Australian Government
Department of Employment and Workplace Relations

House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation

Inquiry into workforce challenges in the Australian tourism sector

Submission by the Department of Employment and Workplace Relations

August 2006

Contents

CHAPTER 1 INTRODUCTION

On 15 June 2006 the Minister for Employment and Workplace Relations agreed to the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation inquiring into, and reporting on, workforce challenges in the Australian tourism sector with a focus on the following issues:

- 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 in workforce demands;
- Strategies to ensure employment in regional and remote areas; and
- Innovative workplace measures to support further employment opportunities and business growth in the tourism sector.

The Department of Employment and Workplace Relations (DEWR) is pleased to make a submission to the Committee. The department has three outcomes which cover responsibility for: the delivery of efficient and effective labour market assistance; assisting Australians to achieve higher productivity, higher pay workplaces; and the development of policies and strategies to increase workforce participation in Australia, making it well placed to provide input on issues relating to workforce challenges in this sector.

The body of this submission, comprising Chapters 2 to 6, addresses the terms of reference in order. Chapter 7 provides concluding comments. There are also six Attachments to the Submission.

1.1 DEFINING TOURISM

For the purposes of this submission, tourism is defined as 'the activities of persons travelling to, and staying in, places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited'. This is the United Nations World Tourism Organisation (UNWTO) definition and is also used by the Australian Bureau of Statistics (ABS). Under this definition, tourism is more than just leisure travel and includes travel for business, health, education, religious and other reasons. It encompasses most short-term travel away from the normal place of work and residence and is defined by the status of the customer as a visitor. Almost every industry in the Australian economy provides goods and services to visitors. In some industries, a high proportion of industry output is associated with tourism. In others, the major share of industry output relates to the needs of residents, not visitors.

Tourism is further defined by the UNWTO as including both domestic and international travel and involves the consumption of a wide range of goods and services provided by, for example, transport and tour operators, accommodation establishments, theme parks and attractions, entertainment and arts venues, museums and historical sites, restaurants, travel agents and souvenir retailers.

- It should be noted, however, that other organisations may use different definitions of tourism, **which may lead to differences between information provided in this submission and that provided by other organisations/individuals**.

Aside from these definitional issues, there are a number of difficulties associated with examining employment in the tourism industry. Tourism is not separately identified in the Australian and New Zealand Standard Industrial Classification (ANZSIC). Accordingly, unlike industries such as mining and accommodation, cafés and restaurants for which employment data are readily available (based directly on ABS Labour Force Survey results), estimates of tourism employment are produced synthetically by the ABS, based on a number of underlying assumptions.[1]

In general terms, the ABS' method of deriving tourism employment applies a set of proportions (of tourism's contribution to the industry's gross value added, as published in the ABS *Tourism Satellite Account* (TSA) (ABS Cat No: 5249.0)) to estimates of total employment by industry, adjusted using employer survey data where available. For example, if 90.1 per cent of the gross value added of the accommodation industry is estimated to be from tourism activity, then 90.1 per cent of total employment in the accommodation industry is apportioned to employment in the tourism industry.

Based on this methodology, the ABS publishes annual derived estimates of tourism employment in its TSA.

- However, given that tourism employment estimates are synthetic, they can be subject to a number of possible sources of error. Accordingly, the estimates of tourism employment used in this submission should be interpreted with some caution.

1.2 ANALYSIS OF THE TOURISM INDUSTRY

According to the ABS, tourism makes both a direct and indirect contribution to the Australian economy. The immediate effect of expenditure made by visitors is an example of the direct contribution tourism makes to the economy, e.g. when a taxi service is used. This type of service transaction by a visitor can induce an indirect economic effect on many other businesses including increased purchases of fuel, vehicle repairs, and meals at cafés and restaurants. Petrol stations, garages and food outlets providing increased services may in turn hire staff to meet the increased demand with possible flow-on effects to their suppliers.

Accordingly, tourism's economic value is much more significant when the indirect contribution is taken into account. Notably, the ABS estimates that over the last four years, the indirect contribution of tourism has been slightly higher than the direct contribution in terms of gross value added (GVA), thus more than doubling the contribution of tourism reported in the TSA.

The Australian tourism industry is a significant contributor to Australia's economy with the industry generating $32.6 billion, or 3.7 per cent, of total GDP in 2004–05, an increase of 1.9 per cent from 2003–04.[2]

Despite this increase, the tourism industry's share of GDP is well below its peak of 4.7 per cent in 2000–01.[3] The high tourism share of GDP in 2000–01 was largely due

1 For instance, the ABS assumes that employment in tourism is proportional to the gross value added generated by the tourism industry. For more details on the assumptions underpinning the methodology used by the ABS, and the methodology itself, see the explanatory notes in the ABS *Tourism Satellite Account* 2004-05 (Cat No: 5249.0).

2 *5249.0 - Australian National Accounts: Tourism Satellite Account, 2004-05*

to price increases in tourism services resulting from the introduction of the GST and the volume impact arising from Australia's hosting of the Olympic Games in 2000. In 2001–02 and 2002–03, external events such as terrorism and the Severe Acute Respiratory Syndrome (SARS) scare caused a decline in both international visitors to Australia and the willingness of Australians to travel overseas. More recently, the commodities boom has caused the Australian dollar to appreciate to high levels, thereby having the effect of deterring travellers to Australia and influencing Australians to travel overseas. Nevertheless, global tourism continued to grow in 2004 and 2005, and estimates suggest a 5.4 per cent increase in in-bound tourism to Australia in 2006 with earnings projected to be $18 billion from 5.5 million international visitors.[4]

1.2.1 Tourism sub industries

Accommodation

The accommodation industry is an integral part of the tourism industry and Australia offers a diverse range of choice in accommodation from caravan parks and motels to luxury apartments and international hotels.

According to the ABS, at the end of June 2004 there were 5682 accommodation businesses operating 6372 accommodation sites around Australia. The largest contributor to accommodation types was motels with 2396 locations (37.6 per cent of all locations), followed by caravan parks with 19.7 per cent (1,253 locations). Serviced apartments and licensed hotels accounted for 9.1 per cent (578 locations) and 8.4 per cent (535 locations) of all locations respectively.

In 2003–04, income generated by accommodation businesses was $8,095.9million, which represented an average of $1,424,800 per business and an average gross profit margin of 9.7 per cent. Labour costs were the single biggest expense with the average labour cost per employee running at $28,800. As would be expected, New South Wales accounted for 32.8 per cent (1861) of all accommodation businesses and the highest share of income and employment, followed by Queensland 25.5 per cent and Victoria 22.5 per cent[5]. Large businesses employing 50 persons or more accounted for only 5.4 per cent of all businesses but generated over half of all income (57.9 per cent or $4,685.6m) at a gross profit margin of 7.0 per cent.

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[3] *5249.0 - Australian National Accounts: Tourism Satellite Account, 2004-05*

[4] *Commonwealth of Australia 2006, National Tourism Investment Strategy: Investing for our Future, The National Tourism Investment Strategy Consultative Group.*

[5] *ABS 8695.0 - Accommodation Services, Australia, 2003-04*

Cafés and Restaurants

Cafés and restaurants are also a major component of the tourism industry and, according to Restaurant and Catering Australia, 6 per cent of international tourists select Australia as a tourist destination based on the quality of its food and restaurants.[6] At the end of June 2004, there were a total of 15 083 businesses operating in café and restaurant services in Australia, of which 1796 were catering businesses.

During 2003–04 these businesses generated income of $10,129.6m, equivalent to 0.5 per cent of Australia's GDP and an average turnover of $671,600 per business and a gross profit margin of 4.0 per cent.[7] Café and restaurant businesses accounted for 69.9 per cent ($7,085.1m) of this income with catering businesses accounting for 30.1 per cent ($3,044.6m). Café and restaurant businesses meals consumed on the premises made up over 50 per cent of income, while sale of liquor and other beverages accounted for 16.4 per cent.

[6] http://www.restaurantcater.asn.au/

[7] *:ABS 8655.0 – Cafés and Restaurants, Australia, 2003-04*

CHAPTER 2 CURRENT AND FUTURE EMPLOYMENT TRENDS IN THE INDUSTRY

BACKGROUND

2.1 LABOUR MARKET OVERVIEW

When examining the tourism workforce, it is important to include some discussion of current overall labour market conditions, in order to provide a backdrop for the broader environment in which the industry is operating.

Reflecting almost a decade and a half of uninterrupted economic growth, Australia has experienced historically strong labour market conditions over the last 15 years, with employment increasing at an annual average rate of 2.0 per cent over the period. The pace of jobs growth over the year to July 2006 has been particularly strong (up by 219 500 or 2.2 per cent) due, in large part, to the surge in employment growth recorded over the last three months. Against this background, the unemployment rate has fallen by 0.2 percentage points to 4.8 per cent in the year to July 2006, its lowest level in nearly 30 years. The participation rate has also increased, by 0.3 percentage points over the year, to currently stand at 65.0 per cent, a record high.[8]

While the majority (71 per cent) of ABS industry divisions have recorded increases in employment over the year to May 2006 (latest available industry data), there has been considerable disparity in the strength of employment growth between industries. For example, the strongest growth in employment was recorded in the health and community services industry, up by 69 100 (or 6.9 per cent) while retail trade (which feeds into tourism employment) recorded the weakest result, with employment declining by 48 800 (or 3.2 per cent). Accommodation, cafés and restaurants (which accounts for around 26.8 per cent of total tourism employment) recorded the second largest fall in employment, down by 43 000 (or 8.5 per cent). [9]

- More detailed data suggest that around half of this fall was concentrated in cafés and restaurants (accounting for 56.6 per cent of the decline), while accommodation (17.9 per cent), clubs (hospitality) (13.9 per cent) and pubs, taverns and bars (10.2 per cent) also contributed to the decline[10].
- Despite the fall over the last 12 months, total employment in accommodation, cafés and restaurants is 87 900 (or 23.4 per cent) higher than it was in May 1996.

2.1.1 Ageing of the population

Coinciding with the strong labour market is an acceleration in the ageing of Australia's population and workforce. Over the next five years, the impact of population ageing is estimated to be equivalent to a shortfall of 195 000 workers. In other words, while employment is expected to continue to grow solidly over the next five years, it is likely to be at a slower pace than would have otherwise been the case had the population age structure remained unchanged.

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[8] ABS *Labour Force, Australia* (Cat No 6202.0), seasonally adjusted data, July 2006

[9] Industry employment data are sourced from ABS Labour Force, Australia, Detailed, Quarterly, May 2006 (Cat No: 6291.0.55.003), trend data

[10] ABS Labour Force, Australia, Detailed, Quarterly, May 2006 (Cat No: 6291.0.55.003), original data

The effects of population ageing are projected to vary substantially across industries, occupations and regions, but most businesses are likely to be adversely affected. For instance, it is estimated that the Accommodation, cafés and restaurants industry will have a reduction in employment growth equivalent to12 000 employees during 2004–05 to 2009–10, due to population ageing. In the retail trade industry, another major component of the tourism industry, the corresponding number is expected to be 22 100.[11]

2.2 RECENT LABOUR MARKET TRENDS IN THE TOURISM SECTOR

The latest available ABS employment data for the tourism industry are for 2004–05. These data show that the estimated number of persons employed in the tourism sector increased strongly between 2003–04 and 2004–05 (up by 13 500 or 2.5 per cent) to stand at 550 100. This follows a decline of 4100 (or 0.8 per cent) recorded over the preceding year.[12] Table 1 outlines the industries which make up total employment in tourism.

Table 1: Industry categories and their relative contribution to the tourism sector

Tourism characteristic industry category	Proportion the industry makes up of total tourism employment (%)	ABS *Tourism Satellite Account* employment estimates 2004-05 ('000)
Retail trade	25.9	142.6
Accommodation	17.5	96.2
Cafés and restaurants	9.3	51.0
Manufacturing	8.0	44.2
All other industries	7.9	43.7
Air and water transport	6.0	33.1
Clubs, pubs, taverns and bars	5.3	29.0
Travel agency and tour operator services	5.0	27.4
Education	4.5	24.8
Road transport and motor vehicle hiring	4.5	24.5
Other entertainment services	3.1	17.1
Libraries, museums and arts	2.0	10.9
Rail transport	0.7	3.8
Casinos and other gambling services	0.3	1.6
Total tourism employment	100.0	550.1

Source: ABS *Tourism Satellite Account* 2004-05 (Cat No: 5249.0),

In order to gauge the direction of movement in tourism employment that may have occurred over the period since 2004–05, DEWR has produced its own synthetic employment estimates for the tourism sector. These synthetic estimates, which have been produced using methodology based on that used by the ABS in its TSA, suggest that tourism employment fell by 12 600 (2.1 per cent), over the year to May 2006.

[11] *Workforce Tomorrow: Adapting to a more diverse Australian labour market* - Centre of Policy Studies at Monash University – see
http://www.workplace.gov.au/NR/rdonlyres/C41F120F-4928-49BC-9813-ECC685E3DA97/0/WorkforceTomorrowBook_pt1_051111.pdf and
http://www.workplace.gov.au/NR/rdonlyres/458C682F-92B9-4E2B-A17E-BA82C24F0B35/0/WorkforceTomorrowBook_pt2_051111.pdf

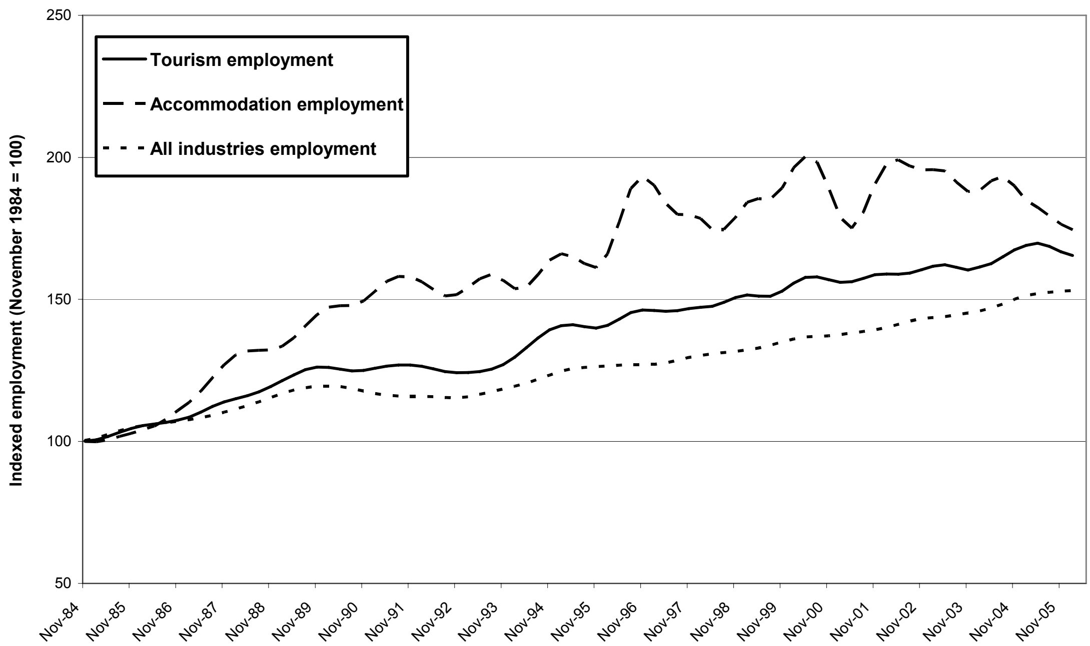
[12] ABS Tourism Satellite Account 2004–05 (Cat No: 5249.0).

- **These estimates are based on a number of assumptions and need to be viewed with caution.**

The apparent decline in tourism employment suggested by the DEWR estimates is consistent with the decline in employment over the year in accommodation, cafés and restaurants noted in Section 2.1.

In terms of broader long-term trends, Chart 1 below shows that (notwithstanding some small declines) tourism employment has grown reasonably steadily since the 1990s recession. The DEWR synthetic estimates suggest that over the same period employment in the accommodation sector (which accounted for 17.5 per cent of total tourism employment in 2004–05) has also shown reasonable growth despite easing in the last year or two.

Chart 1: Employment in the tourism sector, November 1984 to May 2006, indexed



Source: DEWR synthetic estimates derived from Labour Force, Australia, Detailed, Quarterly, May 2006 (Cat No: 6291.0.55.003)

2.3 CHARACTERISTICS OF PERSONS EMPLOYED IN THE TOURISM SECTOR

While DEWR has produced some synthetic up-to-date estimates of overall tourism employment, a detailed disaggregation of the data (e.g. tourism employment by age, income and hours worked) is only available from the 2001 Census of Population and Housing.

