



QUEENSLAND  
TOURISM INDUSTRY  
COUNCIL

*The Voice of Tourism*

**SUBMISSION TO THE DEPARTMENT OF EMPLOYMENT,  
SMALL BUSINESS & TRAINING  
ON  
SKILLS FOR QUEENSLAND  
19 OCTOBER 2018**

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## OVERVIEW

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The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to respond to the Department of Employment, Small Business and Training in regard to the *Skills for Queensland Discussion Paper*.

Based on the analysis conducted in this submission, QTIC recommends the following:

- Enhanced coordination of consultation with VETIAOs to enable effective management of information and to reduce industry's frustration with overlapping consultation processes.
- Review of SIT training package.
- On-going funding commitment to VETIAOs to enable longer term strategic insight and on-going future-of-industry research.
- Integration of broader economic policies and issues (e.g. Regional Inequality and Wage Theft) to be reflected in the outcomes of this paper.
- Opportunities for VETIAOs to add sectors that align with existing work.
- Review of the provision of GovDex data to offer a year-on-year compounding database and with the inclusion of VETiS data.
- Focus on on-the-job training models such as school-based apprenticeships and traineeships as ways to promote industry to school students.
- Facilitate flexibility in the training system.
- Engage and fund dedicated VET Advisors at school.
- State-wide marketing and promotional campaign to celebrate opportunities in VET.
- More flexibility in funding of non-registered skill sets and micro-credentials.
- Promote VET Student Loans to increase uptake.

## QUEENSLAND TOURISM INDUSTRY COUNCIL

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QTIC is the state peak body for tourism in Queensland. QTIC is an independent private sector, membership-based tourism industry organisation.

All of Queensland's 13 Regional Tourism Organisations (RTOs) are members of QTIC, as are 20 industry sector associations and in excess of 3,000 regional members, operating in all sectors of the tourism industry.

QTIC works in partnership with government agencies and industry bodies at a local, state and national level and is a member of the Australian Tourism Industry Council (ATIC).

## TOURISM IN QUEENSLAND

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The tourism industry in Queensland contributed \$25 billion to Queensland's Gross State Product (GSP), representing 7.8% of total GSP and generated \$7.4 billion in exports in the year ending June 2017<sup>1</sup>, making it one of the state's largest export industries only behind coal and food.

In recent years, government and business communities recognise that tourism is contributing significantly to economic growth in Queensland and generating a large number of new jobs. Due to a slowdown in the resource industry, tourism has experienced resurgence and is flourishing against a relatively soft economic backdrop. In Deloitte's *Tourism and Hotel Market Outlook*<sup>2</sup>, it is reported that international arrivals to Australia grew at twice the rate of global outbound travel and international visitation "continues to outshine broader economic performance". Forecasts to 2020 indicate tourism will continue to grow faster than the wider economy.

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<sup>1</sup> Tourism Research Australia, State Tourism Satellite Accounts 2016-17

<sup>2</sup> Deloitte, *Tourism and Hotel Market Outlook*, Edition 1, 2017

The World Travel and Tourism Council<sup>3</sup> project travel and tourism employment will grow 5.8% (compound annual growth) over the next decade in the Asia Pacific region. In contrast, total economy growth is projected at 4.1% per annum and other industries such as mining and agriculture are forecast to grow at 1.8% and 2.2% per annum respectively. Highlighting the potential opportunities that tourism can bring to the economy.

