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Standing Committee on Employment, Workplace Relations and Workforce
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Dear Siobhan

Please find attached the submission of the Australian Services Union to The House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation - Inquiry into Workforce Challenges in the Australian Tourism Sector.

We appreciate the opportunity to assist the Inquiry and looking forward to assisting the Committee further, if required.

Yours sincerely

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AUSTRALIAN SERVICES UNION

Submission to

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

Inquiry into Workforce Challenges in the Australian Tourism Sector

8 September 2006

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Inquiry into Workforce Challenges in the Australian Tourism Sector

The Australian Services Union [ASU] is one of Australia's largest Unions, representing approximately 120,000 employees.

The ASU was created in 1993. It brought together three large unions – the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as a number of other organisations representing social and community service workers, information technology workers and transport and travel employees.

Today, the ASU's members work in a wide variety of industries and occupations and especially in the following industries and occupations:

- Transport & Travel, including passenger air and rail transport, road, rail and air freight transport,
- Call centres
- Clerical and administrative employees in commerce and industry generally
- Local government (both blue and white collar employment)
- Social and community services
- Electricity generation, transmission and distribution
- Water industry
- Higher education (Queensland and SA)

The ASU has members in every State and Territory of Australia, as well as in most regional centres supported by offices in Australia's eight capital cities as well as in 15 regional centres including Cairns, Townsville, Rockhampton, Toowoomba, Dubbo, Hay, Newcastle, Wollongong and Morwell.

The Union has approximately equal numbers of males and females as members, although proportions vary in particular industries.

The ASU has 11 Branches: NSW/ACT (Services) Branch, NSW - United Services Union, Queensland Services Branch, Central and Southern Queensland Clerical and Administrative Branch, North Queensland Clerical and Administrative Branch, Victorian Authorities and Services Branch, Victorian Private Sector Branch, Tasmanian Branch, South Australia/Northern Territory Branch, West Australia Branch, Taxation Officers Branch.

Members of the ASU are employed in positions such as receptionists, front of house managers, customer service agents, call centre workers, team leaders, travel consultants, airline booking agents, pay officers, supervisors, managers, IT technicians, load controllers, operations specialists.

Terms of Reference:

1. Current and future employment trends in the industry;
2. Current and emerging skill shortages and appropriate recruitment, coordinated training and retention strategies;
3. Labour shortages and strategies to meet seasonal fluctuations in workforce demands;
4. Strategies to ensure employment in regional and remote areas;
5. Innovative workplace measures to support further employment opportunities and business growth in the tourism sector.

1. Current and future employment trends in the industry

The tourism industry is very broad in its description. For the ASU, the industry can be identified by sectors: airlines, travel (wholesale, retail and internet), administration in accommodation and resorts. These sectors each have an individual history of development and quite different future planning needs. For the purpose of this submission a broad approach will be taken to identify the industry challenges.

Employment within the industry has varied dependent on the sub-sector – for airlines: permanent employment based on full time, part time and fixed term engagements all underpinned by Awards; travel agencies: underpinned by state and federal awards with an emphasis on individual contracts (base rates plus bonuses) and for other areas of the industry: employment has ranged from individual contracts to collective union agreements, with a range of institutionalised practices not seen in the more heavily regulated areas such as unpaid overtime and unpaid training, these areas are also underpinned by Awards found in both the state and federal industrial relations systems.

An economic drive for flexibility and increased profitability has led to increasingly higher rates of part time and casual employment. Seasonally engaged employees are also predominant particularly in resorts, accommodation, and holiday activities. As consumer needs have become more sophisticated, this largely customer driven industry has focused future employment on the need for employment to function outside of traditional hours, the strength to deal with seasonality and a consideration of ever increasing safety and security.

Employment across the industry is underpinned by a range of awards and union agreements. These awards and agreements are based upon a minimum set of standards.

Below is a list of examples of the range of areas covered in the industry by the ASU.

FEDERAL AWARDS SYSTEM	
	Travel Industry – Travelex Australia Pty Ltd 2000
	Airlines Operations (Domestic airlines) Award 2000
	Travel Industry- Agencies- General Award 1999
	Overseas (Interim) Award 1999
	Airline Officers (Qantas Airways Ltd) Award 2000
	Salaried Staff (Qantas Information Technology Award 1998
	Contract Call Centre Award 2003
	Victorian Clerical & Administrative Employees (Industrial Services) Award 1993
	Regional Tourism Associations – Information Services Award 2000
	Travel Industries Automated Systems Pty Limited (T.I.A.S.) Award 1998
STATE AWARDS SYSTEM	
	QLD Clerical Award – Hotels, Resorts & Certain Other Licensed Premises – State (South East Qld) 2002
	WA Clerks (Commercial, Social & Professional Services) Award No. 14
	ACT Clerks (ACT) Award 1998
	NT General Clerks (Northern Territory) Consolidated Award 2000
	SA Clerks (South Australia) Award
	TAS Clerical & Administrative Employees (Private Sector) Award
	NSW Clerical and Administrative Employees (State) Award

Employment trends into the future will be affected by a range of influences including: local economic growth, the balance between the needs of small versus large employers, globalisation of the marketplace for employers and competition within the industry. Whilst the industry will need to deliver employment patterns that meets the ever changing customer needs a higher focus is required on safety and security, strategies to attract and retain young workers, a system able to retain the high proportion of women workers and the complications of the new federal industrial relations system removing the standards and protections of the award system.