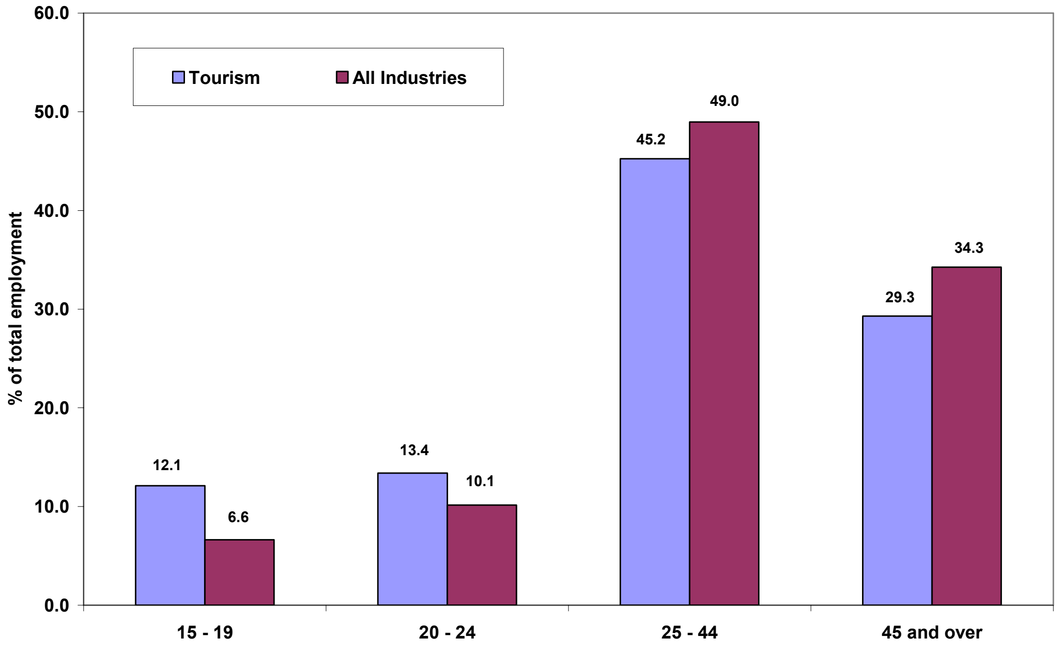
- A more up-to-date analysis of the accommodation, cafés and restaurants industry, the main sector in the tourism industry, is provided at Attachment 1.

At the time of the 2001 Census, there were around 525 200 persons employed in tourism in Australia, just over half (50.8 per cent) of whom were females. This compares with the average for all industries of 45.2 per cent.

Age

The tourism sector had a significantly younger age profile than for all industries in 2001 (see Chart 2). In particular, the employment share of teenagers (persons aged 15–19) in tourism (12.1 per cent) was significantly higher than the average for all industries (6.6 per cent). Similarly, the employment share of persons aged 20–24 (13.4 per cent) was also higher than for all industries (10.1 per cent). By contrast, the share of workers aged 45 years and over in tourism (29.3 per cent) was lower than for all industries (34.3 per cent).

Chart 2: Employment by age group, tourism and total for all industries (% of employment), 2001



Source: ABS 2001 Census of Population and Housing

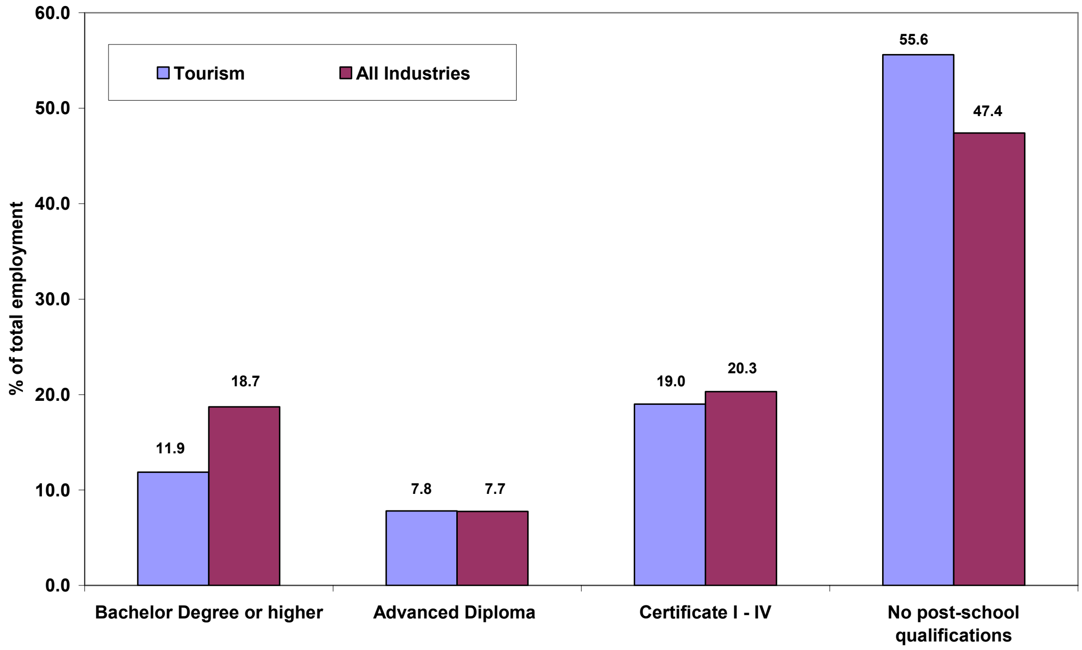
However, there is considerable variability across the various sub-industries within tourism. For instance, 49.2 per cent of people employed in cafés, restaurants and takeaway food outlets were aged 15–24 years, while only 18.0 per cent were aged 45 years and over. On the other hand, transport related tourism sectors tend to employ a greater proportion of older workers. For example, 56.9 per cent of people employed in taxi transport were aged 45 and over, while only 3.5 per cent were 15–24 years.

Given this younger age profile, population ageing is unlikely to create as many workforce challenges for the tourism industry as other industries. Indeed, the impact of population ageing may have a positive impact on employment in the industry as more retirees seek to use the industry’s resources.

Education[13]

People employed in tourism are less likely to have a post-school qualification compared with all employed persons. As shown in Chart 3 below, more than half (55.6 per cent) of persons employed in tourism do not have post-school qualifications, compared with 47.4 per cent for all industries. The most common post-school qualification held by those working in the tourism sector was Certificate I-IV (19.0 per cent of people employed in the sector), followed by a Bachelor degree or higher (11.9 per cent).

Chart 3: Employment by qualification, tourism and all industries (% of employment), 2001



Source: ABS 2001 Census of Population and Housing

The level of education attained also varies significantly by sector within tourism. For instance, in August 2001, 71.5 per cent of people employed in cafés, restaurants and takeaway food outlets had no post-school qualifications, although this is not surprising given that many of these people were aged 15–24 years and may still have been completing their studies. On the other hand, 62.8 per cent of people employed in travel agency and tour operator services had completed a post-school qualification, with the majority having attained a Certificate I–IV or Advanced Diploma/Diploma rather than a Bachelor degree or higher.

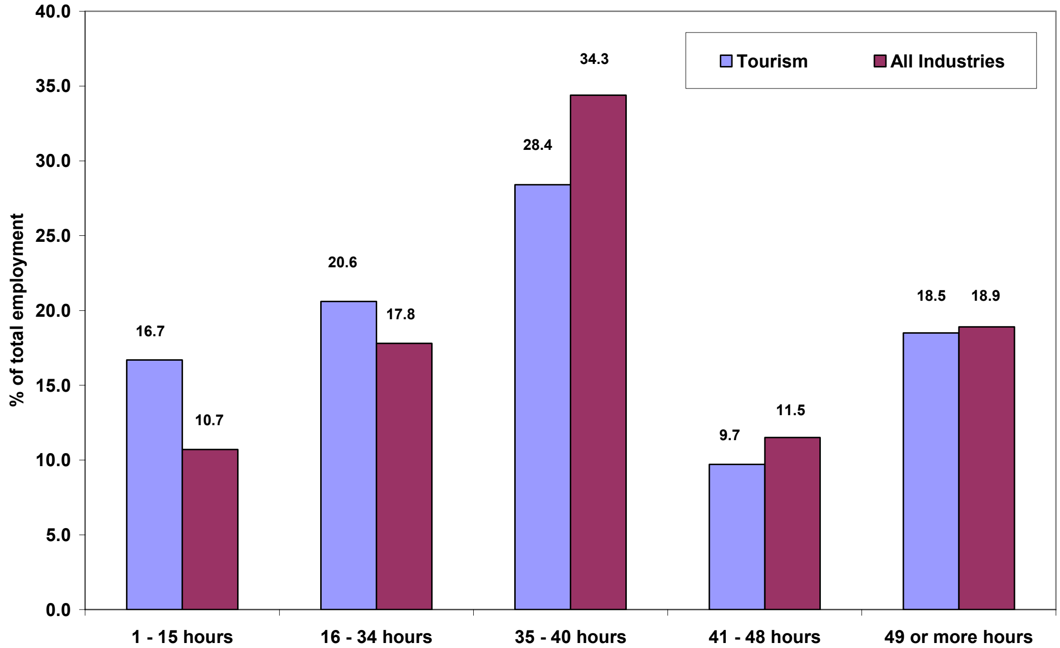
Hours Worked[14]

Reflecting the nature of the work in much of the industry, in August 2001, a greater proportion of people worked shorter hours than those employed in all other industries (see Chart 4). In particular, the employment share of persons working 1-15 hours a week in tourism, was significantly higher than the average for all industries (16.7 per

[13] The proportion of people in the various education categories may not total 100 per cent, as a number of people did not state their level of education when responding to the Census.
[14] The proportion of people in the various hours worked categories may not total 100 per cent, as a number of people did not state their hours of employment when responding to the Census.

cent compared with 10.7 per cent). Similarly, the employment share of persons working 16-34 hours a week (20.6 per cent) was higher in tourism than for all employed persons (17.8 per cent). Nonetheless, full-time employment still comprised more than half (56.6 per cent) of total employment in the tourism sector while part-time employment accounted for 41.1 per cent of total employment. By comparison, full-time employment accounted for 64.6 per cent of total employment for all industries while part-time employment comprised 32.4 per cent of total employment for all industries.[15]

Chart 4: Employment by hours worked, tourism and all industries (% of employment), 2001



Source: ABS 2001 Census of Population and Housing

The number of hours worked varies significantly across the tourism sectors. For instance, one-third of people employed in cafés, restaurants and takeaway food outlets worked 1–15 hours per week, which is not surprising given that the majority of people employed in this sector were aged between 15–24 years and many would have been combining study with part-time work. On the other hand, 83.6 per cent of people employed in rail transport and 72.8 per cent of people employed in travel agency and tour operator services worked 35 hours or more per week.

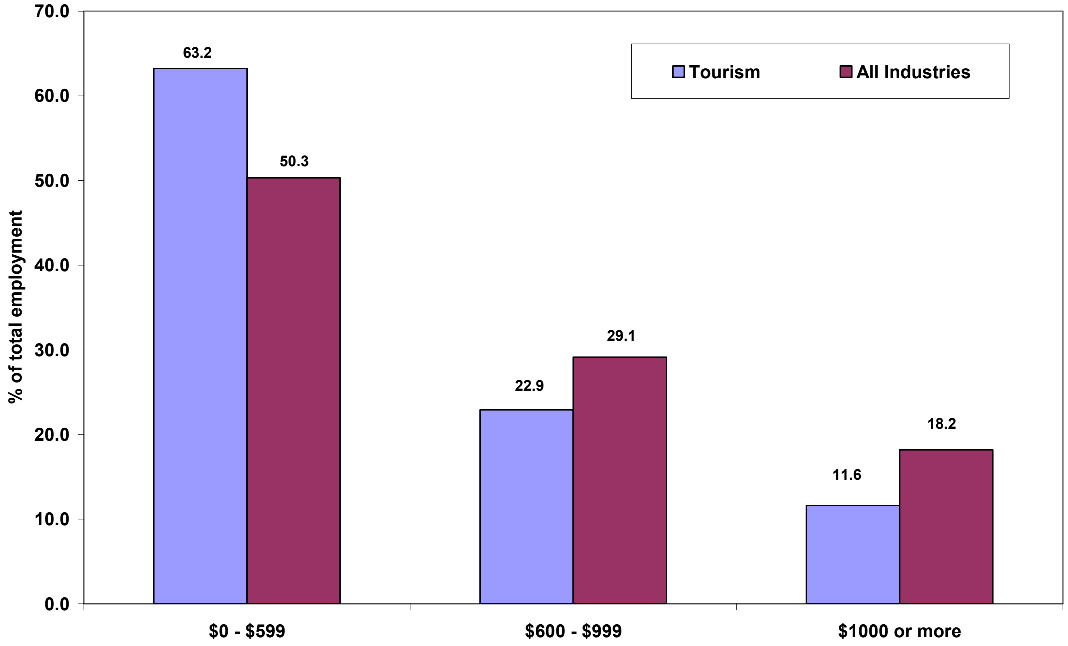
Income[16]

As illustrated in Chart 5 below, more people employed in the tourism industry received considerably lower incomes compared with the averages for all industries. For example, in August 2001, 63.2 per cent of persons employed in tourism received an income of between $0 and $599 a week, compared with 50.3 per cent for all industries. On the other hand, only 11.6 per cent of persons employed in tourism received an income of over $1000 a week compared with 20.5 per cent for all

[15] The proportion of people working full-time and part-time does not total 100 per cent as some people responding to the Census did not indicate the number of hours they had worked.
[16] The proportions of people in the various income categories may not total 100 per cent, as a number of people employed in the tourism sector did not state their income when responding to the Census.

industries. This disparity in income is not surprising given the sector is comprised of a much greater proportion of young people, has a higher proportion of people working part-time (particularly persons working 1–15 hours), and has a smaller proportion of workers with a post-school qualification.

Chart 5: Employment by weekly income, tourism and all industries (% of employment), 2001



Source: ABS 2001 Census of Population and Housing

While, overall, persons employed in tourism receive relatively lower incomes than the national average, this trend varies significantly across the tourism sectors. For instance, nearly 40 per cent of persons employed in air and water transport in 2001 received incomes of $1000 or more per week. On the other hand, 84.2 per cent of people employed in cafés, restaurants and takeaway food outlets received incomes of less than $599 per week, reflecting the relatively high proportion of young part-time workers in this sector.

Birthplace[17]

While the majority of persons employed in tourism were born in Australia (72.8 per cent), a higher proportion (15.4 per cent) of persons employed in the sector were born in an Other Than Main English Speaking Country (OTMESC) [18] than the average for all industries (13.5 per cent) in August 2001. Again, there is considerable variation across the tourism sectors. For instance, 37.3 per cent of people employed in taxi transport were from OTMESC. On the other hand, 81.2 per cent of persons employed in clubs, pubs, taverns and bars were born in Australia.

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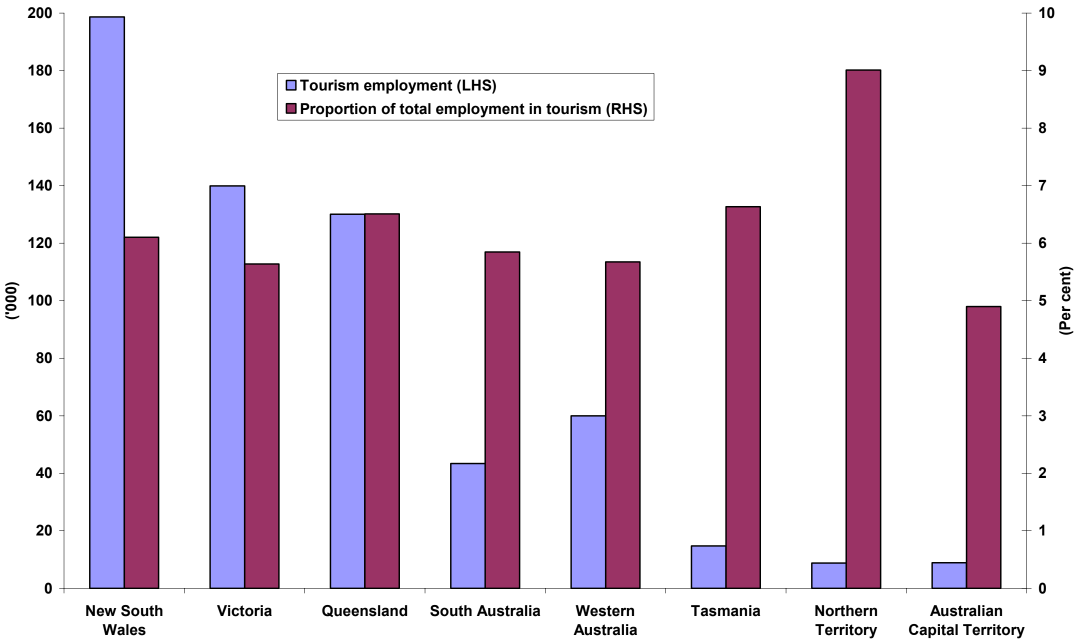
[17] The proportion of people in the various country of birth categories may not total 100 per cent, as a number of people employed in the tourism sector did not state their country of birth when responding to the Census.

