

31 March 2003

Mr John Carter,
Secretary,
Senate Employment, Workplace Relations
And Education References Committee,
Parliament House
Canberra ACT 2600

Email: eet.sen@aph.gov.au

Dear Mr Carter,

Inquiry into Current and Future Skills Needs

The Dusseldorp Skills Forum is an independent, non profit association with a charter to stimulate innovative educational developments, to focus upon the importance of the workforce in the continuing development of Australia, and to reach out to the wider community to promote the formation of skills and personal effectiveness, particularly in young people.

The Forum appreciates the opportunity to contribute to this Committee's timely inquiry into Australia's current and future skills needs. While this submission traverses several of the Committee's terms of reference, it is most directly relevant to part (b): "The effectiveness of current Commonwealth, State and Territory education, training and employment policies, and programs and mechanisms for meeting current and future skills needs, and any recommended improvements".¹

The Forum would welcome the opportunity to discuss this Submission with members of the Committee. Should you require any additional information please do not hesitate to contact my colleague Eric Sidoti [Ph: 02-4782 1806].

Yours sincerely,

Kerrie Stevens,
General Manager

¹ Employment, Workplace Relations and Education References Committee, Inquiry Terms of Reference, 23.10.02

**EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION
SENATE REFERENCES COMMITTEE**

**INQUIRY INTO
CURRENT AND FUTURE SKILLS NEEDS**

**SUBMISSION BY
THE DUSSELDROP SKILLS FORUM
MARCH 2003**

INTRODUCTION

This submission falls into two parts:

1. A National Commitment to All Young People: the Foundations for Meeting Skills Needs
2. Additional Matters for Attention

1. A NATIONAL COMMITMENT TO ALL YOUNG PEOPLE: The Foundations for Meeting Skills Needs

BACKGROUND

Australia urgently needs to modernise its system of transition support for young people leaving school by bringing the disparate patchwork of existing arrangements and initiatives into a cohesive framework.

Twelve years of worthwhile learning is now the core benchmark society and governments must provide young people to ensure successful entry to active and responsible citizenship and productive work. It now acts as a minimum educational requirement, superseding the compulsory school leaving age as the most important stepping stone to economic and social independence. Gaining a Year 12 qualification through schooling is only one of the ways of achieving twelve years of worthwhile learning – vocational learning, training and decent work are also crucial pathways for young people.²

An estimated 80 per cent of young Australians are achieving this benchmark through either school or post-school VET participation.³ This compares to 84 per cent in France, 88 per cent in Canada and the USA, 91 per cent in Germany, and 94 per cent in Japan.⁴ Fifty nine per cent of Australians between the ages of 25 and 64 have achieved a senior secondary qualification compared to 67 per cent of Britons, 76 per cent of New Zealanders, 82 per cent of Canadians and 88 per cent of Americans.⁵

More than a quarter of all Australian school leavers are in situations of substantial labour market risk just five months after leaving school – i.e. unemployment, part-time work without being in study, or not in the labour force. In 2001 over 40 per cent of early leavers were in this situation.⁶ In terms of teenagers not studying who are

² ‘Decent work’ is the generic ILO term to express sustainable, productive work in conditions of freedom, equity, security and human dignity. See Report of the Director-General on Decent Work, International Labour Organization, 87th Session, June 1999, www.ilo.org.

³ Based on an average school leaving cohort in any one year of 270,000 with 50,000 not completing a Year 12 equivalent education.

⁴ OECD, *Education at a Glance 2002*, Table A1.1, Paris, 2002, p 36; JW Bowbly and K McMullen, *At a Crossroads. First Results for the 18 to 20-Year-old Cohort of the Youth in Transition Survey*, Human Resources Development Canada and Statistics Canada, 2002, p 23.

⁵ OECD, *ibid.*, Table A1.2, p 37. An estimated one in five adult Australians struggles with basic literacy, see OECD, *Literacy in an Information Age*, Paris, 2002.

