

29 May 2019

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By email – andrew.hancock@stats.govt.nz

Re: Consultation on the ANZSCO Skill Level Refresh

Tēnā koe Andrew,

Tourism Industry Aotearoa (TIA) welcomes the opportunity to comment on the ANZSCO skill level refresh. As part of our stakeholder consultation to inform this response, TIA has engaged with members in the accommodation and outdoor adventure sectors. We have also engaged with the Industry Training Organisation Service IQ and Immigration New Zealand.

TIA is the peak body for the tourism industry in New Zealand. With about 1,700 members TIA represents a range of tourism-related activities including hospitality, accommodation, adventure & other activities, attractions, retail, airports & airlines, transport, as well as related tourism services.

While supportive of the refresh of ANZSCO skill levels we are frustrated the scope of this work does not go far enough to bring about the required changes. We acknowledge that attempts have been made to secure budget for a major review and these were unsuccessful. As you will see below, to achieve meaningful change a range of new occupational classifications are required. There remains a strong desire by the tourism industry for a full review of ANZSCO classifications, especially by the accommodation and outdoor adventure sectors.

A relatively large part of the tourism industry is struggling to attract suitable staff. There is a lack of New Zealanders available to work in tourism and many employers are dependent on attracting overseas workers. Immigration New Zealand uses the ANZSCO classifications as part of the visa application process and there is a regular disconnect between roles in the tourism industry e.g. chefs, adventure and outdoor guides, restaurant supervisors, and the ANZSCO classifications. For a number of roles, often where large numbers of staff are employed, the ANZSCO classifications are not a proper representation of the roles and skills required. There is a sense that ANZSCO is set as a one-size-fits-all approach, but the classifications are not a proper representation of the roles and skills required and they often do not reflect the reality of the range of roles in the tourism industry. This has a detrimental flow-on effect when employing staff from overseas.

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The current growth in the industry, New Zealand’s biggest export industry, means that vacancies are at a current high. The following graph shows that advertised vacancies in hospitality and tourism have increased by 150% over an eight-year period – an average annual increase of nearly 20%.

Job vacancies advertised online for the hospitality and tourism industry in New Zealand

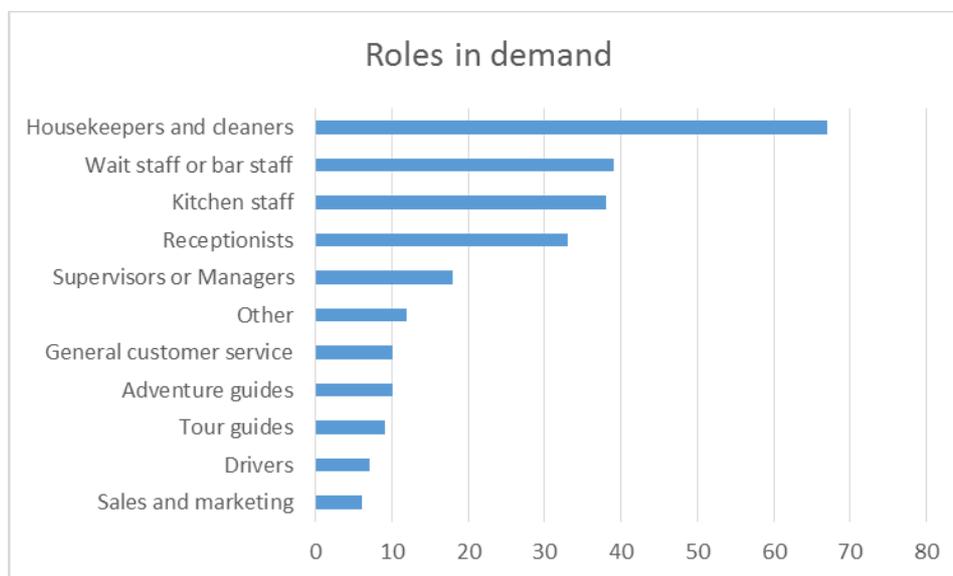


Seasonally adjusted, Mar 2011–Mar 2019, Index (where Aug 2010 = 100)

Provider: Ministry of Business, Innovation, and Employment



In 2016, TIA together with MBIE, surveyed our members on skills in demand. The graph below shows the roles that employers (n=100) were commonly looking for¹.



Following are the main industry roles and classifications requiring change. While some of these changes are outside the scope of the ANZSCO skill level refresh, we have taken the opportunity to identify where further work is required.

1. Outdoor Adventure Guides

Outdoor Adventure Guides operate in safety critical roles and have very specific skill requirements depending on which activity they guide. The training and support required by companies to get staff to a level where they can operate independently in their roles is a huge investment. This is particularly the case for activities that require New Zealand qualifications, such as rafting, mountaineering and snow sports.