[18] All countries excluding Australia, Canada, Ireland, New Zealand, South Africa, the United Kingdom, and the United States of America.

2.4 EMPLOYMENT BY STATE/TERRITORY

Employment in tourism across the States and Territories is broadly consistent with the distribution of the population across Australia. DEWR's synthetic tourism estimates show that New South Wales had the highest number of tourism jobs in the May quarter 2006, (198 400 or 32.9 per cent of total tourism employment), followed by Victoria (139 700 or 23.2 per cent) and Queensland (130 100 or 21.6 per cent) while the Northern Territory had the lowest number employed in tourism (8700 or 1.3 per cent). However, in terms of the tourism industry's share of total employment for each State or Territory, the Northern Territory recorded the highest share (9.0 per cent) followed by Tasmania (6.6 per cent) and Queensland (6.5 per cent), while the ACT had the lowest share (4.9 per cent), see Chart 6 below.

Chart 6: Tourism employment and proportion of total employment in tourism by State and Territory, May quarter 2006



Source: DEWR synthetic estimates derived from Labour Force, Australia, Detailed, Quarterly, May 2006 (Cat No: 6291.0.55.003). All data are four-quarter averages.

All States and Territories except Queensland, Victoria and the ACT recorded an increase in tourism employment over the year to the May quarter 2006. The Northern Territory recorded the largest increase (in percentage terms) in tourism employment (up by 16.8 per cent or 1300), followed by South Australia (up by 6.8 per cent or 2800) and Western Australia (up by 4.6 per cent or 2600). The largest falls were recorded in Victoria (down by 4.3 per cent or 6200), the ACT (down by 4.0 per cent or 400), and Queensland (down by 1.9 per cent or 2500).

2.4.1 Employment by region

Employment in tourism is widely dispersed throughout Australia, with the sector accounting for at least 4 per cent of total employment in every ABS Labour Force Region (LFR) at the time of the 2001 Census. Not surprisingly, the highest concentrations of tourism employment were located in the inner city LFRs of the most populous States. For instance, Inner Sydney and Inner Western Sydney had the largest estimated[19] number of jobs in tourism (44 400), followed by Brisbane City (31 800) and Inner Melbourne (27 800). Between them, these three regions accounted for approximately one in five jobs in the tourism sector.

Of the 10 LFRs with the highest proportion of their employment in tourism, seven were in non-metropolitan regions (see Table 2). The highest proportions were recorded in Far North Queensland (11.8 per cent of total employment), followed by South and East Moreton, which incorporates much of the Gold Coast, (10.8 per cent) and Inner Sydney and Inner Western Sydney (9.0 per cent). While most of the LFRs in the top 10 are not surprising (as the regions in Queensland, Sydney, the Northern Territory and coastal New South Wales are recognised tourist areas), North Western Melbourne is not generally considered to be a typical tourist area. The inclusion of this LFR in the top 10 is due mainly to the significant levels of employment at Melbourne airport which is located within the LFR. Inner Sydney and Inner Western Sydney is similarly affected by the location of Sydney airport within its boundaries.

Table 2: The ten regions with the highest proportion of total employment in tourism, August 2001

Labour Force Region	Proportion of Total Employment in Tourism (%)
Far North Queensland	11.8
South and East Moreton (Qld)	10.8
Inner Sydney and Inner Western Sydney	9.0
Northern Territory	8.8
North and West Moreton (Qld)	8.3
Eastern Suburbs (Sydney)	7.7
North Western Melbourne	7.7
Illawarra and SE NSW	7.6
Mackay-Fitzroy-Central West (Qld)	7.6
Richmond-Tweed and Mid-North Coast (NSW)	7.5

Source: The proportion of total employment in tourism is calculated by DEWR using detailed industry data from the ABS 2001 Census of Population and Housing and the methodology outlined earlier in this submission.

[19] Tourism employment by region has been estimated using the methodology outlined earlier in the submission. However, it should be noted that the proportion of total employment within an industry sector that is apportioned to tourism may vary significantly at the regional level. Accordingly, these regional estimates should be interpreted with caution.

2.5 TOURISM AND HOSPITALITY OCCUPATIONS

2.5.1 Tourism and hospitality occupations

It is difficult to be precise about 'tourism' occupations relative to others such as hospitality, although the TSA helps to identify the main employing occupations within the tourism industry. Given this imprecision, the discussion below should be viewed relates to 'Tourism and Hospitality' occupations.

The largest employing tourism and hospitality occupations are kitchenhands, waiters, bar attendants, chefs and restaurant and catering managers all of which employ more than 50 000 people.

Over the last five years, the largest annual increases in tourism and hospitality related employment were recorded in fitness instructors/outdoor adventure guides (16.8% per annum) and gaming workers (10.5% per annum). On the other hand, employment in ushers, porters and doorpersons has fallen by 7.2% per annum and hotel service supervisors by 4.7% per annum. While these two occupations are fairly small, it is worth noting the 4.2% per annum decline in employment for cooks. Nonetheless, DEWR research indicates there is a current shortage of cooks (see Section 3.1).

Table 3: Employment Growth in Tourism/Hospitality Occupations

Occupation	Employment May 2006	Recent Growth - 5 years to May 2006	
	'000	'000	% pa
Kitchenhands	103.3	2.7	0.5
Waiters	99.4	8.3	1.8
Bar Attendants	54.6	-0.7	-0.2
Chefs	53.9	9.8	4.1
Restaurant/Catering Managers	50.7	-2.2	-0.8
Cooks	35.5	-8.6	-4.2
Taxi Drivers/Chauffeurs	34.6	0.7	0.4
Bus and Tram Drivers	29.3	1.9	1.3
Fitness Instructors/Outdoor Guides	29.3	15.8	16.8
Travel Agents/Tour Guides	25.7	-1.4	-1.0
Hotel/Motel Managers	21.8	-1.6	-1.4
Ticket Sellers/Transport Conductors	16.1	0.7	0.9
Flight/Travel Attendants	12.3	1.4	2.4
Gaming Workers	10.4	4.1	10.5
Other Hospitality/Accommodation Managers	8.4	-1.2	-2.6
Club Managers (Licensed)	6.1	-0.6	-1.9
Ushers, Porters and Doorpersons	6.0	-2.7	-7.2
Hotel Service Supervisors	4.1	-1.1	-4.7
Caravan Park/Camping Ground Managers	4.1	0.2	0.8

Source: ABS Labour Force Survey (DEWR trend data)

2.6 OUTLOOK FOR THE TOURISM SECTOR

The tourism sector is subject to a range of potential threats. According to the National Tourism Alliance, high oil prices are raising the cost of discretionary travel which is dampening the tourism industry. The current high value of the Australian dollar is also not favourable to the industry, holding back inbound travel as potential tourists holiday at better value destinations. Domestic travel is also affected with Australians choosing to travel overseas when the currency is high.[20]

Furthermore, for many households the decision to dine out at a café or restaurant is closely linked to changes in discretionary living costs. An increase in the basic necessities such as food, rent, petrol, household energy costs as well as interest rates tends to reduce the rate at which people dine out.[21]

Other factors can also significantly affect tourism. For example, significant geopolitical and economic developments, domestically or internationally, health concerns (for instance, the unexpected spread of a disease such as Sudden Acute Respiratory Syndrome or Avian Influenza) as well as marketing activity by competitors, can all significantly impact upon tourism activity without warning. On the other hand, the strength of the Australian economy and labour market in general over the last decade and a half has had a positive impact on the tourism industry as evidenced by the increase of 23.4 per cent in employment in accommodation, cafés and restaurants since May 1996.

Given these kinds of factors, both positive and negative, which can impact on the industry, projections both in terms of overall activity and employment growth are difficult to make with any degree of confidence.

2.6.1 Outlook for tourism

Notwithstanding the apparent decline in tourism employment over the last year and the potential for threats to impact heavily on the industry, the Tourism Forecasting Committee[22] has projected that the *value* of tourism to the Australian economy will grow significantly over the medium to long-term. Should this occur, it will bode well for ongoing employment growth in the industry.

- Looking ahead, the strongest tourism related employment growth is projected for Fitness Instructors/Outdoor Adventure Guides and Chefs. Employment is projected to fall in five occupations, with the strongest fall likely to be for Ushers/Porters and Doorpersons.

The Australian tourism market is traditionally divided into three distinct groups, inbound tourism (overseas tourists coming to Australia), domestic tourism and outbound tourism (Australians going overseas). The economic value to Australia of the inbound tourist market was estimated at $18.5 billion in 2005, compared with $55.7 billion for domestic tourism.[23]

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[20] *Commonwealth of Australia 2006, National Tourism Investment Strategy: Investing for our Future, The National Tourism Investment Strategy Consultative Group.*

[21] *http://www.tourism.australia.com/Research.asp?sub=0408*

[22] Forecasts of future tourism activity focus on the economic value (in dollars) to Australia or projected visitor numbers rather than in levels of employment. However, increased activity, in terms of economic value, would be expected to be positively related to tourism employment.

[23] This forecast was obtained from the fourth release of "Forecast", Tourism Forecasting Committee, April 2006, Tourism Australia. Please note that all tourism forecasts, and the estimated value of tourism activity, are derived from this source.

While domestic tourism activity clearly has a significantly greater economic value than inbound activity, it is inbound tourism that is expected to provide the greatest impetus to growth in the tourism sector overall in the next five years. According to the Tourism Forecasting Committee, the *value* of domestic tourism is projected to increase by 5 per cent over the five years to 2011, after falling over the five years to 2005. On the other hand, the value of inbound tourism is expected to surge by 38 per cent between 2006 and 2011, as both the number of visitors and the expenditure per visitor increases.

Growth in in-bound tourism activity is expected to remain relatively subdued during 2006, rates of growth are expected to pick up significantly in 2007. As a result, barring unforeseen shocks, the forecast strengthening in tourism activity points to a stronger pace of employment growth in the tourism sector in 2007 and beyond.

The economic contribution of tourism is also forecast to be supported by higher expenditure per night and an increase in day trip expenditure. Tourism related expenditure per trip night is forecast to increase as a result of higher prices for key goods such as accommodation and petrol. While such increases in prices can have a negative effect on growth in the number and duration of domestic overnight trips, the net impact on the contribution of tourism activity to the economy is expected to remain positive in 2006. This represents a continuation of recent trends. Prices for petrol and accommodation have risen significantly in recent years and increases in costs for these two items have supported a trend toward trips that are of shorter duration but which involve higher expenditure per day. An increase in air travel in Australia has also facilitated this trend.[24] Domestic visitor nights in hotels, motels, guesthouses and serviced apartments are forecast to rise at a faster pace than total visitor nights, increasing at an average annual rate of 1.3 per cent between 2006 and 2015, to reach 85.6 million.[25]

- Despite the positive forecasts outlined above, it should be noted that some commentators have a less optimistic view of the short to medium term future for the industry. Econtech,[26] for example, predicts that of all tourism related businesses, accommodation may suffer a possible decline over the next three years.

2.6.2 Outlook for accommodation, cafés and restaurants

Notwithstanding the difficulties in making projections the future of the industry, as discussed in the introduction to this section, DEWR has estimated that employment in the accommodation, cafés and restaurants sector will increase by about 1.8 per cent a year for the next five years which equates to around 45 000 new jobs. Given that this is the largest sector in the industry, it suggests that employment in tourism overall will grow solidly over the next five years.

The sub-industry component of Cafés and restaurants is expected to be the main contributor to this growth with an increase in employment of 29 300. Employment in Pubs, taverns and bars and Accommodation is also projected to increase (by 12 300 and 4300 respectively).

[24] *Commonwealth of Australia 2006, National Tourism Investment Strategy: Investing for our Future, The National Tourism Investment Strategy Consultative Group.*
[25] *http://www.tourism.australia.com/Research.asp?sub=0408*
[26] *Econtech, The future of Tourism & Hospitality in Australia, Industry trends and outlook*

As noted above, however, the industry is subject to a wide range of external factors over which it has limited control. Accordingly, these projections should be used with caution.

CHAPTER 3 CURRENT AND EMERGING SKILL SHORTAGES AND APPROPRIATE RECRUITMENT, COORDINATED TRAINING AND RETENTION STRATEGIES

3.1 SKILL SHORTAGES

DEWR uses the following definitions of skill shortages/skills in demand:

Skills in demand

Skills in demand exist when employers are unable to fill or have considerable difficulty in filling vacancies for an occupation, or specialised skill needs within that occupation, at current levels of remuneration and conditions of employment, and reasonably accessible locations.

Demand is typically for specialised and experienced workers, and can coexist with relatively high unemployment overall or in the occupation. An occupation may be assessed as in demand even though not all specialisations are in demand. Occupations may be in demand in particular geographical areas and not in others.

Recruitment difficulties

Recruitment difficulties occur when employers have some difficulty in filling vacancies for an occupation. There may be an adequate supply of skilled workers, but employers are still unable to attract and recruit sufficient suitable employees.

The recruitment difficulties may be due to the characteristics of the industry, occupation or employer such as: relatively low remuneration, poor working conditions, poor image of the industry, unsatisfactory working hours, location hard to commute to, ineffective recruitment advertising or processes or organisation-specific and highly-specialised skill needs.

DEWR conducts research into skills in demand (skill shortages) through a programme which focuses on occupations rather than industries, using the Australian Standard Classification of Occupations (ASCO) to define occupations. The programme focuses primarily on trade and professional occupations and results in the identification of occupations with skills in demand which are evident or emerging in the Australian labour market.

ABS Labour Force Survey data for the accommodation, cafés and restaurants industry suggest employment in skilled occupations (that is, those requiring at least 3 years post school training or equivalent relevant experience) is primarily in the associate professional group in occupations such as chefs, restaurant and catering managers, hotel and motel managers, club managers (licensed premises) and other hospitality and accommodation managers, and in the food trades, cooks.

- DEWR has not assessed the labour market for these associate professional occupations although hotel and motel managers will be included in the 2006–07 skills in demand research programme.

Shortages of chefs and cooks are widespread (see Table 4) and have been persistent in Australia over most of the past few decades. These shortages result from a number of factors, but high wastage appears to be a major contributor to the ongoing supply shortfalls.

A further reason for these shortages may be the demand for skilled Australians to work overseas. For example, it is reported that Intercontinental Hotels has recently built 55 new hotels in China with further proposed expansion to 125 by 2008 and are sourcing their managers and other senior staff for these hotels from overseas.

Table 4: Skills in demand—occupations with significant employment in accommodation, cafés and restaurants

ASCO	Occupation	NSW	VIC	QLD	SA	WA	TAS	NT
Accountants								
2211	Accountant	M, R-D	S	S	S	R	S	S
Food Trades								
3322	Chef	S	S	S	D	S	S	S
4513-11	Cook	S	S	S	D	S	S	S

Key: S = State/Territory-wide shortage; R = Shortage in regional areas; M = Shortage in metropolitan areas; D = Recruitment difficulty; M-D = Recruitment difficulty in metropolitan areas; R-D = Recruitment difficulty in regional areas

Listings of State and Territory Skills in Demand are posted on the department's Workplace site (www.workplace.gov.au/skillsindemand). Information about skills in demand nationally is published as the Migration Occupations in Demand List (MODL) on the Department of Immigration and Multicultural Affairs (DIMA) site at www.immi.gov.au.

- The MODL is updated by DEWR every six months and, at 28 March 2006, included 34 (mainly health) professional occupations, five ICT specialisations and 26 trades occupations. The List is closely monitored to determine if there is an ongoing need to source people from overseas to meet the demand for those particular skills and will be updated again later this year.

DEWR also conducts Regional Skills in Demand Surveys (RSDS), which collect information on recruitment difficulties from employers. These surveys are aimed at improving the department's understanding of issues facing employers in regional areas and cover key industries for each region assessed, as well as occupations at all skill levels. The surveys identify recruitment difficulties in occupations and industries at the Employment Service Area (ESA) [27] level to support the Better Connections Workshops (see Section 5.1 for more details on these workshops). [28]

By aggregating results from 12 of these surveys conducted in the past 6 months it is possible to gain some insights into the current nature and extent of recruitment difficulties in the tourism industry in the locations in which these surveys were conducted.

[27] The 12 ESAs included are Armidale, Brisbane, Chatswood, Coburg, Coffs Harbour, Griffith, Katherine, Lakemba, Mirrabooka, Mt Isa, Port Augusta, and Taree. While RSDS have been conducted in many other ESAs only surveys conducted after 28 February include detailed industry data to enable analysis to be undertaken.

