

15-August-2023

Australian Bureau of Statistics
Locked Bag 10
Belconnen ACT 2616

By e-mail: updating.anzscsco@abs.gov.au

Dear Sir/Ma'am,

ANZSCO 2023 Payroll Submission response to Consultation Round 1 Publication (09 August 2023)

The Australian Workforce Compliance Council Ltd (AWCC) is Australia's first and only membership based (not for profit) association for Payroll Practitioners and Employment Technology Providers. AWCC Ltd was incorporated on the 22 October 2022 as a result of 3 years research into Wage-Theft and other payroll related non-compliance.

The creation of AWCC was a key outcome of this research as it was found that Australia had no member-based association or "voice" to represent those who operationalise Australia's Workforce and labour related legislation. The total economic representation to the Federal, State and Territory Governments is in the order of roughly 1/3rd of the nation's GDP.

AWCC submitted a detailed response, including data and research of the payroll profession to the Australian Bureau of Statistics on 28 April 2023. The response included four recommendations which were:

1. Disbandment of Payroll Clerks and creation of Payroll Professionals. Including the removal of Payroll from its current position within the ANZSCO 551 series (551 – Accounting Clerks and Bookkeepers) and creation of a new classification to be nested elsewhere as a stand-alone profession,
2. Increase ANZSCO skill level of Payroll Clerks level 4 to Payroll Professionals Skill level 2,
3. Creation of Payroll Specialisations within Payroll Professionals, and
4. Creation of Payroll Manager.

AWCC welcomes the adoption by the ABS and ANZSCO of recommendation 4 (Creation of Payroll Manager at skill level 2) and partial adoption of recommendation 1 (disbandment of payroll clerks, and creation of Payroll Officer and Payroll Manager and to be tabled, further discussion of where to place payroll) and recommendation 2 (Increase of Payroll Managers only to skill level 2).

Whilst AWCC is disappointed that Payroll Officers remain at skill level 4, and that specialisations were not integrated within ANZSCO, discussions between our CEO (Ciaran Strachan) and the ABS/ANZSCO team have proved highly beneficial and with appropriate context as to this reasoning.

Of note, these included:

- Payrolls lack of submissions to the ANZSCO system for over 20 plus years.
- Payrolls lack of ability to draft and submit any meaningful industry insight due to a lack of dedicated membership based and owned industry association.
- Inability for the ABS to correlate some recommendations (ie, Payroll Officer at skill level 2) of AWCC with ABS data due to a lack of census support. Or in plain English, payroll professionals working in payroll indicated skill level 4 in the last census. However, AWCC believes this is due to the greatly outdated job description which (at least anecdotally) led to many payroll practitioners selecting other professions such as Management/Senior Manager or even Human Resources. It should be noted, Payroll Clerk is described currently (and now Payroll Officer) as an entry level role only.

To which, AWCC Ltd makes the following recommendations to the ABS/ANZSCO and accordingly, provides the following final feedback (Annex A) for the published Consultation Round 1 pertaining to payroll.

Recommendations

1. AWCC Ltd work with the ABS/ANZSCO to establish a permanent industry working group where AWCC Ltd will represent industry for Payroll, its specialisations and Employment Technology Providers. Benefits of such a working group may include:
 - a. Collaborate on further research and data pertaining to Payroll and related professionals, including its specialisations and Employment Technology Providers.
 - b. Provide ABS/ANZSCO the ability to gain a greater level of accuracy and in turn be better positioned to ensure future Census data can accurately capture related industry job skilling data.
 - c. Explore opportunities to work directly with industry (especially Employment Technology Providers) to capture other related portfolio data including Workforce Gender Equality Agency (WGEA), shift time and attendance (draft wage-theft act), just to name a few.
2. AWCC Ltd has already made a separate submission (informally) to the ABS/ANZSCO to explore the expansion of the current system of 1 to 5 classification to include skill level 1 plus, which reflects those professions who require both a degree (or multiple degrees) AND experience in order to practice. Most of which are legally protected and regulated.

