



Submission to the

**Standing Committee on Employment,  
Workplace Relations and Workforce  
Participation**

***Inquiry into Workforce Challenges in the  
Australian Tourism Sector***

From the

**Queensland Tourism Industry Council  
(QTIC)**

August 2006

# Summary of Recommendations

## **1. Current and future employment trends in the industry**

- 1.1 The retention of national industry skills councils to retain ongoing consultation and advice provision between industry, education and government.
- 1.2 Conducting a national skills audit of tourism employees similar to that undertaken by the Forestry industry.
- 1.3 Assistance for employers to understand and develop succession planning and career planning tools for their businesses.
- 1.4 Career advice needs to come out of the domain of the career advisor and be complimented by industry representation.
- 1.5 Research models that recognise and capitalise on the contribution tourism and related industries make to some 60% of all employees in their initial work skills and work ethics development.

## **2.1 Current and emerging skill shortages**

- 2.1.1 Provide supplementary post apprenticeship training, to enable employees to effectively run a business operation through the development of business and human resource management skills.
- 2.1.2 Review funding incentives and parameters for employers to gain greater value from traineeships and apprenticeships than currently.
- 2.1.3 Change apprenticeship training from time-based to competency-based system.
- 2.1.4 Devise a funding model to support the development of skills sets rather than full qualifications which will help to address the issue of our current skill shortages and will be responsive to future skills requirements.
- 2.1.5 Federal and State governments to coordinate efforts and funding regarding strategic skill shortages areas.
- 2.1.6 Review the current skilled and unskilled labour visa programs.

## **2.2 Appropriate recruitment, coordinated training and retention strategies**

- 2.2.1 Develop clear guidelines and processes and substantially increase funding of RPL for industry candidates.
- 2.2.2 Increase funding of fast track RPL initiatives to encourage the industry to up-skill existing workers.
- 2.2.3 Enable flexible terms for existing worker traineeships rather than the rigid two-year term that is currently in place.

- 2.2.4 Ensure a consistent approach by TAFEs to use the codes directly from the industry training package rather than delivering in a curriculum based program where the skills are unidentifiable against the training package.
- 2.2.5 Fund incentive programs through either rebates or tax breaks to industry employers who support formal recognition of their staffs' skills for the attainment of industry qualifications.
- 2.2.6 Fund a program where an industry based assessment panel sits and conducts a bulk RPL assessment process for industry employees.
- 2.2.7 Develop a rebate program for employers which covers 'mandatory' training areas within the industry (in particular) that includes Workplace Health and Safety, Responsible Services of Alcohol, Responsible Gaming, First Aid. Whilst not mandatory we highly recommend including Customer Service. Such a rebate program could be delivered consistently throughout the States and Territories, and would free up limited employer resources to provide training in additional, developmental skills and knowledge that support sustainable and innovative business practice,
- 2.2.8 Continue to review and support incentives for mature-age workers to re-enter the tourism workforce, particularly on a part-time or casual basis (such as the opportunities provided by the recent changes to superannuation rules).
- 2.2.9 Review and develop incentives to cover upskilling programs for staff wishing to return to the industry after a period of absence.
- 2.2.10 Continue to review and support incentives for part-time workers to re-enter the tourism workforce such as improved access to quality and affordable childcare, childcare tax rebates and increased assistance for full time carers.
- 2.2.11 Remove impediments to employers offering appropriate non-cash rewards to employees (eg fringe benefit tax).
- 2.2.12 Support and lead united communications, PR and media activity, work experience programs and career advice provision undertaken by State/Territory Governments and industry groups to reverse the unattractive image of occupations in the tourism industry.
- 2.2.13 Support the development of human resource management programs post-recruitment aimed at career planning, job rotation, multi-skilling, mentoring and coaching, flexible remuneration systems and succession planning.
- 2.2.14 Support the development of a nationally recognised pattern of career advancement, linked to qualifications recognised by (and portable between) employers and education and training establishments.

