

2021 TARGETED UPDATE OF AUSTRALIAN AND NEW ZEALAND STANDARD CLASSIFICATION OF OCCUPATIONS (ANZSCO)

What is the 2021 targeted update?

- The Australian Bureau of Statistics (ABS) has partnered with several Australian Government agencies to produce a targeted update of the Australian and New Zealand Standard Classification of Occupations. This targeted update is due for release on the 23rd November 2021.
- Changes will be made to some occupations to better reflect the contemporary labour market.
- The scope of the changes is limited to a set of priority areas.
- The ABS and its partners have identified emerging occupations within specific parts of the labour market. These are occupations within agriculture, forestry, and fisheries; cyber security; and naval shipbuilding, and emerging occupations identified by the National Skills Commission.

What is ANZSCO?

- ANZSCO provides a basis for the standardised collection, analysis and dissemination of occupation data for Australia and New Zealand.
- ANZSCO is a skill-based classification used to classify all occupations and jobs in the Australian and New Zealand labour markets.
- ANZSCO is intended to provide an integrated framework for storing, organising and reporting occupation-related information for a variety of purposes, such as matching job seekers to job vacancies and providing career information.

Why does ANZSCO need to be updated?

- While the ANZSCO has had some minor updates, it still largely reflects the original 2006 version, which was based on the 2001 labour market. While some occupations have not changed much over this period, others have changed considerably, and new occupations have emerged.
- Occupations within scope of the 2021 targeted update that have experienced significant growth since 2001 will be identified, as well as those expected to show significant growth in the future.

How was the scope of the 2021 targeted update determined?

- ABS engaged with a number of Australian Government agencies who identified that the ANZSCO was not meeting requirements within their area of interest. These agencies agreed to partner with the ABS to undertake a targeted update in 2021 to address these areas and to develop a new approach to the classification's maintenance.

What is the scope of the 2021 targeted update?

- The list of occupations within scope for the targeted update can be found [here](#).

What agencies have partnered with the ABS for the 2021 targeted update?

- The ABS has partnered with five Australian government agencies to address some key priorities and better understand fast-changing elements of the Australian labour market.
- Partner agencies are the National Skills Commission (NSC), Department of Agriculture, Water and Environment (DAWE), Department of Education, Skills and Employment (DESE), Department of Industry, Science, Energy and Resources (DISER), and Department of Defence (ADF). These agencies have contributed a combination of operating budget and specialist expertise.
- At this time, Stats NZ have advised that they are unable to commit to the 2021 targeted update.

What are the impacts on official statistics by doing targeted updates?

- Most occupation data are output at the highest levels of the classification (1, 2 or 3-digit level). Targeted updates will aim to maintain stability at these levels to enable analysis of the labour market across time. Occupation data at more granular levels (4 and 6-digit level) are likely to be impacted by targeted updates. Users will be provided with information to help understand the changes in the classification and the impact of those changes on their data.

Will there be changes to skill levels in the 2021 targeted update to reflect labour market changes?

- In ANZSCO, skill level is defined as a function of the range and complexity of the set of tasks performed in a particular occupation. The greater the range and complexity of the set of tasks, the greater the skill level of an occupation. Occupations are assigned a skill level number ranging from Skill Level 5 (least skilled) to Skill Level 1 (most skilled).
- Skill level is one of several factors used to form occupation groups. For example, all occupations with Skill Level 1 are assigned to Major Groups 1 and 2. All occupations with Skill Level 3 are assigned to Major Groups 3, 4, 5, and 6.
- Most “updates” to Skill level in the 2021 targeted update will preserve stability at the highest level of the classification. For example, “updating” an occupation from Skill Level 3 to Skill Level 1 requires the occupation to “move” across Major Groups. This does not preserve stability at the highest level of the classification. A small number of changes which impact stability at the highest level of the classification are proposed.

What are Emerging Occupations identified by the National Skills Commission?

- Emerging Occupations identified by the National Skills Commission comprise new, frequently advertised jobs which are substantially different to occupations already defined in the ANZSCO. Twenty-five emerging occupations were published in August 2020 and described in <https://www.nationalskillscommission.gov.au/emerging-occupations>.
- The 2021 Targeted Review proposes updates where Emerging Occupations relate to a small number of ANZSCO occupations. For example, the review proposes adding “Solar Installers” (one of the twenty-five emerging occupations) as a specialisation within the existing ANZSCO occupation “Electrician (General)”. Emerging Occupations relating to multiple ANZSCO occupations (e.g. “Data Analysts”) or which require further investigation will be addressed in the next round of updates.

How have the proposed changes been assessed?

- The proposed changes have been developed based on feedback received through various consultation channels, including 5 weeks of public consultation between 23 June and 23 July 2021. Our partner agencies have also consulted with their stakeholders for feedback on the target occupation areas and analysis undertaken to improve the classification.
- Changes to the classification have been considered and balanced with the need to maintain mutual exclusivity of occupation groups, and stability of the classification for analysis across time. Skill levels were also considered to reflect the range and complexity of the set of tasks undertaken in the occupation.
- The proposed changes have also been assessed by a panel, independent of the ANZSCO review team. This panel was established to ensure that the proposed changes met both an identified need for update and maintained the integrity of the classification.

How will other areas of the ANZSCO be updated?

- The 2021 targeted update will inform development of a new approach to updating the ANZSCO. It will test the feasibility of achieving incremental changes and allow the classification to reflect rapid changes in labour markets, thereby better meeting stakeholder needs.
- This new approach aims to provide a further targeted update to ANZSCO by December 2022.

- The ABS will seek input from a range of key stakeholders on the development of the new approach and the priority areas to be addressed by subsequent updates. It will also establish mechanisms to obtain detailed information from industry, government and training institutions. The timing of the next round of updates will be confirmed through consultation on the new approach.
- Further information, including how to be involved, will be released later this year.

How will the ANZSCO Australia Update 2021 be implemented?

- Experimental counts from the 2021 Census based on the ANZSCO Australia Update 2021 will be available alongside counts based on the existing version in late 2022. This dual reporting of Census data is expected to provide government and industry with insights into Australia's workforce. More information on experimental 2021 Census occupation counts will be released later this year.

How can I provide feedback on the 2021 targeted update?

- The ABS is currently seeking feedback on the proposed changes for occupation groups within scope of the 2021 targeted update. Submissions are sought regarding any inaccuracies, unintended significant impacts of the proposed changes to occupation groups, as well as any key implementation issues for users.
- [Information on how to participate](#) can be found here.
- If you would like more information or if you would like to talk through your issues to guide your submission, please email anzsco.maintenance@abs.gov.au.

What happens after submissions close?

- Consultation on the proposed changes will remain open for four (4) weeks, closing on Wednesday 20th October 2021. Feedback will then be assessed and any further refinement to ANZSCO will be made, with the final version of the 2021 targeted update scheduled for release on the ABS website on 23rd November 2021.