Lastly, AWCC Ltd would like to commend the ABS/ANZSCO staff, including its team leaders in discussing and providing appropriate context regarding the submission, its assessment and feedback process. AWCC Ltd hopes the ABS/ANZSCO team continues to provide this level of communication and where possible, capitalise on its benefits to both industry and the ANZSCO system via the aforementioned recommendation to establish a Working Group.

Our contact for any queries is Ciaran (Kieran) Strachan MD & CEO AWCC Ltd via email ciaran.strachan@awcc.asn.au

Yours sincerely,

Ciaran Strachan
Chief Executive Officer
Australian Workforce Compliance Council Ltd

Annex A – Feedback ANZSCO Proposed Changes – Round 1 Consultation

Feedback ANZSCO Proposed Changes – Round 1 Consultation

For the purpose of accurate feedback, AWCC Ltd will not expand upon its detailed recommendations in its original submission, including exact wording of both Payroll Professionals and Payroll Managers tasks listed in our original submission (pages 24-26). However, AWCC Ltd would like to highlight the following for reconsideration before final publication:

1. Reassessment of Payroll Officers from skill level 4 to that of skill level 2. Whilst AWCC Ltd acknowledges that ABS may not have data to substantiate this claim via the latest census, AWCC Ltd and its research does contain this information via several independent sources and its own survey. Further AWCC members canvassed about their previous census responses indicated that as the current Payroll Clerks job description is exceedingly out of date they either:
 - a. Completed the ABS census with the current skill level 4 job description knowing it was incorrect and out of date as there were no options (in their opinion) to modify the role. OR
 - b. Selected another profession all together such as Management, Accounting or Human Resources which was still largely incorrect, but more up to date and in turn, captured at least one or more of their actual skills, experience or education.
2. In addition to Payroll Manager and alternative title, Payroll Administration Manager, add (as recommended on page 25 of our submission) as alternative titles, Chief Payroll Officer, Payroll Director and Payroll Controller. These positions, especially that of Chief Payroll Officer are supported via actual job data collected and substantiated throughout our submission.
3. Complete removal of “Manages personnel undertaking payroll activities” (listed on page 197) from Human Resources Manager for the following reasons:
 - a. AWCC Ltd is the only member owned industry association which represents payroll practitioners. It is therefore the only body that can and should advocate for its profession, and in turn, be consulted for any amendments that involve the title of “payroll,” as is the case for many other associations including accountants and lawyers via regulator and like Government channels. **AWCC Ltd was not consulted by whomever made this request and therefore, rejects this assertion by a non-payroll profession that it does, and is capable of supervising payroll, therefore we strongly request this be removed immediately.** AWCCs past three years into contributing factors of both wage-theft and related award non-compliance indicates the following regarding Human Resources negative impacts on Payroll.

- i. HR practitioners, including all HR degrees (AWCC examined over 50 under and post graduate HR, Law and Commerce Degrees from over 22 Australian Universities) do not adequately cover or interpret any payroll legislation including the Fair Work Act, NES, Fair Work Regulators or its Awards. This includes its specialist HR degrees in Industrial Relations, of which our CEO (Ciaran Strachan) has just completed (Graduate Certificate in Industrial Relations) and has further indicated (as is supported by the Australian Human Resource Institute) that it lacks sufficient operational and wider education with regard to awards, and the Fair Work Act, let alone much of the other legislation Payroll practitioners interpret, apply and operationalise including: Common law, state law, regulations and instruments, financial legislation (8 States and Federal) Superannuation, Privacy, eight separate Long Service Leave Acts and many more.
- ii. HR has continued to contribute to significant instances of non-compliance including wage-theft, the most recent of which involves a head of HR who was referred to the AFP for criminal investigation for lying under oath to the Fair Work Commission. This is of note as HR has no intention of converting to either a regulated or Government integrated and regulated profession.
- iii. Our ANZSCO submission to create a Payroll Manager category at skill level 2 was successful, therefore, it is inappropriate for HR to further lay claim and in turn, provide a point of conflict as to whom a Payroll Officer should report to.
- iv. Lastly, AWCC Ltd is currently working toward a standards framework to be signed by all nine government, in which, it is intended that intermediaries (including HR) will not be allowed to supervise or interfere with payroll operations including those of Payroll Managers and Payroll Officers.