Victorian Employer Skills Survey 2021 Other Services

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

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

**Grew**

Other Services 16%

Vic Avg 19%

**Contracted**

Other Services 20%

Vic Avg 19%

**Remained the same**

Other Services 63%

Vic Avg 61%

**Don’t know**

Other Services 1%

#### Outlook

Employers in the industry were cautiously optimistic about their business outlook, with expected growth rates similar to the state average.

**Predict growth**

Other Services 32%

Vic Avg 33%

**Remain about the same**

Other Services 54%

Vic Avg 56%

**Predict contraction**

Other Services 7%

Vic Avg 5%

#### Impacts of COVID-19

COVID-19 skills-related challenges experienced by employers in the industry were similar to the Victorian average.

**Skills-related challenges**

Other Services 56%

Vic Avg 57%

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

Other Services 45%

Vic Avg 45%

**Staff retention challenges**

Other Services 26%

Vic Avg 26%

## Skills

#### **Finding candidates with the right skills presented the most common skill challenge in the past year. More employers are expecting skills shortages in 2022 than in 2021.**

#### Skills shortages

Over one in five employers in the industry expect to face skills shortages in 2022. This was higher than the state average.

**Last 12 months**

Other Services 17%

Vic Avg 16%

**Next 12 months**

Other Services 22%

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**

Other Services 51%

Vic Avg 47%

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

Other Services 45%

Vic Avg 45%

**Finding job-ready candidates**

Other Services 37%

Vic Avg 37%

#### Skills needs

More employers reported needing job-specific skills. Fewer needed workers with the right mindset or job-ready skills compared to the state average.

**Technical/job-specific skills**

Other Services 83%

Vic Avg 73%

**The right attitude/mindset**

Other Services 44%

Vic Avg 50%

**Job-ready skill**

Other Services 41%

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

Recruitment activity reported by employers in the industry were similar to the state average.

Other Services 62%

Vic Avg 62%

Recruitment challenges

Almost four in five employers reported having difficulties recruiting for particular roles. This was higher than the state average.

Other Services 78%

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**

Other Services 69%

Vic Avg 63%

**Candidates lacked relevant experience**

Other Services 46%

Vic Avg 50%

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

Other Services 56%

Vic Avg 47%

## Training

Over two-thirds of employers in the industry engaged in some form of staff training

**Engagement in training**

More employers in the industry used external training only. Fewer used internal training only or both (36% compared to 37% state average).

**Internal training**

Other Services 14%

Vic Avg 17%

**External training**

Other Services 49%

Vic Avg 45%

**Satisfaction with training**

Levels of satisfaction with training were lower than the state average for industry knowledge, quality and price.

**Helped staff do their job better**

Other Services 81%

Vic Avg 81%

**Trainers had good industry knowledge**

Other Services 78%

Vic Avg 80%

**Training was high quality**

Other Services 71%

Vic Avg 76%

**Training was reasonably priced**

Other Services 69%

Vic Avg 71%

 **Skillsets**

Just over three in five employers said they would consider a skillset (microcredential or part qualification) rather than a full qualification to upskill their staff

Other Services 61%

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**

Uptake of apprentices and trainees over the past 12 months was higher than the state average.

**Apprenticeship**

Other Services 40%

Vic Avg 24%

**Traineeship**

Other Services 19%

Vic Avg 18%

**Challenges**

More employers cited lack of suitable applicants and cost were barriers (compared to the state average).

**Lack of suitable applicants/people**

Other Services 28%

Vic Avg 20%

**There are no barriers/challenges**

Other Services 19%

Vic Avg 17%

**Cost of taking on apprentice(s)/trainee(s)**

Other Services 17%

Vic Avg 14%

**Work placement students**

More employers in the industry took on work placement students (24% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Other Services 23%

Vic Avg 49%

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

Other Services 52%

Vic Avg 41%

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

Other Services 32%

Vic Avg 22%

**A VET student**

Other Services 18%

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)