

Submission to inform the design of a National Skills Taxonomy, August 2024

The Australian Academy of the Humanities is the national body for the humanities in Australia. As one of the nation's five Learned Academies, we are a unique resource for government, working to ensure cultural, creative, and ethical perspectives inform Australia's plans for now and the future.

A National Skills Taxonomy is timely to enable coordinated action to meet skills needs, including through a more mobile workforce attaining the skills that enable economic complexity, social wellbeing and resilience.

Our submission proposes practical steps towards a national language on skills that will support objectives that have been prominent in consultations to date: structural adjustment in the economy, productivity, wellbeing, and national security.

The opportunity

Humanities higher-education experts are committed to clarifying and agreeing language on transferable skills. Transferable skills are key to increasing mobility and economic complexity; they connect vocational education with higher education, education with workplaces, and diverse workplaces with one another.

For students, transferable skills help to make sense of career planning in the expectation of change: both the fact that workplaces are changing, and the fact that they may well change workplaces, including across sectors, numerous times during their careers.

By transferable skills, we mean skills that are not tied to a point of origin or of use. Skills are transferable if they can be separated from:

- the qualification (Diploma, Certificate, Bachelor etc) in which they were developed
- the workplaces or sectors in which they have been demonstrated (so a worker from the coal industry can demonstrate skills of interest in another sector such as IT, as well as another kind of mining)
- and the job, role or level at which they have been demonstrated (to facilitate career development within and across workplaces)

That is, skills are transferable if they survive the various transitions that facilitate an adaptive economy.

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A useful test case is to imagine skills that are useable in the following three moments:

- a careers advisor highlights a skills cluster in conversation with a young
 Australian, to inform their subject choices
- an educational staff room or faculty refers to the same skills in more detail to develop and assess curriculum
- and a line manager or employer refers to these same skills to inform their workforce recruitment and development decisions.

Humanities experts want to see AI used to support (and not to regulate) context-specific, socialised uses of skills language. We understand that JSA is making progress on training AI to find convergence across different on-the-ground uses of skills language in like contexts. We welcome a 'conversation' between AI-assisted synthesis of skills language at the national level, and socialised, understood uses of skills language in specific contexts. The limits of this approach are as important as its successes in deciding how to design a taxonomy.

Humanities experts are committed to ongoing work to produce a national language on skills that enables, and does not foreclose, a developing conversation on the workplace benefits of higher education. (The OECD formula – 'skills, knowledge, attributes and values' – offers a useful handle on this.) This work will extend the skills agenda for economic complexity and professionalisation. It promises a genuine dialogue between tertiary education providers and employers to ensure a set of outcomes that is useful for employers and policy makers, and that will also enhance the design of education in the future.

We are ready to help to design a taxonomy that can support a joined-up tertiary sector, but we urge patience as well as commitment. The convening of agreement across training, education, industry, and government sectors is a major undertaking, even if limited (as we would recommend in the first instance) to the naming of transferable skills only.

For these reasons, this submission first seeks to inform the following basic question about the NST.

What taxonomy design(s) at the national level will best facilitate high-quality agreement and critical-mass buy-in amongst very diverse and very numerous players, to meet the Government's main objectives?

The challenge

Australia will benefit from a national language on skills, but this language must transcend many different use cases. A truly national skills taxonomy must stand above much of the work done by skills on the ground. Users of the taxonomy will need to describe skills, certify them, evaluate them; other users must link skills language to specific legal and functional requirements.

Modalities must be found that enable these many use cases, without the taxonomy being captured by any one or two of them, at the expense of national span.

Consultations have revealed two design modalities, which may be mixed in various ways:

- the 'central content' modality: a central agency (JSA overseen by ministerial councils) writes down an agreed national set of skills, codified in a taxonomy
 - examples: the Australian Skills Classification, the Singapore Skills Framework
- the 'central categories' modality: the central agency produces a set of skills categories, and a template for 'rich skills descriptors', which are then populated by the many users for their workplaces and sectors
 - o examples: the Open Skills Network.1

The central content approach may seem to be the short road to interoperability, but it may be very hard to execute across the entire economy.

We therefore tentatively suggest, for consideration and further discussion, a phased approach that will enable all stakeholders to learn by doing, and to codesign the taxonomy, by using each of the modalities.

(1) JSA, working to a national ministerial council, delivers a provisional National Skills Taxonomy for economic and social mobility in the short term by settling agreed language on transferable skills, focussed on point-of-employment use cases.

And (2) JSA sets out a metadata architecture and facilitates gradual alignment with the many sets of specific skills, organised variously by industry, professional association, skills alliances, etc. using rich skills descriptors (machine readable, but more importantly, fit for specific purposes).

