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Paper presented to AFTA Industry Leaders and Educators Engagement Symposium, Sydney, February, 2015

**conference paper**

Building the capabilities of the travel, tourism and hospitality workforce

**Maree Ackehurst**  
**Phil Loveder**

National Centre for Vocational Education Research

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Level 11, 33 King William Street, Adelaide, SA 5000  
PO Box 8288 Station Arcade, Adelaide SA 5000, Australia

**Phone** +61 8 8230 8400 **Fax** +61 8 8212 3436

**Email** [ncver@ncver.edu.au](mailto:ncver@ncver.edu.au) **Web** <http://www.ncver.edu.au> <<http://www.lsay.edu.au>>

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About the research

Building the capabilities of the travel, tourism and hospitality workforce

### Maree Ackehurst and Phil Loveder, NCVER

This paper was presented at the Australian Federation of Travel Agents Industry Leaders & Educators Engagement Symposium held in Sydney on 12 February 2015. With industry sustainability becoming a strong concern, even within growth sectors, this paper identifies issues to be considered in ensuring that the education and training system can respond to emerging skills demand in the travel, tourism and hospitality industry. There are a number of means by which this can be achieved, the most vital possibly being improving young people’s perceptions of the industry’s career options. For this industry to be viewed as a career of choice, one that holds diverse and rewarding career pathways, particular attention needs to be paid to the promotion of these aspects. Skill development that pays attention to current and future industry requirements is also essential, including upskilling existing workers and developing the information and communication technology skills the industry needs. Stronger partnerships between training providers, business and industry peak bodies are highlighted as essential catalysts for the realisation of these next steps.

Key messages

* The numbers in training for travel, tourism and hospitality overall have declined in recent years, almost entirely due to a significant fall in the numbers of hospitality workers and to a lesser extent ‘other occupations’ receiving formal training. For some occupations, however, such as tourism and travel advisers, substantial growth was observed.
* Labour supply, ‘attraction’ and recruitment challenges have been identified as constraints to achieving growth in the travel, tourism and hospitality industry. In addition, the seasonal nature of some of the employment areas has resulted in the high use of casual labour and retention issues for some segments of the industry.
* The acquisition of skills in financial management, human resources, workplace health and safety, and business compliance is seen as important to the industry. As the travel, tourism and hospitality industry operates across a diverse range of businesses, promoting portable skill sets and the transferable experiences of workers is equally important.
* The occupational return on education and training is relatively lower for students in this industry compared with all vocational trained graduates. Efforts are needed to address perceptions and promote the diverse opportunities and pathways available.

Dr Craig Fowler  
Managing Director, NCVER

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# Introduction

The aim of this paper is to identify the issues to be considered in ensuring that the education and training system can respond to emerging skills demand in the travel, tourism and hospitality industry.

Ideally, the travel, tourism and hospitality industry hopes people will choose careers in this field because of the prospect of a rewarding long-term career path and the opportunity to develop valuable and transportable skills. In reality across the service industries, attracting suitably skilled and committed individuals is challenging. In this industry this is mainly due to an inadequate understanding of career path opportunities beyond entry-level positions (Service Skills Australia 2014b). With overall growth tipped for this sector, a higher demand for skilled labour is likely (*Business Review Weekly* 2014; Service Skills Australia 2014b). The nature and focus of this growth necessitates a skill base that is highly resourceful and which is adaptable to rapidly changing work environments, which means that issues of attracting and retaining workers become crucial. This paper considers whether the current education and training system is ready to meet the evolving skill demands of the tourism, travel and hospitality industry.[[1]](#footnote-1)

This paper must be read in conjunction with appendix A: A statistical profile of the travel, tourism and hospitality industry.

# Key issues for the industry

‘Labour supply and skill shortages have been identified both at national and state level as major potential constraints in achieving growth targets’ (Queensland Tourism Industry Council 2013, p.4). The 2014 tourism, travel and hospitality environmental scan, carried out by Service Skills Australia, also reflects this message and identifies current workforce issues, including seasonal demand, and attraction and retention of staff as significant areas of concern.

## Seasonal demand

Seasonality is seen as a critical issue in the industry and has many effects on the workforce. These include the high use of casual labour and working holiday makers. Businesses become reluctant to invest in skills and training for these transient workers, who are challenging to recruit and even more challenging to retain. This, in turn, places added pressure on registered training organisations (RTOs), as courses can be perceived as not being cost-effective (Deloitte Access Economics 2014).