⁶ Dusseldorp Skills Forum, *How Young People are Faring 2002*, Sydney, 2002.

either unemployed or not in the labour force, Australia ranks 16th out of 26 OECD countries, behind countries such as France, Germany, the Netherlands, Ireland, Scandinavia and Canada.⁷

Transition experiences do have longer-term impacts; up to a third of young Australians experience a difficult transition. By their mid twenties, seven per cent of young Australians have experienced long term unemployment while another five per cent experience mainly part time work while in the search for a full time job. For a large group – 13 per cent – full-time work is achieved, but only after an extended period (up to four years) of unemployment, part-time work or activities outside of the labour force. A further seven per cent never really enter the labour market, spending most of their time rearing children or being engaged in other activities.⁸ This group is likely to be vulnerable to dependence on welfare benefits over the long-term. Completing 12 years of worthwhile learning makes a substantial difference – early leavers have significantly less chance of securing sustainable employment over the long-term.⁹

IMPLICATIONS FOR SKILLS NEEDS

The relatively low level of educational attainment clearly impacts directly on significant numbers of young Australians, limiting their opportunities for stable economic independence in a modern economy.

The implications, however, extend well beyond the impact on individual well-being. It has direct flow-on effect for the national economy.¹⁰ It deprives us of the foundations for skills formation and development necessary to drive the further productivity growth, increased consumer base and human capital critical to delivering the next phase of economic transformation.

The impact on Government is evident in the recent assessment of the intergenerational obligations of taxpayers produced by the Treasurer. That assessment identifies a potential \$87 billion black hole in federal spending by 2041-2. An ageing population, a growing health care and income support bill, and low fertility rates are “likely to impose a higher tax burden on the next generation.”

A RECOMMENDED WAY FORWARD

The Forum – with considerable support across the business, labour and community sectors- maintains that Australia can lift active youth participation in education, training and/or employment beyond 90% by 2008.

While the challenge confronting us is significant, the Dusseldorp Skills Forum is confident that it can be met subject only to the willingness of the Commonwealth, State and Territory Governments to commit to an agreed national response and their

⁷ OECD, op.cit., Table C5.1, p 259.

⁸ S Lamb & P McKenzie, ‘Patterns of Success and Failure in the Transition from School to Work in Australia’, LSAY Research Report 18, ACER, Melbourne, 2001, p vii.

⁹ *ibid.*, p ix.

¹⁰ See, Allens Consulting, *The Cost of Dropping Out: the Economic Impact of Early School Leaving*, BCA, January 2003.

preparedness to implement such an agreement including the allocation of the necessary additional resources.

The proposal outlined below seeks to ensure that the rising generation of young people are able to make a full economic contribution to society – to participate fully in work, to be more productive in doing so, and ultimately to be less reliant on government to fund their social and health needs. Higher levels of education and skill development will be crucial in extracting the maximum participation and productivity in this task.

THE PROPOSAL

It is proposed that the Commonwealth Government commit itself to increasing the completion rate for Year 12 equivalent education from less than 80 per cent to 90 per cent over five calendar years (six financial years). The package will provide every young person with the foundation for long term participation in the labour market through the opportunity to participate in education, training or sustainable employment.

Effectively this means policy goals to encourage early leavers to stay on at school, develop alternative learning options within and alongside schools, and to support them in the world outside school in a highly competitive labour market if they choose to leave.

This will involve a package of shared Commonwealth-State support for:

- A first chance strategy to achieve a Year 12 or equivalent qualification through school or a VET based pathway such as TAFE, Adult & Community Education (ACE) or an apprenticeship
- A second chance strategy to re-engage early leavers in learning to achieve a Year 12 or equivalent qualification, generally through school or VET
- Personal advice and support for each and every early school leaver to enable them to make a successful transition
- Co-ordinated local community partnerships to maximise and better use existing resources
- Introduction of targeted labour market assistance – mainly employer subsidies, job creation and relevant training – to provide a better start in the labour market for the smaller number of young people remaining outside education or training.

The aim would be to serve one-fifth of the target population in calendar year 2004 and an additional 20 per cent of the target population in each succeeding year so that the commitment was met fully in 2008. The phased approach will allow for continuous monitoring, review and evaluation and adjustment.

RELATED MECHANISMS

Youth transition is a cross-jurisdictional issue involving schools, training providers, higher education, employers and employment assistance providers – their journeys are

on pathways that cross state and federal boundaries. A key mechanism is the development of bilateral framework agreements with state or territory governments willing to collaborate in delivering this ‘commitment to all young people’. The proposed framework agreement would specify:

- Agreed purposes
- Objectives and benchmarks
- Commitments (including funding) by the respective parties
- Recognition of the variations between states in approaches to legislation, learning options and the development of community partnerships
- Duration – suggested as five years in line with the recommended time for phasing in the proposed programs
- Monitoring and review, including provision for data sharing and independent review. Specific provision should also be included for public release of all reports and collected data, subject only to privacy conditions.

