# **AUSTRALIA**

# Visitor Economy Workforce and Skills Interim Action Plan

2023-24

June 2023





### **Context**

Under THRIVE 2030, the national visitor economy strategy, the THRIVE 2030 Workforce and Skills Technical Working Group (the Working Group) guides the development of a long-term visitor economy workforce and skills strategy (the long-term strategy).

The Government is developing its framework for building a bigger, better trained and more productive workforce for Australia, through the development of an Employment White Paper, led by Treasury. This will be complemented by a review of Australia's Migration System and a Strategy: A Migration System for Australia's Future, led by the Department of Home Affairs. In light of these key pieces of work, the Working Group agreed to delay the development of the long-term strategy until after the release of the Employment White Paper (due September 2023) to ensure the strategy reflects the framework set out in the Employment White Paper.

Noting the criticality of workforce shortages in the visitor economy, in the interim, the Working Group agreed to develop this Visitor Economy Workforce and Skills Interim Action Plan (Action Plan) to capture and facilitate immediate action to build workforce capability in the visitor economy. The Action Plan is intended to be in place for a duration of 12 to 18 months.

This Action Plan is informed by extensive stakeholder consultation, including the Tourism Jobs Summit led by Minister for Trade and Tourism, Senator the Hon Don Farrell, on 30 August 2022. Working Group members helped to facilitate the Summit which was attended by 70 representatives from tourism industry associations, unions, business, academia, the Australian Government and state and territory governments, and produced recommendations which have been included in the Action Plan.

Themes and actions set out below reflect key priorities in building visitor economy workforce capability, including the Australian Government's support for attracting people to work in tourism. The Action Plan also reflects state and territory government and industry association workforce and skills strategies and activities, including the Tourism Training Australia/Australian Chamber of Commerce and Industry (ACCI) *Tourism & Hospitality Workforce Development Strategy.*<sup>1</sup>

### Key dependencies

There are key dependencies that have informed the Action Plan and will influence the development of the long-term strategy.

The release of the Employment White Paper by Treasury, anticipated for September 2023, is expected to include a framework and policy approaches relevant to building tourism workforce capability over the long term.

A further dependency is the outcomes of the review of the Migration System and the Migration Strategy: *A Migration System for a more prosperous and secure Australia,* which will establish the core principles on which Australia's migration system will rest.

<sup>&</sup>lt;sup>1</sup> <u>Tourism and Hospitality Workforce Development Strategy</u>, Tourism Training Australia & Australian Chamber of Commerce and Industry (ACCI) – Tourism, 2021

# Strategic intent

Throughout the industry consultations undertaken for THRIVE 2030, we heard that workforce shortages were the greatest barrier to the Australian visitor economy's recovery. THRIVE 2030 includes the policy priority to "grow a secure and resilient workforce". The intended impact of the strategy is to contribute to efforts to ensure that visitor economy businesses have a stable supply of appropriately skilled workers to deliver high-quality experiences.

This Action Plan focuses on five key themes to address workforce and skills issues. The table below focuses on the objectives, issues, actions, deliverables and potential measurements which will contribute to the development of the long-term strategy.

This Action Plan also incorporates and takes forward immediate Australian Government workforce measures to support the tourism and travel industry to return to its economic powerhouse status.

### **Themes**

The Action Plan has five themes, drawn from those identified at the Tourism Jobs Summit, the Jobs and Skills Summit and the development of the Employment White Paper. The themes are:

### Addressing workforce supply: structural challenges

The visitor economy has historically faced workforce shortages and challenges in attracting and retaining staff, including due to the seasonal and/or casual nature of many roles. This has led to a reliance on migrants – including skilled migrant workers and temporary visitors – and short-term, casual staff to address ongoing workforce shortages. Structural challenges were highlighted and exacerbated by the COVID-19 pandemic, with higher job losses for part-time tourism jobs (205,900) than full-time (187,700) at the low point of the pandemic (June 2020)<sup>2</sup>.

