

Tasmanian Tourism and Hospitality Industry Workforce Development Plan

November 2016

Acknowledgments and Disclaimer

This workforce development plan has been prepared by Stenning & Associates Pty Ltd, in conjunction with The Work Lab for the Tasmanian tourism and hospitality industry through the Tasmanian Department of State Growth.

We would like to acknowledge the cooperation of the four Regional Tourism Organisations, which have been instrumental in the development of this plan.

The information contained in this workforce development plan has been sourced from desktop research and consultations with relevant stakeholders. While all due care has been taken in compiling this document, Stenning & Associates Pty Ltd and its subcontractors accept no responsibility for the accuracy or completeness of information gained from these sources and recommends that readers exercise their own skill and care with respect to its use. We will not be responsible for any loss, however arising, from the use of, or reliance on this information.

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Foreword

Tasmania's tourism and hospitality industry is riding the crest of a wave of phenomenal industry expansion and diversification. The industry is experiencing sustained growth, welcoming record visitor numbers and spending. The projections are for current growth trends to continue.

Realising the full scope of the industry's potential is critically dependent upon the capacity and capability of its workforce. The industry needs people – it needs chefs, tour guides, front and back of house staff, managers, and team leaders and so on. In order to deliver an increasing volume of quality product and meet the demands of emerging markets it is essential for the industry and its partners to consider the actions required to recruit, train and retain the industry's workforce.

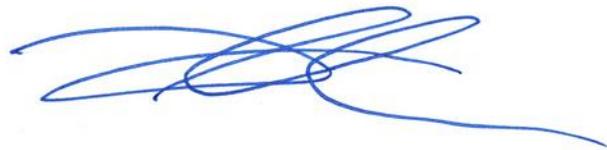
The Tasmanian Tourism and Hospitality Industry Workforce Development Plan is a key initiative of *Tourism 21*. It identifies the priority state-wide challenges facing the industry and the challenges specific to regional tourism businesses. In doing so, it draws on the experiences of Tasmanian businesses in all four of our tourism regions – Southern, East Coast, Northern and North-West and West Coast.

The Plan provides strategies and actions aimed at resolving these pressing workforce challenges while the industry grows apace. Importantly, it offers a mechanism for bringing industry, governments and education and training providers together to collaborate on actions to provide a skilled and available workforce.

The actions taken under this Plan will position the industry for sustainable growth over the coming decade. We endorse the Plan and look forward to its successful implementation.



Steve Old
General Manager
Tasmanian Hospitality Association



Luke Martin
CEO
Tourism Industry Council Tasmania

Executive Summary

Tasmania's world-class, award-winning tourism and hospitality industry is booming. The industry is experiencing unprecedented growth and investment. Supported by *Tourism 21* (T21), the industry is aiming to increase visitor numbers to 1.5 million annually, with a visitor expenditure of \$2.5 billion, by 2020.

Progress towards this target is on track, with Tasmania attracting 1.15 million visitors in 2014-15, up 8 per cent on the previous year. Meeting the T21 target will see over 420,000 additional visitors over the next four years to 2020.

To deliver a consistent, quality product in this growth environment, the industry needs to be supported by an expanded workforce with appropriate skills.

This Workforce Development Plan provides a responsive and comprehensive state-wide action plan to support the industry to deliver on its growth potential. It documents the priority workforce capability and capacity challenges, identifies actions to resolve those issues and outlines the timelines and stakeholders required to bring those actions to fruition.

The Workforce Development Plan has been developed in close consultation with industry stakeholders. In partnership with regional tourism organisations, the Plan draws on extensive analysis of state-wide survey research and workshops with industry stakeholders.

The Priority challenges

The top labour and skills challenges (state-wide) and specific regional challenges facing the industry are outlined in Table 1.

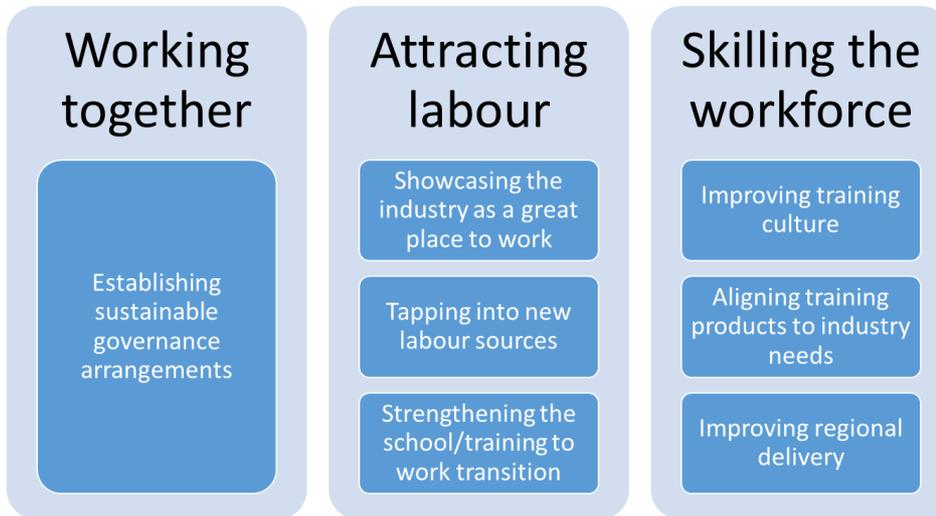
Table 1: Top identified labour and skill challenges.

State-wide labour challenges	State-wide skills challenges	Specific regional challenges
Reducing red tape for industry operators;	Developing the skills of employees, particularly in customer service;	Attracting labour to the regions
Finding new labour sources within the community;	Ensuring that training programs are delivering what is required by industry;	Improving access to affordable accommodation
Attracting workers during peak season times;	Building specific skills to support emerging markets;	Reducing transport barriers to employment
Improving how Government employment programs service the industry;	Improving the awareness of and access to government skills and training programs; and	
Understanding the regional impact of projected visitor growth; and	Strengthening partnerships between education and training providers and industry.	
Improving perceptions of the industry as a career choice.	Improving the training culture in the industry	

Meeting the priority challenges – an Action Plan

Three strategic themes have been developed to guide the response to the priority challenges, as outlined in Figure 1.