[28] See http://www.workplace.gov.au/bcw

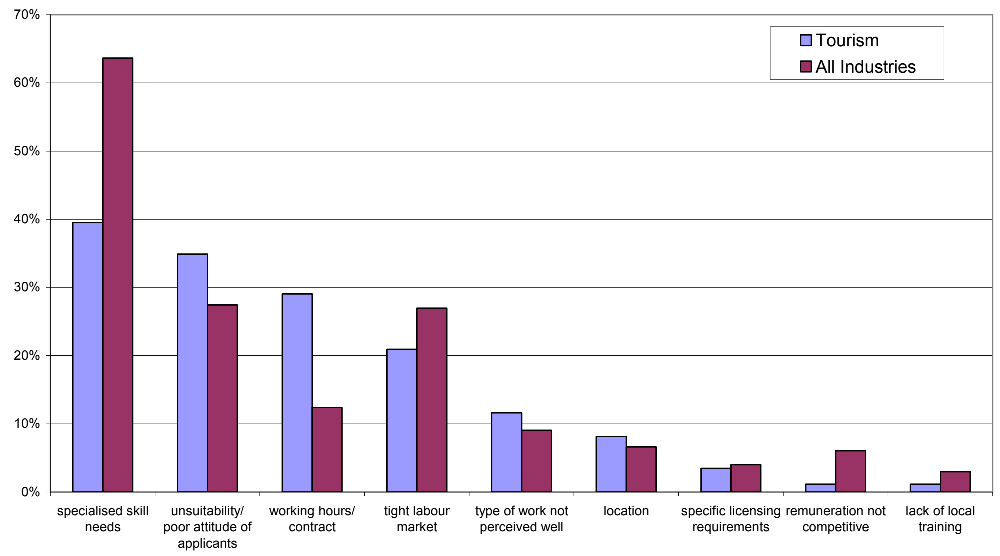
- Findings from the Regional Surveys relating to the tourism industry should be treated as indicative only as the 12 survey areas do not necessarily reflect conditions in the industry across Australia, and recruitment difficulties can vary significantly between regions.

Across the 12 survey areas information was collected from 334 tourism related businesses.

Key indicators from these survey responses point to below average levels of recruitment difficulty among employers in the tourism industry.

- a lower proportion of recruiting employers in the tourism sector reported that recruitment was difficult in the past 12 months (45.3 per cent) compared with all industries (54.4 per cent); and
- vacancies in the tourism industry were less likely to remain unfilled (5.0 per cent compared with 7.3 per cent overall).
    - unfilled vacancies in tourism related businesses were most commonly reported for Chefs, Hospitality Managers, Waiters and Bar Attendants.

Chart 7: Employers Reporting Difficult to Fill Vacancies —Main Reasons for Difficulty[29]



Base: Employers who recruited in the past 12 months and had difficulty recruiting staff n=87 (tourism) / n=888 (all industries).

Chart 7 shows the main reasons recruiting employers in the tourism industry found vacancies difficult to fill compared with all industries. The most commonly identified cause of recruitment difficulties in the tourism industry was the specialised skill needs of the position (39.5 per cent which is much lower than the 63.6 per cent recorded for all industries). On the other hand, the unsuitability or poor attitude of job applicants (34.9 per cent compared with 27.4 per cent), and the working arrangements of vacancies (29.1 per cent compared with 12.4 per cent) were much more significant in tourism than in other industries.

- It should be noted that just over one quarter of tourism businesses reported that they had vacancies that were difficult to fill.

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[29] This section is based on limited survey evidence.

These results point to the need for a multi-faceted approach to responding to any recruitment difficulties in the tourism industry and emphasise the importance of using strategies aimed at improving the motivation and suitability of job applicants as well as the use of flexible working arrangements alongside policies that address skills in demand (see Chapter 6 for more details).

Importantly, survey respondents in the 12 survey areas also reported that it is unlikely there will be a significant increase in recruitment difficulties across the tourism industry in these areas in the next 12 months although this may in part be due to the recent estimated fall in employment.

- Fewer recruiting employers stated that recruitment had become more difficult over the past 12 months (36.8 per cent) than was the case for all industries (54.2 per cent). There was also a higher proportion of employers reporting that recruitment had become easier over the past 12 months (11.9 per cent compared with 8.0 per cent).
- There was little indication of a demand led increase in recruitment difficulties in the industry with future employment growth expectations being broadly in line with the overall average.
  - Employment growth was expected in 30.5 per cent of businesses in the tourism industry over the next 12 months, while it was anticipated that employment would decline in 3.4 per cent of businesses. This compares with 33.9 per cent and 4.3 per cent respectively across all industries.

3.1.1 Skills in demand quantified

The research undertaken by DEWR does not attempt to quantify the number of positions in demand. However, recent studies by the National Tourism Investment Strategy Consultation Group indicate that there are currently approximately 7000 skilled positions in demand with a forecast additional deficit of up to 15 000 positions per year. The National Tourism Investment Strategy[30] paper details that the industry is experiencing difficulties attracting and retaining staff, especially in regional areas. According to this paper, the industry is currently short 2500 cooks/ chefs, 200 front of house staff and 1500 supervisors /managers.

3.2 RECRUITMENT, TRAINING AND RETENTION STRATEGIES

3.2.1 Attracting and retaining higher skilled staff

As outlined earlier in this paper, the Australian tourism sector faces a number of competitive pressures and these pressures are often beyond the capacity of individual businesses to adequately address. However, one key area where employers can increase their competitiveness is in the recruitment and retention of skilled workers. While employment in the sector is often viewed as a stepping stone towards another career, a number of strategies besides higher wages have been adopted by tourism and hospitality companies to attract and retain employees.

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[30] *Commonwealth of Australia 2006, National Tourism Investment Strategy: Investing for our Future, The National Tourism Investment Strategy Consultative Group.*

Many companies have actively developed reputations as ‘employers of choice’ by implementing flexible workplace arrangements, such as gender friendly workplaces or rewarding highly performing workers, to suit the particular needs of their employees.

Accor is an example of an ‘employer of choice’ company. It is a global leader in the hotel, catering, restaurant, tourism and corporate services industries. The company offers its employees the opportunity to transfer worldwide within the group. It has a strong emphasis on training and development as well as fostering an empowered, team-based work environment and recognises staff achievement through an award based programme. It places considerable importance on two-way communication with regular feedback and career reviews and offers programs such as generous discounts on hotel rates and food and beverages.[31] Section 3.2.5 below includes a case study on a project involving Accor.

3.2.2 Training

Through the Department of Education, Science and Training, the Australian Government will, in the four years from 1 July 2005:

- open 24 new Australian Technical Colleges, aimed at increasing the number of New Apprentices in the traditional trades, which complement their school studies, allowing them to secure a Year 12 level education while progressing towards a qualification in the traditional trades;
- provide a further 4500 pre-vocational training places in the trades through group training;
- fund an additional 7000 School-Based Australian Apprentices through group training;
- provide for an additional 20 000 places in the Australian Apprenticeships Access Programme, specifically targeting industries and regions experiencing skills needs;
- supply tool kits up to the value of $800 to Australian Apprentices who commenced an eligible trade after1 July 2005 and who have completed 3 months of their training;
- extend the Living Away From Home Allowance paid to Australian Apprentices to the third year of their Australian Apprenticeship; and
- provide a Commonwealth Trade Learning Scholarship of $500 to Australian Apprentices undertaking skill needs trades with small-to-medium enterprises or through group training, at the end of each of their first and second years of their Australian Apprenticeship.

Eligibility for Youth Allowance, Austudy and ABSTUDY has been extended to full-time Australian Apprentices, subject to the application of parental and personal income tests. These payments are intended to assist Australian Apprentices in the early years of their training when their wages are generally at their lowest.

The workplace relations system is also being reformed to give more young Australians the opportunity to enter a trades career. In particular, the reforms are removing industrial relations barriers to the take up of School-Based and part-time Australian Apprenticeships.

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[31] *http://www.accorhotels.com.au*

Building on previous initiatives, these measures are already contributing to significant increases in the number of apprentices, especially in the traditional trades. For example, according to data from the National Centre for Vocational Education Research, the number of commencements in the traditional trades increased by 22 200 (11.6 per cent) in the 12 months to December 2005, and by 58.0 per cent over the last five years (latest available data). The number of apprentices and trainees completing training across all industries totalled 138 700 in the 12 months to the end of December 2005, a rise of 2900 or 2.1 per cent compared with one year earlier. Apprentice and trainee completions have increased steadily since the year 2000, increasing by 53 000 or 61.8 per cent over this period.

3.2.3 Flexible working arrangements

At present, there are very low numbers of mature age people employed in the tourism and hospitality industry—a group who, with training, could become an important source of employment for the industry. Furthermore, there is evidence these workers value flexibility with many pursuing workplaces that offer opportunities for ‘phased retirement’. These options are not available under inflexible workplace relations arrangements but are available from genuine enterprise or individual bargaining.

- Details of the Australian Government’s Mature Age Employment and Workplace Strategy are included in the next section.

As many employers have found, one of the key factors in highlighting the attractiveness of the industry particularly to female employees who, overwhelmingly, continue to be the primary carer of children, is the availability of flexible working arrangements built around their child care requirements. While award based workplace arrangements are frequently rigid, workplace conditions determined at the enterprise or individual level have the flexibility to allow all employees with family responsibilities, regardless of gender, the freedom to commit to the workplace while still providing support for their families.

Similarly, highly skilled younger workers are more likely to be attracted to workplaces with enterprise or individual flexibilities. There is growing evidence which suggests that ‘Generation Y’ employees value flexibility above all other factors driving workplace choice, including remuneration. With demographic changes impacting on the availability of appropriately skilled staff, employers without enterprise or individual arrangements that allow for the flexible deployment of labour are likely to be at a disadvantage in the recruitment of skilled labour.

Overall, employers who are able to recruit additional mature age, female and younger workers are more likely to be protected against economic pressures resulting from changed demographics than their competitors. In the tourism sector, where profit margins are low, the recruitment of appropriately skilled staff attracted by the flexibilities available under enterprise or individual arrangements may prove the difference between viability and closure.

3.2.4 Mature Age Employment and Workplace Strategy

The Australian Government's Mature Age Employment and Workplace Strategy (MAEWS) targets mature age employment as well as the retention of mature age workers already working.[32] The objective of this strategy is to promote examples of mature age employment to the broader industry and stakeholders and provide links to other Australian Government policies of benefit to the mature aged, such as Australian Apprenticeships.

Case Study 1: MAEWS and Tourism Training Australia

In 2005, a MAEWS project with Tourism Training Australia, part of the National Tourism Industry Training Committee Ltd, set out to demonstrate with the tourism and hospitality industry on the Gold Coast and with a local Job Network member that there were mature age job seekers able to meet industry demands for suitable new entrants. This project successfully placed 36 out of 40 mature age participants with employers in the tourism and hospitality industry on the Gold Coast.

By combining a short (5-day) training course with effective candidate selection and practical work experience, this project clearly demonstrated that there is a role for mature age workers in the tourism industry and that the industry's skill needs can be addressed in part by targeting mature age job seekers and placing them into sustainable employment.

The tourism industry is well-suited to new entrants who have obtained basic skills through short training courses as the industry offers many opportunities for casual and part-time work and offers a variety of working hours that can suit mature age workers not seeking full-time work. These opportunities can also be made available to parents returning to work, people with disabilities and the long-term unemployed. The industry is being encouraged to replicate such examples of successful projects throughout the industry Australia wide.

3.2.5 Indigenous tourism sector

As the tourism industry grows, it requires the support of the local community to retain environmental qualities that attract tourists to the region—this includes utilising opportunities in regional and remote areas in the development of a strong, effective Indigenous tourism sector.

The Australian Government is committed to increasing the availability of employment opportunities facilitating better access to private sector employment for Indigenous Australians and supporting Indigenous tourism business opportunities. The goal is to create viable, commercially-based Indigenous employment opportunities.

- Better access to private sector jobs, role models, business support services and joint ventures are crucial in attracting and retaining an Indigenous tourism workforce in regional and remote parts of Australia.

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[32] For further details on the MAEWS see http://www.jobwise.gov.au/Jobwise/Information/MAEWSStrategy.htm

To achieve its goal, the Australian Government, through the department, has a number of programmes and initiatives to assist Indigenous Australians to engage in employment or business opportunities, including:

- ***Job Network*** which is a network of private and community organisations dedicated to helping job seekers find and keep a job;
- The ***Community Development Employment Projects (CDEP)*** programme provides employment and training opportunities for Indigenous Australians, who voluntarily forego their income support.
- ***Structured Training and Employment Projects (STEP***) provide structured training leading to lasting employment for Indigenous job seekers.
- The ***Corporate Leaders for Indigenous Employment Project (CLIEP)*** is a partnership between individual companies and the Australian Government to generate sustainable employment for Indigenous Australians.
- ***Indigenous Employment Centres (IECs)*** help Community Development Employment Project (CDEP) participants move into unsubsidised employment by providing assistance tailored to their needs.
- Indigenous ***Wage Assistance*** provides a wage subsidy over a period of 26 weeks for employers who offer ongoing full-time work to eligible Indigenous Australians.
- The ***National Indigenous Cadetship Project*** improves the professional employment prospects of Indigenous Australians by linking students and employers in an arrangement that involves full-time study and work placements.
- The ***Community Development Employment Project Placement Incentive (CDEPPI)*** is an incentive payment to CDEP organisations for each participant who is placed in open employment and off CDEP Wages.
- ***Indigenous Community Volunteers (ICV)*** is a not for profit company contracted to deliver a volunteer programme on behalf of the Australian Government. ICV links skilled volunteers with communities that are seeking expert assistance in areas such as business, financial management and the trades.
- The ***Aboriginal Employment Strategy (AES)*** provides assistance to help Indigenous job seekers prepare for, gain and retain jobs.
- The ***Indigenous Small Business Fund*** offers funding to Indigenous organisations to help Indigenous people learn about business, develop their business skills, and expand their businesses.
- The ***Indigenous Capital Assistance Scheme*** provides access to commercial finance and culturally appropriate professional and mentoring support services for Indigenous businesses through participating financial institutions.
- The ***Emerging Indigenous Entrepreneurs Initiative*** supports projects which encourage and empower Indigenous entrepreneurs to pursue self-employment and small business opportunities.

- ***Indigenous Youth Employment Consultants (IYECs)*** work with young Indigenous youth to provide linkages to work or further education and training. The main role of the consultant is to encourage the successful transition of these people from school to work.

- The ***New Enterprise Incentive Scheme*** helps eligible unemployed people to start and run their own new, viable small business.

Between July 1999 and June 2006, over 56 000 Indigenous Australians have been placed in employment and/or training across a range of industries through Indigenous-specific employment programmes. In 2005–06, an additional 44 500 job placements were made for Indigenous job seekers by Job Network members.

Case Study 2: WA Tourism Commission

Barbara Matters has just commenced a new cadetship, through the National Indigenous Cadetship Programme (NICP), with the WA Tourism Commission which will help her gain the education and experience she needs to achieve her goals. Barbara believes strongly in the need to assist Indigenous people in the tourism industry, as well as to alter misconceptions about Indigenous people in the workplace "I want people to listen to me and to do that I need to be educated" Barbara said.

As well as complementing her studies, Barbara's cadetship is giving her the chance to relearn the job skills she put aside when she chose to leave work and raise her four children, 18 years ago.

Barbara says she has always promoted the tourism industry to her local community, and with her new skills she will be able to reach a much wider audience. Together with a business partner, she is currently launching an online Indigenous art and tourism gallery, to help foster a tourism industry with more balance between Indigenous and mainstream interests.

"NICP is actually promoting positive role models for Indigenous people" Barbara says, and she is certainly contributing to that process herself.

Case Study 3: Accor Hotels

Accor is a world leader in hospitality tourism, and a prominent member of Corporate Leaders for Indigenous Employment Projects (CLIEP). Using Structured Training and Employment Project (STEP) funding, Accor has established the Accor Indigenous Employment Programme to provide Indigenous Australians with employment and training opportunities.

After three contracts, with over 300 Indigenous Australians having been employed with Accor, the company sets a high benchmark in the industry ensuring representation of Indigenous Australians in a wide variety of positions, from waiting tables to management.

A strong emphasis is placed on education, pre-employment training and orientation programmes involving visits by potential employees and family members to hotels and resorts ensures improved success rates. On-the-job training is combined with accredited training in the relevant certificated courses. Cultural awareness training plays an important role in Accor's commendable Indigenous employment record. Managers are equipped with an innovative Indigenous Employment Toolbox to better enable them to respond constructively to issues.

Accor measures the number of Indigenous employees and turnover as key indicators of business at all of its hotels and resorts. Its Indigenous Employment Manager publishes lists of the results as a motivational tool to achieve better outcomes.

