



## UPDATING THE AUSTRALIAN AND NEW ZEALAND STANDARD CLASSIFICATION OF OCCUPATIONS



© Master Builders Australia Limited 2022.

Master Builders Australia Limited ABN 68 137 130 182 Level 3, 44 Sydney Avenue, FORREST ACT 2603 T: +61 2 6202 8888, F: +61 2 6202 8877, enquiries@masterbuilders.com.au, www.masterbuilders.com.au

This submission is copyright and all rights are reserved. No part of it may be reproduced, stored, transmitted or otherwise distributed, in any form or by any means without the prior written permission of the copyright holder. Images on the cover are winners of Master Builders National Excellence in Building and Construction Awards.

## **INTRODUCTION**

This submission by Master Builders Australia responds to the Australian Bureau of Statistics' (ABC) consultation on *Updating the Australian and New Zealand Standard Classification of Occupations* (ANZSCO).

Master Builders is the nation's peak building and construction industry association. We were established in 1890 through the federation of the Master Builders State and Territory Associations. Over our 130-year history we have come to represent over 32,000 businesses nationwide and are the only association representing all three sectors of the building and construction industry – residential and commercial building and civil and engineering construction.

In preparing this submission Master Builders liaised directly with numerous building and construction businesses and the network of state and territory Master Builders Associations, as well as with the Australian Chamber of Commerce and Industry, the Civil Constructors Federation, the Swimming Pool and Spa Association, and Master Plumbers Australia and New Zealand.

#### Skills

Master Builders broadly agrees with the five key challenges identified. The lack of currency of the current ANZSCO occupations and descriptions is a reflection of the insufficient level of updating since 2006. Mechanisms to allow more frequent iterative changes are required as well as a rolling schedule of review and trigger points for revisions outside the review schedule. While improvements to the currency and nimbleness of ANZSCO are required, this cannot come at the expense of data integrity or comparability over time.

#### Construction-related trade occupations

Occupations in construction can broadly be classified into one of two sectors: (1) residential and commercial building (building); and (2) civil construction and infrastructure (civil). The building side of construction trades are well represented within Major Group 3, albeit with a few tweaks needed. In addition to this there are other building and construction related occupations in ANZSCO which are ripe for a refresh – Master Builders will separately prepare a paper on this.

Civil construction trade occupations, on the other hand, are not adequately captured in Major Group 3 despite many such occupations requiring a Certificate III qualification via an apprenticeship pathway and industry experience. This would be best addressed through either a new Sub-Major Group or a new Minor Group under 33 Construction Trades Workers.

This submission is presented in two sections:

#### 1. Skills update

- 1.1. Concern 1: Pace of change means ANZSCO is out of date
- 1.2. Concern 2: Non-AQF is not adequately reflected in ANZSCO
- 1.3. Concern 3: Inconsistent language and terminology
- 1.4. Concern 4: difficult to identify similar skills and pathways
- 1.5. Concern 5: ANZSCO descriptions lack detail

#### 2. Construction

- 2.1. Review of the 24 trade-related occupations
- 2.2. Skill level revisions
- 2.3. New occupations

Master Builders welcomes the opportunity to discuss the input contained in this submission. Should you have any questions please don't hesitate to contact Jennifer Lawrence, Manager Industry Policy via Jennifer.Lawrence@masterbuilders.com.au or on 0447 529 170.

# **SECTION 1: SKILLS UPDATE**

The ANZSCO is the basis of occupational data collection and analysis in Australia. While there are many positives, there are also areas which require further consideration and improvements that can be made.

The key advantage of the ANZSCO is its wide use across government agencies when collecting, analysing and disseminating occupational data. This consistency of use enables governments, industry and other stakeholders to utilise different data sources in developing comprehensive evidenced-based advocacy and policy to inform decision-making and improve access to information.

While there are calls for ANZSCO to be nimble, current and continuously improved, caution needs to be exercised as this cannot come at the expense data integrity or comparability over time. Occupations need to be sufficiently broad so that ANZSCO codes remain relevant and comparable over time, but not so broad that data gathered cannot usefully inform research, policy and decision-making at the occupation level.

One factor limiting the usefulness of this data in relation to identifying and subsequently addressing skills needs is the inability to distinguish where workers sit on the continuum of skills development and experience. For example, increased university graduates in Construction Management could mean that the workforce is heavily skewed toward the inexperienced end of the skills spectrum with shortages of experienced and specialist workers, but this could be hidden as the overall size of the workforce seems sufficient.