¹ https://www.openskillsnetwork.org/

How the Academy of the Humanities can help

Humanities interests align well with the objectives of the proposed NST. We are very confident in our disciplines' leading role in producing many of the most valuable '21st century skills', but we have work to do to demonstrate that claim in terms that are accessible and agreed across the nation.

The consultation paper (on p. 6 under their Figure 2) says that there is fragmentation of skills in the sector, and therefore mismatch between 'jobs' and 'skills'. We know that general degrees (in arts, social science, and science) lead to multiple careers and outcomes for graduates. The skills attained during general degrees are 'diffuse', but they have in common attributes that support complexity. These graduates' skills are high-value, cross-cutting and transferable, but need better visibility and definition. Only then can the users of a future NST have a common language for the more complex transferable skills, so that they can work together on developing them and placing them.

As mentioned, the biggest challenge we see in both design and implementation is to ensure that the taxonomy reaches the critical mass of users it needs to be effective and comprehensive. The Academy acknowledges that this applies within the humanities disciplines too. We want to co-design a process that works with the grain of humanities disciplines, and draws on their highly relevant expertise, to unlock their economic and social value.

Co-designing the policy

Content approach

If the Government opts for a central content taxonomy, humanities experts can advise on how to describe skills so that we meet needs in areas such as the following.

- the need for <u>social and ethical skills</u> alongside identification of processes
 that can be automated through AI, to manage the issues that can be
 inherent in language learning models, or to avoid the leadership mistakes
 that led to Robodebt, or to make sense of advances in neurotechnology
- contextual or situational skills, to understand the impacts of economic and social disadvantage, and of regional and rural isolation in transitioning the economy from fossil to renewable energy sources; or
- <u>skills mixing</u>, for the complex array of personal care, digital and interpersonal skills required in the economy's fastest growing sector, health and social services, and across the care economy.

- <u>Communication and speaking skills</u> that support presentations, team building, intercultural communication challenges, leadership and growing and influencing positive cultures at work
- skills that are essential for <u>sovereign capabilities</u>, including in languages and cultures
- socio-institutional skills in understanding and aligning different motivations and cultures, e.g. to understand the interplay of incentives that enables successful public-private partnerships
- <u>critical thinking skills</u> that support a productive politics, accountability and trust.

Categories approach

If the Government opts for a central categories taxonomy, the Academy can provide some of Australia's leading experts in logic and systems, together with experienced policy professionals, who are experts in the efficient solution of category problems, including to avoid and to plan for unintended consequences.

Leading and implementing the taxonomy

Realising higher education's promise for a more complex economy

Australia should aim to use the skills language to demystify higher education, but not to dumb it down. Over time, the Academy could partner in convening consultations through which transferable skills could be clearly articulated and layered for both specific and non-specific industries and roles.

We are concerned to avoid generalised and 'flattened' skills that reduce tertiary education to simplistic skills such as 'communication' or 'writing', as if that is all that needs to be said about them. Rather, we need to define the basic, essential, desired, higher-order skills in layers that would show the value of advanced skill attainment in tertiary degrees.

Building convergence across higher education sectors

The Academy of the Humanities has a national platform, independent of universities, that could assist in articulating the practice of higher education with the development of the taxonomy. Our membership has advanced expertise and practical experience, closely connected to the realities of university organisation, but organised independently of the financial pressures that drive university strategies and decisions. The Academy of the Humanities has the necessary networks and the leadership and policy capability, which we could activate in partnership with the Government.

Balance the HASS and STEM Agenda

The overwhelming focus of skills literature on transferable and human skills comprehensively proves the absurdity of a STEM-centric advocacy for higher learning. Australia must abandon the counter-productive notion that STEM education should be promoted in isolation, as if those skills are more important than the skills that build situational and social understanding.

The JRG is undermining our national skills agenda

The Australian government must prioritise the dismantling of the Jobs Ready Graduates (JRG) package, which deliberately penalises today's students for choosing subjects that in fact stimulate and challenge them to develop transferable skills.

The JRG legislation was conceived on flawed assumptions about employability and workforce needs²; disproportionately impacts women and dissuades students from low SES backgrounds, including in the regions, from aspiring to and succeeding at university in subjects of social, economic, cultural and community value.

Continuing with the current category of 'job ready' subjects, without a mature conversation on how to advance higher education, is to continue with policy set for a low-complexity economy. Dismantling it will show that the Government is serious about transferable skills, and will energise the movement for comprehensive reform of tertiary education in Australia.

https://www.pc.gov.au/inquiries/completed/productivity/report/productivity-volume8education-skills.pdf and AAH Submission on the JRG

https://www.humanities.org.au/wp-content/uploads/2020/08/200817-AAH-Policy-Job-Ready-Legislation_final.pdf

² See Productivity Commission Analysis