



## SKILLS AUSTRALIA FACT SHEET

### PROVIDING ADVICE TO THE AUSTRALIAN GOVERNMENT TO ASSIST IN THE DEVELOPMENT OF A NEW SKILLED OCCUPATION LIST (SOL) FOR MIGRATION PURPOSES

Skills Australia has provided independent advice to the Australian Government on the development of a new list of skilled occupations for use in Australia's General Skilled Migration (GSM) program.

In February 2010, the Australian Government asked Skills Australia to develop a new Skilled Occupation List (SOL) for migration purposes, and update it on an annual basis, identifying occupations which are of high value and will assist in meeting the medium and long term skills needs of the Australian economy.

Skills Australia's advice on the new SOL uses as its foundation, the framework for Workforce Development as outlined in the Skills Australia report, *Australian Workforce Futures*. The framework, the criteria and the methodology were developed in consultation with industry and other key stakeholders.

The Australian Government's objectives for the new SOL are to ensure Australia's GSM program attracts migrants with high level skills, in occupations which meet Australia's medium to long term skills needs, which can't otherwise be met through efforts and measures aimed at employing, training, skilling and re-skilling Australians.

By requesting Skills Australia provide advice on the development of the new SOL, the Australian Government has reinforced the principle that the General Skilled Migration program is designed to complement Australia's own efforts to improve the skill levels, educational outcomes and participation of Australians.

Skills Australia will continue to monitor and analyse trends and changes in the Australian labour market and the Australian economy, and consult with industry, key stakeholders and government agencies on medium to long term skills needs, in meeting its requirement to provide annual advice to the Government on the development of the SOL.

The next formal review is scheduled for November/December 2010 with updated advice expected to be provided to the Australian Government by February 2011.



The new Skilled Occupation List (SOL) has been published on the Department of Immigration and Citizenship's website at <http://www.immi.gov.au>

## **BASING SOL ON THE 'SPECIALISED OCCUPATIONS' LIST**

Prior to being asked to provide advice on a new Skilled Occupation List (SOL), Skills Australia initially assessed all occupation unit groups in the Australian and New Zealand Standard Classification of Occupations (ANZSCO) against four criteria and created a 'Specialised Occupations' List (the SpOL).

The SpOL was a key element in Skills Australia's recommended National Workforce Development Strategy.

The criteria used to identify these 'Specialised Occupations' are as follows:

1. Long lead time. These are skills which are highly specialised and require extended learning and preparation time over several years
2. High use. These are skills which are deployed for the uses intended (ie there is a good occupational 'fit')
3. High risk. This is where the disruption caused by the skills being in short supply imposes a significant risk to the Australian economy and/or community
4. High information. This is where the quality of information about the occupation is adequate to the task of assessing future demand and evaluating the first three criteria

An occupation is considered 'specialised' if it meets at least two of the first three criteria, as well as the fourth criterion.

These criteria and methodology were developed and agreed following extensive consultation with key industry and other stakeholders. The SpOL was published in *Australian Workforces Futures* on 5 March 2010.

## **DECIDING WHICH OCCUPATIONS SHOULD BE INCLUDED IN THE NEW SOL?**

In developing its advice to the Government on the new SOL, Skills Australia analysed education, labour market and migration data and considered evidence from the Department of Education, Employment and Workplace Relations and the Department of Immigration and Citizenship. It has also been informed by feedback from peak industry associations, Industry Skills Councils and a range of professional associations.

After this extensive analysis, and considering the views and evidence presented by stakeholders, Skills Australia has determined that some occupations on the 'Specialised Occupations' List are not appropriate for inclusion on the Skilled Occupation List.

A 'Specialised Occupation' **has not been** included on the SOL if it meets one or more of the following criteria:



- if the evidence shows it is an occupation **likely to be in surplus** in the medium to long term (based on a combination of data including the size and age of the current workforce, expected employment growth rates, labour force turnover, and trends in student enrolments and completions)
- if there are other more appropriate and specific migration options (eg temporary skilled migration or employer or state sponsored migration)
- if the job requires the person to be an Australian citizen
- if the course of study required to undertake the occupation can, and usually is, completed without a long lead time and is not sufficiently skilled
- it is a niche occupation (ie with very few employers or employment opportunities as these are more appropriately addressed through Employer Nominated or Regional sponsored skilled migration)

Skills Australia ([www.skillsaustralia.gov.au](http://www.skillsaustralia.gov.au)) is an independent Board comprised of experts from industry, economics and education. Its role is to provide expert advice to the Federal Government on Australia's current, emerging and future workforce development needs and skills needs.

Date: Monday, 17 May 2010



## Appendix A: Explanatory Summary Sheet

ANZSCO: Occupation unit group number	Occupation unit group name
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... description of the occupation unit group according to ANZSCO First Edition Revision 1.

### Indicative Skill Level

Description of the occupation unit group's indicative skill level according to ANZSCO First Edition Revision 1.

### Skilled Occupation Criteria

#### **Long-lead time**

An occupation is considered to have a long lead-time where it requires the following qualifications with the indicated durations.

- ▶ For a bachelor degree, 50 per cent or more of courses take four or more years, based on an examination of course durations on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) and supporting information.
- ▶ For a vocational education and training (VET) qualification, 50 per cent or more of students undertake 1000 contact hours or more based on data from the NCVET Students and Courses, 2008.
- ▶ For an apprenticeship, 50 per cent or more apprentices take 3 years or more (full time equivalent) to complete their training based on NCVET Apprentices and Trainees, 2009.

#### **High use**

An occupation requiring a bachelor degree is considered to be high use if it meets two of the following criteria:

- ▶ Based on advice from Universities Australia, there is at least a 50 per cent match between the university course(s) of study and eventual employment in the occupation.
- ▶ 70 per cent or more of new graduates employed in the occupation had studied a related course, based on the Australian Graduate Survey, 2008.
- ▶ 60 per cent or more of those working in the occupation have a level of skill commensurate with a bachelor degree or higher qualification, based on the ABS Survey of Education and Work, 2008.

An occupation requiring a VET qualification or an apprenticeship is considered to be high use if it meets the following two criteria:

- ▶ There is a match of 50 per cent or more between the intended occupation of students/apprentices and the subsequent occupation of employment, based on NCVET Student Outcomes, 2009.



- ▶ 60 per cent or more of those working in the occupation have a level of skill which is at least commensurate with that specified (either a Certificate III/IV for tradespersons or an associate degree, advanced diploma or diploma), based on the ABS Survey of Education and Work, 2008.

### ***High risk***

An occupation is considered to be high risk where it meets some of the following criteria. Some components of the assessment against this criteria involve a more subjective assessment due to the nature of the available data and information.

- ▶ Whether the occupation needs to be registered or licensed, and in which states and territories.
- ▶ Whether the occupation is important to meet government policy priorities at the Commonwealth and state level.
- ▶ Whether the occupation is regulated and requires accreditation and/or certification.

### ***Reasons for exclusion from the Skilled Occupation List***

Where an occupation which was on the Specialised Occupation List has been excluded from the Skilled Occupation List, the reasons for its exclusion are provided.