Figure 1: Emerging strategic themes



A comprehensive action plan has been developed that responds to these themes. This provides a framework to help all stakeholders understand what needs to be done and by whom in order to address the industry's workforce capability and capacity needs over an identified period.

An important initial action is the establishment of an expertise-based Tourism and Hospitality Workforce Taskforce, within the T21 governance framework. This Taskforce will lead and promote collaborative problem identification and resolution and guide the prioritisation and implementation of the action plan.

1 A Workforce to Support Industry Growth

Tasmania's tourism and hospitality industry is booming and is vital to Tasmania's economic sustainability. Its reputation as a world-class tourism destination is being bolstered by record visitor numbers. Investment in the industry is unprecedented, with Tourism Research Australia identifying \$509 million worth of projects in Tasmania's tourism investment pipeline for 2015, which is 47 per cent above 2014 figures¹. Numerous national and global tourism awards and continued positive national and international recognition continues to fuel industry growth right across the State.

Industry growth is supported by *Tourism 21* (T21), whose vision is for:

...Tasmania to be a world-leading destination of choice, with a vibrant visitor economy supported by our tourism and hospitality industries, strong business and education sectors and a community that embraces our visitors and all the benefits they bring.

To deliver a consistent, quality product in this growth environment, the industry needs to be supported by an expanded workforce with appropriate skills.

This Workforce Development Plan (WDP) provides a responsive and comprehensive state-wide action plan to support the industry to deliver on its potential.

The WDP has been developed in close consultation with industry stakeholders. In partnership with regional tourism organisations, the WDP draws on extensive analysis of state-wide survey research and workshops with industry stakeholders.

The WDP project is designed to help the industry and the Tasmanian Government to meet Priority 4 of T21 - *Building capability, capacity and community*.

- Building *capacity* requires both retaining the existing workforce and attracting new labour to the industry.
- Building *capability* requires that the industry has access to staff with the necessary skills to fulfil both current needs and to meet the projected needs of a diversifying industry and emerging markets.
- Building *community* is achieved through meeting workforce challenges collaboratively, through coordinated action.

The purpose of the WDP is to help all stakeholders understand what needs to be done, by whom and by when in order to address the industry's workforce capability and capacity needs over an identified period.

Background

Historically there has been a close working relationship between the Tasmanian tourism and hospitality industry and the Tasmanian Government. At the centre of this relationship is T21 – a joint strategic business plan that was first established in 1997. T21 has been regularly reviewed to ensure its agreed goals and strategy remain relevant. The latest update of T21 was launched in 2015.

Specifically, the T21 [Tasmanian Visitor Economy Strategy 2015-2020](#) aims to:

- Grow annual visitor numbers to Tasmania to 1.5 million by 2020;
- Generate a visitor expenditure of around \$2.5 billion per year; and

¹ [Jessica Howard, The Mercury, 25 July 2016](#)

- Increase direct industry employment to 20 000 and indirect employment to 30 000 by 2020-21 (from the 2013-14 baseline of 15 000 direct and 22 500 indirect jobs).

Progress towards the visitor numbers target is on track, with Tasmania attracting 1.15 million visitors in 2014-15, which is an 8 per cent increase on the previous year. It is estimated that state-wide visitor numbers could increase by a further 432 000 visitors by 2020.

While the relative regional impacts of achieving the T21 visitor targets will depend on industry's response to visitor growth in each region, Table 1 illustrates projected regional increases based on current trends.

Table 1: Visitor Numbers – Projected to 2020 on basis of current 4 year average and T21 target

Region	4 Year Average	% Share	2020 T21 Target	Growth
Southern Region	857,042	80%	1,204,166	347,125
East Coast Region	289,815	27%	407,197	117,383
Northern Region	567,375	53%	797,177	229,802
North West Region	414,157	39%	581,902	167,745
West Coast Region	160,200	15%	225,085	64,885
Total	1,067,596	-	1,500,000	432,405

Source: [Tasmanian Visitor Survey](#)

The numbers of overnight stays are also set to increase. Achieving the T21 visitor target is estimated to result in an increase of just over two million overnight stays. Table 2 illustrates how this increase could be distributed across each region, on the basis that current regional distribution is maintained.

Table 2: Visitor Overnight Stays – Projected to 2020 on basis of current 4 year average and T21 target

Region	4 Year Average	% Share	Est 2020	Growth
Southern Region	4,380,660	51%	6,821,696	2,441,035
East Coast Region	723,716	8%	1,126,992	403,276
Northern Region	1,796,919	21%	2,798,216	1,001,297
North West Region	1,274,240	15%	1,984,285	710,045
West Coast Region	397,380	5%	618,812	221,432
Total	8,572,915	100%	13,350,000	4,053,000

Note - excludes overnight stays where place not stated

Source: [Tasmanian Visitor Survey](#)

Methodology

The initial development of the WDP was informed by the Preliminary Workforce Audit, which outlined current industry workforce characteristics and provided a baseline for future progress assessment.

The identification of workforce issues was accelerated through reference to the challenges identified in the *Tourism Employment Plan 2016-2019* for the North West/West Coast/King Island region of Tasmania. That Plan is being implemented by the Cradle Coast Authority, which is the relevant Regional Tourism Organisation.

These challenges covered two key areas:

- Challenges that relate to improving the supply of labour to the industry (Labour challenges); and

- Challenges that relate to improving the skills of the industry's workforce (Skill challenges).

Extensive consultation with industry stakeholders has informed the WDP to ensure it reflects both state-wide challenges and specific regional challenges.

Consultation included the remaining three Regional Tourism Organisations (Destination Southern Tasmania, Tourism Northern Tasmania and East Coast Tourism) and state-wide industry survey². [Appendix A](#) contains a summary of the number, distribution and types of businesses that responded to the online industry survey. Further, reference to the THA's *Strategic Plan – Hospitality Twenty20 and Beyond – Workforce Planning – May 2016* also helped to inform the identification of key challenges.