- 2.2.15 Facilitate improved access to information on tourism and hospitality industry jobs through enhancement of tourism information on the Services Skills Australia online career portal.
- 2.2.16 Further expansion to the Working Holiday Visa (WHV) program to improve the tourism industry's access to people on WHVs, particularly to fill skills and labour shortages in the industry.
- 2.2.17 Foster innovative solutions to address skill shortages with complimentary and supportive regulations and licensing.
- 2.2.18 Improved tax incentives for employees and employers in regard to training for personal and professional development.
- 2.2.19 DEWR to include secondary jobs in data collection

### **3. Strategies to meet seasonal fluctuations in workforce demands**

- 3.1 Consider implementing tax incentives, superannuation benefits and other family benefits to increase the attractiveness and/or remove impediments to moving between jobs under arrangements such as 'roving contracts'.
- 3.2 Facilitate a consistent approach to regulations impacting on employee training in the tourism and hospitality industries, to provide a more streamlined and efficient approach by each state and territory. This will make it easier for employees to move around Australia and transfer their skills and expertise.
- 3.3 Facilitate improved access to information on tourism and hospitality industry jobs through enhancement of tourism information on the Services Skills Australia online career portal, and linkage of this portal to complementary state and territory initiatives.
- 3.4 Provide funding and assistance to establish a national tourism employment portal that would assist tourism industry employers to manage their varying requirements for staff throughout the year and to recruit staff from within Australia and from overseas.

### **4. Strategies to ensure employment in regional and remote areas**

- 4.1 Reintroduce programs such as Networking the Nation, Information Technology Online and BITES to provide hardware and software solutions to regional and remote areas of Queensland and support flexible learning opportunities.
- 4.2 Support employment and skills development priorities and initiatives that align with Queensland's Destination Management Plans (DMPs) and other regional priorities such as Blueprint for the Bush.
- 4.3 Continue to support programs and initiatives that make regional areas attractive places to live and work.
- 4.4 Continue to fund and manage employment programs aimed at attracting and retaining employees to tourism and hospitality jobs in regional and remote locations.

4.5 Provide funding to support further research and financial assistance to increase the capacity of tourism industry to attract investment particularly in regional areas.

**5. Innovative workplace measures to support further employment opportunities and business growth in the tourism sector**

5.1 Support the range of programs outlined above to foster innovative workforce measures aimed at supporting further employment opportunities and business growth in the tourism sector.

# Introduction and background

## Queensland Tourism Industry Council (QTIC)

QTIC is a private sector, membership-based tourism industry organisation. QTIC represents the interests of the tourism industry, including business operators, Regional Tourism Organisations (RTOs) and sector associations. All of Queensland's RTOs are members of QTIC as are 22 of the industry's sector associations.

QTIC has in excess of 3,000 regional members, operating in all sectors of the tourism industry. As the peak body for tourism, the State's second largest industry, QTIC provides a focal point for the tourism industry and advocates its needs to governments.

QTIC is governed by a Board of Directors, elected from its membership, according to its corporate constitution.

In Queensland, tourism has emerged as one of the state's fastest growing export industries making an increasing contribution to the economic development and quality of life of Queenslanders. The Smart State's tourism industry is critical to our future prosperity.

Tourism is our third largest export earner and accounted for \$8.4 billion or 5.8% per cent of the State's economic activity as measured by gross state product (GSP) in 2003-04, generating domestic and international visitor expenditure of over \$16.7 billion and employing in excess of 136,000 Queenslanders<sup>1</sup>. Regional communities are increasingly reliant on the tourism industry for economic, social and environmental benefits that are a direct result of tourist expenditure.

The draft *Queensland Tourism Strategy, A 10 Year Plan* (QTS) recognises the importance of the industry's people and has identified a number of activities to develop the state's workforce into a well-trained, flexible, service-oriented workforce to grow Queensland's domestic and international market share. Industry consultation and desk research undertaken as part of the QTS development process identified the following workforce development issues as the main areas for action:

- skills shortages – attracting and retaining staff;
- perceptions of limited career path options;
- the need for regional delivery and uptake of skilling and employment programs; and
- the need for improved language and cultural skills.

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<sup>1</sup> The Contribution of International and Domestic Visitor Expenditure to the Queensland Economy 1998-99

The Strategy objectives in this area are:

- ensuring tourism is a competitive sector of the labour market, attracting, training and retaining employees;
- facilitating a coordinated approach between government, industry and training providers in workforce development; and
- facilitating a workplace culture of service excellence and business growth and development.

The QTS is currently in its final stages of development. A copy of the draft QTS is accessible online from the Tourism Queensland corporate site at [www.tq.com.au](http://www.tq.com.au).

The Queensland Government's \$1 billion *Skills Plan* outlines 24 key Queensland Government commitments to recruit and retain a highly skilled robust workforce that will meet current and future demands of industry and the economy. It aims to address skills shortages that are being experienced across the Queensland economy and to improve further skills planning and training delivery.