The current ANSZCO skill level (SL) ratings for outdoor adventure guides is generally too low and inconsistent. For example, snowsport instructor (452314) is currently classified as SL3; a paragliding instructor (452215) and bungy jump master (452211) classified as SL4; and a hot air balloon pilot (231199) SL1. These substantial differences in ANZSCO skill levels do not accurately reflect the skill levels required in the outdoor adventure sector. Classifying safety-critical roles such as paragliding instructor, whitewater rafting guide, bungy jump masters and mountain guides as ANZSCO SL4 does not accurately reflect the high level of technical safety skills required to perform these roles.

¹ Although it looks like the demand for adventure guides is only small (e.g. compared to housekeepers), it is a significant proportion of senior staff in some activities and therefore, has a high impact on the adventure tourism sector.

The ANZSCO classifications for outdoor adventure guides is also not aligned with the qualifications standard. For example, according to ANZSCO², occupations at Skill Level 3 have a level of skill commensurate with one of the following:

- NZ Register Level 4 qualification
- AQF Certificate IV or
- AQF Certificate III including at least two years of on-the-job training.

Outdoor recreation guides (river guides) have a NZ Register Level 4 qualification³, yet are classified in ANZSCO at SL4. Similarly, outdoor recreation instructors who hold a National Diploma in Outdoor Recreation have a NZ Register Level 5 qualification⁴, yet are classified in ANZSCO at SL4. Based on the above, these outdoor recreation guides and instructors should be classified in ANZSCO at SL3.

Another major issue with ANZSCO classifications in the outdoor adventure industry is that they do not distinguish between general and senior guides/instructors. For example, there is an ANZSCO classification for Mountain or Glacier Guide, but not for Senior Mountain or Glacier Guide. However, the reality is that operators do need both senior and general staff. Senior staff have higher levels of experience, skills and where relevant qualifications than general staff. They guide or instruct the more risky adventure activities within an operator's product mix, they lead trips and are responsible for supervising general staff in safety critical roles. The expectations, responsibilities and pay rate are all significantly higher for senior guides/instructors. This distinct difference is not reflected in the current ANZSCO classifications.

A common scenario in this market is that there are ongoing issues finding sufficient New Zealanders to fill the senior outdoor adventure guide and instructor roles. New Zealand is a small country with a limited number of senior staff available at any given time, and graduates from Adventure Tourism courses are not ready for senior positions. Certainly the WINZ Skills Match process does not provide for experienced guiding positions.

With a chronic shortage of New Zealand applicants and high level skill requirements, it is important to be able to attract foreign experienced guides and instructors, and therefore it is critical that we have the correct ANZSCO classifications.

² Australian Bureau of Statistics, *1220.0 - ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2, Scope of Classification, 2013*, as sourced on -

<https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/1220.0Chapter32013,%20Version%201.2>

³ NZQA, *Qualification Overview, National Certificate in Outdoor Recreation (River Guide) with optional strands in Senior Raft Guide, and Senior Whitewater Craft Guide*, as sourced on -

<https://www.nzqa.govt.nz/nzqf/search/addToShortList.do;jsessionId=9C80535808CC5A2859625F28A41A715E.kq03?selectedItemKey=1610>

⁴ NZQA, *Qualification Overview, National Diploma in Outdoor Recreation (Instruction) (Level 5)*, as sourced on -

<https://www.nzqa.govt.nz/nzqf/search/viewQualification.do?selectedItemKey=1191>

Proposal

We propose that the Outdoor Adventure Guides (ANZSCO 4522) is moves from Skill Level 4 to Skill Level 3. Failing that, an alternative option is to review the individual Occupation Codes for ANZSCO code 4522 to assess their suitability for the specification of a senior guide/instructor role with a higher skill rating.

2. Duty Manager

There is currently no ANZSCO classification for **duty managers**. Many employers e.g. hotels, will use Retail Supervisor (621511, SL4) to match the role to ANZSCO classifications when recruiting overseas for a duty manager. To the YE March 2019⁵, 2477 work visas for Retail Supervisor have been approved.

However, a duty manager role in the hospitality sector is significantly different from a retail supervisor. For example, a hotel duty manager is responsible for the security of the hotel, security of the guests, and security of the staff and is often in charge when the hotel manager or department head is not present. They can regularly take responsibility for these more senior roles on shift anywhere from 1 to 8 hours.

Proposal

In the ideal world of a full ANZSCO review, a new ANZSCO classification would be introduced for the Duty Manager role and classified at Skill Level 3 to recognise the wider range of duties - including managerial. As a temporary default position for the skill level refresh process we recommend that the tasks of Hotel Service Manager (431411, SL3) are widened to recognise the Duty Manager role.