Establishment of an independent agency – suggested as an Office for Education to Employment Transition – overseeing implementation of the Framework Agreement(s) is crucial. An annual report prepared by the Office would be tabled in the Commonwealth Parliament, and in the parliaments of the states that are parties to the Agreement. The guiding characteristics for such an Office would be:

- A policy development, monitoring and review role to achieve successful youth transition. It is not an operational or a direct funding body.
- A mandate sufficiently broad to encompass relevant education, training and employment programs.
- Membership reflecting the cross-jurisdictional responsibilities for youth transitions.
- Independence and freedom of a primary allegiance to any one stakeholder.

COST

A financial commitment over six financial years, commencing in 2003-4 with a Commonwealth commitment of \$46.9M rising to \$419.6M in 2007-8. The total cost of the package, shared between the Commonwealth and the states is \$2296M, split on an approximate 60:40 basis between the Commonwealth and the states.

Realising Australia’s Commitment to Young People. Forward Estimates. Commonwealth Contribution (\$M in 2002 prices).

FINANCIAL YEAR	2003-4	2004-5	2005-6	2006-7	2007-8	2008-9	TOTAL OUTLAYS
Education and Training	24.5	73.5	122.5	171.5	218	120	730
Transition Support	6.4	19.2	32	44.8	57.6	32	192
Labour Market Support	16	48	80	112	144	80	480

Commonwealth Outlays	46.9	140.7	234.5	328.3	419.6	232	1402
State Outlays	30.1	90.3	150.5	205.7	263.4	154	894
Overall Outlays	77	231	385	534	683	386	2296

Note: Table excludes cost of the proposed Office of Transition from Education to Employment, to be negotiated and shared between the Commonwealth and states. Funding is additional to existing programs. Assumes states meet 50 per cent of the direct education and training costs, and 20 per cent of the transition support and labour market support costs. Total balance represents a 61:39 share between the Commonwealth and the states. Taken from Table S2 in Applied Economics report that is based on calendar year participants, this Table projects into financial years.

The benefits to individuals, employers and the rest of society are considerable and are estimated to range from \$4.6 billion to \$8.2 billion. The proposal will be cost-neutral to governments if 25 per cent of these benefits are captured through taxation, and this is not an unreasonable expectation.

Independent modelling and evaluation of the education and training components of the package suggests long-term macro-economic benefits are likely to result; in 2020, GDP is .28 per cent (or around \$1.8 billion in today's terms) greater than would have otherwise been the case. The program will generate a rate of return of around 9.6 per cent over the period 2004 to 2050.¹¹

The package:

- Will produce significant economic returns (see Applied Economics study)
- Is consistent with existing Government policies, priorities and objectives
- Is based on evidence and proven potential (including Government pilots and evaluations)
- Provides a direct incentive for necessary Commonwealth-state cooperation AND a mechanism for evaluating the outcomes
- Provides a viable means for breaking the “program maze” barrier and allows for flexible delivery and local circumstances on an informed basis
- Sets common directions and outcomes for local communities
- Most importantly it offers the prospect of a significant positive impact on participation rates for teenagers and, for the first time in several decades, associated reduction in the number of teenagers ‘at risk’ or otherwise marginally attached to education or work.

This proposal reflects the extensive research and best available evidence showing that successful transitions from school are increasingly dependent on the degree to which education, training and employment services connect effectively at the local level.

The package is viable even in a difficult fiscal environment. On the basis of a six financial year phase in the Commonwealth's contribution in the first two years is modest. Once fully operational the Commonwealth contribution would be significant

¹¹ See, ‘The Economy-wide Benefits of Increasing the Proportion of Students Achieving Year 12 Equivalent Education: Modelling Results. Report to the Business Council of Australia’, Allen Consulting Group, January 2003.

but offset if 25 per cent of the benefits of the program are captured by taxation. In addition there is scope for cross-sectoral efficiencies to help fund the program.

