# Queensland Vocational Education and Training Strategy

Submitted to the Department of Youth Justice, Employment, Small Business and Training

August 2023



The Voice of Tourism

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#### Acknowledgement of Country

The Queensland Tourism Industry Council acknowledges the Traditional Custodians of the lands on which we work and live across Queensland, and recognises their continuing connection to the land, waters and culture. We also pay our respects to all First Nations people, past, present and emerging.

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### INTRODUCTION

The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to provide feedback to the Department of Youth Justice, Employment, Small Business and Training regarding the development of a Queensland Vocational Education and Training Strategy. QTIC initiatives and submissions to inquiries and consultations to date on matters affecting the current consultation includes (but extends far beyond) the following:

- 2022 submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade regarding the *Inquiry into Australia's tourism and international education sectors*.<sup>1</sup>
- 2022 feedback to the Federal Government Department of Employment and Workplace relations regarding the *Australian apprenticeship services and supports* discussion paper.<sup>2</sup>
- 2022 response to Trade and Investment Queensland regarding the Draft Queensland International Education and Training Strategy 2022-2027<sup>3</sup>.
- Ongoing programs relating to addressing critical workforce issues in tourism and hospitality, including the Regional Careers Roadshow.<sup>4</sup>
- Numerous other submissions regarding industry workforce needs and education and training requirements to meet future demand.

Considering the extensive workforce challenges confronted by the tourism industry and anticipated demand leading up to the Brisbane 2032 Olympic and Paralympic Games, QTIC is dedicated to fortifying industry pathways and fostering the essential skills needed for a thriving visitor economy.

QTIC looks forward to contributing to any future discussions arising from this review and engaging in a positive, productive dialogue with the Department of Youth Justice, Employment, Small Business and Training. For further discussion regarding points raised in this submission, please contact QTIC on (07) 3236 1445 or email policy@qtic.com.au.

## QUEENSLAND TOURISM INDUSTRY COUNCIL

QTIC is the peak industry body and leading advocate for the tourism, hospitality, and events sectors in Queensland, committed to the growth and sustainability of the state visitor economy. Our efforts focus on powerful lobbying, policy development, and collaboration with key industry stakeholders to create a favourable business environment for operators.

As a not-for-profit, membership-based organisation, we take pride in ensuring that the concerns and needs of our members and the broader tourism industry inform all relevant policy debates and that businesses have strong representation in decision-making processes. By promoting the value and importance of tourism in government forums and to the wider community, we help to create a vibrant, diverse industry that benefits all.

Through delivery of workforce and skilling programs, advocating for attraction and infrastructure investment, and working with the private sector to develop innovative solutions to tourism priorities, QTIC continues to serve members and industry. We also provide expert advice and support, including workforce and business development opportunities and access to vital industry insights. Working as a voice to government, we help to ensure Queensland remains a go-to destination and that operators have the resources to meet evolving consumer demands.

<sup>&</sup>lt;sup>1</sup> QTIC (2022) Submission on the Inquiry into Australia's tourism and international education sectors.

<sup>&</sup>lt;sup>2</sup> QTIC (2022) <u>Submission on Apprentice services and supports</u>.

<sup>&</sup>lt;sup>3</sup> QTIC (2022) <u>Submission to Trade and Investment Queensland on the Queensland International Education and</u> <u>Training Strategy 2022-2027</u>.

<sup>&</sup>lt;sup>4</sup> QTIC (2022) <u>Regional Tourism Careers Roadshow</u>, QTIC, accessed 7 August 2023.



## FUTURE TOURISM WORKFORCE NEEDS

There is an urgent need for supportive frameworks to mitigate workforce shortages and meet the demands of discerning visitors, with a view to facilitating long-term, sustainable economic growth.

The Queensland tourism industry constitutes 6.7% of total state employment with 206,200 direct and indirect jobs<sup>5</sup>, generating \$32.9 billion in Overnight Visitor Expenditure (OVE) as of YE March 2023.<sup>6</sup>

There are approximately 4,368 job vacancies in the Queensland tourism and hospitality industry at the time of writing.<sup>7</sup> Looking ahead, projections indicate a potential growth of up to 34.3% by 2024-5 for specific roles within tourism and hospitality.<sup>8</sup> Coupled with the impending surge in demand associated with the Brisbane 2032 Olympic and Paralympic Games, evolving consumer preferences, and bold targets aiming for \$44 billion OVE by 2032, it is critical to ensure the tourism industry has the capability to cater to visitor needs via the attraction and retention of a skilled workforce.