### Addressing workforce supply: domestic workforce

In an environment of "full employment" across the Australian economy, there are opportunities to build an Australian workforce by increasing participation from underrepresented cohorts including mature workers, First Nations Australians, people with disability, young workers, and women. Participation rates for some of these cohorts are lower than the rest of the population. For example, women experienced greater tourism job losses (232,400) than men (161,200) at the low point of the pandemic<sup>3</sup>. Facilitating access to employment domestically from underrepresented cohorts leads to a more resilient workforce.

### Addressing workforce supply: international workforce

Overseas workers, particularly Working Holiday Makers and international students, have traditionally comprised around 10 per cent<sup>4</sup> of the national workforce in the visitor economy. They are a mobile cohort who fill seasonal roles and gaps in the unskilled and semi-skilled labour markets, often in regional Australia. They often stay in temporary or short-term accommodation

<sup>&</sup>lt;sup>2</sup> Quarterly Tourism Labour Statistics – December 2022, TRA analysis of ABS data release

<sup>&</sup>lt;sup>3</sup> Quarterly Tourism Labour Statistics – December 2022, TRA summary of ABS data release

<sup>&</sup>lt;sup>4</sup> Reimagining the Visitor Economy – Expert Panel Report – A report from the Hon Martin Ferguson AM, September 2021

designed specifically for this purpose. Many international students seek roles between study periods. Ensuring the continuity of this agile workforce is vital for the sustainability of the visitor economy. The visitor economy also has a range of specialised roles that are hard to fill, for which the skilled migration program is essential.

### Skills improving workforce capability

A key requirement for a world-class workforce is ensuring training and education are aligned to industry requirements of the future, and having people with the right skills to address visitor needs as they evolve. This requires relevant and accessible high-quality training – whether formal training, apprenticeships, micro-credentials and/or work-based training. It also needs consideration of the varied job roles that comprise the visitor economy, and the different specialisations, training and skill sets required. Improving workforce capability also helps to address structural issues. To ensure capability efforts also respond to workforce supply issues, training should be culturally appropriate and inclusive, including for young workers, mature workers, people with disability and First Nations Australians.

### Career of choice: elevating the visitor economy

In a highly competitive job market, people pursue jobs that offer better job security, more consistency and increased pay, while international workers are looking to other countries for work experiences<sup>5</sup>. To build a more resilient workforce, there is an opportunity to both raise the profile of what it means to have a career in the visitor economy, whether as a small business owner or in a global business, and highlight the opportunities these roles present. Changing perceptions of careers and opportunities will assist to create a more sustainable workforce pipeline. Jobs in the First Nations tourism sector create more than just employment opportunities: they allow young people to locate themselves where they can remain connected to kin and culture.

# **Development of the Action Plan**

The opportunities identified in the Action Plan reflect the range of issues that Austrade has identified from the:

- · Tourism Jobs Summit
- Employment White Paper process
- State and territory government tourism workforce activities
- industry measures (including Tourism Training Australia/ACCI Tourism & Hospitality Workforce Development Strategy)
- discussions with representatives from the Council for Australasian Tourism and Hospitality Education (CAUTHE) on recent academic research findings on visitor economy workforce challenges.

The Australian Government Actions list represents funded actions that will address workforce issues. A selection of relevant state and territory government actions, including links to state and territory strategies, is also included in this Action Plan.

There will be an opportunity to further contribute to the development of the long-term strategy.

