Victorian Employer Skills Survey 2021 Education and Training

The Victorian Skills Authority (VSA) asked businesses about their skills, recruitment and training needs for the Victorian Employer Skills Survey 2021.

Findings from the survey will help the Victorian government identify areas of skills demand, drive innovation across the VET sector and better plan for Victoria’s future training needs.

The VSA conducted the survey between August and December 2021. It approached 70,000 businesses and achieved a response rate of 20.5%, with coverage across all industries, business sizes and regions in the state.

*The statistics below reflect the experience of employers across the five key survey domains:*

#### Business climate | Skills | Recruitment | Training | Apprentices, trainees and work placements

## Business climate

#### **Despite the global pandemic, many employers adapted to maintain or grow their workforce. Employers had a mostly positive outlook for the year ahead.**

#### Workforce

More employers reported growing their workforce over the past 12 months (compared to the Victorian average).

**Grew**

Education and Training 20%

Vic Avg 19%

**Contracted**

Education and Training 17%

Vic Avg 19%

**Remained the same**

Education and Training 63%

Vic Avg 61%

#### Outlook

Employers in the industry were more cautious about their business outlook. More were expecting their workforce to contract or remain the same size.

**Predict growth**

Education and Training 28%

Vic Avg 33%

**Remain about the same**

Education and Training 63%

Vic Avg 56%

**Predict contraction**

Education and Training 7%

Vic Avg 5%

#### Impacts of COVID-19

More employers in the industry reported experiencing COVID-19 related skills-challenges and adopting to new ways of working.

**Skills-related challenges**

Education and Training 62%

Vic Avg 57%

**Adopted new ways of working related to COVID-19**

Education and Training 54%

Vic Avg 45%

**Staff retention challenges**

Education and Training 19%

Vic Avg 26%

## Skills

#### **COVID-19 presented the most common skill challenge in the past year. More employers are expecting skill shortages in 2022 than in 2021.**

#### Skills shortages

Around one in seven employers in the industry expect to face skills shortages in 2022. This was lowest rate amongst all industries.

**Last 12 months**

Education and Training 11%

Vic Avg 16%

**Next 12 months**

Education and Training 15%

Vic Avg 21%

#### Skills challenges

The top skills challenges reported by employers were the same across all industries. They were:

**Finding candidates with the right skills**

Education and Training 42%

Vic Avg 47%

**Adapting to the new ways of working due to COVID-19**

Education and Training 54%

Vic Avg 45%

**Finding job-ready candidates**

Education and Training 25%

Vic Avg 37%

#### Skills needs

Fewer employers in the industry reported needing workers with job-specific and job-ready skills compared to the state average.
 **Technical/job-specific skills**

Education and Training 62%

Vic Avg 73%

**The right attitude/mindset**

Education and Training 52%

Vic Avg 50%

**Job-ready skills**

Education and Training 43%

Vic Avg 47%

## Recruitment

Most employers in the industry had undertaken some recruitment activity over the past year and the majority reported experiencing challenges.

Recruitment need

More employers in the industry undertook some form of recruitment over the past 12 months, compared to the state average.

Education and Training 78%

Vic Avg 62%

Recruitment challenges

Around three in five employers reported having difficulties recruiting for particular roles. This was the lowest reported rate across all industries.

Education and Training 59%

Vic Avg 76%

Type of challenge

The most common challenges faced by employers were related to the number, experience and job-specific skills of candidates.

**Few applicants**

Education and Training 62%

Vic Avg 63%

**Candidates lacked relevant experience**

Education and Training 44%

Vic Avg 50%

**Candidates lacked relevant technical/job-specific skills**

Education and Training 41%

Vic Avg 47%

## Training

The vast majority of employers in the industry engaged in some form of staff training.

**Engagement in training**

Employers in the industry reported the highest usage of both internal and external training (57% compared to 37% state average). Fewer used internal or external training only.

**Internal training**

Education and Training 13%

Vic Avg 17%

**External training**

Education and Training 30%

Vic Avg 45%

**Satisfaction with training**

Levels of satisfaction with training were higher than the state average.

**Helped staff do their job better**

Education and Training 89%

Vic Avg 81%

**Trainers had good industry knowledge**

Education and Training 88%

Vic Avg 80%

**Training was high quality**

Education and Training 88%

Vic Avg 76%

**Training was reasonably priced**

Education and Training 82%

Vic Avg 71%

 **Skillsets**

Two-thirds of employers said they would consider a skillset (microcredential or part qualification) rather than a full qualification to upskill their staff.

Education and Training 66%

Vic Avg 61%

## Apprentices, trainees and work placements

Employers continue to make use of apprentices, trainees and work placements to assist them in filling the skills pipeline.

**Apprentices and trainees**

Employers in the industry took on more trainees and fewer apprentices than the state average. **Apprenticeship**

Education and Training 5%

Vic Avg 24%

**Traineeship**

Education and Training 21%

Vic Avg 18%

**Challenges**

Fewer employers in the industry cited lack of suitable applicants and cost as a barrier (compared to state average).

**Lack of suitable applicants/people**

Education and Training 10%

Vic Avg 20%

**There are no barriers/challenges**

Education and Training 17%

Vic Avg 17%

**Work placement students**

Employers in this industry had the highest uptake of work placement students (52% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Education and Training 81%

Vic Avg 49%

**Secondary school student as part of work experience**

Education and Training 32%

Vic Avg 41%

**Secondary school student as part of a VET qualification**

Education and Training 8%

Vic Avg 22%

**A VET student**

Education and Training 23%

Vic Avg 19%

**View the complete report here or visit** [Victorian employer skills survey | Victorian Government (www.vic.gov.au)](https://www.vic.gov.au/victorian-employer-skills-survey)