

21 August 2006

Submission to –

House of Representatives Standing Committee Inquiry into Workforce Challenges in the Australian Tourism Sector regarding:

- Current and future employment trends in the industry
- Current and emerging skill shortages and appropriate recruitment, coordinated training and retention strategies
- Labour shortages and strategies to meet seasonal fluctuations on workforce demands
- Strategies to ensure employment in regional and remote areas and,
- Innovative workplace measures to support further employment opportunities and business in the tourism sector

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Response

Hamilton Island is situated in the heart of the Whitsundays, a group of 74 tropical islands in the Coral Sea. Only 12 of these islands are inhabited, with Hamilton Island being the largest. The Island lies on the same tropical latitude as Honolulu in the northern hemisphere and Mauritius in the south. It has a year round warm tropical climate with an average temperature of 27.4 degrees Celsius.

Hamilton Island is the only island with an airport catering for direct commercial and charter flights. Hamilton Island Airport is serviced by Australia's three top airlines Jetstar, Virgin Blue and Qantas with daily direct flights from Melbourne, Sydney, Brisbane, Adelaide and Cairns. It is approximately a two-hour flight from Sydney and just over one hour from Brisbane. Daily ferry services operate from Shute Harbour, 30 minutes away on the mainland near Airlie Beach.

Hamilton Island is a complete, year-round holiday island destination offering an extensive range of activities ensuring there is something for everyone, whether they be families with young children, the young at heart, adventurous travellers looking for exciting activities, mariners, conference goers, romantics or honeymooners. There are more than forty activities on offer, the widest range of activities in the Whitsunday Islands. Around 75 per cent of visitors are Australian.

Through the years the island has developed into what it is today – a resort with 825 rooms across five hotels offering various types of accommodation from budget to self catering accommodation to luxury beachfront villas. The Island also has large conference facilities, a marina, a bustling marina village, and many restaurants and bars.

The number of employees on Hamilton Island ranges from approx 950 up to 1300. The majority of staff are housed on Hamilton Island in staff accommodation, which is predominantly share arrangements for frontline staff members. There is the capacity to provide family style accommodation. The mix of

employment is Permanent Part Time and Full Time, with very little casual workforce, across all the departments. Career opportunities (up to and including management) are available in:

- Hospitality – F&B, Kitchen and Rooms Division including Front Office, Housekeeping and Guest Services
- Conventions and special events
- Childcare
- Horticulture
- Trades and labour
- Administration
- Finance/Payroll
- IT
- Photography
- Retail
- Water sports

Plus a range of other industries

As you can see from the above, Hamilton Island is a large employer who offers a diverse range of employment opportunities and careers. However, even though these opportunities are presented and combined with a tropical island location, as an employer, we are still experiencing significant issues in staff attraction and retention, which, in turn, negatively impacts on the guest experience. Adding to this, there are specific fields of employment that are in severe shortage, and finding these personnel, let alone trying to attract and retain them is challenge in itself.

For Hamilton Island, the most significant change we have identified in the employment pool is the shortage of talent within the Australian marketplace looking for a career in hospitality. What talent there is, is being swamped with opportunities from the marketplace - there is a definite shift in the employment market away from employer driven toward potential employee driven. This is even more prevalent in the specialist trades.

Combining this with the boom in the resource sector and the inflated remuneration that unskilled personnel can attract lessens the number of personnel available yet again.

This being so, Hamilton Island has been sourcing personnel from overseas destinations, however under the current Visa regulations, this can only be used for 'skilled' labour. The current ASCO codes allow some flexibility for Regional and Remote employers however the areas that have the highest turnover fall into the 'unskilled' categories, namely housekeeping, stewarding and other 'low skill' positions. Whilst we are able to attract Australian youth (Generation Y) to these positions, the perception that these are less glamorous roles leads to low retention/high turnover. There are few, if any, visa/sponsorship options for attracting the overseas 'unskilled' workforce.

Being a regional employer also has the challenge of the tyranny of distance – being 150km from the closest regional centre (Mackay), the Whitsunday area is recognized as an established holiday destination however it is not clear what efforts are being made to encourage people to come to the area for work outside of holiday visas etc.

Would be interested in a discussion on the following:

- Options to improve the ability for Australian employers to tap into the overseas unskilled labour market
- Length of time to process applications, types of visa's and a need for more flexibility to our needs/situation (fast), review of skills levels within existing visa categories to assist with recruitment of non trades labour.
- What can be done to address the challenges of getting a more stable work force to come to the Whitsunday area
- Addressing the severe shortage of trades
- The future of employment in Australia, particularly for Hospitality and trades – if we keep going the way we are, the shortages are only going to get worse

If further assistance or clarity is required pertaining to this document, please do not hesitate to contact me on the numbers or email stated at the start of this document.

Regards

A handwritten signature in black ink, appearing to read 'Ben McCarron', written in a cursive style.

Ben McCarron
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