<sup>&</sup>lt;sup>5</sup> Reimagining the Visitor Economy – Expert Panel Report – A report from the Hon Martin Ferguson AM, September 2021

Addressing Workforce Supply: Structural Challenges	Addressing Workforce Supply: Domestic Workforce	Addressing Workforce Supply: International Workforce	Skills: Improving Workforce Capability	Career of Choice: Promoting the Visitor Economy
	<u>'</u>	OBJECTIVE	'	
Improve structural challenges faced by the visitor economy.	The visitor economy has access to a secure and resilient domestic workforce.	Australia is an attractive destination for an international workforce.	The visitor economy is resourced with a modern and well skilled workforce that is resilient and adaptable when faced with changing market forces.	The visitor economy is an attractive career choice with multiple professional pathways.
	FUTURE	OPPORTUNITIES FOR PROC	GRESS	
<ul> <li>Consider structural issues around visitor economy roles including wages, job security, working conditions and perceived lack of long-term career options. These were also findings in the Reimagining the Visitor Economy Expert Panel Report.</li> <li>Consider structural barriers, such as the lack of affordable housing particularly in the regions, which present issues to achieving a more secure workforce.</li> </ul>	domestic workers could be brought back to the visitor economy, including the domestic workers that moved out of the visitor economy during the pandemic to more secure and better paying sectors.  Identify and market the visitor economy to underrepresented cohorts such as older Australians,	and associated reforms, to attract skilled migrants to Australia (led by Home Affairs).  Better promote information about the Pacific Australia Labour Mobility (PALM) scheme to businesses.	<ul> <li>Encourage employers to provide further inclusive, accessible and culturally appropriate on the job training for staff and build business capability to grow capacity and invest in their business. Ensure accessibility of training and upskilling to those cohorts who may face disproportionate barriers.</li> <li>Encourage mutual recognition by states and territories for foundational credentials to support mobility of workers across jurisdictions, especially in relation to seasonal hospitality work, and continue to identify opportunities for addressing cross-border skills challenges for visitor economy roles. Tourism Training Australia/ACCI's Tourism &amp; Hospitality Workforce Development Strategy has identified a skills mismatch as a risk to the productivity benefit from investment in skills development.</li> </ul>	<ul> <li>Clearly communicate the benefits of working in the visitor economy. Working in the visitor economy provides flexibility, the opportunity to travel, and can contribute to beneficial outcomes for communities, First Nations Australians, and lead to increased awareness of issues like sustainability. Better promotion of the benefits could also help with retention of workers.</li> <li>Any measures to promote the visitor economy as a career of choice must be underpinned by an adherence to the standards expected of employers, encompassing compliance with awards, superannuation obligations, and workplace health and safety.</li> </ul>

Addressing Workforce Supply: Structural Challenges	Addressing Workforce Supply: Domestic Workforce	Addressing Workforce Supply: International Workforce	Skills: Improving Workforce Capability	Career of Choice: Promoting the Visitor Economy
	AUSTRALIAN	GOVERNMENT ACTIONS U	NDERWAY	
<ul> <li>Deliver the National Housing         Accord to unlock quality, affordable         housing supply over the medium         term, including an aspirational         target of one million new homes to         be built over 5 years from 2024         (delivered by the Australian         Government and states and         territories, being led by Treasury).</li> <li>Establish Jobs and Skills Australia         to provide independent advice on         current and emerging needs.         Austrade's role to advocate for         visitor economy (delivered by Jobs         and Skills Australia, in progress).</li> <li>Deliver a comprehensive update to         the Australian and New Zealand         Standard Classification of         Occupations by December 2024.         Over time this will assist in better         identifying visitor economy         occupations, skills levels, training         products and visa settings         (delivered by the Australian Bureau         of Statistics (ABS), to be started).</li> <li>Continue to engage on tourism in         APEC, G20 and OECD to monitor         issues, including new initiatives to         address tourism labour and skills         (delivered by the Department of         Foreign Affairs and Trade (DFAT),         in progress).</li> </ul>	promoting the \$4,000 pension work credit and encourage pensioners to engage with roles in the visitor economy (until December 2023) (delivered by Austrade/the Department of Social Services (DSS), delivered).  Deliver Choose Tourism Grants to expand workforce attraction and supply (delivered by Austrade and states and territories, in progress).  Tourism Navigators Pilot to address barriers for tourism small and medium enterprises (SMEs) to hiring people with disability (delivered by DSS with Austrade, in progress).  Communication to businesses about Government employment support (delivered by the Department of Employment and Workplace	them to commence their travel to Australia (delivered by Home Affairs working together with Austrade and Tourism Australia).  Campaigns to turbocharge the return of WHMs and identify Australia as an attractive destination to work (delivered by Tourism Australia, in progress).  Measures to address international workforce issues (delivered by Home Affairs), such as:  Increase in permanent migration program places to 190,000 (delivered).  Increase funding for visa processing to reduce the backlog and improve visa processing efficiency	vocational education places from January 2023 (delivered by DEWR, delivered).  • Support regions to coordinate employment and training solutions at a local level through the Local Jobs Program (delivered by DEWR, in progress).  • Support new and existing self-employment and small business opportunities using the Self-Employment Assistance Program (delivered by DEWR, in progress).  • Work with Australian Standing Committee on Tourism (ASCOT) and relevant skills agencies to achieve national consistency of training programs and qualifications including the transferability of skills across jurisdictions (delivered by Austrade/state & territory governments, in progress).	Opportunities to promote the visitor economy as a career of choice to school leavers, women, First Nations Australians, older Australians, and people with disability through the \$7.5 million Choose Tourism Grant Program and other marketing measures (delivered by Austrade/state & territory governments/Industry, in progress).

