

Conclusion

- 6.1 This inquiry has come at an important time for the industry. Australia is a peak destination for tourists, and has consistently improved its performance against international standards and benchmarks.
- 6.2 Strong growth is predicted for the tourism sector, with anticipated growth in both inbound and domestic tourism. Regional areas are expected to be an expanding market for domestic tourism, leading to growth in niche markets and new tourism experiences on offer.
- 6.3 However, it is also a time of sustained economic growth for the country generally. Consequently, demand for skills and labour is at a premium. The growth in the resources sector, with the resultant premium wages paid for skilled staff, has adversely affected the competitiveness of the tourism sector.
- 6.4 The tourism sector also faces international competition for market share and skilled employees. The increasingly mobile population, while good for tourism, is also a drain on the available workforce.
- 6.5 The most significant workforce challenge facing the tourism industry is to improve employee retention. Turnover is costly, and the industry will fail to thrive while it has an acceptance of such a high turnover culture.
- 6.6 The Committee makes recommendations aimed at improving the position of the industry to better understand its workforce challenges. Data compilation and analysis needs to be improved as does the industry's ability to utilise this data effectively.

- 6.7 Easing the pressure of labour shortages is more challenging. The seasonal nature of most tourism experiences means that there are significant peaks and troughs in employment demand. However, because of the size and diversity of experiences available, there is scope for opposing seasons to work collaboratively to share a common workforce.
- 6.8 Unfortunately, the lack of industry coordination, due to its high percentage of small owner operated businesses, means that these opportunities are often missed. Accordingly, the Committee has recommended the development of a seasonal workforce management plan to assist industry cooperation.
- 6.9 Skills demands are a persistent challenge facing the industry. The shortages of chefs are well documented. However, the Committee found that there are skills demands across the full range of industry jobs. Skills demands in remote and regional areas are particularly severe and the Committee discusses the main causal factors for these shortages.
- 6.10 Because many tourism destinations are in remote and regional areas, the Committee has recommended the development of a destination management planning resource that also addresses community infrastructure to make these destinations more attractive for permanent residents.
- 6.11 Migrant labour was discussed at length throughout the inquiry. These issues are discussed in the report with recommendations made addressing the processing of visas, and amendments to the working holiday maker scheme and student visas to better support the tourism industry.
- 6.12 The report discusses the limitations of the Migration Occupations on Demand List and its exclusion of the particular skills required for certain positions in the tourism industry. The Committee recommends that the qualification criteria of the Migration Occupations on Demand List be amended to include the skilled occupations in demand in the tourism industry.
- 6.13 The report discusses the industry call for a seasonal visa for low-skill positions. The Committee recommends the establishment of a taskforce to examine further flexibilities in the immigration program to alleviate some of the labour pressures facing regional and remote businesses.

- 6.14 The recruitment and retention practices in the industry are highly variable. This is in part based on the number of small and medium sized operators with little or no human resource management experience. The industry as a whole needs to work collectively to support better recruitment and retention practices to try to reduce turnover and keep dedicated people within the industry.
- 6.15 To improve the industry image and develop better career paths, the Committee has recommended the establishment of a leaders forum to take responsibility for these issues.
- 6.16 There is a pool of potential employees that are not being exploited by the industry, as they are beyond its traditional workforce. The report recommends support to identify the barriers to the employment of older workers, particularly those already travelling Australia as 'grey nomads'.
- 6.17 Indigenous tourism is potentially a boom niche market for Australian tourism. The Committee was extremely impressed with a number of initiatives it saw in Queensland, however, recognises that there are barriers to employment growth, training and investment in this sector. The report therefore recommends an inquiry into the opportunities for Indigenous tourism growth.
- 6.18 Recommendations are made aimed at increasing employer knowledge of the connections between turnover costs and retention strategies. The report also recommends a scheme aimed at jurisdictional portability of long service leave.
- 6.19 Training is discussed at length. Industry commitment to training delivery needs to be improved and the report makes a series of recommendations aimed at training funding models based on recognised competencies achieved rather than time served.
- 6.20 The tourism professions are not highly recognised outside of, and sometimes within, the industry. The report recommends the establishment of a professional tourism body that is responsible for formal recognition of qualifications, and lifting the profile of careers in the industry to an international standard.

- 6.21 Finally, the report discusses areas where both the Government and industry can be more innovative. Taxation issues are discussed at length and the Committee calls on the Government to give the same recognition to the tourism industry as it does to primary producers in its taxation treatment. Fringe benefits taxation relief is recommended and the recommendations of the National Tourism Investment Strategy are endorsed.
- 6.22 The Committee is positive, that with commitment and effort, and better industry collaboration, the workforce challenges facing it will be overcome.
- 6.23 The Committee travelled to a number of regions of Australia and experienced a range of accommodation and services. There are widely varying standards in service throughout Australia and some parts of the industry have much to learn in order to survive competitively. There are also outstanding examples of innovation and professionalism.
- 6.24 The Government and industry each have their role to play to ensure the ongoing competitiveness of the Australian tourism industry. However, the community also has a role to play in supporting the industry. This role is the easiest recommendation that the Committee has to make.
- 6.25 The Committee recommends that more people take a holiday, and see Australia.

Hon Gary Hardgrave MP

Chair

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