The following Registered Training Organisations that provide the bulk of training to the industry were consulted on the critical challenges they faced in servicing the industry:

- TasTAFE (Drysdale);
- Industrylink Training;
- Outside the Square Solutions;
- MEGT; and
- Ashley Institute of Training.

A summary of the key challenges identified by these Registered Training Organisations are contained in [Appendix B](#).

Identified state-wide and region specific challenges have been validated through consultation and specific actions and strategies developed in response to each priority challenge. These strategies are detailed in [Appendix C](#).

² The distribution of the survey was arranged through the four Regional Tourism Organisations.

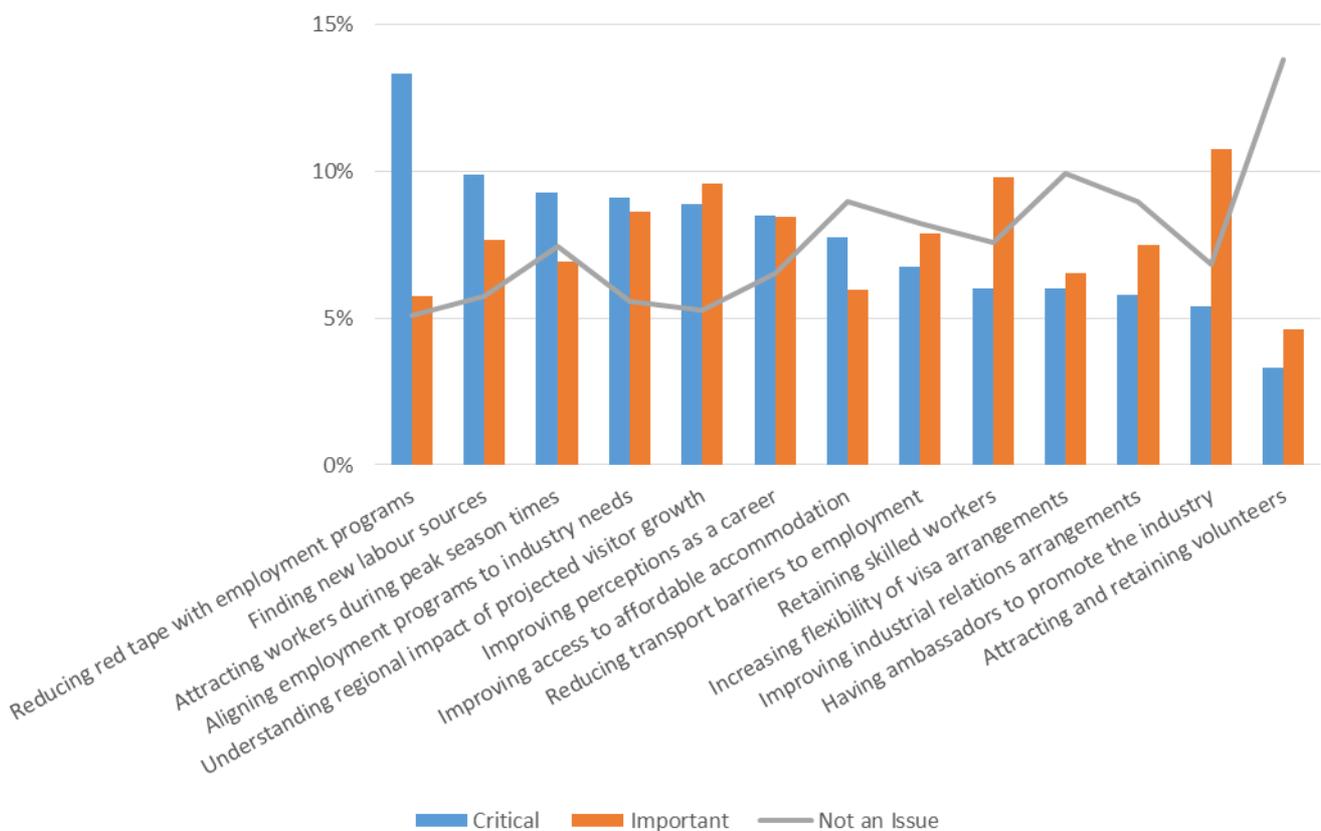
2 Priority Workforce Challenges

The consultation process identified six critical labour challenges and six critical skills challenges that applied state-wide and a number of regional specific challenges. These challenges are detailed below.

Labour challenges

The industry survey identified, as shown in Figure 1, the relative importance of the labour challenges faced by industry across all four regions.

Figure 1: Labour challenges by level of importance



This indicated that the top five state-wide challenges were:

1. Reducing red tape for industry operators;
2. Finding new labour sources within the community;
3. Attracting workers during peak season times;
4. Improving how Government employment programs service the industry;
5. Understanding the regional impact of projected visitor growth; and
6. Improving perceptions of the industry as a career choice.

2.1.1 Critical labour shortages

In addition to identifying critical labour challenges, the industry survey found that the most difficult job roles to fill are:

- Chefs;
- Cooks;
- Bakers and Pastry Cooks;
- Food trades assistants;
- Sales staff; and
- Team leaders.
- This is derived from Figure 6, which describes the job roles that were ‘hard’ or ‘moderately hard’ to fill in the past 12 months.

