

Response to ANZSCO review of retail and hospitality occupations. 3 December 2023

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This submission is based primarily on our recent research project funded by the National Careers Institute (NCI), 'Careers in everyday industries: Potential benefits of increased visibility'. The same submission is provided to both retail and hospitality areas.

A team of five researchers from Federation University, University of Queensland, and RMIT University investigated the effects on individuals, the industry, and more broadly the Australian economy and society, of the low status of occupations in retail and hospitality. Project details can be seen at <https://federation.edu.au/research-everyday-careers>

We made a submission to ANZSCO's skill level work in April 2022. For that submission, we mapped the ANZSCO skill levels of the 34 four-digit occupations which we had identified earlier in our research as being 'clearly in' the retail and hospitality industries and found that they were predominantly rated at lower skill levels, with 15 of the 34 being skill level 5. We met with officers on May 3, 2022, and team members made a submission to the options paper in July 2022. The concerns we raised in that paper are still current, and we understand, moreover, that 'skill levels' are now assigned to individual people not just to occupations, to inform policy making. We would be interested to know the outcome of that work.

We are pleased now to be able to make a submission regarding the two occupational areas of retail and hospitality. These brief comments are informed by our extensive research in the two industries – in the recent NCI-funded research project and in prior research – and also by the collective working experiences of the researchers in the two industries.

The employment context of occupations

One of the key distinctions amongst occupations in the ANZSCO listing is between those that are categorised as specific to a particular industry and those that are classified as being free of any specific employment context. As an example, occupations such as retail manager, gaming worker or bar attendant are linked inextricably to particular industries, as designated in ANZSIC. However, occupations such as accountant, marketing professional or human resources professionals, as well as operational roles such as cooks or cleaners, may exist in many industry sectors. The exercise of skills within these occupations is often very similar across different industries but there are also distinctions in the nature of the roles which are caused by the industry context in which the occupations is located. For example, an HR Professional in one industry might be particularly concerned with recruitment if it is a high labour turnover industry. In another industry the HR professional might be far more concerned with industrial relations issues and spend much of their time working in the Fair Work Commission. These functions are all classified as the domains of an HR professional, but the nature of the role can vary considerably.

Moreover, the lack of an industry context makes it difficult for the user of the ANZSCO classifications to understand the broad employment structure of an industry. This issue is significant when people are thinking about potential careers. Information on the industry context of people in many occupations and professions would make it far easier for career practitioners to advise young people and other clients on the employment prospects in different industry sectors across the economy.

Recommendation. ANZSCO should consider means of linking, and reporting on, some of those occupations that are currently categorised without reference to any employment context to a broad

industry sector as designated in ANZSIC, e.g. HR Professional (Retail), Management Accountant (Manufacturing) etc. to enable users to distinguish the working context of an occupation and to understand the employment structures of industry sectors in greater detail. Since the source of the occupational categories that the ANZSCO uses are the answers given in the Census, and the Census also includes questions on the employment sector of the respondent, this should not present a problem for machine analysis of the Census data.

Retail work

The retail industry is one of Australia's largest employment sectors and accounts for more than 1.3 million workers. However, some of the occupational categories that are used in ANZSCO to describe employment in this industry appear somewhat antiquated and some of the classifications are lacking in consistency. There are a number of anomalies in the categorisation of workers in the retail industry which could be addressed in this review, by removing specialisations, amalgamating categories and/ or by introducing more.

The single category of Sales Assistants (General) accounted for over 525,000 workers in the 2016 census, yet ICT Sales Assistants accounted for only about 12,000 workers and Service Station Attendants for about 10,000. It seems odd that the ANZSCO categories would employ a very large over-arching category such as Sales Assistants (General) but also use ICT Sales Assistants and Service Station Attendants as separate occupational categories but not other specialised retail jobs.

Recommendation: The categories ICT Sales Assistants and Service Station Attendants be discarded, and the numbers counted in the catch-all Sales Assistants (General) category. The alternative is to create more categories. One example could be for sales assistants in supermarkets or, more generally, for so-called 'big box' stores.

