of employees provided with nationally recognised training in last 12 months	✓	✓														
Reasons organisation arranged for employees to undertake nationally recognised training	✓	✓	✓	✓		✓			✓			✓			✓	
Who conducted MAJORITY of nationally recognised training (external provider or internally)	✓	✓	✓	✓			✓			✓			✓			✓
Types of organisations used to conduct nationally recognised training	✓	✓	✓	✓			✓			✓			✓			✓
Types of organisations used to conduct MAJORITY of nationally recognised training	✓	✓	✓	✓			✓			✓			✓			✓

Data item	2005	2007	2009	2011	2013			2015			2017			2019		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Reasons for using main type of training provider	✓	✓	✓				✓			✓			✓			✓
Level of satisfaction with various aspects of nationally recognised training from main provider							✓			✓			✓			✓
Overall level of satisfaction with nationally recognised training from main provider										✓			✓			✓
Level of satisfaction with the quality of training from main training provider	✓	✓	✓	✓												
Importance of training leading to a nationally recognised qualification	✓	✓	✓	✓												
Level of satisfaction with nationally recognised training in providing employees with required skills	✓	✓	✓	✓	✓			✓			✓			✓		
Reasons for dissatisfaction	✓	✓	✓	✓		✓			✓			✓			✓	
Suggestions for improvements	✓															
Unaccredited training:																
Whether organisation ever arranged or provided for employees to undertake unaccredited training in last 12 months	✓	✓	✓	✓	✓			✓			✓			✓		
Percentage of employees provided with unaccredited training in last 12 months	✓	✓	✓	✓	✓			✓								
Expect amount of unaccredited training to increase, stay the same, decrease in next three years		✓	✓													
Whether amount of unaccredited training increased, stayed the same, decreased in last 12 months				✓												
Expect amount of unaccredited training to increase, stay the same, decrease in next 12 months				✓												
Occupations of employees provided with unaccredited training in last 12 months	✓	✓														
Reasons organisation arranged for employees to undertake unaccredited training	✓	✓	✓	✓		✓			✓			✓			✓	