The five-year average growth rate for total visitor nights in Queensland is projected to be 4.0% over 2014–15 to 2019–20, or 3.9% over 10 years. This compares to 4.4% total five-year average annual growth for Australia, or 3.8% over 10 years. This growth over the next 5-10 years in tourism will translate to a significant need for new staff and skills. Additionally, changing business models as 'disruptive' innovation will create new capacity skills as disruptive practices continue to shape the tourism industry

## Tourism and employment

There are over 54,000 tourism businesses operating across Queensland in sectors including, but not limited to, accommodation, transportation, tour operators, travel agencies and marine operations. One in ten businesses in tourism is a small or medium sized enterprise. The industry supports employment and community growth, employing more than 217,000 people directly and indirectly, or 9.1% of all people employed in Queensland<sup>1</sup>. This is substantially more than mining (2.5% of employment) or agriculture, forestry and fishing combined (2.2% of employment). There is a diversity of jobs within the tourism industry with 11 occupations representing the majority of workers in the industry<sup>4</sup>. Of those directly employed in tourism, two thirds are employed outside of Brisbane, highlighting the value of tourism in regional Queensland<sup>5</sup>.

On average around 79% of tourism employees are sourced from the local region, of the remaining, 11% are from interstate or intrastate and 4% are working holiday makers<sup>6</sup>. Temporary visitors to Queensland play an integral role in the provision of tourism experiences and are vital to an industry with a skills shortage (see box 1).

### Box 1: Queensland tourism labour shortage

Tourism Research Australia and Deloitte Access Economics estimate an implied current shortage of 10,388 employed persons in the Queensland tourism industry. With strong projected growth for the tourism industry it is anticipated that there will be an accumulated demand for 23,481 new workers by 2020<sup>7</sup>.

The 2017 *Tourism Workforce Plan*<sup>6</sup> explores opportunities to develop the tourism workforce to address the deficit of skilled workers. As part of the plan, one of the main goals is to build a distinct brand as a desirable career opportunity that capitalises on Queensland's reputation as a leading domestic and international visitor destination. To achieve this, the industry must be presented as an industry with opportunity, diversity and integrity. Furthermore, the plan highlights the need for industry to take active ownership of developing a culture where workplaces value and nurture skills development for all staff, leading to quality service provision and increasing productivity. Research also indicates that the tourism and hospitality industry needs to better understand the attitudes and values of their workforce in order to secure future competitiveness in talent management.

<sup>3</sup> World Travel and Tourism Council. 2017. Travel & Tourism Economic Impact 2017 Asia Pacific

<sup>4</sup> Queensland Government Department of Tourism Education and Small Business (DETESB) identified occupations: Tourism Workforce profiling: Accommodation and hospitality managers; Housekeepers and Cleaners; Fast Food Cooks and Kitchen Hands; Receptionists; Waiters; Bar attendants and Baristas; Chefs; Cooks; Café workers; Travel and Tourism Advisers; Air Transport professionals

<sup>5</sup> Tourism Research Australia, 2015-16, Queensland Tourism Satellite Account

<sup>6</sup> Jobs Skills, 2017, Queensland Tourism Workforce Plan 2017-20

<sup>7</sup> Tourism Research Australia and Deloitte Access Economics, 2015 *Australian Tourism Labour Force Report: 2015-2020*,

## FEDERAL TOURISM INITIATIVES

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### Tourism 2020

In December 2011, the Federal Government announced its national strategy *Tourism 2020*, with a goal of doubling the value of tourism to \$140 billion by 2020. One of the key factors that will dictate the success or failure of Australia's tourism industry to meet its global potential is to meet the expected surge in demand with sufficient increases from the supply side of the tourism industry, such as tourism, aviation capacity and transport infrastructure.

As part of the Tourism 2020 plan, Australian, state and territory governments and tourism industry stakeholders agreed to work together to deliver several key reforms consistent with the four policy priorities. The key reform areas are:

- Increase cross portfolio collaboration within all levels of Australian Governments to plan and drive reform of the visitor economy
- Improve visa arrangements to make Australia's visitor visas easier, quicker and competitive
- Improve aviation capacity and customer experience to improve access and flexibility to meet demand in the tourism transport environment
- **Develop a skilled tourism workforce to better service the visitor economy**
- Integrate national and state tourism plans into regional development and local government planning to generate effective infrastructure to service regional communities, services to the visitors and encourage private investment in tourism infrastructure
- Identify partnerships, efficiencies and opportunities to increase marketing spend to drive demand for travel to Australia and improve conversion.

