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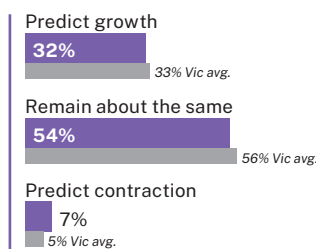
Workforce
Fewer employers reported growing their workforce over the past 12 months (compared to the state average).

Grew
19% Vic avg.
16%
20% Contracted
19% Vic avg.
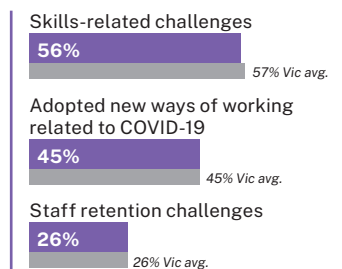Don't know
63%
Remained the same
61% Vic avg.
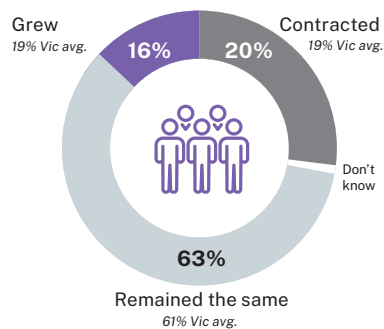
Outlook
Employers in the industry were cautiously optimistic about their business outlook, with expected growth rates similar to the state average.

Predict growth
32%
33% Vic avg.

Remain about the same
54%
56% Vic avg.

Predict contraction
7%
5% Vic avg.

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

Skills-related challenges
56%
57% Vic avg.

Adopted new ways of working related to COVID-19
45%
45% Vic avg.

Staff retention challenges
**26%**
26% Vic avg.

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.
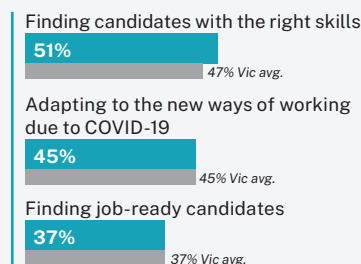
Skills shortages
Over one in five employers in the industry expect to face skills shortages in 2022. This was higher than the state average.
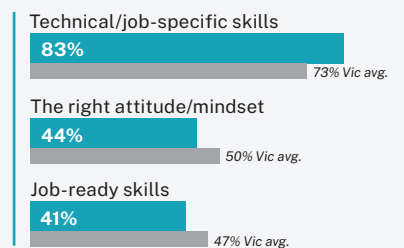
Last 12 months
17%
16% Vic avg.

Next 12 months
22%
21% Vic avg.
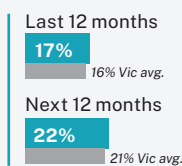
Skills challenges
The top skills challenges reported by employers were the same across all industries. They were:

Finding candidates with the right skills
51%
47% Vic avg.

Adapting to the new ways of working due to COVID-19
45%
45% Vic avg.

Finding job-ready candidates
37%
37% Vic avg.

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
83%
73% Vic avg.

The right attitude/mindset
44%
50% Vic avg.

Job-ready skills
41%
47% Vic avg.

Indicates state wide average for Victoria

Victorian Skills Authority
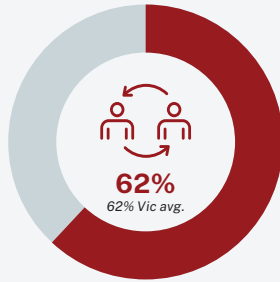
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Recruitment

Most employers in the industry had undertaken some recruitment activity over the past year and the majority reported experiencing challenges.
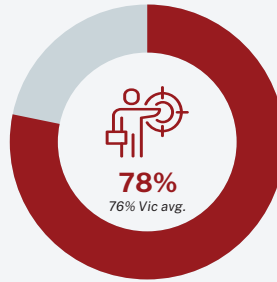
Recruitment need
Recruitment activity reported by employers in the industry were similar to the state average.
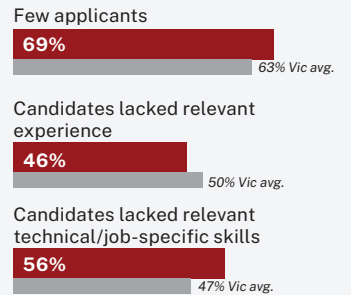
62%
62% Vic avg.

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

78%
76% Vic avg.

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

Few applicants
69%
63% Vic avg.

Candidates lacked relevant experience
46%
50% Vic avg.

Candidates lacked relevant technical/job-specific skills
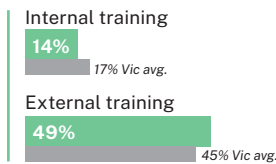**56%**
47% Vic avg.

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
14%
17% Vic avg.

External training
49%
45% Vic avg.

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
81%
81% Vic avg.

Trainers had good industry knowledge
78%
80% Vic avg.

Training was high quality
71%
76% Vic avg.

Training was reasonably priced
69%
71% Vic avg.

Skillsets
Just over three in five employers said they would consider a skillset (micro credential or part qualification) rather than a full qualification to upskill their staff.
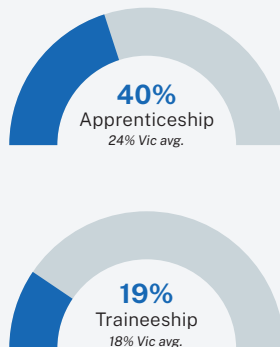
61%
61% Vic avg.
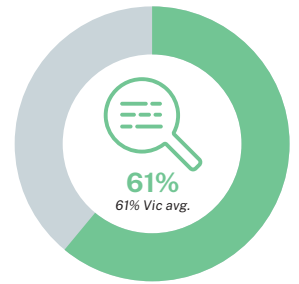
Apprentices, trainees and work placements

Employers continue to make use of apprentices, trainees and work placements to assist them in filling the skills pipeline.
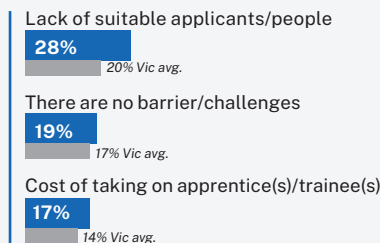
Apprentices and trainees
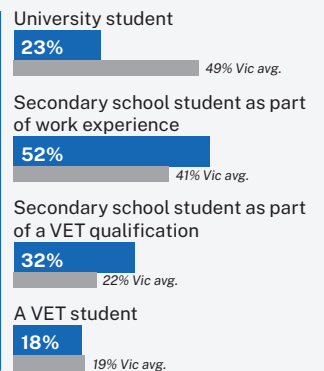Uptake of apprentices and trainees over the past 12 months was higher than the state average.

40%
Apprenticeship
24% Vic avg.

19%
Traineeship
18% Vic avg.

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

Lack of suitable applicants/people
28%
20% Vic avg.

There are no barrier/challenges
19%
17% Vic avg.

Cost of taking on apprentice(s)/trainee(s)
17%
14% Vic avg.

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
23%
49% Vic avg.

Secondary school student as part of work experience
52%
41% Vic avg.

Secondary school student as part of a VET qualification
32%
22% Vic avg.

A VET student
18%
19% Vic avg.

▪ Indicates state wide average for Victoria

Victorian Skills Authority

To view the complete report, scan here or visit
https://www.vic.gov.au/victorian-employer-skills-survey