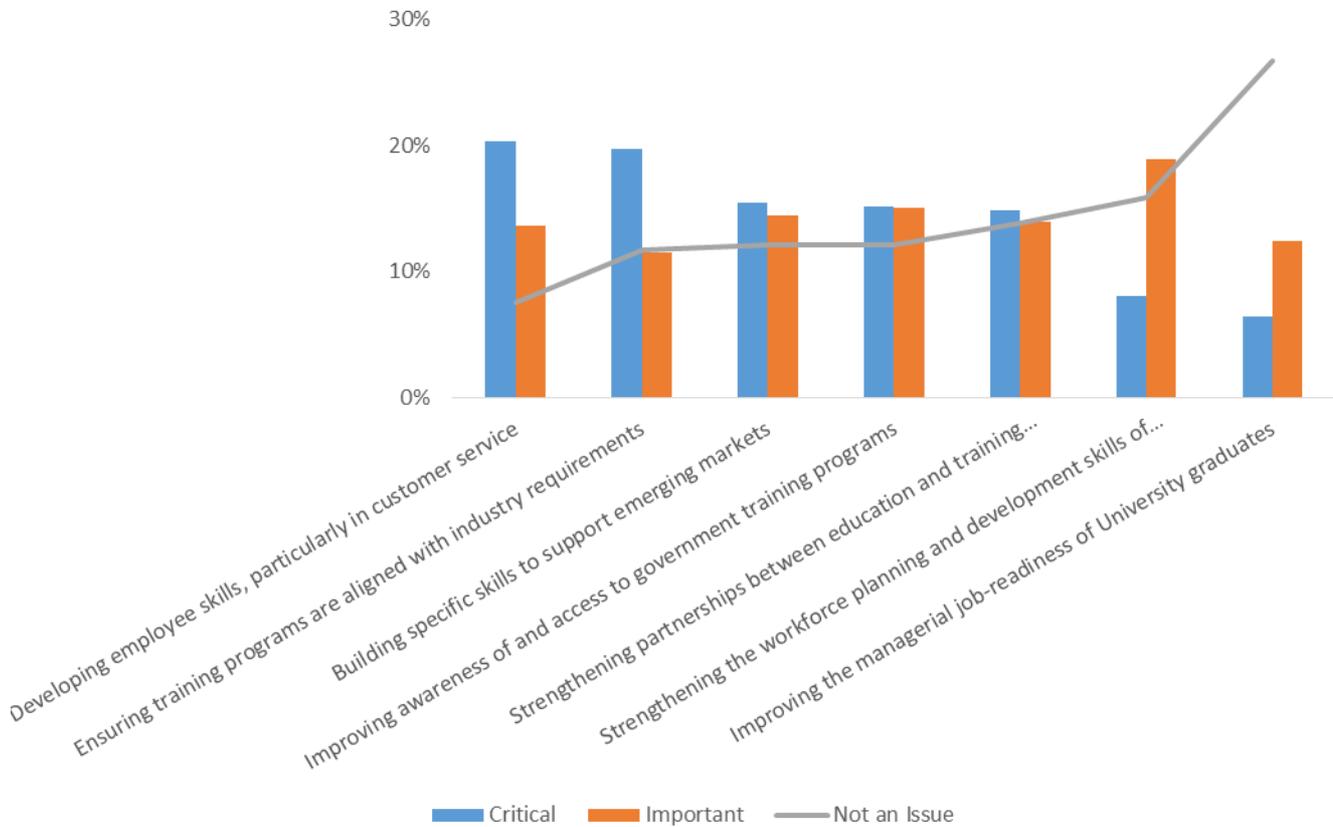
Figure 6: Labour shortages



Skill challenges

Figure 2 shows the relative importance of the skill challenges faced by industry across all four regions, as identified by the industry survey.

Figure 2: Skill challenges by level of importance



This indicated that the top six state-wide challenges were:

1. Developing the skills of employees, particularly in customer service;
2. Ensuring that training programs are delivering what is required by industry;
3. Building specific skills to support emerging markets;
4. Improving the awareness of and access to government skills and training programs; and
5. Strengthening partnerships between education and training providers and industry.

In addition, post survey discussions with Regional Tourism Organisations concluded that a further important challenge faced by industry generally was:

6. Improving the training culture in the industry.

Regional challenges

Table 3 outlines a number of critical regional challenges that were identified as important to industry operators in outer regional areas such as the north-east, east coast, west coast, south-east coast and Bass Strait islands.

Table 3: Critical regional challenges

#	Challenge	Regional Context
1	Attracting labour to the regions	Industry operators in a range of regional areas find it difficult to attract labour. In particular, it can be difficult to attract workers with families due to the difficulties in their partners obtaining employment in the region.
2	Improving access to affordable accommodation	A lack of suitable affordable housing is limiting the ability of regional areas, particularly the East Coast, to attract workers.
3	Reducing transport barriers to employment	A lack of public transport in regional areas is limiting the ability of those areas to attract workers.

3 Meeting the Priority Challenges – an Action Plan

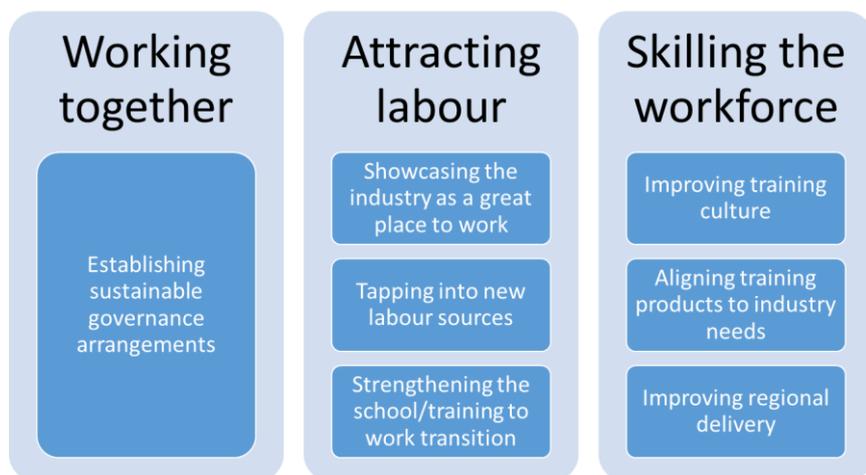
Three strategic themes need to be pursued to meet the identified priority challenges. These strategic themes are outlined in Table 4.