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	employment projects that support disadvantaged job seekers, particularly women, into entry-level jobs within their business (in progress).  20,000 additional university places for students from underrepresented cohorts, gives the opportunity for students to take up visitor economy courses (delivered by DEWR, in progress).  Provide tailored one-on-one support for First Nations tourism businesses through the First Nations Tourism Mentoring Program (delivered by National Indigenous Australians Agency, in progress).  Highlight initiatives that increase employment opportunities for First Nations Australians such as the Indigenous Tourism Fund and the Indigenous Advancement Strategy (delivered by the National Indigenous Australians Agency/state & territory governments).	<ul> <li>From 1 July 2024, removal of the specified work requirement for a second and third WHM visa for UK passport holders under the</li> </ul>		

Addressing Workforce Supply: Structural Challenges Addressing Workforce Addressing Workforce
Supply: Domestic WorkforceSupply: International
Workforce

Skills: Improving Workforce Capability Career of Choice:
Promoting the Visitor
Economy

### STATE AND TERRITORY GOVERNMENT ACTIONS

- Queensland's Towards
  Tourism 2032 Strategy
  includes an action to "Consider opportunities to support the supply of affordable worker accommodation for tourism and hospitality staff and leverage the Housing and Homelessness Action Plan 2021–2025 investment towards social and affordable housing" (pg. 23).
- The Queensland Work in Paradise Tourism and Hospitality Jobs website portal connects job seekers with potential employers, profiles skills in demand and training opportunities.
- The **Tasmanian Government** has established the Tasmanian **Tourism and Hospitality Jobs** portal. Funded under the Australian Government's Recovery for Regional Tourism Program, an initiative of the \$1 billion COVID-19 Relief and Recovery Fund, the portal is a free, fast, and easy way for Tasmanian tourism and hospitality businesses to connect with potential new employees. Employers can load jobs on to the site and prospective employees can use their smartphones to access the full position description and apply directly online. The portal also includes training resources, employer resources and a community notice board.
- Victoria is building tourismspecific digital and business capabilities and investing in skills and workforce planning –