There is opportunity to improve the VET experience through continued investment in subsidising VET qualifications, enhanced student engagement in VET courses by connecting them with industry through meaningful vocational work placements, and improved collaboration between VET providers and industry.

QTIC has a history of delivering quality workforce development programs to industry and welcomes the opportunity to work with key partners to support capacity-building initiatives and positive education and training outcomes. With strong networks and collaborative partnerships in the Queensland tourism industry, QTIC is also able to encourage industry engagement with future programs.

### RECOMMENDATIONS

- Continued support of the Industry Skills and Industry Workforce Advisory programs.
- Continued investment in subsidising VET qualifications from the SIT Tourism, Travel and Hospitality Training Package.
- Collaborate with schools, industry stakeholders, and registered training organisations to create and facilitate opportunities that offer support to Trade Training Centres, particularly those situated in regional and remote areas.
- Enhance student engagement in VET courses by connecting them with industry and providing meaningful work placements.
- Explore strategies to actively engage, incentivise, and support Group Training Organisations (GTOs) in the cookery field, with the aim of enhancing the involvement and retention of cookery apprentices.

<sup>&</sup>lt;sup>5</sup> Tourism Research Australia (2023) <u>State Tourism Satellite Account 2021-22</u>, accessed 7 August 2023.

<sup>&</sup>lt;sup>6</sup> Tourism and Events Queensland (2022) <u>Queensland tourism economic key facts</u>, TEQ, accessed 7 August 2023.

<sup>&</sup>lt;sup>7</sup> Australian Bureau of Statistics (2023), *Labour Force, Australia, Detailed - June 2023*, ABS, accessed 21 July 2023.

<sup>&</sup>lt;sup>8</sup> Jobs Queensland (2021), <u>Anticipating Future Skills Portal</u>, Queensland Government, accessed 7 August 2023.



## **RESPONSE TO DISCUSSION QUESTIONS**

#### DELIVERING PRIORITY AND FUTURE SKILLS

#### 1. What opportunities has your organisation been able to experience through VET?

QTIC has harnessed a range of opportunities through VET to encourage positive industry workforce outcomes, with support from the Queensland Government:

- **Registered Trade Skills Pathway Program:** The program offers casual cooks the chance to obtain a professional trade qualification in commercial cookery.
- **Industry Skills Advisory:** Industry Skills Advisors gain intelligence through consultation with industry on current and emerging direction and provide advice to government on regional skills needs and training solutions.
- **Industry Workforce Advisory:** The QTIC Industry Workforce Advisory program provides comprehensive, tailored guidance to tourism, hospitality, and events operators by identifying workforce challenges and connecting with relevant programs, funding, and initiatives.
- **QTIC Regional Careers Roadshow:** This event series serves as a platform for introducing secondary students to fulfilling careers in the tourism and hospitality industry. Led by industry experts and local operators, students explore diverse career pathways through immersive activities, gaining a deeper understanding of potential opportunities.
- **QTIC Salute to Excellence Awards:** These awards recognise outstanding secondary students, employers, schools, and training organisations for their contributions to tourism, food and beverage, and cookery qualifications through VET in Schools and School-Based Apprenticeships or Traineeships.

Member consultation indicates that tourism and hospitality businesses are likely to utilise a blend of TAFE and private training organisations to meet their specific needs. Collaborations with private providers enable prompt activation of immediate training requirements, encompassing agreements to support on-site employee training and specialised delivery.