## Attracting and retaining staff

The recruitment challenge is closely linked to difficulties in attracting workers. Internationally the perception is that travel, tourism and hospitality is an ‘industry of choice’ (Service Skills Australia 2014a), although this is not the view generally held in Australia, where students and holiday makers see their employment as short-term, prior to commencing a different career. Retaining workers is the other side of this challenge. A perceived lack of internal career development opportunities, employees finding the role too difficult, and competition from other industries are frequently seen as responsible for individuals leaving the industry (Service Skills Australia 2014a).

## Other labour sources

In response to workforce issues there has been a shift in the industry toward investigating alternatives to the traditional labour sources. Mature-age workers are becoming an important ‘talent pool’ for businesses. Part-time work during retirement is the biggest drawcard for this group of workers, which also includes mature-age students. According to registered training organisations (RTOs), this group constitutes a large proportion of the student base. It is also recognised throughout the industry that workers from overseas are a prominent source of labour, particularly during peak seasons, even though visas and language skills can pose a challenge. Although not as prominent, workers with a disability, long-term unemployed and Aboriginal and Torres Strait Islander peoples are a growing source of labour for this industry (Service Skills Australia 2014a).

# Preparing entry-level workers

Given that the tourism, travel and hospitality industry has a ‘significant role in future job creation’ (Service Skills Australia 2014a, p.5) across a diverse range of businesses, it is vital to the sustainability of the industry that the portable skill sets and transferable experiences of workers are fostered. For education and training providers these elements can be a challenge to capture particularly when businesses are reluctant to invest in training their current, often temporary, workforce. Varying experiences with the effectiveness of course content and the quality of work-readiness of graduates have been issues for employers (Deloitte Access Economics 2014). Flexible delivery options, including e-learning, allow for training to occur in the workplace and may therefore be more attractive to businesses. Programs to support the integration of flexible delivery options have the capacity to play an important role in the continuing professional development of the current workforce (Deloitte Access Economics 2014).

## Education, training and outcomes

Mitchell (2012) found in her report on the Western Australian tourism, travel and hospitality industry a ‘significantly younger workforce who generally work part-time’ (p.7) and emphasises that, if communication between employers and staff members is conducive to a stimulating, effective environment, the energy of this age group is good for the industry. While this can be a factor once young people are embedded in the workplace, the report finds that this cohort lacks awareness of the possibilities presented by the career and recommends a campaign promoting the industry as a career of choice.

For students who do not fully comprehend career options, having qualifications in tourism, travel and hospitality may be seen as unnecessary or not worth the cost and energy. Eller (2011) finds that even some qualified workers lack knowledge of their career development options and long-term career progression, which is a worrying situation. This is particularly highlighted when these qualified workers find themselves working alongside others in equal positions, with equal pay, who do not possess qualifications or who are studying in other areas. These issues may be reflected in the transitional choices of secondary students when enrolling in vocational education and training (VET). Of the 1.88 million students (NCVER 2015) enrolled in public VET in 2013, tourism, travel and events (SIT) students account for 132 952 (NCVER 2015), with graduates in this industry being ‘a very diverse group across a wide range of professions including kitchen hands, hospitality managers, pastry cooks, general hospitality workers, bakers, cooks and chefs’ (Service Skills Australia 2014a). According to one report (Wibrow 2014), which looks at training package data taken six months after graduation, 41.8% of all VET graduates indicate they are working in their intended occupation by comparison with 38.4% of tourism, hospitality and events graduates. This figure is at the lower end and could indicate that direct occupational return on education and training for SIT students is low. While the learning motivation behind these figures is not known, a move away from the industry after graduation is apparent; this might well be due to some of the workforce issues mentioned.

Worth noting is that, over the past ten years, declines in SIT student numbers have been observed in New South Wales and Queensland, with increases in Victoria, and to a lesser extent, South Australia, with most of this movement occurring in the past four years. These figures and those above possibly reflect what the industry already knows and which has been mentioned in this paper: that the broader public does not have a true concept of the diverse career opportunities and pathways available in the industry. For young people in particular this perception is reinforced, given that a university degree is not the entry-level qualification (Mitchell 2012; Service Skills Australia 2014a).