It is a similar story in construction trades where apprentices make up a significant proportion of the workforce yet are not fully qualified and work under supervision. One in four Carpenters and Joiners (Unit Code 3312), one in four Plumbers (Unit Code 3341), and one in five Electricians (Unit Code 3411) are apprentices.

### CONCERN 1: PACE OF CHANGE MEANS ANZSCO IS OUT OF DATE

Feedback received by the ABS identifies that the pace of movement in the labour market and changes to skill (including de-skilling of some occupations) means skill assigned to many occupations within ANZSCO does not reflect the current labour market.

Master Builders agrees that the lack of currency of ANZSCO is a concern. This is a reflection that since ANZSCO commenced in 2006 insufficient resources have been available to adequately maintain the classification system. The work which commenced last year that continues with the current construction-trade update and is earmarked to carry forward, is welcomed, but well overdue.

Rolling reviews of occupations by industry sector should be embedded and funded as businessas-usual for the Australian Bureau of Statistics in collaboration with the National Skills Commission and the to-be-established Industry Clusters.

In addition, ongoing mechanisms should be established to maintain currency of occupation descriptions, pathways, and skills information. These mechanisms should as far as possible draw on technological solutions, such as those used by the National Skills Commission (NSC) for the Australian Skills Classification (ASC), to reduce the burden of maintenance.

## CONCERN 2: NON-AQF IS NOT ADEQUATELY REFLECTED IN ANZSCO

Feedback received by the ABS identifies that *micro credentials, prior on-the-job training, "employability skills", and other training outside the AQF are not adequately reflected in ANZSCO.* 

Currently there are five skill levels in ANZSCO. Occupations are notionally assigned to a skill level based on the level of education the worker has, with skill level 1 occupations requiring the highest education and level 5 the lowest.

Linking skills levels for occupations primarily to AQF qualifications fails to adequately consider the skills that are developed over time. A newly graduated Civil Engineer, for example, is classified as skill level 1, however will not have the same level of skills as someone who has worked in the industry for 20 years. The inability to distinguish this through ANZSCO decreases the accuracy of skills needs analysis and the identification of current and potential skills and occupational shortage.

In relation to the role of micro-credentials, on-the-job training, employability skills and other training outside the AQF, we note that each skill level currently specifies a quantum of relevant experience which may substitute for formal qualifications. Perhaps this could be expanded to mention other pathways which lead to commensurate skills development.

### CONCERN 3: INCONSISTENT LANGUAGE AND TERMINOLOGY

Feedback received by the ABS identifies that ANZSCO currently describes tasks using non-uniform language and inconsistent terminology. These do not map directly to skills identified in other frameworks such as the Australian Skills Classification.

The recent development of the ASC by the NSC highlights inadequacies in the ANZSCO system. Had ANZSCO been kept up to date and in-line with what industry and governments want and need the ASC would not have been developed. However, it was developed and there is now a task for the ABS to work with the NSC to leverage this work and integrate it into ANZSCO.

The ASC draws on advances in data scraping and machine learning to analyse a wider range of data sources and improve and maintain its use of terminology and alignment with current industry language over time. Integrating such mechanisms into ANZSCO will enable occupation descriptions to be kept up-to-date and emerging occupations to be identified earlier.

In addition, there need to be mechanisms to ensure that government reviews, reports and regulations that impact occupation classifications, language and terminology are integrated with ANZSCO. For example, the <u>2018 Building Confidence Report</u> commissioned by Building Ministers made 24 recommendations to improve compliance and enforcement systems for the building and construction industry. Recommendation 1, registration of building practitioners, included the development of consistent terminology and distinct levels for identified occupation. A <u>National Registration Framework for building practitioners</u> was endorsed by Building Ministers and released in December 2021.

## CONCERN 4: DIFFICULT TO IDENTIFY SIMILAR SKILLS AND PATHWAYS

Feedback received by the ABS identifies that Occupations with similar underlying skills cannot be identified as skills lack visibility with ANZSCO. ANZSCO does not ably support identification of job pathways or mobility across occupations based on skill.

Updating ANZSCO occupations to reflect current jobs and skills (concern 1) and improving the consistency of language and terminology (concern 3) will facilitate easier identification of occupations with similar skills.

ANZSCO is the classification of occupations and skills, it is not intended to identify job pathways or mobility across occupations based on skill. However, it should be sufficiently current and accurate to facilitate its use for this purpose.