Accor is a two time winner of the CLIEP Outstanding Organisation Award in 2003 and 2004.

Case Study 4: Hospitality Group Training

In Western Australia, Hospitality Group Training (HGT) is successfully participating in a DEWR Structured Training and Employment Project (STEP). The project commenced in March 2003. HGT operates as a group training organisation and is the largest employer of apprentices and trainees in the hospitality industry in Western Australia.

HGT provides nationally accredited training to apprentices and trainees and offers employers a wide range of services from recruitment to development assistance. Many of the organisation's apprentices and trainees have won awards. HGT itself has been awarded the Outstanding Quality and Best Practice Training Award 2003 at the National Tourism and Hospitality Awards.

The current STEP project has supported the employment and training of three Indigenous Australians in the tourism and hospitality industries in the Perth metropolitan area. These participants commenced employment as apprentice cooks. The STEP project is due to be completed in October 2007.

HGT also has won the Education and Training Category at the 2004 and 2005 WA Tourism Awards.

CHAPTER 4 LABOUR SHORTAGES AND STRATEGIES TO MEET SEASONAL FLUCTUATIONS IN WORKFORCE DEMAND

4.1 LABOUR SHORTAGES

As noted in 3.1, the skills in demand research undertaken by DEWR shows that there is strong demand for a range of workers in the tourism industry, including chefs, cooks, front of house staff and managers/supervisors. These findings are consistent with recent studies and discussions with employers and industry associations.

The Australian Government has a range of initiatives in place which can assist employers in the tourism industry facing skill shortages or seasonal fluctuations in their demand for labour.

4.1.1 Labour Exchange Services

Job Network

Job Network, with more than 1000 recruitment offices across the country, is Australia's largest government funded employment service.

Job Network members are paid by the Australian Government if they are successful in placing job seekers into jobs and in most labour markets, these organisations are competing with each other to achieve the best results. DEWR research has shown that the most successful Job Network members are those that actively engage with employers.

Job Network services include:
- professional recruitment advice
- candidate screening and shortlisting
- access to the JobSearch database.

Depending on the circumstances of individual job seekers, Job Network members may be able to assist with pre-vocational training, wage subsidies and other assistance to help meet employers' recruitment needs.

DEWR also provides several services to assist with matching labour supply and demand. Australian JobSearch (JobSearch) provides a national job vacancy database and internet site (www.jobsearch.gov.au) that displays details of job vacancies lodged by contracted service providers such as Job Network members, Job Placement Licence Only organisations, as well as newspapers and employers.

JobSearch assists employers in the tourism sector to identify labour and assists job seekers to identify job opportunities. JobSearch can be accessed by job seekers 24 hours a day and is also available through touch screen kiosks located in Job Network and Centrelink offices throughout Australia. As well as browsing for vacancies, job seekers can lodge a résumé on JobSearch and be automatically matched to job vacancies.
- JobSearch notifies job seekers of potential job opportunities through their own personal page and, if they elect to do so, by email or SMS.

Job Placement Services provide further assistance to employers, including those in the tourism sector, to fill job vacancies. Job Placement organisations canvass employers for vacancies to display on JobSearch and can match, screen, refer and place suitable registered job seekers into vacancies on behalf of employers. DEWR pays fees varying from $165 to $385 per placement of an eligible job seeker into these vacancies.

Disability Employment Network

The Disability Employment Network (DEN) provides specialist assistance to job seekers with disabilities who require ongoing support to find and maintain employment. DEN is delivered by a network of organisations around Australia.

A job seeker can be referred to DEN if they:

- have a permanent (or likely to be permanent) disability
- have a reduced capacity for communication, learning or mobility
- require support for more than six months after placement in employment
- require specialist assistance to build capacity in order to share the financial, social and personal benefits that employment offers.

4.1.2 Current Migration Arrangements

One avenue for addressing the skill needs of Australian employers is via migration arrangements. The Australian Government administers a range of employer-sponsored temporary and permanent migration arrangements designed to meet the genuine skill needs of Australian employers. The focus of these arrangements is on the entry of skilled overseas workers for employment in skilled (managerial, professional, associate professional and trade) occupations.

While there is some provision under the concessional regional temporary migration arrangement for regional employers to recruit overseas workers for employment in less-skilled occupations (including some tourism-industry specific occupations), current migration arrangements do not provide for the employment of overseas workers in unskilled or labouring occupations.

Attachment 2 provides detailed information on a number of migration arrangements that contribute to the supply of labour available to the tourism industry:

4.1.3 Contribution of Migration Arrangements to Labour Supply

The contribution of migration arrangements to the labour supply is difficult to estimate with any certainty as there are potentially significant numbers of non-sponsored temporary visa holders with work rights who may seek employment in the tourism industry (including WHM and overseas student visa holders, see 4.2.1 for more detail).

Analysis of net permanent and long-term arrival and departure data (with reference to occupations identified in the ABS TSA as tourism industry related) shows that for the period 1999–2000 to 2004–05:

- the top 5 tourism industry occupations for which Australia received a net migration gain were cooks, chefs, bar attendants, travel and tourism agents, and restaurant and catering managers; and
- the only tourism industry occupation for which Australia experienced a significant net migration loss was travel (flight) attendants.

4.1.4 Migration Occupations in Demand List (MODL)

As discussed under 3.1, the MODL targets the General Skilled Migration categories of Australia's Migration Program to occupations and specialisations identified by DEWR as in national demand and for which there are good employment prospects.

The inclusion of the occupation of chef on the MODL since it was introduced in June 1999 (combined with the subsequent inclusion of trade-qualified cook, baker and pastrycook on the MODL in May 2005) is likely to have contributed to Australia consistently experiencing a net migration gain of chefs and cooks for the period 1999–2000 to 2004–05.

Case Study 5: Tour-Guides

The Joint Standing Committee on Migration (JSCM) report *Working Holiday Makers —More Than Tourists*,[33] included a recommendation that the Commonwealth negotiate Labour Agreements for tour-guides which included skill criteria and assessment processes that are consistent with the tourism industry training package:

- this recommendation aimed to address legitimate concerns that overseas workers recruited by the inbound tourism sector were recruited on the basis of foreign language skills and not tour-guiding skills. Arguably, this undermines the professionalism of the tour-guide occupation and the reputation of the industry;
- in 2005–06, the Commonwealth was a party to some 20 employer-specific Labour Agreements for the temporary entry of tour-guides and related occupations (mainly with Queensland-based employers) with a further 5 Labour Agreements (including three with industry associations) for the tourism and hospitality industry more generally; and
- the Commonwealth has continued to consult tourism industry bodies (including the *Queensland Tourism Industry Council*) with a view to negotiating an industry-based Labour Agreement that would better meet the temporary migration needs of small to medium-sized employers in the inbound tourism sector. To date, an industry association Labour Agreement for tour-guides has not been concluded.

4.2 MEETING SEASONAL FLUCTUATIONS IN WORKFORCE DEMAND

4.2.1 Working Holiday Maker Scheme and the Tourism Industry

The seasonal nature of tourism in Australia results in peak periods being experienced at different times in different locations across the country. The Australian Government has announced a series of changes to the WHM scheme to better meet the seasonal labour needs of employers in regional Australia. (See Attachment 2 for

[33] JSCM, *Working Holiday Makers: More Than Tourists*, August 1997, recommendation 40.

further details). The changes to the WHM scheme are expected to increase the pool of seasonal labour available to Australian tourism and hospitality industry employers. In this context, it should be noted that:

- research commissioned by DEWR and DIMA shows that some 26.9 per cent of WHMs obtain employment in the accommodation, cafés and restaurant (or hospitality) industry at some stage during their visa. A further 4.0 per cent obtain employment in the cultural and recreational (tourism-focussed) industry[34]
- while the WHM scheme provides Australian employers with access to a sizeable pool of seasonal labour, the scheme is not intended to address shortages of skilled labour for which more appropriate employer-sponsored migration arrangements exist
- any further concessions to the WHM scheme (such as the extension of recent concessions to include other industries) would undermine the objective to promote employment in the agricultural sector to WHM visa holders, and undermine Welfare to Work initiatives which aim to promote longer term employment to the benefit of recipients.

[34] Harding G and Webster, E, *The Working Holiday Maker Scheme and the Australian Labour Market*, September 2002.

CHAPTER 5 STRATEGIES TO ENSURE EMPLOYMENT IN REGIONAL AND REMOTE AREAS

5.1 EMPLOYMENT STRATEGIES IN REGIONAL AND REMOTE AREAS

As noted in Section 3.1, the department runs Better Connections Workshops on behalf of the Australian Government to bring together labour market stakeholders such as local employers, local providers of government employment services, Federal, State and local government agencies, and local chambers of commerce to develop solutions to local employment issues, including in regional and remote areas.[35] The objective of the workshops is to improve labour market effectiveness by addressing labour and skill shortages, increasing labour market participation and reducing unemployment.

A range of data on labour market demand and supply relevant to the regional area in which the workshop is being held is presented. This information includes employment by industry, skills in demand, vacancies lodged and filled by Job Network members and Job Placement Organisations, apprenticeship commencements, Centrelink customer population, results from the DEWR Regional Skills in Demand Surveys, and data on the available pool of potential workers who are in receipt of welfare payments in the local area. The workshops are action oriented and focus on local labour market stakeholders developing practical strategies to address identified labour market issues. Participation is therefore limited to key local stakeholders willing and able to generate local employment outcomes.

The Australian Government strongly encourages the tourism and hospitality industry to support the Better Connections Workshops by offering sustainable employment outcomes for local job seekers within their communities and a number of workshops have already been held in locations in which the industry is a significant employer. See Attachment 3 for the locations of Better Connections Workshops proposed for 2006–07 and Attachment 4 for the locations of the Better Connections Workshops conducted in 2005–06.

In addition, throughout 2006, the department, on behalf of the Australian Government, is conducting a series of Industry and Employer Breakfasts in 10 metropolitan and 22 regional locations across Australia.

The purpose of these breakfasts is to inform small, medium and large business owners, human resource managers, chief executive officers and business managers about the labour supply challenges their businesses are currently facing and likely to face in the coming five years. The information provided at these breakfasts is based on the research from the *Workforce Tomorrow – adapting to a more diverse Australian labour market* publication.[36] Over 3,000 employers, including many from the tourism industry, have attended these breakfasts.

By attending an industry and employer breakfast employers are receiving new information by industry, occupation and region that will help them to devise workforce strategies to equip their businesses for the future.

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[35] See http://www.workplace.gov.au/bcw

[36] See http://www.workplace.gov.au/wt

Again, a number of these breakfasts have been held in locations in which tourism is a large employer. See Attachment 5 for the locations of the Industry and Employer Breakfasts.

5.1.1 Increasing Labour Supply in Remote Areas

The Australian Government is currently working to remove exemptions from activity testing persons on income support in remote areas. In the past, there has been no requirement for activity-tested income support recipients living in remote areas to take part in employment or work-related activities in return for their income support payment. People living in urban and regional areas have been required and continue to be required to actively look for work and take part in activities that will increase their employment skills.

- While removing remote area exemptions, the Australian Government is also ensuring that people have access to labour market programmes that can provide training and work experience so that people living in remote areas are ready and able to move into employment as opportunities occur.

The removal of these exemptions will result in an increase of available labour in remote areas. All remote area exemptions are expected to be phased out within three years.

The case study below, and others presented in Chapter 6, outline a number of projects assisting employment, including in regional and remote areas.

Case Study 6: Kakadu Tourism

In the Northern Territory, Kakadu Tourism Pty Ltd, managed by the InterContinental Hotels Group, has been contracted by DEWR to run a Structured Training and Employment Project (STEP). This is the third STEP project undertaken by Kakadu.

Important lessons learned from the first two projects indicated that work readiness, literacy and numeracy skills and mentoring are the key to successful long term employment in the tourism industry. To maintain a team spirit and encourage retention, the intake will remain together as a class through the entire pre-employment and employment training period. To date, the project has produced some very good results for the seven participants who have completed their training and are now in full time employment.

The traineeships cover: Tour Guiding, Hospitality, Business Administration and Horticulture. The traineeships are being provided by the Charles Darwin University. Successful trainees are offered relevant employment with Kakadu Tourism (Gagudju Crocodile Holiday Inn Jabiru) and associated companies, Gagudju Lodge Cooinda and Yellow Water Cruises Cooinda.

The present project has attracted the attention of the Anindilyakwa Land Council on Groote Eylandt, which is developing its own tourism resort.

CHAPTER 6 INNOVATIVE WORKPLACE MEASURES TO SUPPORT FURTHER EMPLOYMENT OPPORTUNITIES AND BUSINESS GROWTH IN THE TOURISM SECTOR

6.1 INNOVATION AND SUPPORT FOR EMPLOYMENT AND BUSINESS GROWTH

In considering effective workplace arrangements for the tourism sector, DEWR notes that its internal research indicates a high performance workplace employment model encompasses some of the following elements:

- That management is clear about its workplace reform objectives, communicates these clearly to staff and is willing to address issues identified by employees
- Alignment of employer and employee objectives, e.g. by ensuring wage and conditions negotiations are informed by company performance or by linking some part of pay to performance or personal output
- Effective communication on workplace relations issues to employees.

This high performance workplace employment model underpins the opportunities that exist for all businesses to take advantage of the flexibilities afforded by the WorkChoices reforms. This is particularly relevant for the tourism industry which could benefit from tailoring workplace arrangements to individual business models to enhance ongoing competitiveness, productivity and sustainability.

6.1.1 Welfare to Work Reforms

The Australian Government's Welfare to Work reforms came into effect on 1 July 2006. The reforms are designed to increase workforce participation and employment and reduce welfare dependence for working age Australians. The Welfare to Work package provides better incentives for Australians of working age to move from welfare into work backed up by a range of new and expanded services and targeted initiatives to increase job opportunities.

There are four main groups affected by the Welfare to Work changes:

- People with disabilities
- Parents
- Mature age people (50 or over) and
- Very long term unemployed people

The Welfare to Work measures are also complemented by a whole of government approach to addressing the specific needs of other people facing barriers to employment, including Indigenous Australians and young people.

There are now increased requirements for those who have the capacity to work. Parents will generally be required to seek part-time work if their youngest child is 6 years or over. People with disabilities applying for income support who can work part-time will be required to seek work of at least 15 hours a week. Requirements for mature age people are also being brought more into line with those applying to other unemployed people.

These reforms are expected to have a positive impact on the tourism industry, particularly in addressing some of the existing labour shortages.

6.1.2 Employer Demand and Workplace Flexibility

A key component of Welfare to Work is ensuring that employers are well placed to hire people from the aforementioned priority groups. Over the four years from 2005–06, $50 million has been provided to promote the employment of people from these groups. Employment service providers are playing a very important role in encouraging employers to think differently about taking on an unemployed person. Material is available to assist employment consultants present the business case to employers about why a more diverse workforce makes sense. Employment service providers can also discuss with employers the available incentives to try out new staff with characteristics that are different from their current employees.

- Support material, such as age management training courses, is available to help employers identify workplace practices that support the retention and attraction of mature age staff.

- Providers are also encouraged to tap into the expanded Workplace Modifications Scheme and Wage Subsidy Scheme to increase the placement of people with a disability into employment.

- Employers are given assistance to develop strategies to meet the flexible work needs of employees, examine the business case for flexible working arrangements, identify potential barriers to their implementation, and highlight innovative arrangements and best practice.

6.1.3 Employer Demand and Workplace Flexibility Projects

DEWR, on behalf of the Australian Government, specifically engages with a number of industries to address employment strategies for those industries. In doing this, training demand and needs assessments of an industry, including for the tourism and hospitality industry, for commencing employees is undertaken at the local level and innovative solutions are developed by industry stakeholders, both private and public.

A model has been trialled where a range of tourism industry employers in a specific region work with Providers of Australian Government Employment Services (PAGES) to recognise the existing skill sets of job seekers. Additional training is then provided to enable them to commence in entry level jobs in the tourism industry (see Case Study 7 below).

The department is working with representatives of the tourism industry on a range of strategies to further demonstrate the benefits to the industry of seeking new entrants from the Welfare to Work cohort. Some cases studies relevant to the tourism industry are included below.

Case Study 7: CHARTTES Project

The Cultural, Recreation and Tourism Training Advisory Council Inc (CHARTTES) commenced a project in April 2006 in partnership with a number of local tourism industry organisations in the Alice Springs region to develop an innovative solution that will lead to sustainable job outcomes while meeting demand by local industry operators for skilled employees.

The project is being jointly funded by the Australian Government, through the Employer Demand Demonstration Projects (EDDP) initiative administered by the department, and through in-kind contributions from the tourism and hospitality industry operators and stakeholders in the Alice Springs region.[37]

The Alice Springs project aims to identify and recruit trainees with a focus on accommodation, cafés and restaurants within the local hospitality industry. The primary focus group is parents, with the industry providing career opportunities for full and part-time employment with flexible working arrangements for this target group.