Table 4: Broad themes

#	Theme	Description
1	Working together	<p>Pivotal to the success of the Tourism and Hospitality Industry WDP is the ability for all relevant stakeholders to work together collaboratively. To achieve this, sound and sustainable governance arrangements need to be established for the WDP.</p> <p>Importantly, the governance arrangements should:</p> <ul style="list-style-type: none"> • Determine and implement industry priorities for workforce development; • Improve the industry’s focus on collaborative workforce development; • Strengthen partnerships with: <ul style="list-style-type: none"> - employment program providers; and - education and training providers
2	Attracting labour to the industry	<p>Arguably, the most important challenge facing the Tourism and Hospitality Industry is the need to attract new labour.</p> <p>The existing workforce is not sufficient to meet projected industry workforce demand. This is due to the growth in visitor numbers driving increased labour needs, the seasonal nature of industry workforce demand, competition for labour from other industries and population factors.</p> <p>Improving the ability of industry to attract the workforce that it needs will require the promotion of the industry as a place to work, tapping into new labour sources and strengthening the capacity of the industry to successfully transition young people from school/training into work.</p>
3	Skilling the workforce	<p>Ensuring high visitor satisfaction with tourism and hospitality products is critical to the sustainable growth of the industry.</p> <p>To ensure that the industry delivers a great visitor experience, it is essential that the workforce has the skills necessary to deliver a high quality service.</p> <p>This requires a sound training culture within industry and products and delivery that meets industry training demand across all regions.</p>

For each of these strategic themes, a number of broad sub-themes have been identified that provide strategic direction to and are illustrated in Figure 3.

Figure 3: Emerging Strategic Themes



An analysis of these broad strategic themes and strategies identified a range of actions that could be applied through the state-wide WDP to meet the identified priority industry challenges. These potential actions are outlined below.

Working together

Two key actions identified under this theme are outlined in Table 5.

Table 5: Working Together - Actions

#	Actions	Sponsor	Supporting
1	<p>Establish and resource an expert Tourism and Hospitality Workforce Taskforce under the aegis of T21 to provide advice to the Tasmanian Government on:</p> <ul style="list-style-type: none"> industry priorities for the WDP over the short, medium and long term; and industry priorities for the Tasmanian Government's investment in the tourism and hospitality industry workforce. 	T21	Department of State Growth (DSG)
2	<p>Commission a project to identify possible regional workforce impacts of range of growth projections/ scenarios.</p> <ul style="list-style-type: none"> This could be achieved by building on the economic modelling being undertaken by Deloitte's Access Economics for DSG to produce the Regional Tourism Satellite Accounts (RTSA). That modelling will provide an understanding of the industry's economic contribution to our regions – which would provide a baseline for modelling the impact of various growth scenarios on regional workforces. <p>This action will inform the Workforce Taskforce and the Regional Tourism Organisations on potential workforce capacity issues related to specific visitor growth scenarios.</p>	Tourism Tasmania DSG	Coordinator General TICT THA

3.1.1 Governance arrangements

T21 involves an established sustainable governance structure, however it does not yet include arrangements that will drive workforce development. Accordingly, it is proposed that an expert Tourism and Hospitality Workforce Taskforce be established under the aegis of T21. It is recommended that the Taskforce be provided with resources by the Department of State Growth to enable it to fulfil its functions (as outlined below).

The Taskforce should be expertise based and consist of 6 persons:

- Independent Chair – who must have a sound understanding of the industry and expertise and experience in achieving industry change;
- Two persons with expertise and experience in the tourism industry (to be nominated by TICT);
- Two persons with expertise and experience in the hospitality industry (to be nominated by THA); and
- One person with expertise and experience in training and skills development in an industry environment.

The purpose of the Taskforce would be to establish clear workforce development priorities and promote collaborative problem identification and resolution of workforce capacity and capability issues.

The key functions of the Taskforce should include:

- Advising the Tasmanian Government, through T21, on how to improve the capacity and capability of the tourism and hospitality industry workforce to support industry growth.
 - Specifically, this includes advising on the industry priorities for the Tourism and Hospitality WDP over the short, medium and long term to inform the Tasmanian Government’s investment in the tourism and hospitality industry workforce (including funding provided through the Government’s employment programs and training/skill programs).
- Driving the implementation of the WDP in coordination with key stakeholders;
- Strengthening partnerships between industry and:
 - employment program providers; and
 - education and training providers;
- Communicating/consulting with the industry and relevant stakeholders regarding the implementation of the WDP;
- Establishing agreed performance measures for the initial actions identified in the WDP;
- Monitoring progress with the WDP and associated activities and amend where required; and
- Identifying a sustainable long-term governance arrangement for the ongoing Tourism and Hospitality WDP.

3.1.2 Priorities

It will not be practical or achievable to progress all the recommended actions of the WDP simultaneously. While the development of this WDP has involved broad consultation, given the broad range of challenges identified and the number of proposed actions, it is not possible to determine a clear priority order for the proposed actions.

Accordingly, it is proposed that the Taskforce should play the key role in recommending to T21 the appropriate prioritisation of the actions agreed under the WDP. This recognises that the implementation of the WDP will require in-kind commitments and/or specific resources from various T21 parties. It also recognises that appropriate staged implementation of the WDP is critical to ensuring that the WDP is achievable and retains the ongoing commitment of all key stakeholders.

Attracting labour

Twelve key state-wide actions identified under this theme are outlined in Table 6.

Table 6: Attracting Labour – State-wide Actions

#	Actions	Sponsor	Supporting
Showcasing the industry as a great place to work			
1	Develop and promote a Career map for the industry.	Workforce Taskforce	Department of State Growth (DSG) Skills Tasmania Registered Training Organisations TICT THA
2	Develop a one-stop-shop (portal) to inform: <ul style="list-style-type: none"> • Workers about the job opportunities in the industry; and 	Workforce Taskforce	DSG TICT

#	Actions	Sponsor	Supporting
	<ul style="list-style-type: none"> Industry operators about the programs available to assist them to attract labour. 		THA Program providers ³
3	Implement a broad-based Ambassador program ⁴ to help promote career paths in the industry.	Workforce Taskforce	THA Regional Tourism Organisations
4	Establish an award(s) or other public recognition exercise(s) for promoting operator excellence in industry workforce development.	Workforce Taskforce	TICT THA Regional Tourism Organisations
5	<p>Develop a program that supports Regional Tourism Organisations to develop and implement strategies and attendant promotional campaigns that attract workers to specific regional hotspots.</p> <ul style="list-style-type: none"> These strategies should emphasise the lifestyle and other benefits offered by the regions and include initiatives to resolve affordable accommodation and transport issues. Where possible, the development of these strategies should involve collaborating with other regional industries with similar workforce development challenges to develop a regional 'package' that promotes employment opportunities generally in the region. 	Workforce Taskforce	DSG Regional Tourism Organisations
Tapping into new labour sources			
6	<p>Undertake a call for proposals that will attract workers to the industry from new labour sources and better align employment services to industry needs.</p> <ul style="list-style-type: none"> This should include a strong focus on encouraging collaborative projects between industry and program providers. Proposals should seek to tap into specific potential worker segments including: <ul style="list-style-type: none"> Existing workers in other industries Women re-entering workforce Older workers School leavers Disabled job seekers Unemployed 	Workforce Taskforce	DSG THA Program providers Regional Development Australia

³ Program providers include Job Actives and other organisations delivering Australian and State Government employment related programs.

