

Senate Standing Committee on Education Employment and Workplace Relations

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2011-2012**

Outcome 3 - Tertiary, Skills, International and Indigenous Strategy

DEEWR Question No. EW0642_12

Senator Nash provided in writing.

Question

Productivity Places Program

"Following up on Question on Notice response from budget estimates regarding completion rates of the Productivity Places Program – http://www.aph.gov.au/Senate/committee/eet_ctte/estimates/bud_1112/answers/EW0401_12.pdf Dept states data for withdrawal rates under the Productivity Places Program National Partnership is not available but data for job seeker training places administered by the department under the Australian Government delivery component of the program is available. As at 30 June 2011, 128,560 job seekers commenced training under the Australian Government delivery component of the Productivity Places Program, of which 40,903 job seekers (31.8 per cent) have withdrawn from training. Of these withdrawals 14,728 were due to unsatisfactory completion of a qualification and 26,175 voluntarily discontinued training. Job seeker commencements delivered by the Australian Government currently contribute about 50 per cent of the total reported job seeker commencements. • Why is the data on withdrawal rates not available? Wouldn't this be useful information to have gauged the success of a program? • 40,903 job seekers (31.8 per cent) withdrew from training, 14,728 due to unsatisfactory completion of a qualification and 26,175 voluntarily discontinued training – did the dept receive any feedback from these participants particularly those who chose not to continue? • Job seeker commencements delivered by the government contribute to about 50 per cent of the total reported job seeker commencements – does the dept regards this as being value for taxpayer money? • How much was spent on the PPP program before it ceased? NOTE: these questions were not specifically asked or answered during Senator Back's questioning during SBE hearing on 20 Oct 2011 "

Answer

1. Why is the data on withdrawal rates not available? Wouldn't this be useful information to have gauged the success of a program?

Under the Productivity Places Program (PPP) reporting arrangements, states and territories are required to report on qualification commencements and course enrolments. Data for withdrawals is not requested.

The success of PPP can be measured through a number of mechanisms including the National Centre for Vocational Education Research (NCVER)'s Students and Courses data collection. The NCVER also conducted a PPP Survey to help evaluate the program in its early stages.

2. 40,903 job seekers (31.8 per cent) withdrew from PPP training - did the Department receive any feedback from these participants particularly those who chose not to continue?

Feedback from 23,692 participants who have completed training under the Australian Government administered Productivity Places Program can be found in NCVET's report on *Outcomes from the Productivity Places Program*. The NCVET's report found that 47 per cent of PPP graduates were in employment after training, compared with 43 per cent of VET graduates not employed before training. In addition 88 per cent of PPP graduates were satisfied with the overall quality of their training, compared with 90 per cent for VET graduates not employed before training.

The Department also conducts ongoing monitoring of post labour market outcomes of training activities of job seekers registered with Job Services Australia providers. The latest report published in June 2011 found that 41 per cent of job seekers were employed three months after having exited from PPP training, compared with 34 per cent employed after non-PPP training. This monitoring includes job seekers who withdrew from their training. These job seekers are asked whether the training course improved the chances of getting a job and about the quality of training; however the Department does not seek the reason for the withdrawal.

3. Job seeker commencements delivered by the government contribute to about 50 per cent of the total reported job seeker commencements – does the Department regard this as being value for taxpayer money?

The PPP was highly responsive to the short term needs that arose from the global financial crisis to support job seekers and stood down workers. The training delivered to these job seekers has resulted in good employment outcomes, including in children's services and aged care that are both high growth sectors.

The qualifications delivered under the PPP assisted job seekers directly to both re-engage them in the learning experience which led to further study and employment. This is supported by the NCVET report on PPP outcomes and the Department's Post Program Monitoring.

4. How much was spent on the PPP program before it ceased?

The Australian Government continues to deliver PPP training during 2011-12, to approximately 6,300 New Enterprise Incentive Scheme (NEIS) trainees.

As at 31 August 2011, \$433 million has been spent by the Australian Government for the PPP components administered by the Department.