The generic industry training is provided through the local training host Academie Accor (a Registered Training Organisation of Accor) which allows industry employers to select and recruit trainees to cater to their individual business. This also provides an opportunity for individual participants to select a workplace that provides the career they wish to pursue.

Mentoring and guidance is provided throughout the project to ensure work conditions are suitable for both the employer and employee. The project allows for job rotation, variation and flexible work conditions for parents and encourages a range of resorts to work together to benefit from networking, training and sharing of employees during quiet and peak tourism seasons. To address the child care needs of workers, the project will look for innovative solutions, such as flexible work times and shared employment for parents.

A digital recording of the progress of the project will be made to showcase innovation, good practice and individual testimonies and will be used to assist in replicating the project throughout the Northern Territory and interstate.

While the project is not due for completion until 2007, as at 1 August 2006 seven sustainable employment outcomes, including kitchen hands and casino administration work, have been achieved.

Overall, the approach of specific industries working collaboratively in defined labour markets, such as Alice Springs, with people not currently engaged in the labour force is showing positive outcomes.

[37] See http://www.workplace.gov.au/workplace/Organisation/Businessassistance/EmployerDemandDemonstrationProjects.htm

Case Study 8: Queensland Restaurant and Catering Project and Hotel, Motel and Accommodation Association Project

Restaurant and Catering Queensland (RCQ) is working with local PAGES to place job seekers into commercial cookery and front of house activity roles in locations such as Townsville, Cairns, Brisbane, and Mackay. A similar strategy is just commencing in Western Australia.

To date, the RCQ project has achieved 45 course enrolments for commercial cookery out of a targeted project enrolment overall of 100 participants. One course of ten participants in Townsville has already been completed with eight employment outcomes obtained. In the next three months a further six will be held in Queensland including Cairns, Mackay, Airlie Beach, Rockhampton, Brisbane and the Gold Coast.

In Newcastle and Cairns roundtables are also being held between the Hotel, Motel and Accommodation Association and local PAGES to form working groups representing interested stakeholders, including from the labour demand and supply sides, to progress Welfare to Work job seekers into sustainable employment in the tourism industry.

Case Study 9: New South Wales Restaurant and Catering Association Project and Clubs Victoria Project

The Restaurant and Catering Association of New South Wales is also working with its local PAGES to address skill needs in their State. For instance, one of the recent employment courses run by Restaurant and Catering NSW was delivered exclusively for clients of the Youloe-ta Indigenous Development Association in Newcastle. Thirteen people started the 12 day training programme with 12 participants completing the course. Work placements have commenced with four people already placed into jobs in the tourism industry. A further four participants are expected to be placed into jobs in the near future with more to follow.

In Victoria, Clubs Victoria on behalf of its 300 plus employer member clubs, has commenced work with local PAGES, along with a local (Technical and Further Education) TAFE institute, to place job seekers into entry level positions with clubs in that State. Once a successful model is established it is anticipated clubs will pay for the employment service provided by this approach.

These examples illustrate the value to the tourism industry of considering the labour supply available from groups such as the mature aged, people with disabilities, the very long-term unemployed and parents. The industry is well-suited for new entrants from these groups who are seeking casual or part-time work with flexibility of work hours and workplace arrangements. It is therefore important for all stakeholders to work together to replicate these projects Australia-wide to address the industry’s skill needs.

The Australian Government is also encouraging employers in key industries to adopt flexible working arrangements through the Workplace Flexibility Industry Projects.

These projects aim to increase opportunities for parents, mature age workers, people with disabilities and the long-term unemployed to gain employment that suits their needs and allows them to balance paid work with priorities such as caring responsibilities.

The industry projects are designed to increase employer awareness of the benefits of flexible working arrangements to encourage their spread and take up. The industry projects in 2005–06 were focussed on the restaurant and catering industry and the retail industry. The 2006–07 projects will be confirmed shortly. Details on individual projects are at Attachment 6.

6.1.4 WorkChoices and available resources

The Australian Government is providing flexibility to address skill needs through a number of initiatives including its WorkChoices legislation, while the Australian Fair Pay Commission will set and adjust the federal minimum wage including for juniors and trainees (including School Based apprentices).

Resources are available through industry bodies and employer organisations to assist employers in choosing the workplace relations arrangements most appropriate to their circumstances.

The Office of the Employment Advocate (OEA) provides free, personalised assistance to employers and employees about opportunities and choices in agreement making. The OEA can assist businesses to explore opportunities to increase workplace productivity, flexibility and efficiencies appropriate to their particular circumstances.

The OEA has recently delivered seminars on agreement making for small to medium sized enterprises throughout rural and regional Australia. Seminars were delivered in regional towns which depend substantially on the tourism industry, such as Echuca, Maryborough, Daylesford, Bright, Beechworth, Mansfield, Portland and Cowes in Victoria. At these seminars, OEA staff provided advice about how workplace agreements can assist in providing conditions that suit employers and employees where there are seasonal fluctuations in working hours and workforce demand more generally.

Further information is available on a number of websites including workchoices.gov.au, www.wagenet.gov.au, www.workplace.gov.au, and www.oea.gov.au. For information on OEA projects relevant to the tourism sector see Attachment 7.

CHAPTER 7 CONCLUSION

The tourism industry, with its linkages across a range of sectors and occupations, has long been important to the Australian economy. The industry has always been subject to international economic and geophysical threats as well as local factors such as the level of discretionary consumer spending. Nonetheless, jobs growth in the industry has been relatively strong over the last decade, albeit somewhat variable from year to year.

Notwithstanding the apparent decline in tourism employment over the last 12 months and the ongoing threat of external shocks, the outlook for the industry remains favourable. The Tourism Forecasting Committee has projected that the value of tourism to the Australian economy will grow significantly over the medium to long-term. This positive view is confirmed by DEWR projections that employment in accommodation, cafés and restaurants, the largest sector in the industry, is likely to increase by 1.8 per cent per annum over the next five years.

The industry also faces the ongoing challenge of labour shortages in a number of occupations. In particular, people trained as chefs, cooks and accountants have been in persistent demand for most of the part few decades. In addition, DEWR research at a regional level has identified less-skilled positions such as waiting staff and bar attendants as being difficult to fill.

A number of measures are in place to address these skill and labour needs. The Australian Government is investing heavily in vocational and technical education to address skill needs, particularly in traditional trades areas. In addition, reforms to the workplace relations system will provide the opportunity for more young Australians to enter a trades career by ensuring that it supports the implementation of Australian Apprenticeships, including removing any existing industrial relations barriers to take up School-Based and part-time Australian Apprenticeships. The Australian Government's Migration Program, with its strong emphasis on skilled migration, also provides a useful mechanism for addressing the need for particular skilled occupations.

Given the nature of the work in, and the skill requirements of, many occupations, the tourism industry is well placed to employ people with disabilities, parents, the mature age and the very long term unemployed who will be moving into the labour market as a result of the Welfare to Work reforms. As part of these reforms, the Australian Government is providing a range of assistance to encourage employers, including those in the tourism industry, to consider the benefits of employing people from these groups and has provided a range of tools to employment service providers to assist in placing these people into employment.

The Australian Government's WorkChoices legislation is aimed at providing more choice and flexibility for both employees and employers in their workplaces by creating simpler and more flexible workplace arrangements. The Australian Government has also provided assistance throughout 2005–06 to the restaurant and catering and retail industries to increase employer awareness of the benefits of flexible working arrangements to encourage their spread and take up.

The tourism industry is likely to continue to face ongoing challenges, many of which, by their nature, it has no control over. However, the Australian Government believes that the range of initiatives it has in place to address Australian current skills in demand and labour supply issues together with the impact of the ageing population will have a positive impact on the industry. In addition, the new workplace relations framework will help workplaces to maximise opportunities for recruitment and optimise flexibilities for existing employees, including increasing the representation of female employees, attracting more highly skilled younger workers, and capitalising on the skills and experience of mature age workers.

ABBREVIATIONS AND ACRONYMS

ABS	**Australian Bureau of Statistics**
AHA	**Australian Hotels Association**
ANZSIC	**Australian and New Zealand Standard Industrial Classification**
ASCO	**Australian Standard Classification of Occupations**
AWA	**Australian Workplace Agreement**
CHARTTES	**Cultural, Recreation and Tourism Training Advisory Council Inc**
CLIEP	**Corporate Leaders for Indigenous Employment Projects**
DEN	**Disability Employment Network**
DEWR	**Department of Employment and Workplace Relations**
DIMA	**Department of Immigration and Multicultural Affairs**
EDDP	**Employer Demand Demonstration Project**
EIF	**Employment Innovation Fund**
ENS	**Employer Nominated Scheme**
ESA	**Employment Service Area**
ESTEL	**Employer Sponsored Temporary Entry List**
FTF	**Fast Track Frameworks**
GDP	**Gross Domestic Product**
GVA	**Gross Value Added**
HGT	**Hospitality Group Training**
HLS	**Harvest Labour Services**
LFR	**Labour Force Region**
MAEWS	**Mature Age Employment and Workplace Strategy**
MODL	**Migration Occupations in Demand List**
MSL	**Minimum Salary Level**
OEA	**Office of the Employment Advocate**

OTMESC	**Other Than Main English Speaking Country**
PAGES	**Providers of Australian Government Employment Services**
RCA	**Restaurant and Catering Australia**
RCB	**Regional Certifying Body**
RCQ	**Restaurant and Catering Queensland**
RSDS	**Regional Skills in Demand Research**
RSMS	**Regional Sponsored Migration Scheme**
SARS	**Severe Acute Respiratory Syndrome**
STEP	**Structured Training and Employment Project**
STNI	**State Territory Nominated Independent Scheme**
TAFE	**Technical and Further Education**
TSA	**Tourism Satellite Account**
UNWTO	**United Nations World Tourism Organisation**
WHM	**Working Holiday Maker**

Attachment 1

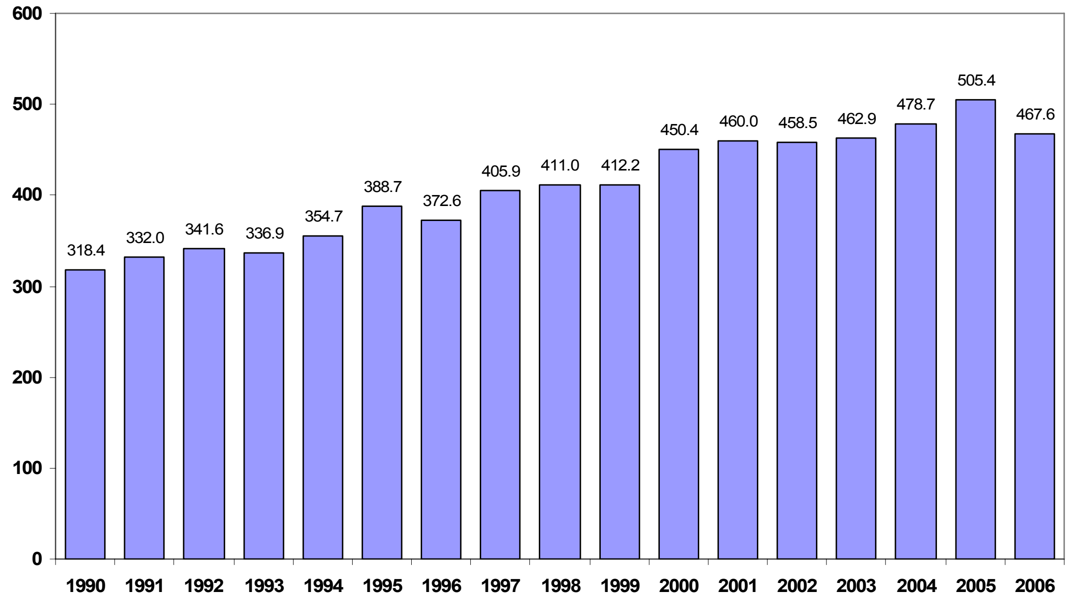
Employment in Accommodation, Cafés and Restaurants

As noted in the body of this submission, there are many industries and occupations with direct or indirect links to the tourism industry. The ABS' Tourism Satellite Account identifies accommodation, cafés and restaurants as the broad ANZSIC industry most closely linked with tourism. Given the significance of this industry, the analysis presented below provides additional insights into employment in the tourism sector.

<u>Employment Trends</u>

Over the last decade, employment in the accommodation, cafés and restaurants industry has shown strong long-term growth (see Chart 1). In the ten years to May 2006 employment rose by 95 000 or 25.5 per cent to 467 600. This represents an average annual growth rate of 2.3 per cent and demonstrates the industry's ability to 'ride out' economic challenges, including the Asian financial crisis in the late 1990s, SARS, the global impact of terrorist attacks and the higher value of the Australian dollar.

Chart 1: Accommodation, cafés and restaurants - Employment Level ('000s) May 1990 to May 2006

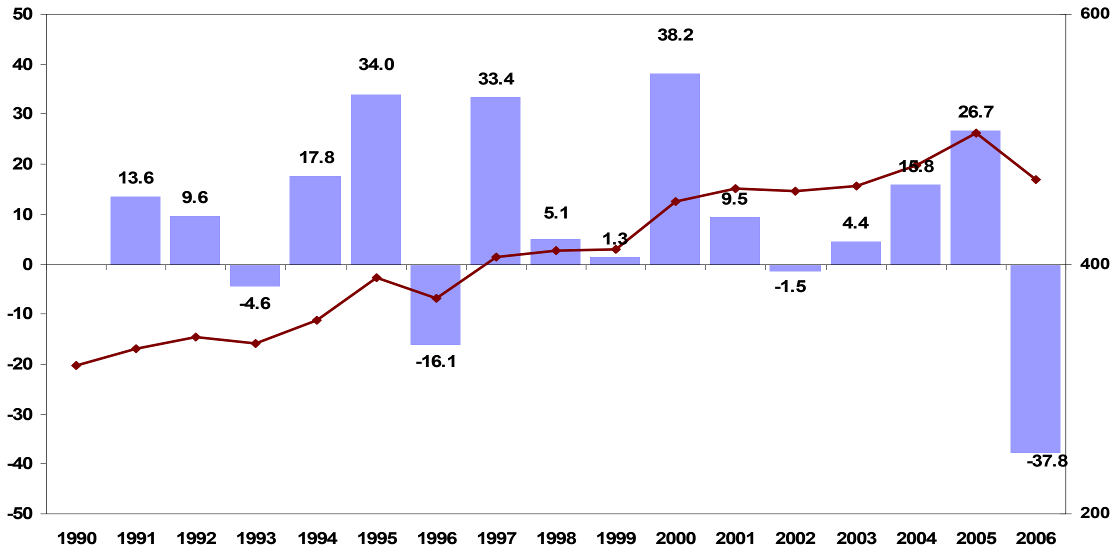


Source: ABS Labour Force Survey (DEWR trend data)

While the long-term jobs growth in the industry has been strong, there has been considerable variability in this growth from year to year reflecting the sensitivity of the industry to international economic and geopolitical factors but also the discretionary income of Australian residents (see Chart 2).

The decline in employment in the industry over the last 12 months is worth noting and is likely to have translated into a fall in employment in tourism overall.

Chart 2: Accommodation, cafés and restaurants - Employment Level (line RHS) and Annual Change ('000) in year to May 2006 (cols LHS)



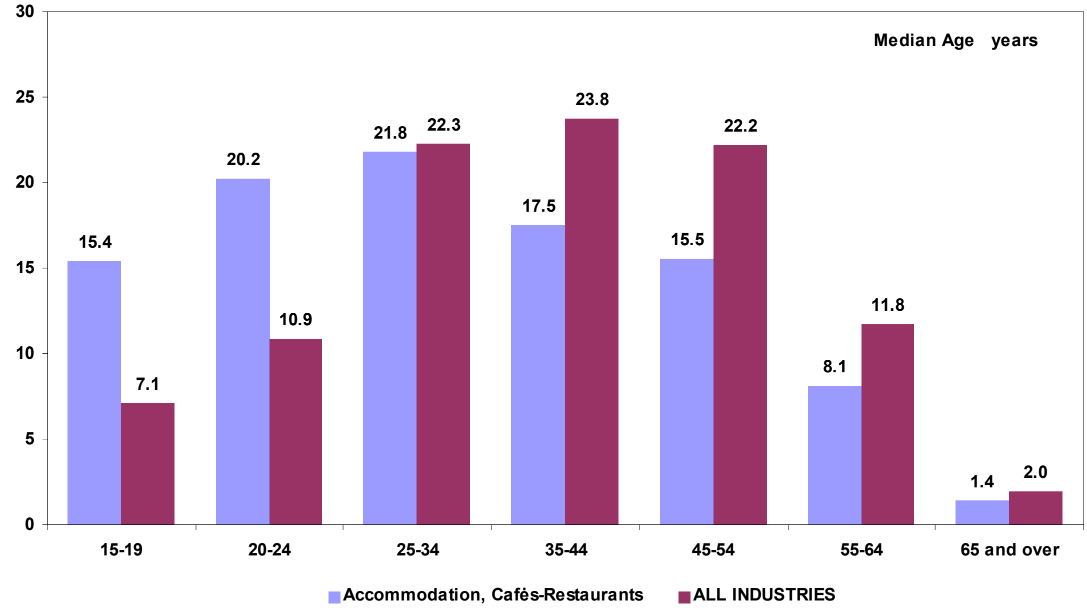
Source: ABS Labour Force Survey (DEWR trend data)

<u>Workforce Ageing</u>

Accommodation, cafés and restaurants has a relatively young workforce (see Chart 3), with only around 25 per cent of workers aged 45 years and over, compared with 36 per cent for all industries. The impact of population ageing is more through the effect of ageing on tourism growth (including more retirees with higher incomes) than workforce challenges. However, there is a challenge to increase mature age worker involvement in the industry, one that typically requires workers across the seven days of the week, and, in many instances, evenings.