⁴ Based on the pilot framework developed for an Ambassador program developed for the North-West Coast and West Coast region under its Tourism Employment Plan (this included collaboration with the Tasmanian Hospitality Association regarding its Ambassador program, which is focussed on ambassadors to support school programs/training). Consideration should be given to the potential for a range of non-government organisations to partner in the operation of an Ambassador program.

#	Actions	Sponsor	Supporting
7	<p>Develop and implement a strategy to attract national and international temporary or permanent migrant workers to the industry in Tasmania. This should include:</p> <ul style="list-style-type: none"> • An advertising campaign to attract national and international temporary or permanent migrant workers to the industry. The campaign should complement the Tourism Australia advertising campaign that is being developed /implemented. • Aligning and promoting range of government and industry programs that can be used to attract seasonal workers. • Investigating the potential for collaborating with other industries with similar seasonal labour problems (e.g. fruit industry). 	Workforce Taskforce	DSG Tourism Tasmania Regional Tourism Organisations
8	Develop an industry-wide program to attract young people to the industry (for example Internships, Cadetships, “Youth Champion” employer etc.).	Workforce Taskforce	Education and training providers Non-Government Organisations
9	<p>Undertake a review of employment red tape hot spots for the Tourism and Hospitality industry.</p> <ul style="list-style-type: none"> • This review should focus on removing unnecessary processes and requirements relating to industry operators accessing and utilising government employment related programs. 	Coordinator General’s Office – Red Tape Commissioner	Program providers
Strengthening the school/training to work transition			
10	<p>Develop a strategy for industry based promotion of school pathway programs.</p> <ul style="list-style-type: none"> • This should include the consideration of the financial attractiveness of those programs to employers under various training delivery modes. 	Workforce Taskforce	Department of Education Registered Training Organisations Independent Schools Program providers Industry employers
11	Implement a Famil program ⁵ , which is aimed at educating key ‘influencers’ in the education and training sector (e.g. teachers, trainers, career advisors) by exposing them to real life industry activities.	Regional Tourism Organisations THA	Department of Education Registered Training Organisations Independent Schools
12	Collaboratively develop a “ <i>Ticket to Tourism</i> ” program that improves the transition of pre-vocationally trained students into the industry workforce.	Workforce Taskforce	Regional Tourism Organisations THA TICT Relevant Registered Training Organisations

Skilling the workforce

Seven key state-wide actions have been identified under this theme as outlined in Table 7.

⁵ Based on a pilot Famil developed for the North-West Coast and West Coast region under its Tourism Employment Plan.

Table 7: Skilling the Workforce - State-wide Actions

	Solutions	Sponsor	Supporting
Aligning training products to industry needs			
1	<p>Undertake a call for proposals that will strengthen partnerships between the industry and the education and training sector.</p> <ul style="list-style-type: none"> This should be preceded by an evaluation of the effectiveness and accessibility of existing government/industry programs to establish what is already working well. <p>Priority should be given to proposals that focus on:</p> <ul style="list-style-type: none"> Better aligning training products to industry needs or extending existing programs that are working well. Improving training delivery capacity. Improving regional delivery. Improving networks and industry collaboration with education and training providers. 	Workforce Taskforce	Registered Training Organisations Department of Education University of Tasmania
2	<p>Develop and pilot new pathways to training of:</p> <ul style="list-style-type: none"> chefs/bakers and pastry cooks/cooks/food trades assistants; and sales staff, team leaders. 	Workforce Taskforce	Skills Tasmania Registered Training Organisations
3	<p>Build on relevant existing programs to improve business and human resource management skills for existing and new businesses.</p>	Workforce Taskforce	Skills Tasmania THA Registered Training Organisations
4	<p>Align State Government funding priorities to support the delivery of customer service skill sets in addition to currently supported qualifications.</p>	Skills Tasmania	Workforce Taskforce
Improving training culture			
5	<p>Build on existing programs to develop a leadership/mentoring program aimed at improving workforce development in the industry.</p>	Workforce Taskforce	Skills Tasmania TICT THA
6	<p>Use the Ambassador program to improve the workforce understanding of the importance of customer service.</p>	Regional Tourism Organisations THA	Education and training providers
Improving regional delivery			
7	<p>Improving the capability of industry bodies (e.g. Regional Tourism Organisations, THA etc.) to develop programs for 'aggregating' training demand for small-medium businesses in regional areas.</p>	Regional Tourism Organisations	Skills Tasmania Registered Training Organisations

Appendix A: Industry Online Survey – Who Responded

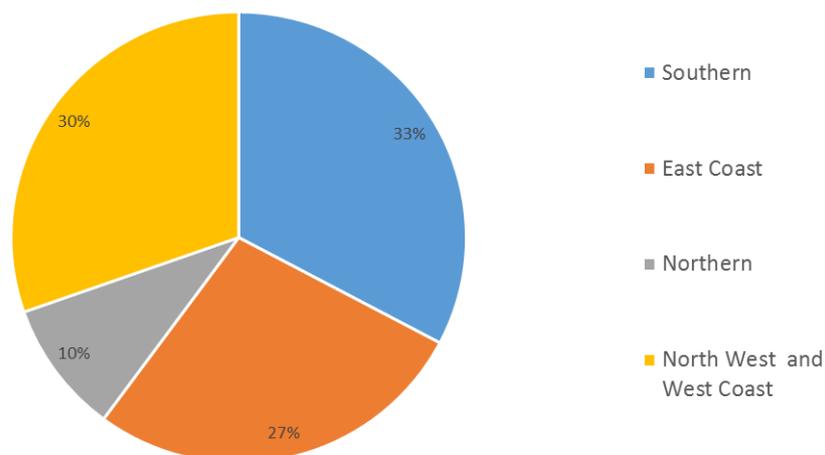
Key Respondent Characteristics

- As at 30 September 2016, there were 158 responses to the survey.
- The three major business types are Accommodation, Food and Beverage and Attractions
- Average business size is 18 employees (as at 1 January 2016)
- Regional classifications are based on the jurisdictions of the four Regional Tourism Organisations (RTOs) as follows;
 - Southern;
 - East Coast;
 - Northern; and
 - North West and West Coast.
- The survey results are statistically significant to the 95 percent confidence level for the State population of 5711 businesses in the tourism and hospitality industry, with a margin of error of 8%.
 - That is, for any state response, we can be 95 percent confident that the true result is within plus or minus 8 percent of the survey result.