The new framework has four key elements:

- A training system that works for Queensland
- Training that works for industry and employers
- Training that works for the trades
- Training that works for individuals.

The Queensland Department of Employment and Training's *Skills Formation Strategies* provide a process whereby industry, community and government stakeholders collaborate to analyse the reasons for skills shortages, then develop strategies to address identified issues. Generic solutions to skills shortages are currently in place but the skills formation strategy process enables tailored industry and community solutions. The following six (6) Skills Formation Strategies are currently under development in Queensland:

- Tourism Whitsundays
- Tourism Mackay
- Cairns Marine Tourism
- Tourism Bundaberg
- Wine Tourism
- State-wide Tourism (Hospitality)

# Issues

## 1. Current and future employment trends in the industry

The tourism industry in Queensland, as in the other states and territories in Australia, is characterized by:

- significant levels of part-time and casual employees;
- a high degree of perceived flexibility for employees to move between positions (in part due to the high levels of part-time, casual work);
- decentralisation across the state;
- requirements for staffing seven days a week, 52 weeks a year (and in some jobs, 24 hours a day).

In 2003-04, tourism employed 136,000 persons in Queensland. This represented 7.3% of Queensland employment. Of the 136,000 persons, 77,100 (56.7%) were employed full time and 58,900 (43.3%) were employed part-time (referring to 35 hours or less)<sup>2</sup>.

The August 2005 Employee Earnings, Benefits and Trade Union Membership<sup>3</sup> published by the Australian Bureau of Statistics found that 58% of all employees in the industry of accommodation, cafes and restaurants did not have any leave benefits.

The 2003-04 Queensland Tourism Satellite Account<sup>4</sup> indicates that, on average, every 190 domestic visitors or 71 international visitors supports one additional job in Queensland.

Many of Queensland's best-known tourism sites are also regions with a high level of tourism employment intensity. The Tourism and Transport Forum National Tourism Employment Atlas (2004) highlights four significant Queensland regions:

Tourism Region	Tourism employment (no. of employees)	Tourism's share of employment (%)
Whitsundays	3,138	22.2%
Tropical North QLD	14,365	13.2%
Gold Coast	21,877	9.7%
Sunshine Coast	8,777	8.3%

From 2005 to 2016, the percent of Queensland's population aged between 45 and 64 years will increase from 36.4% of the working age population to 38.6% of the working age population. In addition, it is projected that the 65 years and over age group will increase to 15.5% of the population at 2016. Over this same period, the workforce population of those aged between 15 and 64 declines as percentage of the total population. At June 2005, the workforce population represented 67.5% of

<sup>2</sup> Contribution of International and Domestic Visitor Expenditure to the Queensland Economy 2003-04

<sup>3</sup> Australian Bureau of Statistics, Employee Earnings, Benefits and Trade Union Membership, cat 6310.0

<sup>4</sup> Office of Economic and Statistical Research, 2003-04 Queensland Tourism Satellite Account



the population. The ageing population of Australia results in the workforce population being forecast to decline to 65.7% of the population by June 2016.<sup>5</sup>

At the same time tourism employment is forecast to reach 164,000 in Queensland by 2015-16<sup>6</sup>

DEWR projection out to 2010-2011 indicate that Accommodation, Cafes and Restaurants expected growth places the industry in the top five for growth over the next 5 years.

As reported in the Industry Skills Report June 2006, the industry is dominated by occupations that require basic and skilled vocational level qualifications and there is an over representation of workers with no post school qualifications. While some particular occupations have a tradition of training such as Chefs, there are skills in many other occupations that have been learnt on the job and through others or through the trial and error of self employment.

According to the Monash Centre for Policy studies, June 2005, the greatest employment growth prospects are in the occupations of Cooks and Chefs, Waiters, Travel Consultants, Tour Guides, and Customer Service officers for conferences and events.

Futurists are predicting that 70% of jobs in the year 2020 do not exist yet and a high percentage of these will be in the service industries. We therefore need be looking not only at technical skills but also adaptive skills to assist in this evolutionary transition. We also need to take into consideration the profile of the customer. With retiring baby boomers increasing in numbers and their penchant for spending on lifestyle and their personal healthcare (diets), they are expecting a more refined level of product knowledge and service from our employees to meet their demands.