- Queensland's Towards Tourism
  2032 Strategy will attract mature
  workers to the tourism industry,
  connecting them to jobs and
  promoting the lifestyle benefits
  working in tourism can offer.
- The NT Aboriginal Tourism Strategy 2030 identifies building tourism skills and job development for Aboriginal people as a priority action.
- The Western Australian
   <u>Aboriginal Tourism Action Plan</u>
   (2021-2025) is building the
   capacity for Aboriginal people to
   enter the tourism sector and
   supporting Aboriginal people with
   an aspiration to start their own
   Aboriginal tourism business.
- The South Australian Tourism
  Workforce Directions Paper
  sets a path to broaden the pool of
  domestic sourced workers,
  including investigating linkages to
  programs that provide
  employment opportunities for
  disadvantaged groups, and
  working with operators to
  understand the barriers and
  potential for stronger engagement
  with disadvantaged groups.
  Jobs Tasmania, the Tasmanian
  Government's business unit is
- Government's business unit, is establishing the Regional Jobs Hub Network, and other related employment and participation programs which support and connect employers with the domestic workforce.

- All state and territory governments are aware of the critical importance of migrants to the visitor economy workforce, particularly in the immediate term.
- State and territory governments continue to advocate to the Australian Government for opportunities to attract skilled and unskilled migrants more easily to visitor economy jobs.
- At the same time, states and territories are actively promoting their jurisdictions to potential migrants, both nationally and internationally, through campaigns such as the **NT's Backpacker Academy**, growing the workforce ahead of the NT's 2023 peak season.
- The NSW Visitor Economy Strategy 2030 is delivering an expanded program of NSW First industry development workshops to help tourism businesses to develop, promote, and sell in the current and future B2B and B2C environment. It also calls for the establishment of "a whole-of-government approach to deliver training. mentoring and industry development programs tailored to the needs of the visitor economy workforce" (pq. 58).
- The NT's <u>Tourism Industry</u> <u>Strategy 2030</u> calls for tourism businesses to share training or job share schemes, whereby businesses share staff resources to minimise seasonal effects, or collaborate to deliver training and apprenticeships. The NT's Strategy also recommends that existing schemes be leveraged to ensure that they are suitable for the needs of tourism.
- The ACT <u>Tourism Strategy</u>
  2023-2030 will identify opportunities for university students to find jobs in tourism and ensure tourism career pathways are created. The ACT Government will also work with the vocational sector to promote opportunities in tourism and hospitality. To support specific sector development, the ACT

- **Oueensland's Towards** Tourism 2032 Strategy will deliver the Gateway to Industry Schools Program providing opportunities for school students to engage in tourism and hospitality industry-related activities supporting their further education and career choices. Oueensland will also extend the Young Tourism Leaders program to the end of 2025 to encourage more young people to have a career in tourism and develop more young people to be advocates for working in tourism, events, and festivals. The NT's Tourism Industry **Strategy 2030** calls for greater awareness of tourism-related careers in both schools and the community.
- Western Australia's Chef **Ambassador Program** delivers a range of educational sessions and cooking demonstrations by young chefs, in secondary schools throughout Perth and Southwest regions. The program is designed to inspire the next generation of Western Australia's culinary stars while raising awareness of the opportunities and realities of working as a chef and in the hospitality industry. The program also includes professional development opportunities for teachers. The Western Australian
- The Western Australian
  Tourism and Hospitality
  Careers Program will develop,
  inform, and inspire high school
  students about career

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including through strategic and coordinated collaboration with industry – through the Visitor Economy Recovery and Reform Plan and Experience Victoria 2033.  The South Australian Tourism Workforce Directions Paper calls for an investigation of the potential for different operators to co-operate and share workers to ensure provision of optimal hours and to provide broader experience to the employees.			Government is also delivering a series of arts and cultural capability workshops to the arts sector to uplift capability in storytelling (including marketing and promotion), experience development (including partnerships and collaboration across industry) and experience optimisation (customer experience and service quality).  • The Tasmanian Governmen supported the creation of Visitor Experience Training (VXT) by providing grant funding to establish the training organisation to support the Tasmanian hospitality and tourism industries. The Tasmanian Government continues to provide grants to VXT to operate and provide subsidised short courses to the industries.  • Tourism WA has developed the Hospitality Job Connect Program, a free 5 day nationally accredited course providing participants with the basic skills and competencies to confidently secure a job in the hospitality industry. It is run regionally with the local TAFE institute.	training pathways into the industry. The program will incorporate in-school presentations, industry career guidance and school resources.  The Tasmanian Government Employer of Choice Program is a recognition and education program that connects, recognises, and supports Tasmanian employers to create and share work cultures which attract and retain their people by actively promoting a positive work life balance. Recognition Awards are given annually, with ongoing Employer of Choice events throughout the state where winners share their knowledge. Winners go through re-accreditation to demonstrate their ongoing commitment to the standards.  The Victorian Government's Young People in Tourism Pilot Program built upon the current professional development landscape for