Another factor that could contribute to students being reluctant to participate in SIT is a lack of clear connections between skills, knowledge and competencies to their practical workplace applications. Developing and implementing standards for these within the learning outcomes of courses could alleviate this issue. Consequently, upskilling VET practitioners in current industry practices as well as language, literacy and numeracy (LLN) and employability skills would clearly highlight the link between SIT qualifications and jobs. If this professional development enables practitioners to teach in structured ways and link skills directly to work tasks through effective and consistent assessment methods, then it is also likely to result in better prepared graduates (Beddie et al. 2014; Kemmis, Hodge & Bowden 2014; Wibrow 2011).

## Schools

There are ways to instil a more realistic perception of industry in students early on; for example, good career advice involving parents, teachers and career counsellors who are well informed and see VET pathways as more than a second-best option, along with meaningful work experiences and work exposure (Beddie et al. 2014; Mitchell 2012). This, when coupled with sound literacy and numeracy skills, places students in more informed and successful positions to undertake post-secondary studies. From an institutional perspective, this involves more collaboration between schools and industry, especially in VET in Schools programs (Beddie et al. 2014). VET in Schools programs can result in either a qualification or statement of attainment from the registered training organisation. The programs are delivered in a range of methods, including school-based apprenticeships and traineeships; pre-apprenticeships in schools; Aboriginal school-based training; and institutional delivery. The recent Independent Review of Trade Training Centres in Schools (Scott 2015) reported that significant numbers of students are currently undertaking VET in Schools courses in the hospitality and tourism field, although whether this will significantly assist in meeting projected labour demand, especially in Queensland, is uncertain. In addition, the Service Skills Australia environmental scan (2014b) reports that there are some misgivings about the qualification level delivered by some schools, with evidence to suggest a greater number of certificate III and higher qualifications being delivered. Industries are concerned about a lack of practical experience for students; these experiences form an integral component of gaining the competencies required to activate competency-based pay. Without real-life work experience students acquire a single dimension of the particular competency involved, which can be discouraging to potential employers. It also means that these students may be at a disadvantage in the labour market. The value of VET in Schools qualifications is also discussed in Clarke’s *Entry to vocations: building the foundations for successful transitions* (2014). In this report the author examines the effectiveness of these programs, how they could be strengthened and whether or not the purposes of the programs have been met.

## Apprenticeships and traineeships

Apprenticeships and traineeships combine training and employment and lead to a nationally recognised qualification. They are available to re-entry workers, school leavers, or anyone of working age, and do not require any entry qualifications (Australian Apprenticeships 2013). An apprentice enters into a contract of training or training agreement with an employer, which imposes obligations on both parties. Traditionally, apprenticeships were in trade occupations (declared vocations) and were of four years duration, but the duration of contracts has been formally reduced in some trades. Traineeships generally take one to two years and are now a part of the Australian Apprenticeships system. In this system, the growth in non-trade commencements up to the June quarter 2012 and the subsequent decline is predominantly due to changes to Commonwealth incentive payments for existing workers. Under the changes, commencement incentive payments for those apprenticeships and traineeships not on the National Skills Needs List (NSNL) were removed, from 1 July 2012. From   
3 August 2013, non-NSNL existing workers who commenced an apprenticeship or traineeship were no longer eligible to claim completion incentive payments. In the tourism industry at present only the occupations of cook and pastry cook are included on the NSNL, so these changes are likely to have a significant effect on training and education participation. It has also been observed that apprentices ‘with a passion for the trade tend to have higher completion rates than those who “fell into apprenticeship” or were ambivalent about their decision to begin one’ (Bednarz 2014, p.35), a significant finding, given the transient nature of workers in this industry.