## CONCERN 5: ANZSCO DESCRIPTIONS LACK DETAIL

Feedback received by the ABS identifies that *skill level and skill specialisation lack sufficient detail to reflect the range of skills and competencies required to undertake a particular occupation.* 

Master Builders agrees. The information available on ANZSCO occupations is very brief and users seeking detailed occupation descriptions would likely find this information unhelpful. However, detailed information exists elsewhere (ASC, Your Career, JobOutlook and countless other websites) and typically is organised to align with the corresponding ANZSCO occupation title and/or code.

Given more detailed information is available, the questions to be asked are:

- Where should detailed occupation information live?
- Which federal agency or department should be responsible for maintaining the currency of this information?
- How can Governments ensure greater consistency across platforms?

Master Builders sees ANZSCO as the framework for occupation classification, not necessarily the single source of truth on all information relevant to each occupation.

Master Builders is a regular user of data and information that is or can be organised by ANZSCO classifications, including data from the ABS, NSC, and the National Centre for Vocational Education and Research. In our experience, it is far more important that occupations have a commonsense title with a six-digit code that is contained in a small four-digit unit group of related occupations and in a major group relevant to the skill level of the occupation.

Where an occupation title is unclear or where industry may use a variety of titles for the same occupation, the ANZSCO classification system must provide sufficient detail to enable users to easily self-identify which is the relevant occupation(s) for their purposes.

# **SECTION 2: CONSTRUCTION**

Master Builders welcomes the ABS review of construction-related trade occupations.

The ABS identified 24 existing construction-related trade occupations for review and update, and also seeks stakeholder input on existing construction-related occupations that are not but should be trade level, and emerging construction-related trade occupations.

In addition, Master Builders will provide insights on the currency and structure of relevant higher skill level construction occupations is a separate paper later in the year.

In general, the building side of construction trades is well represented within Major Group 3 and only minor tweaks to the 24 identified occupations are suggested.

Master Builders will also put forward suggestions and evidence to:

- Reclassify **Concreter** (Unit Group 8212, Occupation 821211) as a construction-related trade occupation
- Distinguish Formworker (specialisation of Carpenter 331212) as a discrete occupation
- Distinguish Swimming Pool and Spa Trades Worker (currently *not elsewhere classified* under 399999) as a discrete occupation.

Unlike the building side of construction trades, the civil construction side is not captured in Major Group 3. This is despite many occupations requiring a Certificate III qualification via an apprenticeship pathway and industry experience. This would be best addressed through either a new Sub-Major Group or a new Minor Group under 33 Construction Trades Workers.

## 2.1 CONSTRUCTION-RELATED TRADE OCCUPATIONS

The ABS identified a preliminary list of 24 construction-related trade occupations for update in 2022.

In the table below Master Builders identifies and marks up the occupations within this list that require update.

Code/title	Description	Evidence
331212 Carpenter	Constructs, erects, installs, renovates and repairs structures and fixtures of wood, plywood, steel, wallboard and other materials. Registration or licensing may be required. Specialisations: Fixing Carpenter, Formwork Carpenter, Prop and Scenery Maker	In the recent qualification update to <u>CPC30220 Certificate III in Carpentry</u> steel was added as a construction material, reflecting that this is a structural material increasing used by Carpenters. Formworker is removed and in Section 3 proposed as a standalone occupation.
332111 Floor Finisher	Measures, cuts, installs and repairs <del>soft and</del> resilient carpet, timber, vinyl, resilient, resin and concrete floor coverings. Registration or licensing may be required. Specialisations: Carpet Layer, Parquetry Layer	Soft and resilient floor coverings is not clear terminology. Per the relevant qualification <u>MSF30818</u> <u>Cert III in Flooring Technology</u> , suggest updating to carpet, timber, vinyl, resilient, resin and concrete
332211 <del>Painting</del> <del>Trades Worker</del> Painter	Applies paint, varnish, wallpaper and other finishes to protect, maintain and decorate surfaces of buildings and structures. Registration or licensing may be required. Specialisation: Paperhanger	While the occupation is broader than just painting, Painting Trades Workers are referred to as painters. Seek 14 April – 3,918 jobs advertised for <i>painter</i> . 976 results for <i>painting trades</i> <i>worker'</i> however on opening the first ten non actually used the exact phrasing.
333211 <del>Fibrous</del> Plasterer	Alternative title: Drywaller Applies and fixes plasterboard partitions, suspended ceilings, fire rating systems, acoustic tiles, and composite wall linings to buildings. Registration or licensing may be required. Specialisation: Dry Waller, Plasterer	This occupation is referred to generically as a plasterer. Common reference does not include the word fibrous. Seek 14 April – 985 jobs for <i>plasterer</i> . 1 job for <i>fibrous plasterer</i> . The pathway to this occupation is an apprenticeship and in Cert III wall and ceiling lining.
333212 <del>Solid</del> <del>Plasterer</del> Renderer	Alternative title: Solid plasterer Applies decorative and protective coverings of plaster, cement and similar materials to the interiors and exteriors of structures. Registration or licensing may be required.	This occupation is more commonly referred to as renderer. Seek 14 April – 357 jobs for <i>renderer</i> . 62 jobs for solid plasterer.

