Updating the Australian and New Zealand Standard Classification of Occupations (ANZSCO)

Frequently Asked Questions

What is the 2022 targeted update?

- The Australian Bureau of Statistics (ABS) has partnered with several Australian Government agencies to produce a targeted update of ANZSCO. This targeted update is due for release in November 2022.
- The scope of the changes is limited to a set of priority areas.
- This consultation continues the work commenced in 2021 to update targeted areas of ANZSCO. It seeks feedback on selected construction-related trades occupations as a key focus for 2022.
- The Emerging Occupations identified by the National Skills Commission (NSC) that were unable to be included in the ANZSCO 2021, Australian Update will also be reviewed in 2022. These Emerging Occupations comprise new, frequently advertised jobs which are substantially different to occupations already defined in the ANZSCO.
- Other topics in this consultation will assist planning for future updates: other areas of ANZSCO requiring update; and how skills are reflected in ANZSCO.

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 of ANZSCO, 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.
- In 2021, the ABS engaged with several 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 to address these areas, and in November the ABS released the ANZSCO 2021, Australian Update. This consultation continues the work commenced in 2021 to update targeted areas of ANZSCO.

How was the scope of the construction-related trades occupations determined?

- The ABS is seeking feedback on a preliminary list of 24 construction-related trades occupations for update in 2022. The list was identified in consultation with the Department of Education, Skills and Employment (DESE), based on the following criteria:
    - occupations in ANZSCO Major Group 3 Technicians and Trades Workers at skill level 3
    - occupations with significant Australian Apprenticeships commencements
    - occupations traditionally associated with an apprenticeship pathway, that were not included in the 2021 update, and
    - the number of persons employed in the occupation in the 2016 Census of Population and Housing are significant.
- Also included are a small number of occupations which are engineering-related rather than construction but which satisfy the above criteria.
- Refer to the construction-related trades occupations information paper *(under the **Related** heading)* for the list of occupations **within scope** of the 2022 update of ANZSCO.

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 or 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 preserved 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.
- The ABS recognises that there is demand for a review of how skills are reflected in the classification. A skills problem statement is provided *(under the **Related** heading)* for consideration and feedback from the broader user community.

How will other areas of the ANZSCO be updated?

- The ABS is continuing to develop the new iterative approach to maintaining ANZSCO to keep it more reflective of the contemporary labour market and better meet stakeholder needs. Consultation will continue with a range of stakeholders on the development of this new approach and the priority areas to be addressed by future updates.
- Further consultation is planned to determine the scope of priority areas for the next update in 2023. If you would like more information, please email anzsco.maintenance@abs.gov.au.

How can I provide feedback on the 2022 targeted update?

- The ABS is consulting on three topics to inform the next and future updates: construction-related trades occupations as a key focus for 2022; other areas of the ANZSCO requiring future update; and how skills are reflected in ANZSCO.
- Please refer to the Overview page for Information on how to participate.
- 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?

- The ABS will assess the submissions on construction-related trades occupations as part of its analysis and determine a set of proposed changes. The ABS will consult on these proposed changes in September 2022.
- Information gathered on other areas of the classification that users identify for review will assist with planning future updates.
- Feedback will also inform development of a position paper to be published later in 2022 regarding key changes that could be made to the way skills are reflected in ANZSCO.