# Upskilling and skill gaps

Across the tourism, travel and hospitality industry a number of core skill sets appear to be in growing demand, including digital skills, customer service skills, LLN and employability skills, complementary skills, and competency requirements. According to a report on five other key growth industries by Beddie et al. (2014), the gap between the skills required by industry and those generated in the education and training system is widening and more emphasis must be placed on partnerships in education and training in order to connect schools, VET institutions and universities with industry. This connection allows for the identification and utilisation of resources across the sectors and provides practitioners with relevant concepts of industry practice (Deloitte Access Economics 2014). The strengthening of education—industry relationships would also enable businesses to develop current staff, particularly those in management positions, providing them with skills that cover all facets of business ownership and management. These skills are seen to be lacking, especially in financial management, human resources, workplace health and safety, and business compliance (Service Skills Australia 2014a). For the club sector, deficiencies are mainly in corporate governance skills and although there has been an attempt to address these by mandatory governance training for all directors, the training is difficult to enforce due to the financial constraints experienced by clubs and the voluntary nature of many boards. The Tourism, Travel and Hospitality Training Package (SIT12[[2]](#footnote-2)) introduced two new skill sets to address management skill gaps and some businesses are using programs under the previous National Workforce Development Fund (NWDF) to train club managers (Service Skills Australia 2014a, 2014b). Recognition of prior learning (RPL) is another way to manage skill gaps and reduce the amount of gap training necessary for existing workers. However, the integration of RPL can be complex and supplying written evidence of prior skills can be challenging for workers who are not confident of their literacy skills (Beddie et al. 2014).

## Digital skills

Digital capabilities are vital to tourism, travel and hospitality, in that they enable the development and updating of websites and allow for more sophisticated management of social media. With the continuing increase of smartphone ownership and internet access, along with consequent growth in consumer demand, social media, consumer-generated reviews and e-commerce, the means by which customers communicate have transformed considerably; the skill requirements of this industry have advanced in accordance with this change (Deloitte Access Economics 2014). Therefore, the expansion of training in the digital technologies to ensure sustainability of businesses is essential. This issue has stimulated initiatives to incorporate appropriate skills and knowledge into training packages and industry accreditation programs (Deloitte Access Economics 2014; Service Skills Australia 2014b). Skills in social media are particularly critical to successful and ongoing businesses and a precise skill set is needed to navigate the terrain of this relatively new digital landscape. According to Service Skills Australia (2014a), the industry recognises that upskilling staff in this area is a strategic necessity, and in response to this, many units of the Tourism, Travel and Hospitality Training Package were expanded to include aspects of social media, e-commerce and e-marketing. Furthermore, a tourism e-kit program developed by state and federal governments includes 54 tutorials covering online capabilities such as marketing, developing a good website, search engine optimisation and online product distribution (Service Skills Australia 2014a). Management positions will also begin to require the necessary digital aptitudes, and upskilling of current managers across industry is under consideration (Deloitte Access Economics 2014).

## Customer service skills

While younger generations, considered to be ‘digital natives’, can be an asset in the virtual business space they can also be at a disadvantage in terms of more traditional skills such as face-to-face customer service (Service Skills Australia 2014a). Seen as one of the most essential skill development areas for the success of a business, customer services skills are reported to be consistently deficient among employees. The complexity of the online service model, changing customer dynamics and changing markets require a new set of customer service skills, as reflected in additions to these areas of the Tourism, Travel and Hospitality Training Package. Another area of customer service important to some sectors of the industry is that of becoming ‘Asia-ready’, to which there are two components: knowledge and skills concerning the development of tailored products and services for this market; and cultural awareness skills to ensure excellent customer service (Service Skills Australia 2014a). Training in the Chinese and Japanese languages, in addition to the skill enhancement of bilingual workers, is also important (Deloitte Access Economics 2014). An Australian Government-funded program ‘Welcoming Chinese Visitors’ is available to businesses and a new skill set in this area has been added to the training package. It is important to note that for many employers the enhancement of basic customer service skills is seen as a priority ahead of Asia-readiness skills (Service Skills Australia 2014a).

## LLN and employability skills

Across the tourism, travel and hospitality industry, language, literacy and numeracy (LLN) skills are crucial for the success of individual employees as well as businesses. These foundation skills help individuals to effectively and safely operate at work. In all sectors, combinations of important LLN skills that are often lacking include: the numeracy skills required to calculate fractions and percentages in order to effectively manage wastage and determine costing; language skills to assist with effective customer service and complaint management; and literacy skills for internal reporting, such as workplace health and safety and maintenance. Although these skills have been incorporated into VET courses in some areas, assisting with positive learning outcomes including course completions, they are costly and difficult to integrate across the board (Beddie et al. 2014). Employers also report a significant gap in employability skills, many of which are the foundation of excellent customer service (Service Skills Australia 2014). This broad set of skills includes communication, problem-solving, initiative and enterprise, teamwork, planning and organising, and learning. Practical applications of both LLN and employability skills within workplace settings appear to play an important role in the successful acquisition of these skills. Accordingly, industry involvement in developing standards for these skills within education and training is recommended (Wibrow 2011). Although there are complex and often competing policy factors influencing the inclusion of components of these skills in training packages, the Australian VET sector is committed to continuing to develop these skills and industry has shown a high level of interest in this development (Kemmis, Hodge and Bowden 2014).