## 2.2 SKILL LEVEL REVISIONS

The ABS has asked for input on occupations in ANZSCO that do not accurately reflect the occupation's skills level. And, for identified occupations to outline what the skill level should be and why, and the impact of not making the change.

Master Builders has identified the occupation and skill requirements of a Concreter (currently 821211) is better aligned to Major Group 3 and skill level 3.

#### CONCRETER

Current classification: Major Group 8, Skill Level 4

Proposed classification: Major Group 3, Sub-major Group 33, Minor Group 331, Unit Group 3314 Concreters, Occupation 331411 Concreter. Skill Level 3.

#### Rationale

- 75% of Certificate III Concreting students between 2015 and 2020 undertook their qualification through an apprenticeship/traineeship.
- The qualification currently being delivered is CPC30318. This is an apprenticeship in Western Australia and Tasmania, and a traineeship in other jurisdictions.
- The Certificate III Concreting was recently updated (CPC30320) with the revised qualification expanding the coverage and complexity of the course to better reflect the skill requirements of a concreter and the increasing regulatory complexity of the environment they operate in. We are aware that the South Australian and Victorian governments are now looking to convert the pathway to an apprenticeship.
- The trade occupation of concreter is licensed in Queensland and New South Wales (the only two states that have comprehensive trade level licensing arrangements in place); and is proposed to be licensed in Victoria which is in the process of implementing occupational licensing for construction trades.
- Feedback from state and territory Master Builders Associations and concreting businesses that Master Builders has spoken to strongly support this occupation being defined as a trade.
- Industry feedback indicates increasing difficulty recruiting concreters with this being explained, at least in part, by the lack of status associated with the occupation not being a 'trade'.
- In the 2022-23 Budget the Government reinstated the Apprenticeship Priority List which restricts eligibility to employer wage subsidies and apprentice incentive payments to Major Group 3 and Major Group 5 occupations from 1 July 2022. This will exacerbate the recruitment difficulties.

#### CIVIL CONSTRUCTION TRADES

Unlike the building side of construction trades, the civil construction side is not captured in Major Group 3. This is despite many occupations requiring a Certificate III qualification via an apprenticeship pathway and industry experience. This would be best addressed through either a new Sub-Major Group or a new Minor Group under 33 Construction Trades Workers.

Infrastructure Australia's <u>2021 Infrastructure Market Capacity Report: Infrastructure workforce</u> <u>and skills supply</u> identifies that over the next three years demand for labour is anticipated to reach unprecedented levels. Labour shortages are anticipated to be three times greater than in 2017-18, and peak at an estimated shortfall of 93,000 workers in early 2023 – 48% higher that the projected supply.

Similar to concreting, civil construction apprenticeship pathways that do not lead to a trade occupation outcome are typically less attractive to potential workers than those that do. The attractiveness of civil construction apprenticeship pathways will further decline from 1 July 2022 when the Government withdraws eligibility to employer and apprentices incentives for Major Group 7 and 8 occupations.

We understand the Civil Constructors Federation and the ABS are liaising regarding the most appropriate occupations to elevate to trades, where these occupations will sit, and how the structure of units and occupations will be organised.

## 2.3 NEW OCCUPATIONS

The ABS has asked for input on occupations that are not currently specified ANZSCO occupations, i.e. those that should be separately listed or are emerging occupations. For identified occupation the ABS has asked for a description, tasks, relationship with other occupations, registration/licensing requirements, education pathways, and workforce estimates.

Master Builders has identified that formworker, waterproofer, and swimming pool and spa trades workers should be added to ANZSCO under Sub-major group 33 Construction Trades Workers:

#### FORMWORKER

Current classification: currently a specialisation under 331212 Carpenter Proposed classification: Major Group 3, Sub-major Group 33, Minor Group 331, Unit Group 3315 Formworkers, Occupation 331511 Formworker. Skill Level 3.