#### 2. What gaps or challenges has your organisation experienced with VET?

The tourism industry encounters a range of persistent challenges in interactions with the VET sector, encompassing a spectrum of workforce and training issues, demanding focused attention and collaborative solutions:

- Workforce shortages and skilled worker retention: Tourism businesses consistently struggle with workforce shortages and the endeavour to attract and retain skilled workers. These challenges not only impact operational efficiency but also contribute to escalated supply chain costs, directly affecting the bottom line.
- Access to quality training in regional areas: A significant challenge within the industry involves limited accessibility to high-quality, flexible training options in regional areas. Additionally, concerns related to online delivery methods resulting in limited practical experience and the lack of appropriate providers and courses customised for regional demands have hindered the advancement of practical skills.
- Linking training and employment: There is a need for better connections between training and employment, particularly in the tourism industry. The absence of work experience opportunities and the focus on tourism courses with food and beverage specialisations, may hinder holistic learning and real-life experience for students.
- Cookery apprentice completions:
  - Low wages for apprentices
  - Kitchenhands earning more than first-year apprentices



- o Financial struggles faced by apprentices, especially those living away from home
- Disparity between skill levels of international students completing condensed programs and apprentices undertaking a three-year course can be problematic to apprentice retention rates
- Youth unemployment: In June 2023, the youth unemployment rate for Queensland sat at 8.2%<sup>9</sup>, compared to 3.8% for the state overall.<sup>10</sup> A rapid response to disengagement is critical to young people's active engagement in work-readiness programs. Training products in building capacity to gain and maintain employment or further education and training should be taken into consideration as a current gap when assessing VET emerging needs.

In addition, the broader social perception of tourism careers often falls short of their actual value and the diverse range of meaningful available work, necessitating enhanced visibility and accessibility to quality training and skills. The underappreciation of labour often categorised as unskilled undermines the reality of substantial informal technical knowledge and essential people management skills required within the industry.

#### 3. What is the one thing you would do to improve the VET experience?

Enhancing the VET experience requires government-industry collaborations aligned to address current and emerging workforce needs and deliver meaningful student employment outcomes. Linking tourism experiences with specific qualifications could assist in realising the full value of the state visitor economy. Capitalising on unique Queensland destinations and exceptional experiences not only facilitates regional development but increases the quality of existing VET offerings, with the potential to boost completion rates.

QTIC makes the following recommendations to strengthen industry connections with the VET sector and enhance student employment outcomes and opportunities:

- Enhance student engagement in VET courses by connecting them with industry and providing meaningful work placements. Limited industry experience is a particular challenge for businesses engaging with secondary school leavers obtaining qualifications while at school or cookery graduates who have completed fast-tracked international programs.
- Emphasise the value of offering industry exposure and experience in professional settings to encourage students to pursue VET pathways.
- Competencies and the training system are not aligned with current perception of job pathways or modes of working (including flexibility) and can turn people away as a result. The traditional apprenticeship model should be reevaluated with consideration given to alternative models delivered in partnership with industry.

#### ENSURING ACCESS FOR ALL QUEENSLANDERS

#### 1. How has TAFE supported your organisation, your industry and/or your community?

TAFE demonstrates a longstanding commitment to tourism industry collaboration and cooperation by serving as a QTIC corporate partner, with direct engagement through the following initiatives:

• Contributing to the QTIC Salute to Excellence Awards by providing a venue for the awards Skills Test Day and offering scholarships to category winners, recognising, and encouraging excellence in the industry.

<sup>&</sup>lt;sup>9</sup> Queensland Government Statistician's Office (2023), <u>Regional youth unemployment – June 2023</u>, accessed 10 August 2023.

<sup>&</sup>lt;sup>10</sup> Australian Bureau of Statistics (2023), *Labour force, Australia – June 2023*, accessed 10 August 2023.



- Providing facilities and staff for the successful organisation of the Careers Roadshows, which promote and showcase career opportunities in tourism and hospitality across various locations in Queensland.
- Sponsoring boardroom lunches and the prestigious Queensland Tourism Awards, fostering industry recognition and celebration.
- An expansive network of fifty campuses across Queensland offer a wide range of qualifications from the *SIT Tourism, Travel and Hospitality Training Package,* enabling individuals to pursue relevant and recognised training opportunities.
- Taking a proactive approach to addressing the current skills shortage in the chef profession by implementing a pilot intensive apprenticeship program, helping to bridge the gap and meet industry demands.