## Complementary skills

With the introduction of alternative labour sources, for example, mature-age workers or those returning to work (that is, parents), it is envisaged that alternative skill sets will be introduced (Service Skills Australia 2013). Some of these are likely to immediately match the skill sets that would normally grow through experience in tourism, travel and hospitality, like attitudinal and interpersonal skills. Complementary skill sets, for example, information technology, on the other hand may already be held by workers with diverse employment histories and educational backgrounds who are joining the industry; these skills are almost immediately transferable.

## Competency requirements

In some sectors of the tourism, travel and hospitality industry staff cannot commence work unless competency training has been undertaken, although in other areas there are no such requirements (Mitchell 2012). Within the training package various units contain occupational licensing or certification requirements for people using that skill, for example, providing responsible service of alcohol. The prerequisites are clearly listed and some areas also discuss business licensing related to the unit, for example, travel agent’s licence (Service Skills Australia n.d.). For the current workforce, upskilling that includes competency and/or assessment is an important consideration. These workers are already embedded in the industry and by bringing their skills up to date the opportunities for rewarding career pathways could become available, which would mean better retention of staff in the long term (Service Skills Australia 2013).

# Final comments

Across the literature the messages are clear: the sustainability of the travel, tourism and hospitality industry relies on improving the perception of this industry as a career of choice, with particular attention paid to promoting the diverse career pathways available. This appears all the more pressing, given that tourism is regarded as one of the ‘fantastic five’ growth sectors of the future (*Business Review Weekly* 2014). Skill development that is more aligned to current and future travel, tourism and hospitality requirements, including upskilling of existing workers and developing information and communication technology capabilities, are all essential. Stronger partnerships between training providers, business and industry peak bodies will be vital to these developments.

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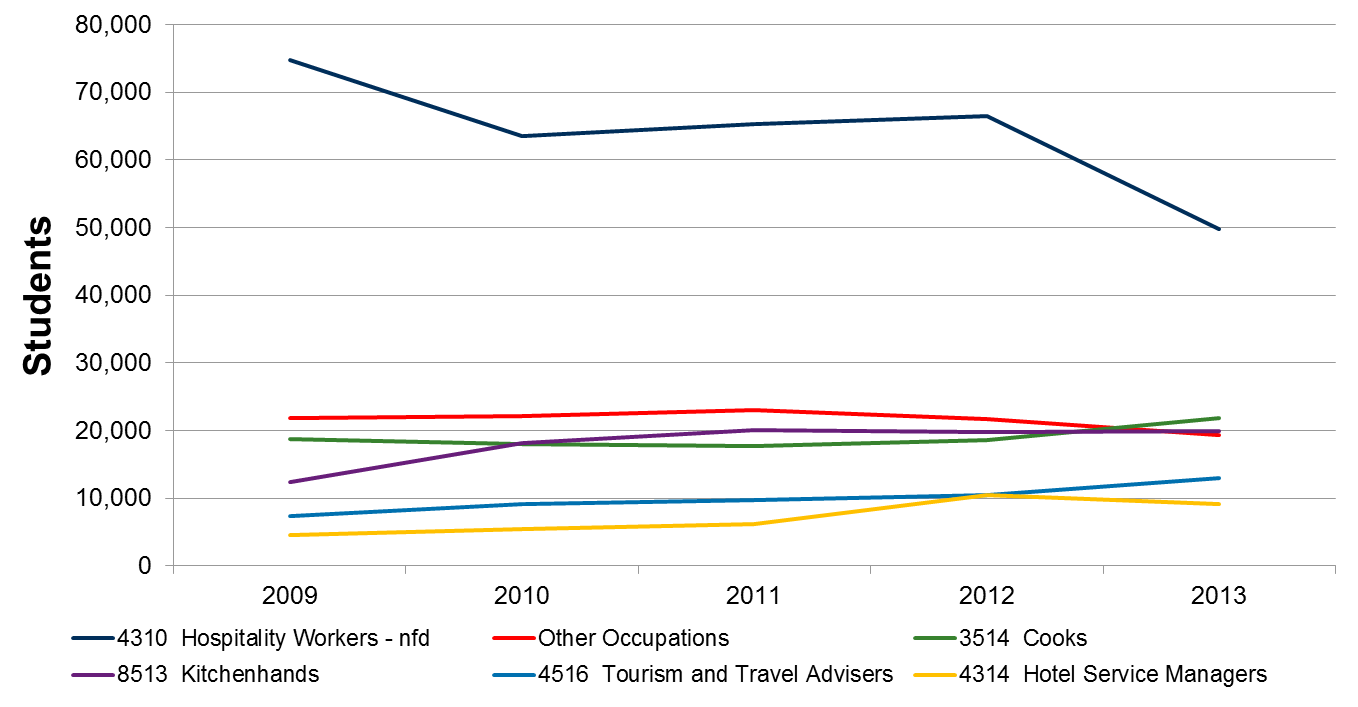
# Appendix A: A statistical profile of the travel, tourism and hospitality industry