Response by region

The regional distribution of responses was found to be relatively even across the Southern; East Coast and North West/West Coast regions, compared with a lower response from the Northern region (see Figure 1).

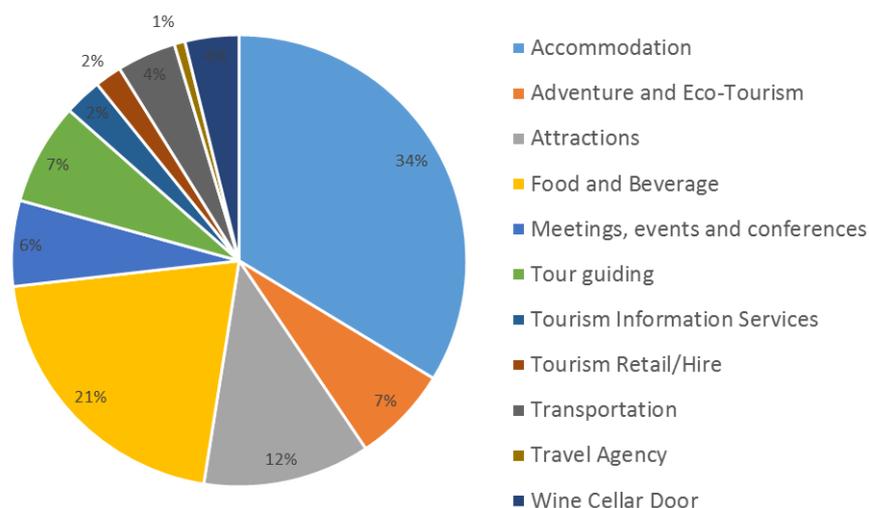
Figure 4: Respondents by region



Business types

Responses were received from a range of tourism business types. Figure 2 describes the distribution of business types across all four regions.

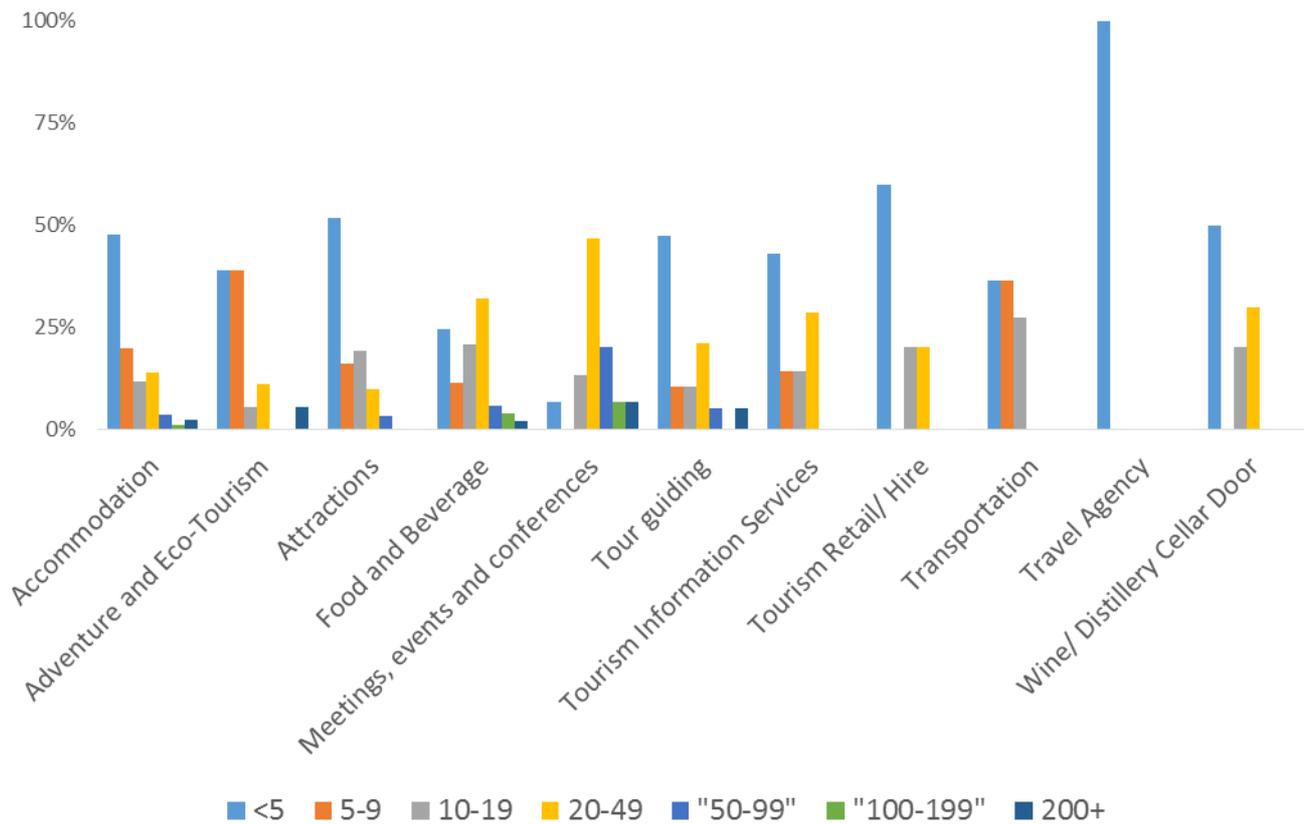
Figure 2: Respondents by business type



Business size

Figure 3 describes the average size of each business type (as determined by number of employees) across all four regions, as at 1 January 2016.