3. Night Auditor/manager

There is no ANZSCO classification that describes the position of **night auditor/manager**. Effectively, a night auditor is a duty manager and during their shift is responsible for the security of the hotel, security of the guests, security of the staff, and reporting.

The major difference between both roles is that a night auditor/manager is responsible for everything during their shift, as in many hotels there may only be very limited staff on overnight. A duty manager on a day shift has the benefit of other staff being around during the day and often only has a limited number of guests present during the day. For example, at a large hotel with more than 400 rooms, a night auditor/manager is responsible for the safety of 700-800 guests. In the event of an emergency, the night auditor/manager is in charge of making the initial critical decisions in those immediate moments - this could be as “simple” as dealing with an unruly guest in the bar to a natural disaster.

⁵ Immigration NZ Hospitality Data & Insights March 2019

Proposal

In a full review of ANZSCO classifications, a new occupation classification should be introduced for this role.

4. Supervisors

The accommodation sector is seeing an increasing need for **supervisors** – housekeeping supervisors, restaurant supervisors, etc. At the moment these supervisors fall under the Retail Supervisor classification, although they do not work in retail. As the role is Skill Level 4, these supervisors (paid less than \$37.50/hour) get a 12-month work visa with a maximum stay of 36 months.

The constant need for recruitment of supervisor roles is very disruptive for accommodation businesses. It typically takes 2 to 3 years before a supervisor can advance through to a higher role e.g. department head (431411 Hotel Service Manager, SL3). Under the current ANZSCO classifications and the subsequent visa conditions, supervisors do not have sufficient time to move to a higher skill level (Level 1-3). The industry would like roles such as housekeeping and food & beverage supervisors with the correct experience and/or qualifications recognised at ANZSCO skill level 3.

There can be a reasonable amount of overlap between duty manager, night auditor/manager and supervisor roles. Some of the differentiators between the senior and general levels and their skill levels could be:

- **Team size:** directly managing a team of e.g. 8 or more people could be more senior.
- **Company size:** In smaller companies (e.g. <20 people), a senior level manager/supervisor could have more responsibilities compared to someone in the same role in a bigger company. Senior level staff are more likely to be responsible for rosters, ordering of supplies, handling of budgets, having a say in departmental changes/operations via the department's meeting minutes, sign off of payments / purchase orders, people management, conducting starter induction trainings, disciplinary or performance management.
- **Reporting lines:** organisation charts should disclose authority.
- **Business type:** a Duty Manager in a hotel is a front-office based role; in a restaurant or F&B outlet the Duty Manager would be the Restaurant Manager or Second in Charge, Responsibilities in these roles are very different, despite the common job title.
- **Experience:** anything over 3 years in a people management role / management role could be considered more senior.
- **Health and Safety at Work Act 2015 (HSWA):** the accountability and responsibility regarding Healthy and Safety is an indicator of seniority of the role.

5. Inbound tour operators

Foreign language capabilities are important for many travel agents. Currently, there is no ANZSCO classification for the industry role ***Inbound Travel Consultant/Manager***. The closest ANZSCO classification is ***Travel Consultant*** (451612, SL4). This role is really catering for a retail travel agent and does not reflect the importance of foreign language capabilities.

Proposal

The Inbound Tour Operator sector would like to see the role of Inbound Travel Consultant added as a new ANZSCO classification⁶, or as an absolute minimum have foreign language capabilities recognised in the current classification of Travel Consultant.

6. Chefs/Cook

Currently there are only two recognised skill levels for ***chef*** (351311, SL2) and ***cook*** (351411, SL3). This does not reflect the reality of working in a commercial kitchen, as there are many different roles within kitchens including executive chef, sous chef, chef de partie, commis chef and cooks. The current ANZSCO classifications do not provide for these different skill levels.

Different types of establishments require a different level of skills and experience even though the title is the same. For example, the role description of the Head Chef in a small café is very different from the role description of the Head Chef in a large establishment with multiple outlets. While a Head Chef in a small café might be in charge of running the whole kitchen, from ordering supplies, mise en place, preparing food to managing staff, a Head Chef in a large restaurant might be more involved with managing the kitchen and less involved with the actual preparation of the food. Currently none of these important subtleties are reflected in the ANZSCO classifications.

7. Bars and restaurants

The issue that ANZSCO classifications do not reflect different skill levels is also a problem for (hotel) bars and restaurants. There is a difference between a general bartender (431111, SL4) and a ***senior bartender***. For example, a senior bartender requires more experience (min. 2 years) and skills than a general bartender.