## Introduction

This statistical appendix reports on the extent and nature of training activity occurring in the travel, tourism and hospitality industry. The data are sourced primarily from NCVER’s administrative and surveys collections and are presented in time series to indicate recent training trends. Please note in this appendix ‘travel, tourism and hospitality’ is referred to as ‘tourism, hospitality and events’ or SIT.

## Participation in vocational education and training (VET)

The number of VET students for tourism, hospitality and events overall declined sharply between 2012 and 2013, from 147 298 to 132 952 (see figure A1, total of occupations). The reduction is almost entirely due to a significant fall in the numbers in training of hospitality workers and to a lesser extent ‘other occupations’. In fact, for some occupations such as tourism and travel advisers, substantial growth was observed between years, which continue a trend since 2009.

Figure A1 VET students by occupation for tourism, hospitality and events, 2009–13 (4-digit ANZSCO)

Other occupations (e.g. Accommodation & hospitality managers; contract, program & project administrators; conference & event organisers)

4310 Hospitality workers – nfd (e.g. bar attendants & baristas, café, gaming workers)

Source: NCVER National VET Provider Collection 2009–13.

When we look at the number of VET students by individual state and territory over a ten-year period, steady increases were observed in New South Wales, Queensland and Victoria, with flat growth generally in other jurisdictions. More recently, the number of VET students have declined in these states due in part to changes to Commonwealth incentive payments for existing workers (see figure A2). Of note is an increase in South Australia since 2011, against the trend.

**Figure A2 VET students in tourism, hospitality and events, 2004–13**

Source: NCVER National VET Provider Collection 2004–13.

## Key demographics

As seen in figure A3, females are notably more prevalent among this group of students, with 62.1%, which has been relatively consistent over the past ten years.

The proportion of Indigenous students undertaking tourism, hospitality and events courses, although small, has increased over the past ten years, from 2.7% in 2004, to 4.4% in 2013. This is comparable with the proportion of Indigenous students in all courses (4.6% in 2013). The proportions of students with a disability and those speaking a language other than English at home have remained relatively constant over time. In 2013, 5.5% of all SIT students reported having a disability, and 13.1% reported speaking a language other than English at home. These are both slightly lower than the proportion of these two groups in all courses (6.8% for disabled students, and 17.1% for students speaking a language other than English at home).

Figure A3 Tourism, hospitality and events (SIT) student demographics

Source: NCVER National VET Provider Collection 2003–13.

## Apprenticeships and traineeships

As at 30 June 2014, there were 28 281 students undertaking an apprenticeship or traineeship in the tourism, hospitality and events training package, a decrease from a high of 38 171 in 2012 (see figure A4).

Figure A4 Apprentice and trainee: in-training in SIT, June 2003 – June 2014

Source: NCVER National Apprentice and Trainee Collection 2003–14.

For those undertaking apprenticeships and traineeships, the majority of the training over the last   
ten years was in the non-trade occupations. The number of non-trade SIT trainees increased by 18% between June 2011 and 2012, before declining sharply by 30% over the following year. By contrast, the number of trade workers has been flat over the last ten years (see figure A5).

Figure A5 Apprentice and trainee: in-training in SIT by trades and non-trades, June 2003 – June 2014

Source: NCVER National Apprentice and Trainee Collection 2003–14.

New South Wales, Victoria and Queensland had the sharpest decline in training numbers since 2012, with falls in all other states except the Northern Territory and Western Australia, after a period of significant growth (see figure A6).