Figure 3: Business size by business type



Please note: As businesses could nominate multiple business types, the average number of employees per business type indicated above could include other business types.

While an average of less than 5 employees is predominant across 8 of the 11 business types, these represent the minority business types (those least represented in the data).

The three most represented business types state-wide (collectively accounting for 67% of respondents) had the following average sizes:

- Accommodation 18 employees
- Food and beverage 28 employees
- Attractions 11 employees

Accordingly, the larger employers raise the state average to 18 employees.

There was found to be minimal seasonal variation, with the off-season state average dropping to 15 employees (as at June 2016).

Appendix B: Challenges identified by Registered Training Organisations

Discussions with key RTOs serving the industry revealed that the common key challenges from their perspective were:

1. Cost factors, low volumes and tight supply of appropriate trainers and assessors constrain their ability to service regional markets.
2. Around half of the jobs in the industry can be obtained with limited training – that is, accredited training is not seen as essential to a significant portion of job outcomes.
3. The need to improve the industry's workforce development culture, with a lack of appreciation of the value of training amongst industry operators, particularly smaller operators.
4. The need to deal with low literacy, language and numeracy (LLN) levels for students.
5. The increased casualization of the industry workforce is impacting both on the industry's ability to train workers and the eligibility of employers/workers for some government employment and training programs.
6. The need to develop new products that suit industry training needs – for example:
 - a) skill set products that provide 'stepping stones' towards a qualification outcome – this approach could be more cost effective for industry and improve industry understanding of the value of training to their operations; and
 - b) new approaches to the training of chefs to combat the current shortage of chefs, with the current commonly used qualifications potentially 'overtraining' chefs for their job roles.

Other issues raised included:

7. Funding arrangements from Skills Tas have become less predictable, with apprenticeship allocations difficult to increase. Tender requirements are involving increasing amounts of red tape (i.e. requiring an increasing amount of information)
8. There is a lack of understanding amongst smaller industry operators of the role that they need to play to support training delivery (to their apprentices or employees). This can limit their ability to benefit fully from training services.

Appendix C: Detailed strategies for resolving identified challenges

The following detailed strategies were developed to assist with the formulation of specific actions that would resolve the identified priority challenges. These detailed strategies are outlined below.

Labour challenges and strategies

Table 8 outlines the priority labour challenges and the proposed strategies to resolve them.

Table 8: Priority labour challenges and proposed resolution strategies

#	Challenge	Detailed Strategies
1	Reducing red tape for industry operators	1. Identify potential red tape hot spots, validate with industry and then devise specific responses for Government consideration. The focus should be on employment related red tape issues.
2	Finding new labour sources within the community	<ol style="list-style-type: none"> 1. Improve the industry's articulation of career paths/job roles. 2. Develop and promote program packages for attracting labour from specific potential worker segments – which could include: <ul style="list-style-type: none"> - Existing workers in other industries; - Women re-entering workforce; - Older workers; - School leavers; - Disabled job seekers; and - Unemployed.
3	Improving how Government employment programs service the industry	<ol style="list-style-type: none"> 1. Improve the provision to industry of information on available programs. 2. Improve collaboration between industry and program providers. 3. Improving the uptake of school based pathway programs, such as Australian School Based Apprenticeships (ASBAs) and VET in Schools.
4	Attracting workers during peak season times.	1. Inform transient workforce of industry job opportunities at both State and regional level.
5	Understanding the regional impact of projected visitor growth.	1. Develop detailed modelling of the regional implications and scenarios involved in achieving the T21 visitor growth scenarios.
6	Improving perceptions of the industry as a career choice.	<ol style="list-style-type: none"> 1. Showcase the industry as a great place to work. <ul style="list-style-type: none"> - Promote potential career paths/job roles to target sources of labour – with particular focus on schools and young job seekers. 2. Improve School/Industry engagement and collaboration, particularly regarding VET in Schools, ASBAs, work-experience and job placement. 3. Improve the conversion of pre-vocational training into industry jobs.

Skill challenges and strategies

Table 9 outlines the priority skill challenges and the proposed strategies to resolve them.

Table 9: Priority skill challenges and proposed resolution strategies

#	Challenge	Detailed Strategies
1	Developing the skills of employees, particularly in customer service	1. Improving the industry understanding of importance of customer service to sustainable business models.
		2. Embedding/enhancing customer service skills across the range of industry training.
		3. Identify specific customer service skill sets for reskilling/upskilling existing workers.
2	Ensuring that training programs are delivering what is required by industry	1. Collaborative development of targeted programs to resolve skills shortages: <ul style="list-style-type: none"> - Critical and immediate: <ul style="list-style-type: none"> ◆ Chefs/cooks/food trades assistants; and ◆ Customer service staff. - Business Management skills. - Other emerging shortages.
3	Building specific skills to support emerging markets	
		2. Collaborative mechanism for aggregating and responding to emerging skills shortages.
4	Improving the awareness of and access to government skills and training programs	1. Improve the provision to industry of information on available programs.
5	Strengthening partnerships between education and training providers and industry	1. Develop collaborative culture between industry and training providers.
		2. Improve delivery of training to regional areas – particularly for small-medium businesses.
6	Improving the training culture in the industry	1. Improve the focus on workforce development and its positive implications for industry growth.

Regional challenges and strategies

Table 10 outlines the critical regional challenges and the proposed strategy to resolve them.

Table 10: Critical regional specific challenges and proposed strategies

#	Challenge	Detailed Strategy
1	Attracting labour to the regions	Develop region specific strategies and attendant promotional campaigns that emphasise the lifestyle and other benefits offered by the regions and resolve affordable accommodation and transport issues. <ul style="list-style-type: none"> • The development of these strategies should involve collaborating with other regional industries with similar workforce development challenges to develop a regional 'package' that promotes employment opportunities generally in the region.
2	Improving access to affordable accommodation	
3	Reducing transport barriers to employment	

