



Monday, 17 May 2010

## MEDIA STATEMENT

# STRONG EVIDENCE, ROBUST METHODOLOGY AND CONSULTATION PROVIDING ADVICE TO 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 General Skilled Migration 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 to provide advice on the development of the new Skilled Occupation List, 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 ([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.

### Basing SOL on the 'Specialised Occupations' List (SpOL)

Prior to being asked to provide advice on a new 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 the '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 which is 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
- if 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)

"Skilled migration can be an effective intervention for addressing many, **but not all**, of Australia's future skills needs. There are circumstances where permanent skilled migration is not the most appropriate, effective or sustainable response to future medium to long term skills needs," according to the CEO of Skills Australia, Mr Robin Shreeve.

"Employer sponsored or state or territory sponsored permanent or temporary migration can often be more effective for meeting short term or specific regional or localised skills needs. Ensuring Australians are given the opportunity to train, upskill or re-skill remains the most important priority."

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 Australian 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>