

Helen Baird
Program Manager a/g
Statistical Infrastructure Branch
Data Strategy, Infrastructure and Services Division
Australian Bureau of Statistics
Via email helen.baird@abs.gov.au

Dear Ms Baird

26 September 2022

2022 ANZSCO Review

Thank you for your letter of 8 September 2022 regarding the Civil Contractors Federation's (CCF) submission on the targeted update of the Australian and New Zealand Standard Classification of Occupations (ANZSCO).

I note that the Australian Bureau of Statistics (ABS) is currently inviting submissions from stakeholders on the proposed changes to construction-related trade occupations and emerging occupations. I would be grateful if you could accept this correspondence as both an acknowledgement of your earlier letter, and our input to the ABS's invitation for submissions on the proposed changes.

I was extremely disappointed to receive your advice that the matters raised by CCF in our April 2022 submission will not be considered until the comprehensive update of ANZSCO. I understand this broader review is scheduled for delivery by December 2024. As outlined in our submission, the acute and widespread skill shortages being experienced across the civil construction industry require immediate attention.

This need is evidenced by the *2022 CCF Infrastructure Market Capacity Survey*, which found that the biggest threat to the delivery of construction projects in every state and territory is a lack of availability of skilled tradespeople and professionals. This view has been reinforced by the Government's independent infrastructure advisor, Infrastructure Australia, whose 2021 Market Capacity Report found the scale of demand for skills is highly likely to exceed the normal capacity increases expected in the market.

These challenges will continue to increase as the public and private infrastructure pipelines at the federal, state, territory and local levels continue to expand over the coming decade.

This nationally significant challenge was also formally recognised by the Federal Government at the recent Jobs and Skills Summit 2022 – Infrastructure Roundtable, with the official meeting communique from the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Catherine King MP, stating that *"Developing effective policies addressing skills and capabilities will require the appropriate occupations being recognised through ANZSCO."*

As outlined in our submission, we firmly believe the current ANZSCO coding system does not accurately reflect the occupations within the civil construction industry, and where it does, the skill levels are at too low a level.

As you would be aware, this acts as a significant barrier to civil occupations being placed on the Skills Priority List which means civil employees, employers and training providers cannot take full advantage of a number of incentive payments under the Australian Apprenticeships Incentive System (AAIS). As a result, all new civil apprentices and their families are directly impacted by no cost-of-living support or assistance through their civil trade decision. This assistance includes a wage subsidy to employers of apprentices in priority occupations, set at

10% of the apprentice's wage in the first year, 10% in the second year and 5% in the third year. And, they are unable to access a direct payment to apprentices in priority occupations, of up to \$1,250 paid every six months for a maximum of two years, up to a total value of \$5,000, to help apprentices with cost-of-living pressures and to assist them to stay in their apprenticeship.

For these reasons, CCF urges the Australian Bureau of Statistics to reconsider our April 2022 submission as part of this current review. We strongly request that it is formally considered now and not put off until the comprehensive update of ANZSCO which is not expected to be completed for at least another 24 months. Simply put, the civil construction industry cannot wait a further two years for this issue to be formally considered by government, particularly as CCF has been raising this matter with relevant government agencies for more than a decade.

I also wish to formally convey my disappointment at the consultation process on the ANZSCO Review, particularly with respect to the ABS's decision to deem the occupations raised by CCF in our submission as 'out of scope'.

When CCF was formally invited via email on 1 March 2022 to provide stakeholder input into the next update of the ANZSCO, we formed the reasonable conclusion that this invitation meant ABS was considering inclusion of, or changes to civil occupations in the ANZSCO. If such an approach was not being considered by ABS, why was CCF – the peak national body for civil infrastructure – expressly invited to provide input on the review? Our understanding was reinforced by the consultation invitation email, which invited stakeholders to provide feedback on *how skills are reflected in ANZSCO and other areas of ANZSCO requiring update*.

In our view, this assumption was confirmed on 9 March 2022 when CCF met with officers from the ABS to discuss the scope of the inquiry. CCF left this meeting with the distinct impression that civil occupations were within the scope of this review, and the ABS would be prepared to consider the addition of a major category. Indeed, after verbally outlining our proposed approach to ABS officers during this meeting, we were encouraged to submit our proposed changes to the ABS for consideration. Hence, in our submission CCF advocated for a new Sub-Major Group 40 – Civil Construction Workers, to be recognized under Major Group 3 - Technician and Trade Worker. At no stage during the consultation process was CCF advised by ABS either formally or informally that our proposal was 'out of scope'. This advice came only after the conclusion of the consultation process.

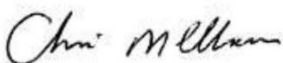
I was therefore both surprised and disappointed to learn from you in your letter of 8 September 2022 that the occupations raised in our submission were outside the scope of the 2022 ANZSCO Review.

In conclusion, I would like to advise that the CCF submission provided to ABS in April 2022 still stands. I respectfully request that you reconsider the changes and proposals CCF raised in its submission and include civil construction occupations as a formal "trade" distinguished with its own ANZSCO identified codes.

Urgent action on this matter is required to ensure the industry is eligible for the same level of benefits under the Australian Apprenticeships Incentive System as other more widely recognised trades. And importantly, they are critical to ensuring ensure the civil infrastructure industry has the skills and capacity to deliver on the Australian Government's \$120 billion, 10-year Infrastructure Investment Program.

Thank you for receiving this representation from CCF and I would welcome a response at your earliest convenience.

Yours sincerely



Chris Melham
Chief Executive Officer
Civil Contractors Federation (National)