## STATE TOURISM INITIATIVES

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The Queensland Government and the Queensland tourism industry share an ambition to restore Queensland's leadership position as Australia's premier tourism state. The former government supported a **goal of doubling visitor expenditure, to \$30 billion by 2020**, in line with Commonwealth ambitions. The current Queensland Government has committed to maintaining these targets and to continue working with industry leaders to develop a prosperous and sustainable tourism industry.

QTIC remains committed to working with government and industry to achieve training and employment outcomes through the following strategies:

### Advancing Tourism

*Advancing Tourism 2016–20* is the Queensland Government's plan to capitalise on the significant tourism growth in Queensland. It targets key areas, identified by industry, to increase market share and boost tourism jobs.

### Queensland Tourism Workforce Plan 2017-20 - Jobs Queensland

The *Queensland Tourism Workforce Plan* explores opportunities to address workforce challenges felt by the tourism and hospitality industry. With an ageing population, rapid changes in technology and competition from other industries, attracting, training and retaining committed and skilled people in tourism, hospitality and events is a critical issue.

The plan states, "By 2020, around 20,000 additional skilled and unskilled tourism workers will be needed in Queensland. The extent of the shortfall will depend on how many can be filled within the existing labour supply".

## RESPONSE TO THE TERMS OF REFERENCE

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QTIC is pleased to see that the report identifies tourism and hospitality as one of the five industry's driving growth (page 6). As a key driver of the state and regional economies, it is important that governments at all levels continue to support the sustainable growth of the industry.

### **1. Are current industry engagement arrangements through Jobs Queensland and VETIAO effective?**

As the current VETIAO for tourism and hospitality and events, QTIC continues to acknowledge the value in the VETIAO relationship and the importance of having a conduit between industry and government. QTIC supports the ongoing VETIAO relationship for the tourism, hospitality and events industries as an efficient means of providing informed insight.

With over 3,000 members across the state, QTIC is able to readily engage with a cross-section of the industry. Penetration and effective insight can only come from being consistently engaged with industry. Token consultations and sporadic engagement attempts fail to build the trust required to elicit valid industry information. One of the benefits of having a peak industry body as a VETIAO is the validity in the data and knowledge that is collected through on-going engagement with industry. Even under current arrangements, there is occasional duplication of industry consultation being undertaken across various levels of government. This is diluting messaging and causing frustration among industry. Enhanced coordination of consultation with VETIAOs will enable a more effective management of information and reduce the frustration felt by industry.

One of the most common failings is trying to engage with industry is that communication is not effectively targeted for the intended audience. Industry members rely on regular, trusted sources for information and are more likely to engage in consultation through familiar channels. With vertical and horizontal communication mechanisms that reach industry, three levels of government, industry associations and corporate partners, QTIC is perfectly positioned to continue engaging as the VETIAO representative.

In order to enhance the effectiveness of the VETIAO, funding security over three years would assist in creating strategies for the delivery of on-going projects and insight. Whilst QTIC acknowledges the positive relationship it currently has with the State Government and Jobs Queensland, ongoing improvement with clarity of expectations will continue to drive successful outcomes. There is also the opportunity for missing sectors, such as Creative Industries, to be engaged with existing VETIAOs that share objectives with the sector.

There are also benefits in the wider dissemination of intelligence provided by VETIAOs to Jobs Queensland in a timely manner. For example, the Regional Tourism Jobs Plans and the Future of Work for Tourism research conducted, provides insight that can be carried across other plans and strategies, yet for this to occur, reports need to be released in a timely manner.