#### Internationalisation of the workforce

Businesses are increasingly looking overseas for employees to overcome skills and labour shortages. The recent changes to Working Holiday Visa (WHV) program will improve employers' ability to attract and retain staff, particularly in seasonal positions where the previous three-month limit was leading to regular staff turnover and heightened the perception of the industry as a transient one. Also the requirement for these visitors to undertake three-month seasonal work in regional areas could benefit the industry by drawing people to some Queensland regions they would not have otherwise been attracted to visit.

QTIC is active in developing opportunities for industry operators to participate in Expos and Conventions domestically to highlight the employment opportunities in Queensland e.g. the Work and Play Expo in Sydney in August 2006. There is also interest in attending international events that encourage the take up of employment opportunities in Queensland, with the Queensland government actively recruiting from overseas.

Due to the recognised quality of Australian qualifications there has been increased activity and growth in the delivery of Australian qualifications overseas. This

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<sup>5</sup> Australian Bureau of Statistics, Population Projections, Australia 2004 to 2101, cat 3222.0 Series A

<sup>6</sup> Derived by applying a multiplier to economic contribution to derive employment. Draft QTS, Page 15

means we are not only facing migrants coming to Australia with qualifications needing to be skills tested and matched to our own but they are entering the workforce “job ready” in terms of qualifications.

The requirement for a consistent approach and administration body for the recognition of overseas skills is also an important issue that needs to be addressed.

## **Recommendations**

- 1.1 The retention of national industry skills councils to retain ongoing advice between industry, education and government.
- 1.2 Conducting a national skills audit of tourism employees similar to that undertaken by the Forestry industry.
- 1.3 Assistance for employers to understand and develop succession planning and career planning tools for their businesses.
- 1.4 Career advice needs to come out of the domain of the career advisor and be complimented by industry representation.
- 1.5 Research models that will recognise and capitalise on the contribution tourism and related industries provides to some 60% of all employees in initial work skills and work ethic development.

## **2. Current and emerging skill shortages and appropriate recruitment, coordinated training and retention strategies**

### **2.1. Current and emerging skill shortages**

Australia and Queensland are experiencing the lowest level of unemployment in almost 30 years with the national unemployment rate at 5.1 per cent and the Queensland unemployment rate at just 4.9 per cent in December 2005.<sup>7</sup> One consequence has been skills shortages in sectors of the tourism industry.

The following areas of skills shortages have been identified in Queensland<sup>8</sup>:

- Chefs and kitchen staff from across all sectors of the industry
- Front of house workers such as bar, reception, wait staff
- Tour guides (with language skills)
- Trades persons that provide support to the industry such as engineers, technicians, carpenters, plumbers etc.

Across the state these skills shortages are more pronounced in regional areas.

Alongside the need to address the identified skills shortages, skills development in Queensland is necessary in the following areas:

- Customer service skills across all sectors of the industry
- Middle management is lacking in skills relating to HR, legislation, regulatory and industrial relations, accounting, e-business and IT, marketing, and leadership.
- Skills in areas relating to specific market segments, such as backpackers, meetings and events etc.

### **Recommendations**

It is recommended that the Australian Government:

- 2.1.1 Provide supplementary post apprenticeship training, to enable employees to effectively run a business operation through the development of business and human resource management skills.
- 2.1.2 Review funding incentives and parameters for employers to gain greater value from traineeships and apprenticeships than is the current situation.
- 2.1.3 Change apprenticeship training from time-based to competency-based system.
- 2.1.4 Devise a funding model to support the development of skills sets rather than full qualifications which will help address the issue of our current skill shortages and be responsive to future skills requirements.
- 2.1.5 Federal and State governments to coordinate efforts and funding regarding strategic skill shortages areas.
- 2.1.6 Review the current skilled and unskilled labour visa programs.

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<sup>7</sup> Australian Bureau of Statistics. Labour Force Australia, December 2005.

<sup>8</sup> See appendix 1 for a complete list of reports on which this information is based

## **2.2 Recruitment, training and retention strategies**

Improving skill levels, retaining staff and increasing labour supply is fundamental to meeting the Queensland Tourism Strategy employment targets and visitor expenditure targets. Alongside competition from other industries and limited career opportunities, a lack of skill development opportunities creates challenges that must be addressed if the industry is to successfully attract and retain staff.

The following issues contribute to difficulties in successfully recruiting, training and retaining staff in the tourism industry:

### Mandatory training requirements

Employers in the tourism and hospitality industries are required, by law, to provide training to employees in numerous areas including Workplace Health and Safety, Responsible Services of Alcohol, Responsible Gaming and First Aid. As considerable resources are required to provide such training required by law, employers are not resourcing training in additional areas such as developmental skills and knowledge.

