NATIONAL SKILLS TAXONOMY DISCUSSION PAPER

ORYGEN SUBMISSION

ABOUT ORYGEN

Orygen is the world's leading research and knowledge translation organisation focusing on mental ill-health in young people. At Orygen, our leadership and staff work to deliver cutting-edge research, policy development, innovative clinical services, and evidence-based training and education to ensure that there is continuous improvement in the treatments and care provided to young people experiencing mental ill-health.

Orygen conducts clinical research, runs clinical services (including five headspace centres), supports the professional development of the youth mental health workforce and provides policy advice relating to young people's mental health. Our current research strengths include: early psychosis, mood disorders, personality disorders, functional recovery, suicide prevention, online interventions, neurobiology and health economics.

ABOUT THIS SUBMISSION

Orygen welcomes the opportunity to provide a submission to the National Skills Taxonomy Discussion Paper to inform the design of a National Skills Taxonomy. This submission highlights the importance of self-management, mental health and wellbeing skills being included as core competencies within the National Skills Taxonomy.

This submission was written on the lands of the Wurundjeri people of the Kulin Nation. Orygen acknowledges the Traditional Owners of the lands we are on and pays respect to their Elders past and present. Orygen recognises and respects their cultural heritage, beliefs and relationships to Country, which continue to be important to the First Nations people living today.

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REVOLUTION IN MIND

INTRODUCTION

National skills taxonomies have already been introduced in a number of countries (i.e. Singapore, USA) to address the rapid changes in skills demand. A skills taxonomy helps to establish a consistent understanding of workforce skills and provides clarity on the skills required for specific occupations and industries. In addition to this, a skills taxonomy can serve as a framework to identify 'core competencies' which are in high demand across different occupations. This is particularly useful for young people and those who support them, who could utilise a national skills taxonomy as a blueprint for education and career planning and development.

In addition to role specific skills, the importance of skills related to wellbeing is increasingly being recognised within education and industry. In Australia, self-management and wellbeing skills are already listed as skills for work in the '*Core Skills for Work Framework*' and '*Australian Blueprint for Career Development*'.(1, 2) This aligns with the World Health Organisation recommendation that workforce skills in self-management and stress reduction be prioritised to address the risk for mental ill-health in work settings.(3, 4) This is of particular importance for young people (15-24 years) with 9 in 10 young people in Australia engaged in education and/or employment and almost two in five experiencing mental ill-health in the past 12 months.(5, 6)

Experiences of mental ill-health during this developmental period can have a profound impact on the capacity for young people to meaningfully participate in the workforce and the long-term trajectory of young people's careers.(7) Mental ill-health contributes to diminished work functioning and lost productivity.(3, 8) A national skills taxonomy that incorporates wellbeing skills and mental health competencies would not only enhance the wellbeing of young people, but also support broader workforce productivity and development. Opportunities to develop self-management skills will assist young people in managing their wellbeing and optimise their education, work and career outcomes. This will also guide education and industry to ensure current and future workforces are adequately prepared and supported as they transition through their careers.

BENEFITS AND LIMITATIONS OF EXISTING SKILLS TAXONOMIES

The inclusion of self-management skills in the national skills taxonomy would align Australia with international standards and promote enhanced mental health outcomes for young people in the workforce. The '*Australian Skills Classification*' does not currently recognise self-management, wellbeing or mental health as skills. This does not reflect what is occurring internationally, with these skills being included in the taxonomies of Singapore, the USA and the European Skills, Competences, and Occupations classification. Inclusion of these skills is important. The OECD Skills Outlook emphasises the importance of health literacy as a key skill for the workforce.(9) A 2022 review of the Singapore skills taxonomy found the most demanded skill across occupations was self-management.(10) The competency of self-management is then followed by a range of knowledge and/or ability items that are comprehensively described and broken down into proficiency levels, with opportunities for knowledge growth. For example, the ability to "implement stress management techniques to maintain wellbeing" proceeds the ability to "self-reflect upon self-care techniques".(11) This categorisation of proficiency levels provides clarity surrounding skill development pathways and would be beneficial for the Australian national skills taxonomy.

The inclusion of these skills within the taxonomy would provide young people with skills needed to prioritise and manage their wellbeing, assist in identifying what skills are needed and align workforce development with the needs of young people. This would be beneficial for a number of reasons. Mental health skill development helps to foster a culture of mental health awareness and leads to better mental health outcomes. The promotion of self-management skills also raises awareness of the importance of mental health and contributes to reduced mental health stigma in the workplace. Further, opportunities for improved mental health literacy among young workers would assist in minimising the risk of mental ill-health in the workplace.(12)

Current international skills taxonomies, while providing direction may not be immediately transferable to the Australian context. Constructions and experiences of mental health are influenced by the cultural context. Therefore, the development of the Australian national skills taxonomy must involve consultation with young people to establish wellbeing skills for an Australian context.

HOW AN NATIONAL SKILLS TAXONOMY COULD HELP ACROSS EDUCATION, TRAINING OR THE LABOUR MARKET

A national skills taxonomy can support young people in aligning workforce needs with their education and career. Self-management skills are already being asked for by industry and are taught in a variety of settings. The focus of government has been to include these more explicitly within school, VET and university programs, however, they are currently not formally recognised as a core skill on a national occupation level. This lack of formal recognition results in limited guidance and standardisation for institutions when developing courses to ensure these essential skills are taught explicitly, and included implicitly, in any education programs. The Australian Curriculum General Capabilities includes self-management, self-awareness, social awareness and social management as elements within the personal and social capabilities.(13) Including these as skills in the national skills taxonomy would enable schools to clearly link curriculum with future job requirements, ensuring that students are better prepared for the workforce.

The design of the national skills taxonomy must be accessible and user-friendly. Presenting the taxonomy in an accessible and engaging way, such as through an interactive website, would provide a powerful tool for young people to link their skills to specific jobs, identify which skills they need to develop, and consider industries experiencing skills shortages. Ensuring accessibility and usability will also support the mental health of priority populations, making the national skills taxonomy a comprehensive resource for all.

The Australian Universities Accord Review recommended a tertiary attainment target for working age people to 80 per cent by 2050. Additionally, it sets a target for the most under-represented groups in higher education increasing to reach parity across the Australian population of 2050.(14) A national skills taxonomy that is both accessible and recognises the importance of self-management, wellbeing and mental health skills can contribute to the success of these targets.

RECOMMENDATION
The national skills taxonomy should include skills in self-management, wellbeing and mental health.

The inclusion of skills in self-management, wellbeing, and mental health will bring Australia in line with global standards and contribute to improved mental health outcomes for young workers. The consultation and design of the National Skills Taxonomy needs to include participation of young people and youth organisations. It is of particular importance that young people from priority populations are meaningfully involved in its creation. This will ensure that the resource meets the needs of all users.

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