The proposal is elaborated in two documents released by the Dusseldorp Skills Forum in November 2002:

- *Honouring Our Commitment: a policy paper about Realising Australia's Commitment to Young People*, by DSF
- *Realising Australia's Commitment to Young People: scope, benefits, cost, evaluation and implementation*, by Applied Economics commissioned by DSF.

2. ADDITIONAL MATTERS FOR ATTENTION

While highlighting as a matter of priority the foundations necessary for meeting Australia's skills needs, the Forum takes this opportunity to draw to the Committee's attention additional matters of relevance to this Inquiry arising from our work.

Access to high quality, entry level training is a critical ingredient in ensuring that industry's demands for skills are fully met. As part of its commitment to informed and productive public policy debate in this area, the Forum has in recent years commissioned several studies relevant to the Committee's work.

NEW APPRENTICESHIPS AND YOUNG PEOPLE

In an essay on *New Apprenticeships and Young People*¹² Dr Richard Curtain reviewed the implications of the New Apprenticeship arrangements for young people. His observations and conclusion regarding the need for better measurable outcomes as outlined in that essay remain relevant:

Young job seekers are still regarded by many employers as unattractive compared to jobseekers who are older, and therefore, seen as more experienced. Clearly a combination of formal training and the acquisition of work-tested skills are basic assets 'at risk' young people need to compete with other age groups in the labour market. Merely providing incentives to employers to take on young people and to provide some training opportunities may not be enough to help them in the medium term. Early school leavers able to gain work but provided with only limited access to training are not likely to escape from a cycle of insecure work and unemployment.¹³ Young people's job retention and job quality (measured through wage levels) need

¹² Dr Richard Curtain, "New Apprenticeships and Young People" in *How Young People are Faring 2000*, DSF, Nov. 2000

¹³ Tony Kryger of the Australian Parliamentary Library's Statistics Group in a research note on Casual Employment (24 August 1999) notes that ABS survey findings support the conclusion that for many, casual employment does not lead to a permanent job but rather is likely to result in a cycle of involuntary employment arrangements and insecure and irregular employment (see ABS, *Australians' Employment and Unemployment Patterns 1994-1997* Cat. No. 6286.0). Specifically the Survey found that those jobseekers at May 1995 who were in a casual job at September 1996, only about a fifth had progressed to a permanent job one year later and a quarter were no longer in any job at all.

also be part of any performance assessment of how they are faring in the labour market.

Young people are not served by the dual messages of the New Apprenticeships program. On the one hand, the program is viewed as part of Australia's skill formation process, with the aim in particular of addressing skill shortages.¹⁴ On the other hand, New Apprenticeships are seen by government as a vehicle to "improve employment prospects for young people through a range of school to work pathways".¹⁵ These tensions between skill formation and labour market objectives are also reflected in program funding and administration.

Conflicting labour market and skill formation objectives for New Apprenticeships means that Federal and State Governments often judge success differently. From the labour market program perspective of the Commonwealth, take-up and retention statistics are the relevant measures used to assess performance.¹⁶ However, for State governments with their more direct responsibility for the publicly funded vocational educational and training system, meeting the skill needs of employers is likely to be a more important measure of performance.

From the perspective of young people, greater clarity from governments about the objectives of New Apprenticeships is required. This clarity should include information in the form of performance measures related to its objectives. The following performance indicators are proposed:

- the participation rate of young people in New Apprenticeships (as a proportion of non- student full-time jobs held by 15 to 19 and 20 to 24 year olds);
- the access of 20 to 24 year old non-students to full-time employment compared to other age groups;
- AQF certificate level of New Apprenticeship commencements by occupation compared with occupations rated by extent to which skill shortages experienced;
- The employment destinations and wage levels of New Apprenticeship graduates by age and occupation;
- New Apprentice graduate satisfaction levels with the employment and training arrangements;
- Up-to-date information on non-completion rates by occupation and employment size of workplace and employing enterprise; and
- The type and extent of access to training opportunities for different age groups provided by employers and how this is changing from year to year.

¹⁴ Dr Kemp, Media Release *Skills Shortages In Traditional Trades Can Be Reversed* -National Skills Forum Friday 28 April 2000

¹⁵ DETYA, 2000, *Agency Budget Statements* - DETYA - Section 2 - Outcome 2.

