



Northern Territory Branch **AUSTRALIAN HOTELS ASSOCIATION**



Telephone: (08) 8981 3650 Facsimile: (08) 8981 5754
20/24 Cavenagh Street Darwin Northern Territory 0800
PO Box 3270 Darwin Northern Territory 0801
admin@ahant.com.au

Wednesday, July 26, 2017

Committee Chair
Hon Warren Entsch
Joint Standing Committee on Northern Australia
GPO Box 000
DARWIN NT 0801

Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia

The Australian Hotels Association (NT Branch) (AHANT) The AHANT would like to update the Joint Standing Committee on several issues on the hospitality and tourism workforce.

Both Hospitality and Tourism are large sector employers in the Northern Territory. The NT hospitality industry is approximately 16,000 employees and the tourism industry directly and indirectly employed 15,500 (noting there would be considerable overlap between the two sectors).

On Northern Australian employment opportunities we can submit that with respect to NT hospitality employment opportunities:

- At times seasonal lower skilled workers are difficult to source.
- There is a drastic shortage of managers and cooks/chefs in the NT hospitality industry.
- The pipeline of trained VET students participating and entering in the workforce is approximately 5-10% of the supply required for the jobs available.
- The pipeline of candidates from Federal work programs such as Pathways and Transition to Work is less than 5% of the supply required for the entry jobs available.
- The relocation of southern Australian workers meets some of the demand for the skilled and semi-skilled jobs available with the remainder of vacancies needing to be sourced from overseas workers.
- Overseas backpacker workers assist in filling lower skilled, semi-skilled and skilled positions.
- Employers have not used workers available under the Seasonal Worker Program (due to red tape over employers registering and the ability to access backpackers without the same level of red tape).
- Most businesses have had to rely on sourcing overseas workers to fill one or several jobs in their business.
- The Designated Area Migration Agreement (specific to the NT) has enabled businesses to source semi skilled workers.

holders to work. Sub class 417 visa holders are also in demand. We have seen a drop off of these backpacker workers in the Darwin region.

- The current Federal and Territory employment strategies focus on addressing demand of lower skilled work in our industry.
- There is no employment strategy in place to address the shortage of managers or commercial cooks.
- Approximately 1,000 indigenous workers work in NT hospitality. Even greater numbers work in retail.
- Preliminary success has been had by indigenous businesses employing indigenous workers. However, similar success has not been enjoyed by non indigenous business but this may improve over the next 5 years. There are Indigenous owned hospitality businesses in and around Yulara, Alice Springs, Tennant Creek, Katherine, Jabiru, Darwin ,Tiwi Islands and Groote Eylandt.
- In the NT the demand for labor in Darwin area has softened (matching the economy) but demand is still strong amongst regional and remote businesses. With the projected growth of tourism in Darwin and the NT the demand will dramatically increase.
- Red tape at a federal level means that when Australians can't be found for skilled or semi-skilled positions it takes time and administrative effort to source overseas workers
- There does not appear to be any obvious solution to improve numbers relocating to the North. We also note that relocation from family support structures is also a major impediment for recruitment and that mental health issues in the workforce are being associated with relocation. The same mental health issues are not presenting to the same degree with overseas workers who may have a higher willingness to be relocated.
- The cohort of eligible seasonal workers available under the Federal Seasonal Worker Program has not been used in NT hospitality(notwithstanding a 12month NT program to facilitate the same). This program remains as an option if there is a significant lower skilled labour shortage AND red tape removed.
- The AHANT supports the workforce solutions recommended by the NT Government being
 - 3.a better implement the Australian Government initiative that allows WHMs to work for one employer for over six months;*
 - 3.b create a new visa for northern Australia that reflects the northern context;*
 - 3.c increase the upper age eligibility for WHM visa holders from 30 to 35 years of age;*
 - 3.d include the tourism/hospitality sector as an eligible industry for the 2nd Working Holiday visa(subclass 417)*
 - 3.e undertake reform to Commonwealth employment programs to ensure flexibility in supporting and engaging Indigenous Australians in the tourism labour market;*
 - 3.f better resource initiatives developed by the Australian Government's Tourism and Hospitality Labour and Skills Roundtable including a dedicated strategy for Indigenous Australians;*
- The National Indigenous Training Academy at Voyages Ayers Rock Resort is a training and employment concept that could well be introduced to the Top End. Accordingly the suggestion for such an academy in Jabiru as submitted by Kakadu Tourism has substantial merit. We have seen the cluster indigenous education model in Batchelor work for both the health and education sector and similar success could be achieved in Jabiru. You would also find that many hospitality employers in the Darwin region would assist in work experience and work placements during the education of these Kakadu based trainees. Yulara works well for non NT indigenous candidates but we need to develop specific NT Indigenous programs.. Kakadu Tourism is in a position to offer jobs in retail, tourism and hospitality and the museum and arts trail priority could also be addressed in training.