- These work patterns, and associated transport factors, add to the difficulty in meeting the skill needs of the industry.

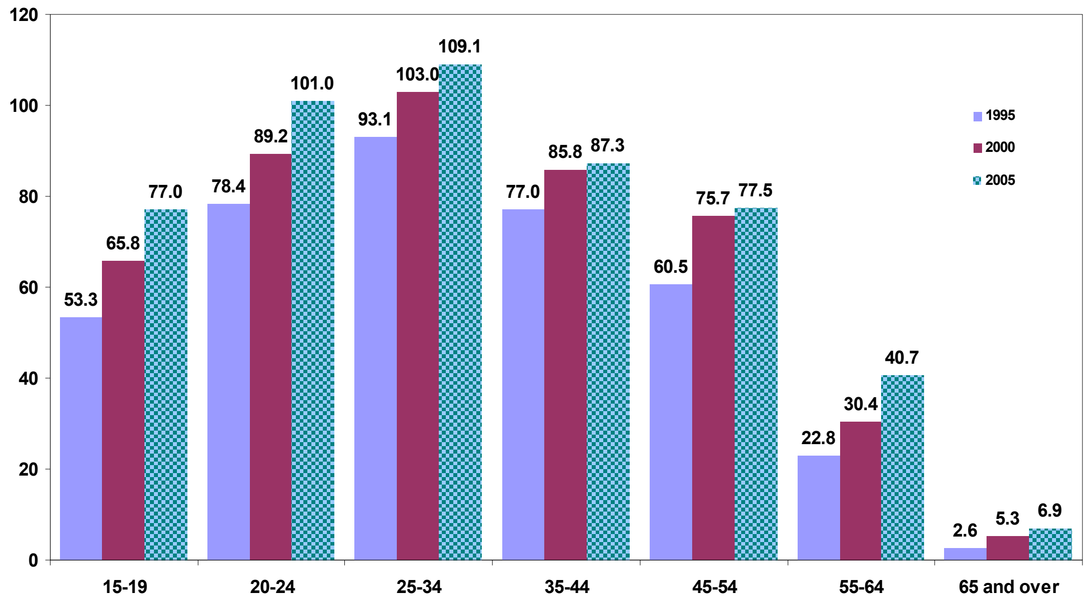
Chart 3: Accommodation, cafés and restaurants - Employed Persons by Age compared to All Industries in 2005 (% share of employment)



Source: ABS Labour Force Survey

Employment in the Accommodation, cafés and restaurants industry is well above the all industries average for youth with approximately 36 per cent of workers in the industry aged 15 to 24 years. The age structure has remained broadly unchanged in the past ten years with growth in employment for all age groups (see Chart 4). This is in contrast with the dominance of mature age workers in new jobs in most other industries.

Chart 4: Accommodation, cafés and restaurants - Employed persons by age ('000) 1995, 2000 and 2005



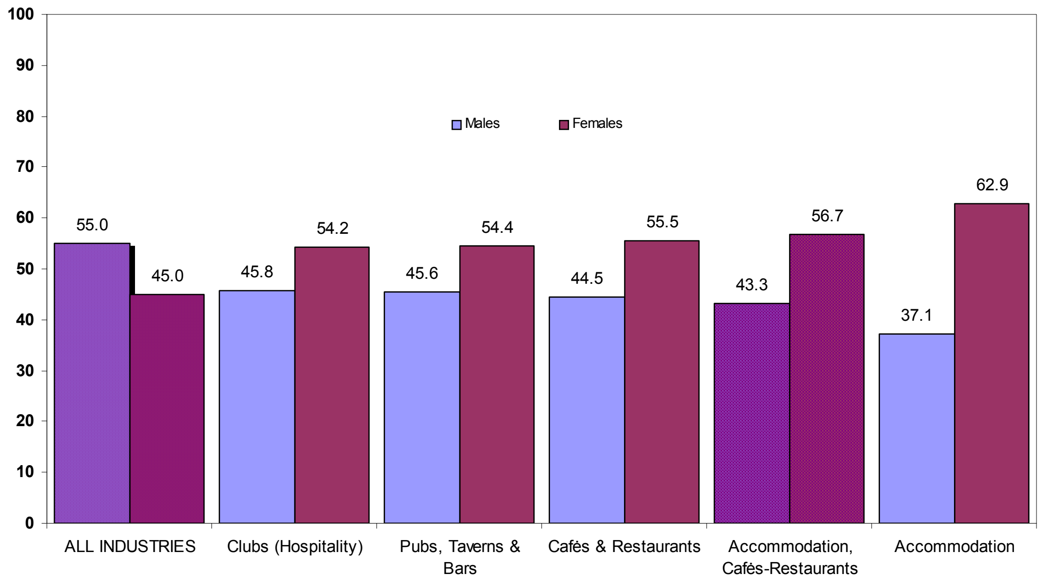
Source: ABS Labour Force Survey

Accommodation, cafés and restaurants has the lowest share of mature age workers (45 years and over) of all 17 broad ANZSIC industries, albeit close to retail trade. As noted above, only one in four workers in the industry are aged 45 years and over compared with around 54 per cent in agriculture, forestry and fishing, 50 per cent in education and 45 per cent in health and community services. In 2005, the median age of workers in accommodation, cafés and restaurants was 30.8 years, slightly higher than for retail trade (30.5 years), but significantly lower than for agriculture, forestry and fishing (46.3 years), education (44.3 years) or health and community services (42.5 years).

Gender

In the accommodation, cafés and restaurants industry, the female share of employment is which is substantially higher than the average for all industries of 45.0 per cent (see Chart 5). The highest female share of employment for any sub-industry category is accommodation at 62.9 per cent.

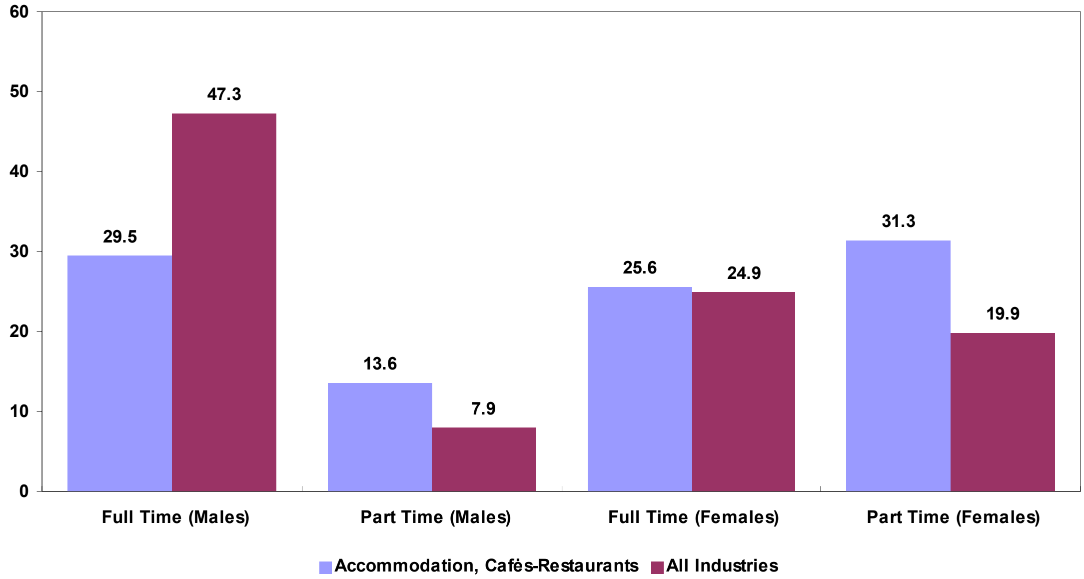
Chart 5: Accommodation, cafés and restaurants - share of employment by gender, year to Feb 2006 (%)



Source: ABS Labour Force Survey

A much higher proportion of females in the accommodation, cafés and restaurants industry is employed part-time (31.3 per cent), compared with males (13.6 per cent). The proportion of males and females working part-time in this industry is significantly higher than for all industries (7.9 per cent and 19.9 per cent respectively)—see Chart 6.

Chart 6: Accommodation, cafés and restaurants: Employment by Gender and Full-Time and Part-Time in 2005 (% share)

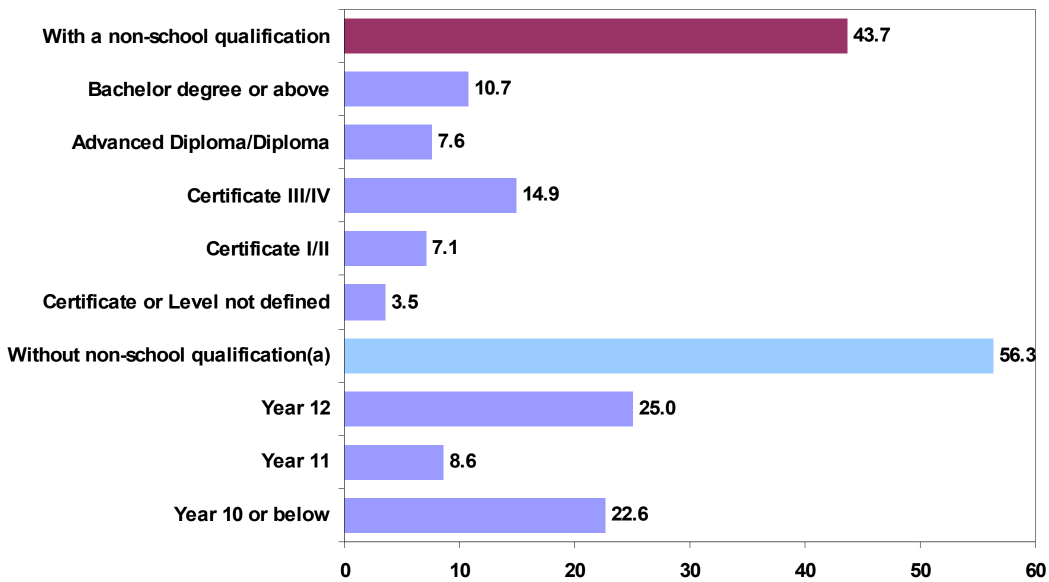


Source: ABS Labour Force Survey

<u>Education</u>

The industry is relatively low-skilled, albeit with exceptions (for example, chefs). In May 2005 (latest available data), 56.3 per cent of workers in accommodation, cafés and restaurants had no post-school qualifications (see Chart 7), including 22.6 per cent who had only completed year 10 or below (this may in part reflect young workers who are still at school). The proportion of workers with a bachelor degree or above was 10.7 per cent, and around 14.9 per cent had a Certificate III/IV (mainly Trades).

Chart 7: Accommodation, cafés and restaurants: Educational Attainment—share of employment in May 2005 (%)



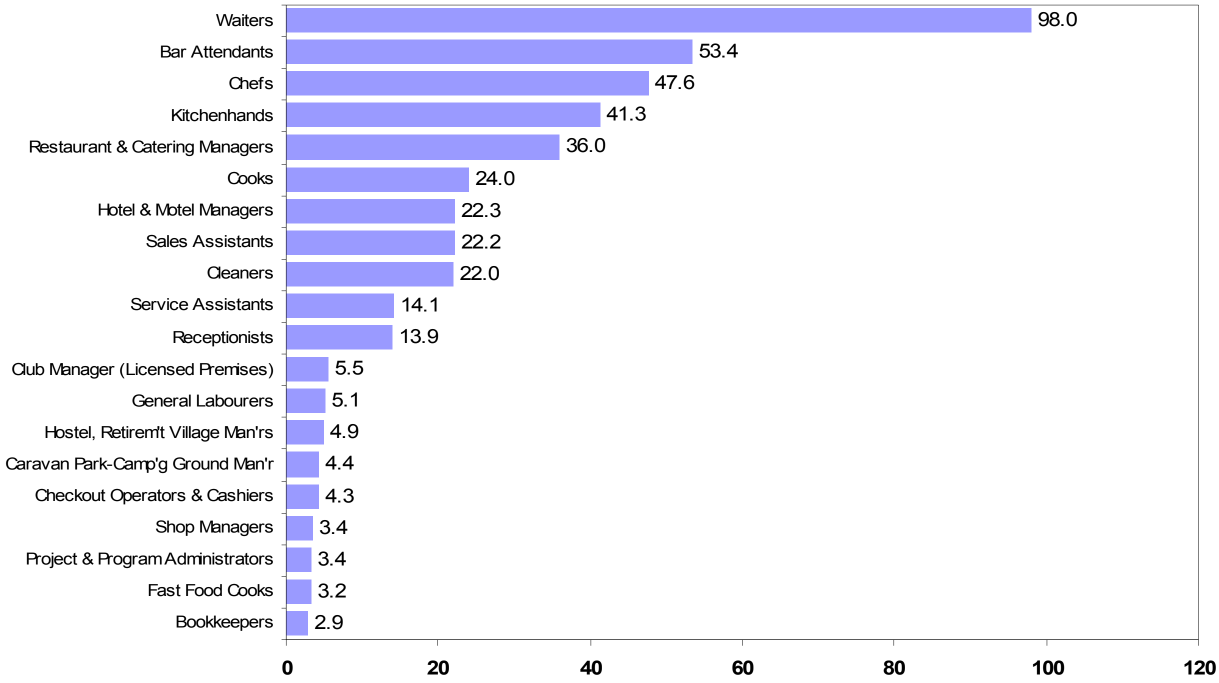
Source: ABS Labour Force Survey

The accommodation, cafés and restaurants industry is an industry which is recognised to be relatively easy to enter, with most (albeit not all) jobs requiring limited formal qualifications. Employability skills, including communication and team work are important for effective performance in the industry. There is typically high turnover of employees in the industry and this creates a large flow of employment opportunities, even in periods of subdued industry activity.

Main Employing Occupations

The industry is labour intensive, and the largest occupations in Accommodation, cafés and restaurants are waiters, bar attendants, chefs, kitchenhands, restaurant/catering managers, cooks and hotel/motel managers. Overall, more than half of the persons employed in the industry are relatively unskilled.

Chart 8: Accommodation, cafés and restaurants Main Employing Occupations - 2005 ('000)

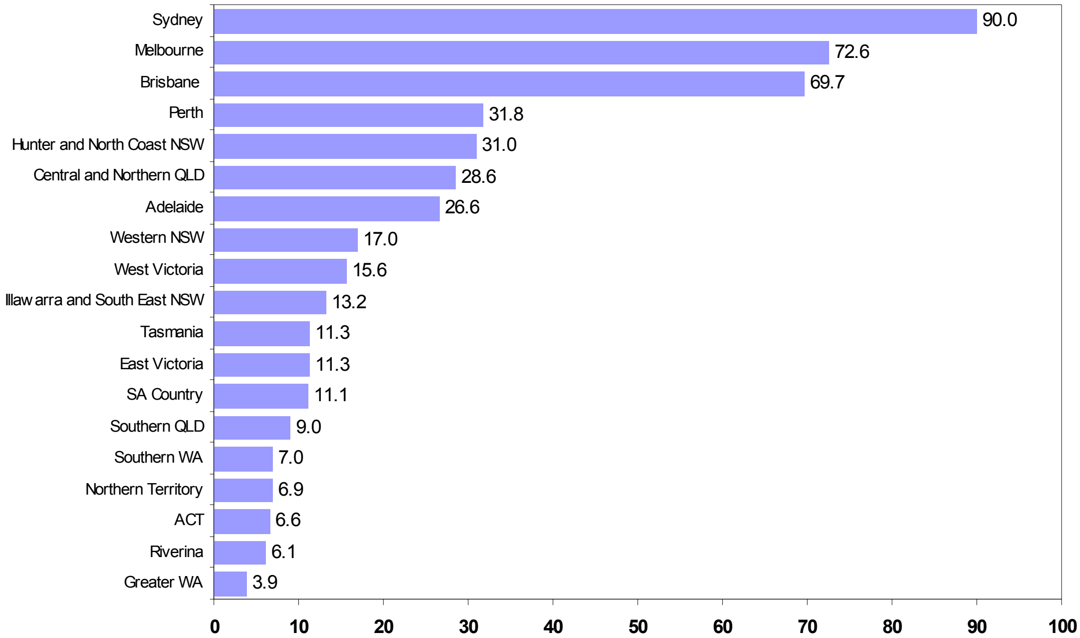


Source: ABS Labour Force Survey

Regional Employment

Employment in the accommodation, cafés and restaurants industry generally reflects the population in the larger cities, with Sydney employing the most, followed by Melbourne, Brisbane and Perth. The regions with a tourism emphasis include the smaller regions of Hunter and North Coast NSW and Central and Northern Queensland, where the relative numbers employed in the industry exceed the proportion of their resident population to the Australian population.