Whilst employment trends are difficult to predict on the basis of these complexities the customer needs which drive the industry are not.

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

The ASU recognises Service Skills Australia as ideally placed to submit to this inquiry on matters pertaining to skills and training. The ASU supports the submission to this Inquiry by Service Skills Australia.

Briefly in terms of retention, we believe the constant need to negotiate as an individual employee places great strain on current and potential employees in having to engage in such arrangements with varying degrees of skill, knowledge and legal advice in industrial matters. This is not a good retention strategy. Employees as individuals do not have any real power in the individual negotiation with their employer.

The experience of this union shows that workplaces that engage in strong, open, honest collective negotiations underpinned by the safety net of an industry award, deliver far higher retention rates than employment based on individual outcomes. Collective arrangements will assist with presenting a secure well paid, well respected choice of employment which recognises skills, has the flexibility to operate within the changing identity of the industry or sector and delivers on the needs of the industry, business and union members.

3. Labour shortages and strategies to meet seasonal fluctuations in workforce demands

Issues of labour shortage in any industry have long been associated with a broader general shortage of labour and the interest and promotion of one sector over another. The questions to be asked in addressing the issue of shortage are: is there really a labour shortage or is it a case of 'real' job availability?

The convergence within the industry and the rapid growth of a number of sub-sectors within the industry suggests that an analysis of a 'true' labour shortage would be difficult. Consideration also needs to be given to ancillary industry sectors such as financial services and the affects of seasonality and cross industry fertilisation and the need for skills in areas such as currency conversion and transactions.

An analysis of the skills requirements for the industry and those changing needs may well reflect a capacity to better assess the reality or otherwise of a labour shortage. Such an assessment would also deliver options for strategic direction setting to address the fluctuations in workforce demands.

4. Strategies to ensure employment in regional and remote areas

Promotion of the industry is essential to ensure business develops and employment growth occurs in rural and remote Australia. Through all key stakeholders – government, industry bodies, business, training providers and unions promoting the industry as viable, profitable and accessible is paramount. Industry promotion should include: having wide ranging opportunities, career pathing and a wide variety of careers which can be supported in rural and remote areas.

There is clearly an avenue for business to investigate the potential skills of workers in rural and remote areas for the purposes of electronic or internet based tourism activities where face to face customer service is not required. The tyranny of distance has no direct impact on work that is fulfilled on line. The potential therefore in rural and remote areas for the industry to grow is enormous.

However, without ensuring that the technology is obtainable and deliverable this potential for industry growth would not be sustainable. The promotion of the possibilities and the success stories is important for both business and workers to be convinced that their area will be able to sustain long term, profitable business which adds to the economy of the local region and an increase in the prosperity of the community.

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

What could be considered as an innovative workplace measure?

- Collective industrial instruments
- The work / life balance
- Wages and incentives which are not at risk
- Provision of opportunities
- Career pathing
- Training / skills development
- Mentoring / career support
- Recognition of special needs

Why are these measures presented as innovative?

- Collective industrial instruments provide an opportunity for employees to participate in the future planning of the organisation, whilst they are protected by the collective.
- The work / life balance is a measure that suggests to prospective employees that whilst flexibility and reliability are important in an employee, their employer also recognises that equally important are life and family responsibilities. To provide that balance or the opportunities to develop that balance is indeed an innovation.
- Wages and incentives which are not at risk are innovative in that there is a drive to provide the bare minimum to employees guaranteed in the industry with the focus on bonus payments. This will not support strong employment practices.
- A provision of opportunities and career pathing whilst long the trait of the industry, nevertheless requires clear and measurable descriptions to ensure the best access is offered to employees.

- Training / skills development, mentoring / career support and the recognition of special needs are all cognisant of an industry or employer that is thinking of diversity, improvement, progress and access at the highest levels.

If these and the many more innovative workplace measures were enacted, in conjunction with continually developing education and training strategies, the industry and individual employers can only see continuing growth in the tourism sector.

Conclusion

The tourism industry has the capacity to provide real and sustainable long term employment and growth to business in all regions of Australia. There needs to be an increased focus on training and development for both employers and employees.

Processes for retaining and attracting young and mature aged workers both in cities and the rural and remote locations need to be addressed. The special needs of rural and remote regions needs to be accounted for. The seasonality and ever building presence of security risks should not be impediments to the ongoing development of the industry.

The challenges for the workforce of the tourism industry will be best met head on by ensuring that workers have the opportunity to have good working conditions, have the education and training to meet these challenges and the opportunities for the continuing development of a robust and diverse industry.

We thank the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation for the opportunity to participate in this Inquiry.

Paul Slape
National Secretary
Australian Services Union
8 September 2006