- We have had numerous successful indigenous training programs, including programs conducted by Karen Sheldon Training, with outcomes Tennant, Alice, Katherine and Darwin. However, not all entry level indigenous trainees are ready for employment outside of the highly mentored setting. Certainly, in many cases more on the job mentoring of the worker is required. Mentor training and assistance is also needed for supervisors and business proprietors to ensure that efforts of work retention are maximised.
- The AHANT has been funded by the NT government to amongst other things evaluate current workforce development opportunities in VET, VET in Schools, Tertiary as well as federal employment programs with a view to maximize employment opportunities in our industry. Work has just commenced this July and we can further inform the Joint Standing Committee following our collection of data and consultation with the businesses of any issues or solutions that may assist in developing tourism and hospitality in the North.
- With many businesses needing to source overseas workers then NT businesses need to be better informed on visa form filling, supporting documentation and processes. This is even more relevant given the constant changing of rules on visas and taxation. Migration NT at the NT Government do a great job on updating and providing information to NT businesses. However, one solution would be for NT businesses to have access to federal immigration public servants that can handle queries promptly. There needs to be a federal public service that does the role of Migration NT with a charter that is focused on delivering services to businesses.
- In recent times, the Department of Employment have had a dedicated officer assisting businesses in understanding some of the emerging federal employment programs. This continues to be a good contact and the use of this source will continue. There has also been increased networking by the JobActive providers in Darwin and Alice Springs. However, regional towns and remote Wayside Inns have less access to such updates, information and training on accessing Federal workforce programmes. The AHANT will contact the Department of Prime Minister and Cabinet to work on improving the education and provision of information for those businesses it covers which are geographically not in Darwin or Alice Springs townships. This demarcation of territory between federal agencies causes some angst to businesses on the fringes of Department of Employment services areas as well as those operating in both jurisdictions.
- In November 2016, the writer Des Crowe had an opportunity to provide suggestions to the regional sub-committee of the Tourism and Hospitality Labour and Skills Roundtable. As set out above many of these points are still relevant today and can be summarized as follows:

"The following points are based on the issues arising in regional NT evidenced at the recent regional careers expos (Katherine, Nhulunbuy, Alice Springs, Tennant Creek, Darwin) and discussions with regional members (remote area members, Groote Eylandt, Jabiru and Yulara).

The indigenous employment and training issues are evidenced by the success of NT hospitality businesses which are indigenous owned and where there has been a dramatic improvement in indigenous workforce participation (Ayers Rock Resort, Crocodile Hotel Jabiru, Milikapiti Licensed Club).

It should be noted that through the NT schools, employment services and registered training organisations we will see hundreds of locals enter tourism and hospitality workforce. However, thousands of additional workers are required to sustain tourism and hospitality and thousands more are needed to grow the sector.

bring about effective outcomes in employment and training. The same can be said about employment service providers and RTOs. The strategy needs to be driven at a grass roots level by the enterprises themselves. Traditionally, school careers counsellors have not supported our industry and no amount of information or training is going to change the entrenched views of this collective.

Priority Strategies

1. Local Tourism and hospitality businesses encouraged to meet and explore maximising workforce participation in and around local area. This would also include determining capacity for businesses to work with schools, employment services and Registered Training Organisations to offer job tasters and work experience opportunities within the workplace. It would also include auditing labour and skill requirements and shortages.

Based on workforce participation opportunities in the area, ensure that schools, employment services and Registered Training Organisations are aware of the workforce needs and opportunities of the area (with a focus on tourism and hospitality) and they develop the capability to widely engage with the local businesses.

In areas where there are insufficient locals to meet the workforce demands, then Department of Employment and State and Territory government agencies work with other potential eligible tourism and hospitality workers AND local businesses to promote workforce opportunities in these regional areas.

2. Need to elevate the status of ordinary tourism and hospitality workers by highlighting role models, career opportunities and lifestyle benefits. This positive career participation can then be filtered down to all those involved in career promotion including eligible tourism and hospitality workers.

3. Build on the success of indigenous workforce participation in indigenous owned tourism and hospitality businesses by ensuring indigenous employment is maximised. Promote the status of indigenous tourism and hospitality workers by highlighting role models, career opportunities and lifestyle benefits to eligible indigenous tourism and hospitality workers. Promote the success of indigenous tourism and hospitality workers to non-indigenous tourism and hospitality businesses. Improve the management ability for non-indigenous owned tourism and hospitality businesses to train and retain indigenous staff.

In conclusion, the AHANT Priorities for the NT Hospitality Workforce are:

1. Train locals and Employ locals
2. If the efforts to train and employ locals leaves a gap employ Southern Australians
3. If no suitably qualified Australian can be employed employ eligible overseas workers

It is paramount that as the infrastructure and tourism product of the North further develops that we need to not only sustain our existing workforce but also expand it to meet the demands of growth.

Yours sincerely,

Des Crowe
Chief Executive Officer
Australian Hotels Association (NT Branch)