Figure A6 Apprentice and trainee: in-training in SIT by state, June 1994 – June 2014

Source: NCVER National Apprentice and Trainee Collection 1994–2014.

When we look at apprentice and trainee numbers in-training by key SIT occupations, it becomes clear that most of the declines are for hospitality workers. There has been a rise in tourism and travel adviser apprentices and trainees since 2012. Likewise, as reported earlier, VET student numbers have increased in tourism and travel adviser occupations in this period. Figure A7 shows that growth and decline correlate with changes to Commonwealth incentive payments for existing workers. Incentive payments were removed for apprentices and trainees not on the National Skills Needs List (NSNL) from 1 July 2012.

Figure A7 Apprentice and trainee: in-training in SIT by occupation, June 2003 – June 2013

Source: NCVER National Apprentice and Trainee Collection 2003–14.

Figure A8 shows that the majority of tourism, hospitality and events apprentices and trainees are studying at the certificate III level (84.7%). These have also seen the largest declines since the   
June 2012 quarter (around 46 percentage points) with some growth observed in certificate IV qualifications.

Figure A8 Apprentice and trainee: in-training in SIT by level of qualification, June 2003 – June 2014

Source: NCVER National Apprentice and Trainee Collection 2003–14.

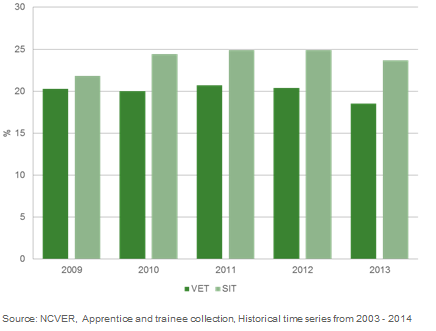
As figure A9 shows, in 2014 just over half (53.8%) of all tourism, hospitality and events apprentices and trainees were female. This proportion has remained relatively constant over the past ten years and is higher than for many other apprenticeships, especially in, for example, the traditional trades. Indigenous representation has been gradually increasing, with 3.7% of tourism, hospitality and events apprentices being Indigenous. Two per cent of apprentices report having a disability, which is a slight increase. The number of apprentices who speak a language other than English at home is 13.3%; this figure has increased from 9.0% over the past ten years.

Figure A9 Apprentice and trainee: SIT demographics, June 2014

Source: NCVER National Apprentice and Trainee Collection 2003–14.

Figure A10 shows that there is a proportionally greater percentage of apprentices and trainees in tourism, hospitality and events than for all of VET. For example, in 2013, 23.7% of tourism, hospitality and events students were apprentices or trainees compared with 18.5% for total VET.

Figure A10 Apprentice and trainee: in-training VET versus tourism, hospitality  
and events, June 2003 – June 2014



Source: NCVER National Apprentice and Trainee Collection 2003–14.

## Outcomes after training

Tourism, hospitality and events graduates recorded similar outcomes to all graduates, with the exception of satisfaction with the overall quality of training and fully or partly achieving main reason for doing the training (see table A1). 90.2% of tourism, hospitality and events graduates were satisfied with the overall quality of their training, compared with 87.5% of all graduates (2.7 percentage points higher); however, the proportion of these graduates reporting that they fully or partly achieved their main reason for doing the training was 3.2 percentage points lower (79.8% for tourism, hospitality and events graduates, compared with 83.0% for all graduates). The average salary for tourism, hospitality and events graduates working full-time after training was almost $10 000 less than that recorded for all graduates ($47 100 compared with $57 000).

Table A1 Selected outcomes after training

|  |  |  |
| --- | --- | --- |
| Outcomes after training | Tourism, hospitality & events | All graduates |
|  | % | % |
| Employed after training | 76.9 | 77.9 |
| Employed or in further study | 87.0 | 88.0 |
| Fully or partly achieved their main reason for doing the training | 79.8 | 83.0 |
| Satisfied with the overall quality of training | 90.2 | 87.5 |
| Employed in same occupation as training course | 28.7 | 29.4 |
| *Top 3 occupations* |  |  |
| First | Community and personal service workers (31.9) | Community and personal service workers (23.0) |
| Second | Technicians and trades workers (22.3) | Technicians and trades workers (21.3) |
| Third | Sales workers (12.4) | Clerical and administrative workers (13.7) |
| *Top 3 industries* |  |  |
| First | Accommodation and food services (51.8) | Health care and social assistance (19.5) |
| Second | Retail trade (10.0) | Construction (10.9) |
| Third | Administrative and support services (9.8) | Education and training (9.3) |
| Average salary of those employed full-time after training | $47 100 | $57 000 |

Source: NCVER Student Outcomes Survey 2013 and 2014 (combined).

