NCI Project – Careers in Everyday Industries
Response to Skills in ANZSCO - Options paper July 2022
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The ANSZCO Options paper can be found here:
https://consult.abs.gov.au/standards-and-classifications/review-of-anzsco/supporting_documents/Skills%20in%20ANZSCO%20Options%20Paper.pdf-1

1.

Given our previous submission and our very useful consultation with the review team, we feel that these six proposals are a strong and positive contribution to the modernisation of the ASC and the treatment of skills within ANZSCO. So, we support all of the proposals in general. However, there also remain some related issues of concern that we would hope that the review team could address in their final report and their implementation plan.

A major point we made in our submission and in the conversations with the review team is that the way in which skills are treated in ANZSCO and the Australian Skills Classification (ASC) and the language that is used to describe skill can lead to an unfortunate creation of a "hierarchy of prestige" in which some jobs are implicitly regarded as "better" than others because they have a different skills mix. As we pointed out in our submission, this hierarchical treatment of jobs in the economy leads to many problematic outcomes for individuals and employers. Research we have been undertaking recently in the retail and hospitality sectors has demonstrated strong negative public perception of occupations in these industries, which is fed by the notion of lower/higher skills and thus of lower/higher prestige. Employers in both industries have strongly asserted that these perceptions severely compromise their ability to recruit people and to offer them long-term careers.

We suggest that a simple change of language might help here. The use of neutral terms such as "categories of skill" rather than the more implicitly hierarchical "skill levels" in the ASC/ANZSCO could help with perceptions without compromising the intent of the classification of skills. Also labelling the categories of skill with letters (A-E, say) rather than numbers 1-5 would have a similar effect. A similar, non-numeric approach could also be adopted towards the ANZSCO Major Groups of Occupations.

We feel that the three elements of skill within the ASC do not adequately recognise the importance of interpersonal skills – that is the skills of dealing with people. The examples given for core competences/employability skills tend to emphasise technical or generic skills rather than the interpersonal skills which are crucial to many jobs in service industries. The rather positivist nature of the definition of skill tends to militate against the inclusion of interpersonal skills in definition of skill because they are difficult to measure. However, our recent research has shown that in both retail and hospitality, and in other service industries, some of the most important skills are concerned with the effective interaction with and management of people within or outside the organisation. We suggest that, in the frequent reviews of ANZSCO proposed in Proposal 1, serious consideration be given the definition and inclusion of interpersonal skills in occupational analysis and research.

These points concerning the recognition of different forms of skills are important because the categorisation of skills is used for purposes that affect individual life chances as well as the efficient operation of the broader Australian economy. As the options paper points out, the categorisation of skills in the ASC/ANZSCO is used for determining such things as the type of migrants that are allowed to come to Australia, where the possession of certain skills advantages one migrant over another and the funding of training for occupations. Thus, it is clear that the poor perceptions of skills within the retail and hospitality industries, for example, have contributed to the far lower allocation of funding for training in these industries with consequent detrimental impacts on individual workers and their employers. We suggest, as part of the review, that the uses to which ASC/ANZSCO are put are examined critically for possible dysfunctional outcomes. This might reduce the more detrimental impacts of skills categories that reinforce subjective assessments of the relative prestige of certain occupations in relation to others, with adverse effects on individuals and industries.

A small but related point in the language of the options paper was first raised in our original submission. This refers to the use of two specific occupations in the paper, CEO and trolley collector, to make a point about skills differences. There is an implication here that trolley collector is an unskilled occupation. Moreover, no justification for the "skill levels" of these two occupations is provided. The comments on could be removed from the text without compromising its meaning. This form of direct comparison between specifically-named occupations should not be used in any subsequent report.

2.

The options paper suggests that there is a mechanism in the current AQF to assess credit for Microcredentials. There is, in fact, no mechanism for this assessment to be made in the current AQF. This issue was tackled by the recent AQF review but it has yet to be implemented.

3.

In our view, in keeping with the comments we made in Question 1, the prioritisation should be as follows:

Proposals 6 in which alternative terms for skill level and skills specialisation are to be examined. New wording in this area could help ameliorate the unintended consequences of skills hierarchies on perceptions of occupational prestige. Our suggestion is that the term "skill level" be replaced by "category of skill".

Secondly Proposal 1 and 4. Establishing a permanent review cycle for the ASC/ANZSCO would help to keep the categorisation up to date and fit for purpose. The mapping of career pathways in proposal 4 would be a very useful contribution to the broader development of our understanding of skills in occupations.

We regard proposals 2, 3 and 5 as of lesser importance.

4.

As for answer to Q3.