

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: COAG Reform Council Report

REFERENCE: Written Question – Senator Nash

QUESTION No.: AI-61

Refer to Nine MSN story 'Skilled workforce increases: report' regarding COAG Reform Council report released last November on the skilled workforce target for 2020.

<http://news.ninensn.com.au/national/8372180/skilled-workforce-increases-report>

(NOTE: report unavailable on website

<http://www.coagreformcouncil.gov.au/timeframes.cfm>)

The story states the Reform Council warned the long-term trends showed the 2020 target of only 23.6 per cent of the workforce not having a minimum qualification would not be met.

a) What is the dept's response, does it agree or not?

The minister, Chris Evans, is quoted saying he was pleased skills increases had occurred in the most disadvantaged socio-economic areas.

b) Can the dept elaborate on this, what areas are they (ie. regional/rural/remote communities?)

The story states that while the amount of people gaining skills has improved, the report found the percentage of those new vocational education and training graduates who found jobs fell for the second year in a row. Just 76.3 per cent of VET graduates in 2010 were employed after their training.

c) What per cent of these came from regional, rural and remote areas?

ANSWER

a) The COAG Reform Council (CRC) report *Skills and Workforce Development 2010: Comparing performance across Australia*, is based on historical trends.

The CRC states that their trend analysis may not recognise the increased effort by governments since 2009 to improve performance as part of the Council of Australian Governments (COAG) reform agenda.

One year of reporting against the target is included in the report and the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) agrees with the CRC that it is too early to see the effects of COAG reform on the trends.

- b) The CRC used the Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA) Index of Relative Socio-economic Disadvantage (IRSD) to derive socio-economic status at the national level, disaggregated into five quintiles (from the most disadvantaged to least disadvantaged).

Based on the SEIFA IRSD, Tasmania and the Northern Territory are the most disadvantaged areas. Skills increases for the most disadvantaged quintile occurred in both areas. The number of students without qualifications at or above Certificate III, by socio-economic status based on SEIFA, in the Northern Territory fell from 60.6 per cent in 2009 to 54.5 per cent in 2010 and in Tasmania from 64.5 per cent in 2009 to 61.4 per cent in 2010.

The CRC's analysis of disadvantage is based on information disaggregated to state and territory level only.

- c) The CRC based their analysis on the National Centre for Vocational Education Research (NCVER) *Student Outcomes Survey* data, disaggregated to state and territory level. Information about the number of 2009 vocational education and training (VET) graduates employed after training disaggregated by regional, rural and remote areas is not publicly available.

However, based on the most current NCVER information on qualification completions, DIISRTE estimates that 38 per cent of all VET graduates in 2009 were from regional, rural and remote areas.

NOTE: The *Student Outcomes Survey* includes students in publicly funded and/or provided VET who completed their qualification in 2009.