¹⁶ DETYA, 1999, *Annual Report 1998-99*, Programme 3: Vocational Education and Training, Performance Information, Sub-programme 3.1: Industry Training Support

The best way to collect information and monitor program effectiveness is to focus on young people themselves and other parties involved such as employers and parents. It is also important for young people, coping with a sometimes hostile labour market, that there be consistent performance indicators for all forms of government-funded assistance available to young people from the end of compulsory school age. Armed with this knowledge, they can make well-informed decisions about what post compulsory school pathway to pursue in terms of its relative effectiveness.

EMPLOYERS' CONTRIBUTIONS TO SKILL FORMATION

In a subsequent piece of work commissioned by the Forum Dr Richard Hall and his colleagues at the Australian Centre for Industrial Relations Research and Training (ACIRRT) explored the question of the funding of training in Australia. They were particularly interested in the employer contribution while emphasizing the need for “collaborative arrangements between employers, unions, training providers and workers within regionally and industrially defined labour markets.”¹⁷

ACIRRT's conclusions are germane to the Committee's deliberations in terms of the question of the demand side of the training equation with respect to both the specific matter of employer contribution and the more systemic issues under their notion of a “skills eco-system”. They summarise their observations and associated recommended policy directions as follows:

Australian industry faces a significant challenge in developing a high skill and knowledge based economy of the future. Australian employers have been poor performers in creating high skilled jobs. While there are some differences between industries their contribution to training and education funding has been falling. The training provided to non-standard workers is limited at best and at worst non-existent. What is more disturbing, most net employment growth these days is in non-standard work.

Employer behaviour, however, should not be understood as resulting from personal deficiencies or inadequacies. Rather, what prevails is more the outcome of a particular configuration of social and especially economic forces -what could be described as a training regime. Given this the challenge is not just to raise the levels of funding provided by employers for training. The challenge is change the regime that underpins current arrangements.

Obviously Australia must do better than simply attempt to revive the old TGL [Training Guarantee Levy]. Nevertheless the levy *did* succeed in stimulating employer expenditure, it *did* result in more genuine training and it *did* encourage managers to take training and skills development more seriously. Australia again confronts the challenges of encouraging employer expenditure on training, encouraging high quality, high skills training and encouraging employers to think about the deployment and full use of employee skills as the main path to future productivity improvements. As has been noted throughout this report, simply increasing the amount of training undertaken will not, of itself, ensure that those resulting skills are actually used in Australian workplaces in higher skill, more rewarding and more productive jobs.

¹⁷ Dr Richard Hall et al., “*you value what you pay for*”: enhancing employers' contributions to skills formation and use, DSF, June 2002.

Finding appropriate policy mechanisms to encourage employers (and employees) to redesign jobs and work organisation around principles of utilising existing and newly acquired skills and competencies is not easy. Too often in the past employers have taken the low cost, low skills path characteristic of low skill ecosystems -productivity and profit is achieved through work intensification and lower pay rates, which are used as the prime means of trying to capture lower labour costs. Stronger incentives and inducements are needed to promote high skill ecosystems and to break the mould of the existing training regime which propels too many employers toward low skill pathways. A skills levy, or similar mandatory system of guaranteeing a minimum employer contribution to training in their industry, can contribute to the generation of a new training regime and a high skills dynamic. The main reason for this is a simple and enduring free market idea - 'you value what you pay for'. As the survey evidence gathered in the evaluation of the early 1990s Australian levy demonstrated and as the examples of the French and Danish training regimes emphasise, where employers invest in training they are more likely to value the skills that result and more likely to ensure that those skills are used and deployed to productive ends. The Australian evidence...showed that, when in operation, the levy had the effect of improving the attitude of management to training, improving firms' methods of recording training expenditure and evaluating training, and enabling firms to take a more strategic approach to training. It follows that managers who come to appreciate the costs associated with training will be more likely to ensure the productive deployment of the resulting skills in re-designed jobs. It is notable that two of the most developed and successful training regimes in the world -Denmark and France- both have in place training funds financed at least in part by industry levies.