#### Occupation size

- As formworker is not a defined occupation there is limited information available on the size of the workforce.
- Between 2015 and 2020, 3,300 students enrolled in this qualification. This is comparable to enrolments in other Cert III construction apprenticeship pathways including Roof Tiling (4,131) and Joinery (2,977), and is well above enrolments in Stonemasonry (2,071) and Gas Fitting (1,291)

#### Related occupations

• Formwork relates to both carpentry and concreting. However, industry feedback indicates that on most jobs formwork is undertaken by a specialist team which only undertake this work.

#### Registration/licensing requirements

- In NSW, formwork comes under the carpentry license and the concreting license
- In Queensland, basic formwork is covered under the carpentry licence and the concreting licence, and advanced formwork under the carpentry license
- Other states and territories do not currently have applicable occupational licensing arrangements

#### Education pathway

- Apprenticeship: CPC31511 Certification III in Formwork/Falsework.
- The above qualification was incorporated as an occupational stream in the updated Carpentry qualification (CPC30220). However, since this was approved the formwork industry has vocally opposed this decision on the grounds that many of the core carpentry units are irrelevant to formworkers and have called for the Certificate III in Formwork to be reinstated and updated. Due to Government reforms in VET training development this cannot be considered until Industry Clusters commence on 1 January 2023, in the

meantime an application has been made to the regulator to extend the teaching period for the old qualification.

#### Description and tasks

• Formworkers work on large commercial building and civil projects. They assemble, erect, install and repair structures and forms made of steel, wood or heavy plastic to retain wet concrete foundations and other concrete elements that support the building or structure during construction.

#### WATERPROOFER

Waterproofer is a new occupation.

Proposed classification: Major Group 3, Sub-major Group 33, Minor Group 333, Unit Group 3335 Waterproofer, Occupation 333511 Waterproofer. Skill Level 3.

#### Occupation size

- As waterproofer is not a defined occupation there is limited information available on the size of the workforce
- Between 2015 and 2020, 7,221 students enrolled in the Certificate III in Construction Waterproofing. 29% (2,102) were enrolled as an apprentice or trainee
- On 14 April there were 243 jobs advertised for *waterproofer* on Seek
- Waterproofing issues are one of the most common sources of building defects and as such the importance and size of this occupation is growing.

#### Related occupations

• Waterproofing is required in residential and commercial buildings in rooms where water will be present such as the bathroom, kitchen, laundry, and toilet. As such, related occupations include wall and floor tilers, and plumbers.

#### Registration/licensing requirements

• Waterproofing is a licensed trade in NSW and Queensland

#### Education pathway

- CPC31420 Certificate III in Construction Waterproofing
- Between 2015 and 2020, 7,221 students enrolled in the Certificate III in Construction Waterproofing. 29% (2,102) were enrolled as an apprentice or trainee.
- Waterproofing is an apprenticeship/traineeship pathway in NSW, Vic, Qld, SA and the ACT.

#### Description and tasks

• Waterproofers apply, install and repair internal and external waterproofing, including preparing surfaces, applying membranes and special coatings to prevent moisture penetration and protectoral structural integrity.

#### SWIMMING POOL AND SPA TRADES WORKERS

Swimming Pool and Spa Trades Worker sits under 'not elsewhere classified' under 399999 Proposed classification: Major Group 3, Sub-major Group 33, Minor Group 336 (NEW) Swimming Pool and Spa Trades, Unit Group 3361 (NEW) Swimming Pool and Spa Trades, Occupation 336111 Swimming Pool and Spa Trades Worker. Skill Level 3.

#### Occupation size

• The Swimming Pool and Spa Association of Australia estimates the number of swimming pool and spa trades workers across Australia at 2,200

#### Related occupations

• Swimming Pool and Spa Builder. This occupation currently sits undefined under 312112 Building Associate.

#### Registration/licensing requirements

- Swimming pool construction, installation and maintenance (maintenance and accessories) is a licensed trade in Queensland
- Swimming pool repairs and servicing is a licensed trade in NSW

#### Education pathway

- CPP31218 Certificate III in Swimming Pool and Spa Service
- This qualification is a recognised traineeship in NSW, Vic, Qld, ACT and NT

#### Description and tasks

• Swimming Pool and Spa Trades Workers manage and maintain domestic and commercial swimming pools and spas, including handling chemicals, maintaining filtration and heating systems, servicing and maintenance.