With the exception of satisfaction with the quality of training, tourism, hospitality and events graduates who were employed before undertaking their training report better outcomes for all indicators compared with those who were not employed before undertaking their training. The average salary (for those employed full-time) was notably higher at $47 900, compared with $40 000 for those not employed before training (see table A2).

**Table A2 Outcomes after training**

|  |  |  |
| --- | --- | --- |
| Tourism, hospitality and events graduates only –outcomes after training | Employed before training | Not employed before training |
|  | % | % |
| Employed after training | 87.8 | 45.0 |
| Employed or in further study | 93.3 | 68.8 |
| Fully or partly achieved their main reason for doing the training | 83.9 | 68.8 |
| Satisfied with the overall quality of training | 91.1 | 88.1 |
| Employed in same occupation as training course | 21.4 | 16.6 |
| Average salary of those employed full-time after training | $47 900 | $40 000 |

Source: NCVER Student Outcomes Survey 2013 and 2014 (combined).

## Recruitment difficulty

In 2013, 36.4% of all employers reported significant, or some difficulty, in recruiting employees, up 2.3 percentage points from 2011. Breaking this proportion down further, 15.1% reported ‘a lot of difficulty’, and 21.3% reported some difficulty in 2013 (see figure A11).

Figure A11 Level of difficulty experienced in recruiting staff in the last 12 months, 2005–13

Source: NCVER Survey of Employer Use and Views of the VET System 2005–13.

In 2013, the main reasons cited by employers for recruitment difficulties were a ‘shortage of skilled people in the industry’ (51.3%) and ‘limited applicants’ (46.7%) (see table A3). The increase between 2005 and 2013 in employers citing the lack of applicants as a reason for recruitment difficulty underlines a possible attraction issue across industries.

Table A3 Reasons for recruitment difficulties, 2005–13 (% of all employers experiencing recruitment difficulties)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Reasons for recruitment difficulties | 2005 | 2007 | 2009 | 2011 | 2013 |
|  | % | % | % | % | % |
| Limited applicants | 6.2 | 23.1 | 22.8 | 26.0 | 46.7 |
| Location is either remote or not desirable | 11.3 | 9.8 | 8.0 | 10.2 | 14.2 |
| Loss of skilled workers to other companies or industries | 3.3 | 4.9 | 5.0 | 5.4 | 5.6 |
| Not a career that is aspired to | 3.0\* | 6.3 | 6.5 | 7.8 | 6.7 |
| People unwilling to take certain shifts | 2.1\* | np | 2.1\* | 4.8 | 8.5 |
| Poor work ethic | 11.7 | 7.7 | 8.9 | 10.2 | 13.9 |
| Shortage of skilled people in the industry | 72.3 | 61.3 | 63.4 | 54.6 | 51.3 |
| Wages and salaries are considered too low or uncertain | 6.8 | 9.5 | 5.4 | 7.0 | 10.1 |
| Other reasons | 14.0 | 14.7 | 6.9 | 5.8 | 9.6 |

Source: NCVER Survey of Employer Use and Views of the VET System 2005–13.

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**National Centre for Vocational Education Research**

Level 11, 33 King William Street, Adelaide, SA 5000  
PO Box 8288 Station Arcade, Adelaide SA 5000, Australia

**Phone** +61 8 8230 8400 **Fax** +61 8 8212 3436

**Email** [ncver@ncver.edu.au](mailto:ncver@ncver.edu.au) **Web** <http://www.ncver.edu.au> <<http://www.lsay.edu.au>>

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1. At relevant points in this paper and in appendix A ‘travel, tourism and hospitality’ is referred to as tourism, hospitality and events (SIT). [↑](#footnote-ref-1)
2. The SIT12 Tourism, Travel and Hospitality Training Package is the national framework for skills development for the tourism, travel, hospitality and events industries. It includes nationally recognised units of competency and qualifications to train and assess individuals in a range of skills and occupations in tourism, hospitality and events (Service Skills Australia 2015). [↑](#footnote-ref-2)