### Limited attractiveness relative to other industries

Tourism is competing with other major industries for employment in Queensland, in particular the mining sector, which is seeking people to fill a range of positions, and willing to provide attractive wages and employment benefits. Full time earnings for the Accommodation, Cafes and Restaurant Industry are the lowest of all industries in Australia. The average weekly earnings for this industry in 2005 were \$714<sup>9</sup>.

People such as cooks, chefs, cleaning staff and tradespersons are being lured away by other industries attractive offers, leaving skills and staff shortages in these areas of the tourism and hospitality industries. Further, it is believed that potential new entrants to the tourism and hospitality industry are choosing these alternative industries for employment. Tourism and hospitality businesses relative to those in other industries such as mining, biotech and manufacturing are generally lower yielding, giving limited opportunity for employers to offer competitive wage packages.

### Limited employee incentives

Tourism and hospitality working conditions are not competitive relative to other industries. With long, often unsociable hours and job pressures due to staff shortages and low wage rates, the industry is challenged in its ability to compete with other industries for staff.

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<sup>9</sup> Australian Bureau of Statistics, Employee Earnings, Benefits and Trade Union Membership, cat 6310.0

### Perceived lack of career path

The perception of a lack of obvious and attractive career pathways within the industry is a major impediment to recruiting and retaining employees. Current wage structures, low levels of employment security (casualisation), and the seasonality of many jobs, particularly in regional areas, also affect the perception of the industry as an attractive career option.

### Not delivering on lifestyle expectations

Australians are seeking to have a 'balanced lifestyle' approach to work and play, realising that work is only one part of a long and healthy life. The long hours, 24/7 nature and work commitments required of the industry, exacerbated by staff shortages and low business yields, means many jobs in tourism and hospitality do not readily fit with the lifestyle expectations and 'balanced' approach.

### Ability to meet changing consumer demand

Consumer demand is driving a diversified tourism industry which is impacting tourism / hospitality employment requirements. There is growing customer expectation of higher service levels, available for longer hours seven days a week, 52 weeks a year, the results of which include changes in business and retail trading hours. The Australian tourism industry can be characterised by gendered labour markets, a relatively young transient workforce, a culture of casualisation and seasonability. With casualisation of the industry and high rates of staff turnover for example Chefs 19.9%, Travel Agents and Tour Guides 23.8%, Waiters 36.1% and Bar Attendants 33.4%. (jobsearch.gov.au) the industry is challenged in its ability to provide quality products and services. However, achieving higher product and service levels to meet visitor expectations is critical if Queensland is to compete internationally and domestically as a visitor destination.

Consumer demand for experiential travel has seen a focus on special market areas such as ecotourism, spa, cruise and backpacker. It is essential that operators entering these markets have sound business skills and acumen, as well as a good understanding and appreciation of how the tourism industry operates and customer expectations. Requirement for skilled labour in these new areas have also contributed to skills shortages in the tourism industry.

### Labour force changes – the aging population

The labour force will reflect the aging population with a significant decline in young people entering the workforce. As an industry that traditionally recruits younger workers, how tourism businesses respond to this shift will determine their success in maintaining access to a viable pool of labour in an increasingly competitive environment. Business will need to attract and retain older people to ensure their continuing productivity and renew focus on workforce planning.

The increased availability of child care, and changing work preferences relating to the work/family balance and changing gender roles, have resulted in a greater preference, particularly by females, for part-time work. Indeed, in July 2006, females accounted for 411,000 part time employees (employed for 35 hours or

less per week)<sup>10</sup>. From an employee's perspective, part-time employment, which generally has more flexible working arrangements than full-time work, can allow workers to combine work with family and other responsibilities, thereby encouraging new entrants and retaining valued skills and experience within the workforce.

Australia is currently experiencing the biggest generational shifts that have been seen for six decades. Over the next 18 years this huge generation will all sail past 60 and ease out of the workforce leaving a very significant labour and management void.

The complexity of Australia's changing age structure is affirmed by these latest ABS statistics: the proportion of the population aged under 15 years is projected to fall from 20% today to around 14% by 2051. Over the same period the proportion of the population aged 65 years and over will double, increasing from 14% today to more than 28% in 2051.