Similarly, experience levels and role requirements are different for general waiters (431511, SL4) and ***senior waiters***. For example, senior waiters would assist new waiters on the team and would lead service or run sections (in some restaurants).

Although there is an ANZSCO classification for office cashier (631112, SL5), there is no ANZSCO classification for a ***restaurant/bar host/cashier***.

⁶ More work needs to be done to establish the skill level for this role, but our initial thoughts are skill level 3.

8. Others

The roles above are not the only roles and ANZSCO skill level classifications that the tourism industry has issues with. Others include:

- The ANZSCO classification for **Hotel Manager** covers everything from a hotel manager, to executive housekeeper, to duty manager, head porter and Director of F&B. It is also unclear what a Hotel Office Manager (ANZSCO 431411) exactly is.
- There is no ANZSCO classification for **Team Leader**. It is unclear what ANZSCO classification should be used for Team Leaders. One suggestion would be to update the ANZSCO classifications that fall under Waiter (ANZSCO 431511).
- **F&B Supervisor** – The ANZSCO classification that comes closest to F&B Supervisor is Café/Restaurant Manager or Waiter. However, the responsibilities of F&B Supervisors are different to a waiter's responsibilities, but also not quite the same as a Café/ Restaurant Manager's responsibilities.
- **Hotel Receptionist** (ANZSCO 542113) – The description in ANZSCO of a hotel receptionist is not a true reflection of what a hotel receptionist does.
- **Spa Therapist** - Is different from a beauty therapist (ANZSCO 451111) and should be classified under Massage and not under Beauty, as it is common that spa therapists do not do beauty treatments. Currently, Immigration NZ often pushes back on Spa Therapists applying for visas under the Massage therapist classification, even when the Massage Therapist classification is a strong match to the tasks described in the code. There is a lot of inconsistency with different people with the same position, job description and pay rate getting different types of visas with different visa conditions.

Qualifications for hotel roles

A few members provided us with feedback on the qualifications and experience required to be competent in the roles in their accommodation business:

- **Front Office Manager:**
Ideally a hospitality / tourism / hotel management qualification and 5 years of experience in front of house roles including supervisory and managerial levels.
- **Duty Manager:**
Ideally a hospitality / tourism / hotel management qualification and 2 years of experience.
- **Hotel Manager:**
Ideally a hospitality / tourism / hotel management qualification and 8 years of experience.
- **Director of F&B:**
Ideally a hospitality / tourism / hotel management qualification and 5 years of experience.

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- **Head Housekeeper:**
Ideally a hospitality / tourism / hotel management qualification and 5 years of experience. Needs to be higher than at ANZSCO SL3.
- **Head Porter:**
Ideally a hospitality / tourism / hotel management qualification and 1 year experience.
- **Concierge:**
Ideally a hospitality / tourism / hotel management qualification and 2 years of hotel experience.
- **Sommelier:**
At ANZSCO Skill Level 3 and 3 years of experience.
- **Hotel Supervisor:**
2 years and a qualification – be able to use for supervisors in all areas of the hotel.
- **Reception**
Prefer hospitality / tourism / hotel qualification and 1 year experience or 2-3 years with no qualification.
- **Chefs**
Requirements for entry level positions and professional positions should be different.
 - Apprentice: no requirement other than passion for cooking
 - Commis: NZQA level 3 or 1 year experience
 - Demi: NZQA level 5 or 3 years of experience
 - Chef de Partie: 5 years of experience
 - Sous Chef: 8 years of experience
 - More Senior roles: More than 10 years of experience
 - Other specialisations, e.g. dim sum / sushi: at least 1 year of experience in their specialisation

Conclusion

ANZSCO classifications fall well short when required to act as a default for adequate representation of the roles and skills needed in the tourism industry. ANZSCO is set as a one-size-fits-all approach, but this does not reflect the reality of the industry and leads to confusion and frustration from employers when required to use the ANZSCO system to job-match roles for immigration purposes.

There is a lot of frustration within the tourism industry that many roles are being perceived as low-skilled when in reality they are not. Although there are also entry level roles, many employees are managing multiple staff and making decisions on shift, with very large responsibilities that require an understanding of budgets, wage guides, safety management and staff management. They are also

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often the key decision makers on the shift for guest security, customer satisfaction, product quality and delivery.

We do have significant concerns as noted above. While appreciative of this targeted skill level refresh, it does not go far enough to address systemic issues and we request that a full review of ANZSCO is given priority.

Please do not hesitate to contact us if you have any queries about our feedback.

Ngā mihi

A handwritten signature in black ink, appearing to read 'S. m. Hanrahan', with a wavy, cursive style.

Steve Hanrahan

Advocacy Manager

Tourism Industry Aotearoa