#### 2. What are the barriers to accessing or delivering quality training and skills?

#### • Awareness:

- VET is a critical pathway to a career in tourism through delivering the skills needed for the local industry and workers. Insufficient awareness and information regarding available courses pose considerable obstacles, especially for students who may be uncertain about where to begin.
- Apprentices and trainees encounter difficulties in establishing connections with employers, particularly in sectors like cookery, where group training organisations have faced notable challenges.
- A majority of Queensland tourism businesses are classified as small it can be overwhelming or time consuming to find information about subsidies, providers, and locations, especially in regional areas.

#### • Housing availability and affordability:

- A tightened rental market leaves potential tenants competing for a dwindling supply of vacant properties. In June 2023, the overall Queensland vacancy rate sat at 1.0% (well below a 'healthy' market classification), with some regions sitting at 0.1-0.2%.<sup>11</sup>
- Rising rental prices effectively price the local workforce out of the market, leading to a dramatic effect on communities and tourism destinations. The rate of increases is variable across the state but is particularly acute in regional areas. The National Housing Finance and Investment Corporation *State of the Nation's Housing 2022-23* report notes that South East Queensland has "had the largest rent increases, with all the 12 LGAs experiencing rents 30% higher than in February 2020".<sup>12</sup> In addition, some 59.12% of renters are experiencing rental stress.<sup>13</sup>
- **Cost of living pressures:** Rising living costs pose a significant challenge, with a 1.5% average increase in overall expenses for employee households in June 2023.<sup>14</sup> This also affects businesses, hampering skilled worker retention and potentially causing talent shortages that hinder economic growth.
- **Regional and remote areas:** Logistics and having to travel to access quality training also presents a challenge for tourism operators or VET students based in regional areas. Travelling to larger campuses is both expensive and time consuming, with costs needing to be covered

<sup>&</sup>lt;sup>11</sup> Real Estate Institute of Queensland (2023), <u>Green shoots emerge in Queensland's rental vacancy rates</u>, accessed 14 August 2023.

<sup>&</sup>lt;sup>12</sup> National Housing Finance and investment Corporation (2023), <u>State of the Nation's Housing 2022–23</u>, p. 76, accessed 14 August 2023.

<sup>&</sup>lt;sup>13</sup> Digital Finance Analytics (2023), <u>A deeper dive on mortgage stress</u>, accessed 14 August 2023.

 <sup>&</sup>lt;sup>14</sup> Australian Bureau of Statistics (2023), <u>Select living cost indexes, Australia – June 2023</u>, accessed 14 August 2023.



by the student or businesses. In addition, training in remote areas becomes costly and cumbersome for providers to facilitate.

• **Training incentives:** The reduction of federal incentives has impacted businesses to entice them to take on trainees and apprentices. With the workforce so strongly impacted by external pressures, it is unlikely that individuals would prioritise direct costs for training and skilling – incentives are vital and should extend beyond construction sectors.

# 3. What is one thing you would do to improve access to quality training and skills for you, your industry, and/or your community?

A skilled tourism workforce is essential to the success of the visitor economy. Simpler, faster routes for attracting students to study in-demand skills are required to strengthen the tourism workforce rather than barriers – such as national caps on working hours and increased visa costs introduced earlier this year.

- Extend financial support for workforce upskilling, fee reductions, incentive schemes, and demand-driving programs. This should include working with the Federal Government to increase incentives encouraging greater employer participation in apprenticeship programs, reducing leakages in the workforce pipeline.
- Shift the overall focus to prioritising training outcomes and completions, rather than the number of enrolments and commencements.
- Provide funding to support individuals transitioning to new sectors, leveraging their previous training, and attracting a diverse workforce. Financial support for 'retraining programs targeting experienced industry employees could also promote skill adaptability.

#### WORKING WITH EMPLOYERS AND INDUSTRY

- 1. What is one thing government could do differently to improve employer and industry input to training that meets workforce needs and delivers student outcomes?
  - Explore strategies to actively engage, incentivise, and support Group Training Organisations (GTOs) in the cookery field, with the aim of enhancing the involvement and retention of cookery apprentices.
  - Increase awareness about the advantages of apprenticeships and advocate for greater industry engagement and support, while emphasising the need for the Australian Apprenticeship Support Network (AASN) to play a stronger role in facilitating apprenticeships and traineeships.

# OUR CORPORATE NETWORK



QUEENSLAND TOURISM INDUSTRY COUNCIL

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