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		INDUSTRY INITIATIVES		
<ul> <li>Improve the capability of the Quality Tourism Framework (QTF) to support ongoing growth of the tourism industry (delivered by the Australian Tourism Industry Council (ATIC)/Austrade, in progress through funding).</li> <li>Implement a Workforce Development Strategy that sets out the industry priorities for workforce development (THRIVE 2030 Action 3.2, delivered by the Australian Chamber of Commerce and Industry – Tourism (ACCI – Tourism) and Tourism Training Australia, in progress).</li> </ul>	practices for tourism operators (delivered by Tourism Training Australia/Victorian Government, delivered).  Provide a pathway to accreditation as a professional tour guide through a micro-credential training course (delivered by Tour Guides Australia, in progress).  Support people living with disability	and hospitality employers to reimburse WHMs their visa fee, paid under specific conditions, attracting WHMs to visitor economy roles (delivered by ACCI – Tourism, delivered).	· · · · · · · · · · · · · · · · · · ·	Accommodation Australia/ Austrade, in progress).  Liaise with tourism industry groups to expand the HUB and deliver a whole of industry platform for the visitor economy (delivered by Accommodation Australia, in progress).

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		OUTCOMES		
Enhanced understanding of the key structural trends in the Australian labour market, including change arising from technology, demographics, and geographically specific change (led by the Australian Government).	<ul> <li>Tourism and travel industries, particularly small and medium enterprises are more confident employing people with disability, First Nations Australians, and other underrepresented cohorts (led by the Australian Government, state &amp; territory governments, and Industry).</li> <li>Increased number of domestic workers helping to meet workforce needs in the tourism and travel industry (led by the Australian Government, state &amp; territory governments, and Industry).</li> <li>Improved visitor economy job opportunities and participation rates for cohorts such as First Nations Australians, people with disability, young workers, and women. This also facilitates a more resilient domestic workforce.</li> </ul>	More international visa holders are attracted to Australia including WHMs, international students and Pacific Islanders through working with Home Affairs to revise relevant visa settings, as per announced measures (led by the Australian Government).	<ul> <li>More opportunities to enter the sector through internships and industry placements, accompanied by work experience opportunities with reputable tourism organisations (led by Industry and the Australian Government).</li> <li>Tourism and travel employers improve 'on the job' training, including through micro credential training (led by the Australian Government and state &amp; territory governments and Industry).</li> <li>Qualifications and competencies related to the visitor economy are better recognised across state and territory borders (led by the Australian Government and state &amp; territory government and state &amp; territory government and state &amp; territory governments).</li> </ul>	messaging around the varied job roles, professional pathways in the industry and perception of visitor economy as a career of choice improves (led by the Australian Government, state & territory governments and Industry).
POTENTIAL MEASUREMENTS				
<ul> <li>Increased number of full-time and part-time tourism jobs as measured by the ABS Tourism Satellite Account and reported by Tourism Research Australia (TRA).</li> </ul>	underrepresented cohorts, in the tourism workforce.	<ul> <li>Increased number of international visa holders taking up work in the tourism industry, and monitoring visa processing times.</li> </ul>	<ul> <li>Increased tourism sector productivity as reported by Tourism Research Australia.</li> </ul>	Increased number of students, international and domestic workers in the tourism industry.