In a growing economy there is a need to both fill the ongoing labour demands as well as replace retiring or downshifting staff. At the strategic level there is the need to ensure that the knowledge and leadership of the Baby Boomers is effectively transferred to the emerging Generation X managers, and the commencing Generation Y employees.

#### Labour force changes – Generation Y

Of all of the diversity in the modern workplace it is the generation gaps that are causing the most angst. The Service Industry is the largest employer of Generation Y'ers (born '78 – '94).

Half of all casual employees in the Australian labour force work in the services industry. Of these, half are young workers (aged 15–24) and one in five are dependent students.

While most sectors of the industry don't have particular difficulties in attracting young workers, the same cannot be said about retaining them. ABS research (February 2004) on the "duration of current job" suggests that worker retention in the service industry is lower than the average.

A feature of the services industry is that all sectors of the industry rely heavily on young workers, particularly females, to perform entry and base level jobs. This, combined with the wages and conditions of such jobs, contributes to a culture of "this is a job I have until I get a real one".

Additionally, the tourism and hospitality industry is faced with the challenge of accommodating within our current and future business models, a generation with characteristics described as:

- wanting control
- needing to express themselves
- wanting to make a difference
- entrepreneurial

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<sup>10</sup> Australian Bureau of Statistics, Labour Force Statistics July 2006.

- prepared to act on their beliefs
- sceptical, not fickle
- personalised, personalised, personalised
- compulsive decision makers
- the socially aware generation
- the connected generation

Source: <http://generationy.typepad.com/petersheahan/>

Generation Y has often been referred to as self focused and self absorbed. This generation are less likely to stick with an unsatisfactory work situation than previous generations. These combined characteristics highlight a key concern that the current image and branding of the 'Service Industry' is not an attractive career choice.

A concerted effort is essential in regards to re-branding our sector if we are to achieve the following benefits:

- Higher attraction and retention of staff
- Ensuring employers get people with the right attitude because they understand the role/ job function
- Repositioning Services as an industry of choice which in turn also may attract increased numbers of mature age workers

### Quality

In order for Australia and Queensland to be a competitive tourism destination, industry standards need to be raised and continuously improved. Achievement of this is dependent upon training initiatives, staff retention and business development. Accreditation programs offer the opportunity to assist businesses to raise performance through a range of actions including skills development. A collaborative approach between the various stakeholders and promotion to the industry will be essential to increase industry uptake of accreditation and commitment to improving quality.

### DEWR Data Collection

There is a greater need for DEWR data collection to reflect information on secondary jobs. The Tourism industry employs a high level of casual staff, which have several jobs; however data collection is only on primary employment.

### Recognition of Prior Learning (RPL)

The term Recognition of Prior Learning (RPL) is a commonly misunderstood term in the VTE sector and a virtually unheard of term by industry employees.

The inconsistencies by which the RPL process is managed across different Registered Training Organisations (RTOs), both public and private, and the lack of

funding available for RPL assessments does not encourage RTOs to engage in the practice. They would sooner encourage a participant to undergo the training.

Should an employee decide to take the RPL option, the mountain of paperwork and vocational language they are required to wade through often results in either non completion or declining to take up the RPL option in the first place. Because of the need to be flexible with the assessment approach and perhaps customise the evidence gathering approach the RTO does not engage because of the cost involved or inability to adapt.

### Up-skilling existing workers

In addition to attracting new employees to the tourism industry, there is a need to also look to retain the existing workforce, particularly through new and innovative training methods.

The QTS directs the establishment and implementation of a Tourism Pipeline project, which will provide for the state-wide rollout of a program of business mentoring and coaching in conjunction with the Department of State Development and Innovation's business development programs. Mentoring and business coaching is acknowledged as a powerful tool for fostering business development and growth, particularly for small and medium sized businesses that need guidance in overcoming obstacles to growth and provides a flexible delivery approach to skills development, which is particularly valuable in regional areas.

### Flexibility of the VET systems

Engagement with industry and operating outside the gates of the institute should be seen as standard practice and not considered innovative. The operational hours, geographical locations and seasonality of the industry require a much more flexible approach to the provision of training.

Large organisations operating across state borders are often impeded by state specific issues in regard to user choice funding and audit requirements which make consistency in their national training approach difficult.

Australian apprenticeships are predominately delivered by State TAFE's, however at times these colleges cannot deliver in regional and remote areas. The funding system currently deters private training providers to enter into the apprenticeship training due to complex state-based funding arrangements.