The use of the category 'Checkout Operators and Office Cashiers' forces together two quite different occupations which used to be more closely aligned. The one, checkout operator, is primarily concerned with customer service in retail operations and the other, office cashier, is concerned with the management of cash within an organisation.

Recommendation: We suggest putting the 'Checkout Operator' category into the overall Sales Assistant (General) category, with the 'Office Cashier' moving into a general office administration category.

The categories of Retail Managers and Retail Supervisors overlap to a great extent and it is difficult to see how they accurately portray the employment structure of retail management. In the 2016 census, retail managers numbered around 185,000 whereas retail supervisors accounted for about 28,000 people. Given the descriptions of the two occupations in ANZSCO, one might expect that those in charge of the operations of a store or shop might be fewer in number than those who, working under them, supervised the activities of groups of employees in the store or shop. In fact, many of those performing the functions of retail supervisor are in jobs designated with a 'manager' title and would thus classify themselves as retail manager. One only has to think of Department Managers in a typical supermarket to see how this might come about.

Recommendation: Abolish the category of retail supervisor and use a single category of Retail Managers be used to capture those who carry out line management duties in a retail setting. Alternatively, delineate the categories more clearly e.g. 'retail manager' could be renamed 'retail store manager'.

A key development in retail since the last review of the ANZSCO categories has been the fast growth of on-line retailing. The growth of on-line sales was boosted by the Covid-19 pandemic in 2020-22 and many retail organisations have increased their on-line sales activities as a result. The jobs in the on-line retail area are often quite different from those of the traditional Sales Assistant, working with customers face-to-face.

Recommendation: A new category of Online Retail Worker should be developed that would serve the growth and development of this work into the future.

Hospitality work

Hospitality is a significant employer in Australia, which pre-COVID-19 peaked at 924,500 workers. Overall the ANZSCO categories could be updated to reflect the evolving complexity of the industry, as they, like retail, appear antiquated. There are several dimensions here. One is sectoral. The splintering and segmentation of the hospitality industry, driven by increased discretionary income expenditure, has resulted in many roles being quite different in various sectors. For example, accommodation was traditionally dominated by hotels and motels but increasingly is being encroached upon by various homestay/share models. Similarly, food service, once dominated by restaurants, now stretches from catering companies contracted to service stadiums and events, and similar institutions, to the ubiquitous corner café, which, with clubs and pubs, attract significant market share – but roles within these various sectors differ markedly. Similarly, the industry is now dominated by micro and small to medium enterprises, where categories in reality differ markedly. Outsourcing has become a significant trend. For instance, housekeepers employed by hotels may identify as belonging to that category, but cleaning companies to whom hotels outsource their room services will employ cleaners.

Recommendation: Consideration be given to how occupational categories have been redefined as the industry has become more complex and segmented, and how this affects ANZSCO.

In regard to specific categories the adoption of technologies, deskilling and standardisation has redefined roles. There is a longstanding issue with the chef/cook distinction. We suggest the two could be combined under 'cook'; chef is an honorific title, but the fundamental qualification is cook.

Recommendation: A more pertinent description of the role undertaken by chefs is that it involves managing others, or processes, and so perhaps a new category of 'cook manager' or 'kitchen leader' could be considered.

The rapid increase of restaurant delivery services during COVID has given rise to the need for a food delivery driver category but whether this resides in transport, hospitality or indeed retail is contestable.

Recommendation: Consideration be given to the restaurant food delivery occupation.

Future updates of occupations

We suggest that it is made clearer what other data sources and evidence are being used to update the occupational lists. In view of the importance of the work of reviewing ANZSCO for understanding the future of work, for policy makers, researchers, industry and citizens alike, we are assuming that international best practice approaches have been consulted for measuring occupational distinctions (and their relationship to industries) and for establishing new occupations. However these do not appear to have been enumerated on the review web site and perhaps should be. As we stated in our April 2022 submission, we do understand that other systems for examining skill in work, such as O*NET may be problematic.