Chart 9: Accommodation, cafés and restaurants
Main Employing Regions ('000) - Feb 2006



Source: ABS Labour Force Survey

Attachment 2

Current Migration Arrangements

The Working Holiday Maker Scheme

Australia's Working Holiday Maker (WHM) scheme allows visa holders (aged between 18 and 30) to have an extended holiday in Australia by supplementing their travel funds through incidental employment. Important issues to note about the WHM include:

- the WHM scheme is specific to the 19 countries with which reciprocal bilateral agreements have been negotiated. Preliminary advice suggests that some 114 000 visas were granted in 2005-06;
- the Australian Government has announced a series of changes to the WHM to better meet the seasonal labour needs of primary industry employers in regional Australia. Specifically:
  - current and future WHMs will be able to apply for a second WHM visa where they have completed a minimum of 3 months work in the primary industry in regional areas during their initial WHM period of stay (12 months). In 2005-06, some 2 600 WMH visa holders took advantage of the initiative to undertake seasonal work and applied for a second WHM visa;
  - an extension from three to six months, the period of time for which WHMs can be employed with any one employer;
  - a revised definition of primary industry (to include the agricultural, horticultural, fisheries, pearling, shearing, butchery and forestry industry sectors) in terms of eligibility to apply for a second WHM visa; and
  - WHM visa holders can study in Australia for four months; and
  - combined with their availability for a second WHM visa, the negotiation of further WHM agreements should result in an increased pool of WHMs to serve the seasonal labour market needs of Australian employers.

Temporary Business Long Stay

In response to business demand for more flexible arrangements for the temporary entry of skilled overseas workers, the Government introduced in 1996[1] streamlined short (up to 3 months) and long term (up to 4 years) temporary business arrangements:

- while the short-term visas are targeted at overseas persons exploring business and investment opportunities in Australia, they include a work right and, as such, have been used by overseas workers requiring access to the Australian labour market for short-term project work; and
- employers seeking to recruit overseas workers under the long-term temporary arrangements are required to show that there will be benefit to Australia from the employment of overseas workers.

On 1 July 2001, as a result of an internal DIMA review of a range of temporary visas, further changes were introduced to the employer-sponsored temporary business long

[1] As a result of the Government's endorsement of the recommendations of the Roach Committee Review of Temporary Entry of Business People and Highly Skilled Specialists.

stay arrangements. Specifically, and to increase transparency and objectivity, the Government introduced two criteria – a gazetted list of eligible occupations and a minimum salary level (MSL) for all nominations:

- the gazetted list of eligible occupations (otherwise known as the Employer Sponsored Temporary Entry List (ESTEL)) is largely based on occupations identified in the Australian Standard Classification of Occupations[2] (ASCO) as managerial, professional, associate professional and trade occupations, that is, occupations for which the entry level requirement in the Australian labour market is the successful completion of a trade or higher level qualification;
- the MSL is intended to reflect the minimum salary for a skilled person in the Australian labour market and to ensure that employers do not over-classify a position in order to secure an appropriate skill classification; and
- combined, these criteria aim to ensure that employer-sponsored long-term arrangements are limited to skilled workers and skilled occupations.

Labour Agreements

Labour Agreements are negotiated between the Commonwealth (jointly represented by DIMA and DEWR) and an employer or industry association. Labour Agreements provide for the temporary or (subject to the skill level) permanent entry of a specified number of expatriates in response to existing or emerging skill needs of the Australian labour market.

Labour Agreements must reflect the provisions of the visa arrangements to which they refer. The visa arrangements that are eligible for inclusion in Labour Agreements include the Employer Nominated Scheme (ENS), Regional Sponsored Migration Scheme (RSMS), temporary business long stay, regional temporary business long stay, sport, religious and occupational trainee visa arrangements.

In 2005–06 the Commonwealth managed/negotiated some 90 Labour Agreements, most of which operate for 2 to 3 years. While commercial-in-confidence provisions preclude the identification of employers who have access to Labour Agreements, the Commonwealth currently administers Labour Agreements that have been negotiated for the recruitment of trade-qualified chefs and cooks, tourism managers, tradespeople and tour-guides.

Regional Migration Arrangements

Since 1996-97, the Australian Government has, in consultation with State and Territory governments, introduced a range of concessional migration arrangements that are aimed at influencing the distribution of migrants (specifically to promote migration to regional Australia and the less-populated States and Territories). These initiatives include the Regional Sponsored Migration Scheme (RSMS), the regional temporary business long stay arrangements, and the State Territory Nominated Independent (STNI) Scheme and Skilled Independent Regional visa.

For the purpose of the RSMS and the regional temporary business long stay arrangement, regional is defined as all of Australia except Perth, Melbourne, Wollongong, Sydney, Newcastle, Brisbane and the Gold Coast.

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[2] Australian Bureau of Statistics (ABS), *Australian Standard Classification of Occupations – Second Edition*, Catalogue No 1220.0, 1997

Regional Sponsored Migration Scheme

The RSMS was introduced in 1995-96 to assist employers in regional Australia to fill vacancies in skilled and semi-skilled occupations. The RSMS requires an employer to demonstrate to the relevant Regional Certifying Body (RCB) that there is a genuine full-time vacancy for a position in regional Australia that is available for at least two years. Unless the appointment is exceptional, the RSMS requires the overseas worker to possess a diploma or higher level qualification, be aged less than 45 years and have functional English language proficiency.

Regional Temporary Business Long Stay

In November 2002, the concessional regional temporary business long stay arrangement was introduced to help address the labour needs of regional Australia. These provisions allow the minimum salary level threshold to be waived and an extension to ESTEL to include occupations in ASCO Major Groups 5 to 7 (where the employer can demonstrate there is a genuine need for the position that cannot be filled locally). The waiver of the threshold requirements must have the endorsement of the RCB in the area that the position is necessary, the salary levels are consistent with the awards for the occupation or industry and local levels, and the position could not be filled by a suitably qualified Australian from the regional labour market.

For migration purposes, the ASCO dictionary is used to determine the relative skill level of occupations. ASCO identifies a number of skilled occupations (such as chefs) and less-skilled occupations (such as tour-guides) which are specific to the tourism industry and for which overseas workers can be recruited under the temporary business long stay and/or concessional regional temporary business long stay migration arrangements.

Other Migration Arrangements

Other non-sponsored temporary migration arrangements that include a work right and which represent a potential pool of labour available to the agricultural and horticultural industries include:

- overseas students—overseas students who are granted permission to work are limited to 20 hours per week while their course is in session and full-time in formal holiday periods. Family members of students who have commenced a Masters or Doctorate degree may apply for unrestricted permission to work. Family members of all other overseas students may apply to work up to 20 hours per week;
- occupational trainees—Australia's occupational trainee visa programme allows people to undertake a supervised training programme that is workplace-based rather than classroom-based and is designed specifically to increase the visa holder's skill level in their occupation, field of study or expertise. There are a number of examples of the occupational trainee visa being used by employers in the primary industry; and
- New Zealand citizens—under the Trans-Tasman Travel Agreement introduced in 1973, Australian and New Zealand citizens can enter each other's country freely to visit, live, work and remain indefinitely without the need to formally apply for authority to enter the other country.

Attachment 3

Proposed Better Connections Workshops Locations 2006-07

Month	Date	Location	ESA	State	Metropolitan or regional
July 2006	20	Katherine	Katherine	NT	Regional
August 2006	18	Chatswood	North Shore**	NSW	Metropolitan
	28	Shepparton	Goulburn Valley**	Vic	Regional
	29	Armidale	North East**	NSW	Regional
September 2006	15	Geraldton	Mid-West Gascoyne	WA	Regional
	19	Fairfield-Liverpool	Fairfield-Liverpool**	NSW	Metropolitan
	27	Inala or Mt Gravatt	South West Brisbane**	Qld	Metropolitan
October 2006	4	Frankston	Peninsula	Vic	Metropolitan
	5	Albany	Lower Great Southern**	WA	Regional
	13	Devonport	North West ESA**	Tas	Regional
	20	Glenelg	South Western Adelaide	SA	Metropolitan
	25	Maroochydore	Sunshine Coast	Qld	Regional
November 2006	10	St Albans or Bacchus Marsh	West Melbourne	Vic	Metropolitan
	16	Tamworth	Keepit	NSW	Regional
	22	Armadale	South East Metro	WA	Metropolitan
December 2006	1	Beenleigh or Browns Plains	Logan	Qld	Metropolitan
February 2007	9	Parramatta	Central West Sydney	NSW	Metropolitan
	16	Warwick	Warwick	Qld	Regional
	22	Bendigo	Bendigo	Vic	Regional
March 2007	8	Port Pirie	Port Pirie	SA	Regional
	14	Newcastle	Lower Hunter	NSW	Regional
	20	Warrnambool	Hampden	Vic	Regional
April 2007	3	Kalgoorlie	Goldfields	WA	Regional
	12	Nowra	Shoalhaven	NSW	Regional
	24	Gympie	Gympie	Qld	Regional
May 2007	3	Whyalla	Whyalla	SA	Regional
	15	Werribee	South West Melbourne	Vic	Metropolitan
June 2007	5	Mackay	Mackay	Qld	Regional
	22	Lismore	Richmond	NSW	Regional
	28	Mildura	Sunraysia and Murray Darling	Vic/ NSW	Regional

** Workshop locations that cover or partially cover Mature Age Employment and Workplace Strategy regions.

Attachment 4

Better Connections Workshops Locations 2005-06

Date	Location
13 July 2005	Gladstone Qld
3 August 2005	Townsville Qld
23 August 2005	Outer South Western Sydney NSW
1 September 2005	Inner East Melbourne Vic
1 September 2005	Central Coast NSW
21 September 2005	Alice Springs NT
28 September 2005	South West WA
6 October 2005	North Melbourne Vic
13 October 2005	Launceston Tas
20 October 2005	Outer West Sydney NSW
27 October 2005	Orange NSW
2 November 2005	Redcliffe-Caboolture Qld
15 November 2005	East Metropolitan Perth WA
17 November 2005	North Metropolitan Perth WA
21 November 2005	South West Perth WA
24 November 2005	Southern Adelaide SA
29 November 2005	Geelong Vic
2 December 2005	Ipswich Qld
31 January 2006	Hunter Region NSW
2 February 2006	Canberra ACT
7 February 2006	South Melbourne Vic
28 February 2006	Toowoomba Qld
14 March 2006	Gold Coast Qld
28 March 2006	Taree NSW
19 April 2006	Canterbury-Bankstown Sydney NSW*
26 April 2006	Albury/Wodonga NSW/Vic border
4 May 2006	Coburg Vic*
17 May 2006	Port Augusta SA
23 May 2006	North Metropolitan Perth WA*
30 May 2006	Sturt SA
8 June 2006	Ballarat Vic
13 June 2006	Mt Isa Qld
20 June 2006	South Brisbane Qld*

* Particularly focussed on Muslim labour market issues.

Attachment 5

Locations of the Industry and Employer Breakfasts

ACT

Date	Location
14 February 2006	Canberra (ACT)

NSW

Date	Location
20 February 2006	Sydney CBD (NSW)
23 February 2006	Wagga Wagga (NSW)
8 March 2006	Parramatta (NSW)
9 March 2006	Wollongong (NSW)
13 April 2006	Dubbo (NSW)
20 April 2006	Gosford (NSW)
26 April 2006	Albury (NSW)
4 May 2006	Newcastle (NSW)
19 May 2006	Tamworth (NSW)
24 August 2006	Coffs Harbour (NSW)
20 September 2006	Lismore (NSW)

VIC

Date	Location
22 February 2006	Melbourne CBD (VIC)
21 March 2006	Glen Waverley (VIC)
26 April 2006	Gisborne (VIC)
27 April 2006	Geelong (VIC)
2 May 2006	Bendigo (VIC)

QLD

Date	Location
8 March 2006	Brisbane (QLD)
18 May 2006	Gold Coast (QLD)
6 June 2006	Townsville (QLD)
24 July 2006	Toowoomba (QLD)
29 August 2006	Cairns (QLD)
30 August 2006	Gladstone (QLD)

WA

Date	Location
17 May 2006	Perth (WA)
28 June 2006	Bunbury (WA)

TAS

Date	Location
17 March 2006	Launceston (TAS)
12 April 2006	Hobart (TAS)

NT

Date	Location
26 June 2006	Darwin (NT)
27 June 2006	Alice Springs (NT)

SA

Date	Location
5 April 2006	Adelaide (SA)
20 July 2006	Mt Gambier (SA)
1 September 2006	Whyalla (SA)

Attachment 6

Workplace Flexibility Industry Projects

Retail Industry Project

Work undertaken in 2001 by the department, the Equal Opportunity for Women in the Workplace Agency and the Australian Retail Association resulted in the *Balancing the Till* publication.

The retail industry project built on this work, and involved working with the National Retail Association to develop a website with tools and information designed to assist retailers implement flexible work arrangements. The new *Flexibility Works* website was launched by the Minister for Employment and Workplace Relations on 19 May 2006.

The website (www.flexibilityworks.dewr.gov.au) includes information on:

- the benefits of flexible working for the retail sector;
- case studies highlighting retailers who have successfully implemented innovative flexible work practices;
- responses to frequently asked questions by retailers around starting up and implementing flexibility and the ongoing management of these flexibilities;
- a guide for negotiating with employees on flexible arrangements;
- setting up a company policy for flexible working and managing any internal challenges; and
- evaluating flexible arrangements.

Restaurant and Catering Industry Project

The Restaurant and Catering Industry Project will showcase family friendly and flexible working practices in the industry. With the assistance of the industry peak body, Restaurant and Catering Australia (RCA), the project will provide case studies to highlight the practices of between 10 and 15 industry employers.

The project identifies the benefits of flexible working arrangements for both employers and employees. The resultant publication will be disseminated by DEWR and RCA to employers in the restaurant and catering industry to further encourage flexible working arrangements. The publication is due to be launched in September 2006.

Attachment 7

Office of the Employment Advocate Projects

Restaurant and Catering Secondment Project

In 2005, the Office of the Employment Advocate (OEA) completed a secondment project with RCA and five of the State Associations on initiatives to increase the take-up rate of AWAs in the industry, particularly among small business employers. The project was a success with all project outcomes and deliverables achieved. The main achievements are outlined below:

- Total AWA approvals against the relevant restaurant and catering awards from 1 March to the end of December 2005 were 20 821, exceeding the target of 20 000. This represents an increase of 7613 AWAs (57 per cent) compared with the same period in 2004;
- Identification and promotion of three AWA Ambassadors; Tony Roma's Ribs, Red Scooter and The Boardwalk Café to publicly showcase innovative agreement making practices through AWAs and the identification of an additional 13 possible Ambassadors to showcase the benefits of agreement making; and
- The development and publication of Restaurant and Catering Fast Track Frameworks (FTFs) in five States. The FTFs provided small business employers with industry specific AWA templates which, if not amended, were guaranteed a fast turnaround time for approval by the OEA.

OEA Partners associated with the Accommodation and Tourism Industry

The Hotel, Motel and Accommodation Association (HMAA) is an OEA Partner in NSW and has been since 1 March 2001.

The Australian Hotels Association (AHA) has been an OEA Partner in NSW, Victoria, and the ACT since 11 May 2005 and a SA Partner since 29 October 2002. The OEA is currently working with the AHA to discuss future options for providing advice and assistance on agreement making through their Partnership with the OEA as well as exploring possible joint projects.

Hotel and Accommodation Industry Framework AWAs

Under the pre-reform Workplace Relations Act, the OEA developed a series of Framework AWAs tailored specifically for the hotels and accommodation industry sectors including:

- Victorian Hotels and Accommodation Framework Agreement;
- National Hospitality Framework; and
- WA Hotels and Taverns Framework.