## **Recommendations:**

It is recommended that the Australian Government:

- 2.2.1 Develop clear guidelines and processes and substantially increase funding of RPL to industry candidates.
- 2.2.2 Increase funding of fast track RPL initiatives to encourage the industry to up-skill existing workers.
- 2.2.3 Enable flexible terms for existing worker traineeships rather than the rigid two-year term that is currently in place.



- 2.2.4 Ensure a consistent approach by TAFEs to use of the codes directly from the industry training package rather than delivering a curriculum based program where the skills are unidentifiable against the training package.
- 2.2.5 Fund incentive programs through either rebates or tax breaks to industry employers who support formal recognition of their staffs' skills for the attainment of industry qualifications.
- 2.2.6 Fund a program where an industry based assessment panel sits and conducts a bulk RPL assessment process for industry employees within a limited window for employees to take part, similar to what was conducted with the introduction of the new TAA qualification.
- 2.2.7 Develop a rebate program for employers which covers 'mandatory' training areas within the industry (in particular) that includes Workplace Health and Safety, Responsible Services of Alcohol, Responsible Gaming, First Aid. Whilst not mandatory we highly recommend including Customer Service. Such a rebate program could be delivered consistently throughout the States and Territories, and would free up limited employer resources to provide training in additional, developmental skills and knowledge that support sustainable and innovative business practice,
- 2.2.8 Continue to review and support incentives for mature-age workers to re-enter the tourism workforce, particularly on a part-time or casual basis (such as the recent changes to superannuation rules).
- 2.2.9 Review and develop incentives to cover upskilling programs for staff wishing to return to the industry after a period of absence.
- 2.2.10 Continue to review and support incentives for part-time workers to re-enter the tourism workforce such as improved access to quality and affordable childcare, childcare tax rebates and increased assistance for full time carers.
- 2.2.11 Remove impediments to employers offering appropriate non-cash rewards to employees (eg fringe benefit tax).
- 2.2.12 Support and lead united communications, PR and media activity, work experience programs and career advice provision undertaken by State/Territory Governments and industry groups to reverse the traditionally unattractive image of occupations in the tourism industry.
- 2.2.13 Support the development of human resource management programmes post-recruitment aimed at career planning, job rotation, multi-skilling, mentoring and coaching, flexible remuneration systems and succession planning.
- 2.2.14 Support the development of a nationally recognised pattern of career advancement, linked to qualifications recognised by (and portable between) employers and education and training establishments.
- 2.2.15 Facilitate improved access to information on tourism and hospitality industry jobs through enhancement of tourism information on the Services Skills Australia online carer portal.
- 2.2.16 Further expansion to the WHV program to improve the tourism industry's access to people on WH visas, particularly to fill skills and labour shortages in the industry.

- 2.2.17 Foster innovative solutions to address skill shortages by supported regulations and licensing.
- 2.2.18 Improved tax incentives for employees and employers in regard to training for personal and professional development.
- 2.2.19 DEWR to include secondary jobs in data collection.

### **3. Strategies to meet seasonal fluctuations in workforce demands**

Demand for tourism products and services (and hence, tourism industry labour) varies seasonally and is most notably affected by fluctuations in weather, the occurrence of school holidays and seasonal fluctuations in international source markets.

One strategy that has been employed to address seasonal fluctuations in workforce demands is for a group of employers to 'pool' employees that are contracted to work with each employer for a set period based on seasonal variations. Each employee is offered a 'roving' contract whereby they work for a number of employers throughout the contract period, in different jobs or industries.

Fluctuations in workforce demand are also addressed in the tourism industry via the use of part-time, casual and contract labour.

#### Regulatory environment across states and territories

Current regulations require tourism and hospitality employees to be trained in workplace health and safety matters and the responsible service of alcohol and gaming, in particular. Compatibility of these requirements across the states and territories does not currently exist, thus limiting the extent to which people can move around Australia and transfer their skills.

#### **Recommendations:**

It is recommended that the Australian Government:

- 3.1 Consider implementing tax incentives, superannuation benefits and other family benefits to increase the attractiveness and/or remove impediments to moving between jobs on arrangements such as 'roving contracts'.
- 3.2 Facilitate a consistent approach to regulations impacting on employee training in the tourism and hospitality industries, to provide a more streamlined and efficient approach by each state and territory. This will make it easier for employees to move around Australia and transfer their skills and expertise.
- 3.3 Facilitate improved access to information on tourism and hospitality industry jobs through enhancement of tourism information on the Services Skills Australia online career portal, and linkage of this portal to complementary state and territory initiatives.
- 3.4 Provide funding and assistance to establish a national tourism employment portal that would assist tourism industry employers to

manage their varying requirements for staff throughout the year and to recruit staff from within Australia and from overseas.