The need for Australian policy to move 'beyond the supply side' -beyond just worrying about the provision of training and the production of trained workers - and on to a consideration of (employers') demand for skills and trained employees was explicitly recognised in the evaluation of the TGL following its demise. Similarly that evaluation also called for future policy to be concerned with training outcomes as well as inputs and to move beyond an 'enterprise orientation'. This does not mean that policy can afford to ignore quality of training provision and skill supply, nor that the enterprise and the development of workplace relevant skills is unimportant. Rather it means that the deployment and utilisation of skills by employers in workplaces must become a key focus of future policy. In part, the logic of 'valuing what you pay for' can work to increase the likelihood of employers taking skill utilisation and job design more seriously where a levy is in place. However there is also a need for the promotion of collaborative arrangements between employers, training providers, workers and unions within regionally and industrially defined labour markets. Collaborative institutions with strong employer and other stakeholder representation can provide a strategic perspective on the inter-related issues of skill needs, training provision, quality, skill deployment, job design and work organisation.

Employers have a crucial role in human capital formation. Given that a large proportion of the benefits of training and education accrue to individual employees, it is sometimes argued that individual workers should make the major contribution to any increase in their training. The limits of increasing funds from this source have been noted by Burke (2000). Firstly, he says, government could increase the fees that are levied on students and trainees. Students and workers currently enrolled in TAFE courses do not generally pay fees beyond some modest course costs; however the levying of fees would be likely to have a detrimental effect on access and equity in the system. Secondly, Burke notes that fees could be accompanied by a system of loans.

However, he argues that this would also be likely to have a negative effect on the amount of training undertaken as well as an adverse effect on access and equity. Lastly, Burke considers the option of introducing a HECS style system where trainees incurred a training debt, repayable when their income reached a certain level and counsels against this option on the basis that it would be likely to have an adverse effect on the preparedness of the less wealthy to undertake training and incur a debt. Under the reforms of the 1990s the proportion of employees supporting their own training has been increasing (See also: DEETYA 1996a: 41). It appears that current policy settings have already succeeded in increasing employee contributions to their own training. In addition it must be recognised that individuals already make a substantial sacrifice when undertaking external training or education in terms of lost discretionary time. Adding yet another cost in terms of money as well as time is likely to make any increase in training impossible for many workers.

Changing any regime or configuration of practices and institutional arrangements is never easy. The research in this paper has highlighted the importance of a two stage approach. First, the underlying logic of current arrangements needs to be broken. Second, new arrangements need to be established which address the needs of individuals and workplaces. Most importantly new arrangements also need to address networks of firms, workers and training providers as embodied in skill eco-systems. Breaking down the regime that currently prevails would be best achieved with the introduction of a new, uniform training levy and individual learning accounts. Establishing a better regime will require the formation of new institutional arrangements which provide incentives for individuals, firms and clusters of both to upgrade and make use of higher order skills.

Growth in the number of skilled jobs is important for future prosperity and working life. Such jobs will only come about if adequate investment in capital goods and equipment is made in growing sectors of the economy. Investment of this nature will also need to be matched by investments in skills and ensuring they are actually used in the workplace. A major weakness in the funding base for skills in contemporary Australia arises from the inadequate contribution to the training effort made by many employers. Many employers take skills for granted. It is vital that we change the level of funding for skills provided by them. It is even more important that we change the situation that generates the current situation. Valuable lessons from the experiences of the Training Guarantee Levy offer important leads on how an optimal system could be designed. At the turn of last century Australia pioneered new ways of managing relations at work. It is time that we regained that spirit of institutional innovation at the beginning of this one. Enhancing employers' contribution to skill formation along the lines identified in this paper would mark a major step in rekindling the spirit of progressive social innovation that prevailed over a century ago.¹⁸

IN CONCLUSION

The Dusseldorp Skills Forum urges the Committee to consider – and we would hope support- measures as outlined in the first section of this submission to ensure a national commitment to young people whereby the necessary platform exists for meeting current and future skills needs.

¹⁸ Ibid., “Conclusion”, pp 36-38

In addition, the Forum commends to Committee the work of Dr Curtain and ACIRRT cited in the second section of this submission. The material, we would suggest, highlights critical issues requiring due attention as well opening possibilities for appropriate policy responses.

ENCLOSURES:

- *Honouring Our Commitment: a policy paper about Realising Australia's Commitment to Young People*, by DSF
- *Realising Australia's Commitment to Young People: scope, benefits, cost, evaluation and implementation*, by Applied Economics commissioned by DSF.
- *"you value what pay for": enhancing employers' contributions to skill formation and use*, by ACIRRT commissioned by DSF.