#### **4. Strategies to ensure employment in regional and remote areas**

##### Destination Management Planning

The tourism direction in each of Queensland tourism destinations is managed through its Destination Management Plan (DMP). Each DMP is intended as directional rather than a prescriptive document, to be used as a guiding tool for the development of tourism strategies and business plans and as a springboard for further planning and discussion between partners and stakeholders. Each plan was produced after a lengthy process of development and consultation with the relevant Regional Tourism Organisation/s and core stakeholders. Key strategies are refreshed annually and plans are fully reviewed every three years.

The directions and strategies outlined in each DMP provide opportunities to impact employment at the destination level, particularly through guiding the development of new tourism products or experiences and/or identifying broad skills development needs for each destination.

##### Flexible skills development and delivery

A flexible approach to skills development with a range of delivery approaches is crucial to take-up by small and medium size tourism operators, particularly in regional areas. Greater focus on flexible training delivery, including e-learning, videoconferencing and other forms of skills development initiatives responsive to operational demands are required.

Programs such as Networking the Nation, Information Technology Online, and BITES provided for both hardware and software solutions to regional and remote areas of Queensland and also supported flexible learning opportunities.

Without these programs a large proportion of tourism businesses in Queensland's more regional and remote locations do not have the hardware and software to facilitate industry training and development. This impacts on the take up of flexible learning at a business and individual level.

##### Lifestyle

It is important that governments continue to enhance the lifestyle characteristics and benefits of living and working in regional and remote areas of Queensland, so as to encourage people to work in these areas.

##### Skills Formation Strategies

The Skills Formation Strategies that are currently being conducted for the tourism sector in regional areas of Queensland (as outlined in the introduction to this submission) will assist in identifying opportunities to improve employment in regional and remote areas.

### DEST activities

It has been a concern that while DEST has been supportive of the industry through funding initiatives, there needs to be a coordinated and informed approach to eliminate duplication to ensure that benefits for the industry are maximised.

### Investment

There is a general need to develop strategies to enhance investment in the tourism industry. Tourism is a relatively high risk and low return investment sector, which is related to the labour market because of the high percentage of businesses which are self-employed and micro/SME businesses.

### **Recommendations:**

It is recommended that the Australian Government:

- 4.1 Reintroduce programs such as Networking the Nation, Information Technology Online and BITES to provide hardware and software solutions to regional and remote areas of Queensland and support flexible learning opportunities.
- 4.2 Support employment and skills development priorities and initiatives that align with Queensland's Destination Management Plans (DMPs) and other regional priorities such as Blueprint for the Bush.
- 4.3 Continue to support programs and initiatives that make regional areas attractive places to live and work.
- 4.4 Continue to fund and manage employment programs aimed at attracting and retaining employees to tourism and hospitality jobs in regional and remote locations.
- 4.5 Provide funding to support further research and financial assistance to increase the capacity of tourism industry to attract investment particularly in regional areas.

## **5. Innovative workplace measures to support further employment opportunities and business growth in the tourism sector**

The development of the Tourism Skills Development Guide, the Outback Tourism Education Training Development Program, and the Queensland Tourism Industry Council Training Express represent excellent examples of how new approaches to understanding skill needs and effective skills delivery are revolutionising the learning experiences of Queensland's tourism employees.

The following innovative workforce measures are considered to support further employment opportunities and business growth in the tourism sector:

- Flexible employment programs.
- Workforce diversity programs that increase the available labour force, including strategies to improve and broaden participation from a broad range of people including older workers and other underrepresented groups.
- Skills development and recognition programs, including business clustering, business mentoring and skills passport programs.
- More flexible workplace/job programs (for example, job-sharing, job rotation and innovative rostering systems to maximise flexibility).
- Improved access to on-site childcare facilities.
- Improved access to support to carers to remain in the workforce by having access to quality and subsidised respite and support services.

### **Recommendations:**

It is recommended that the Australian Government:

- 5.1 Support the range of programs outlined above to foster innovative workforce measures aimed at supporting further employment opportunities and business growth in the tourism sector.

## **QTIC Contact**

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