### **2. Are there more effective ways of engaging with industry to ensure we get advice and engagement from a cross-section of Queensland businesses and employees**

It is important to ensure that industry needs are met across vocational and higher education. There is still some disconnect between industry and training providers and industry's understanding of what training is available to them and how to access incentives that support their training needs. In a recent survey among QTIC members, a number of operators identified that they are not fully aware of what is available. In regard to advice, a member states,

*"Rarely do business leaders attend events or give feedback on proposals and training packages. They do not seem to be engaged in the process, not sure why. Do they think that any input they may have is not taken into consideration therefore it is a waste of time participating or is it the timing and location*

*of events? For small to medium businesses, they would need to replace themselves in the workplace- this has a cost to the business. Going to the businesses, running events/ activities/ feedback sessions in shopping centre before or after hours may get more input".*

An impression that input is not valued is common across a number of members in regard to training packages. Slow change exacerbates this feeling. Industry want to see more agility in changes to programs to reflect the dynamic nature of the industry they are operating in. A review of consultation methods and timing is also required to ensure coordination and efficiency.

QTIC has a broad array of stakeholders involved in consultation processes. This includes businesses engaged through one-on-one discussions, workshops, and surveys; schools, engaged through the Salute to Excellence Program, Validation Workshops, Career Expos; and government engaged through regular meetings and reporting on industry intelligence. QTIC has also commenced a VETIAO committee that will meet once a quarter ensuring that cross-cutting issues are discussed and are adequately represented.

### **3. Are VET arrangements responsive enough to deliver on future skills needs of industry?**

Of the QTIC members that responded to the survey, a small majority (55%) agree that VET arrangements are responsive enough to meet the future skills needs of the industry. A concerning 45% believe that VET is not able to deliver the future skills of the industry.

Perception across industry is that from a federal perspective, VET is not responsive or flexible and is often unable to meet the needs of industry. One member notes *"Tourism operators are constantly frustrated by the esoteric, insular and inflexible nature of training options"*. Tourism operates within a dynamic and fast-moving industry, it is important that the VET model is able to evolve with these changes.

Further challenges to responsiveness come from a perceived lack of industry consultation by RTOs. RTOs are selling or offering standard packages that do not always meet the needs of industry. RTOs do not always offer flexible options often due to the expense involved which may inhibit the development learning materials and assessment instruments that meet industry expectations.

Research recently conducted by QTIC as part of the VETIAO agreement, highlights the expected needs for industry over the next five years. In particular, skills required include digital business literacy, middle management and leadership skills and strategic thinking and problem solving. It is identified that it is the power (soft) skills that are required to assist businesses in the future. These skills are not currently strongly featured in school or vocational education. Tailoring of programs is required to meet the needs of the workforce. For example, one employer states, *"From my perspective there is a total lack of personal interaction, and customer service being taught today. This is a skill that cannot be learnt from an online course"*. Other concerns relate to occupations with existing skills shortages, in particular chefs, and the time it takes for completion of courses. Whilst referring to the same issue, another respondent says, *"I don't think we have done this very well and the current skills shortage in kitchens is evidence. We need to plan well in advance, but also come up with quality initiatives to combat current shortfalls"*.

One of the continued pieces of feedback is that the SIT Training Package is in an urgent need of a review to keep up with changing workplaces, new roles and digital technologies. This should include intergenerational communication and digital literacy which is not being taught or seen among many graduates.

There is also ongoing discussion regarding the length of chef training in industry. The *Chef Report*, a qualitative report identifying opportunities and challenges for the sector, demonstrates the need to maintain the three-year duration, however attraction and perception of this job role and culture within the kitchen are identified as barriers.

#### 4. Is VET linked closely enough to the government's economic and industry development strategies?

From the member survey, 54% of operators believe that VET is linked well with government's economic and industry development strategies, whilst 46% consider that it is not well matched.

A number of comments reflect that there is a lack of understanding and a lack of surety surrounding the links between VET and economic and industry development strategies. Others identify that whilst in other industries there may be strong synergy, more needs to be done in hospitality to match the fast growth of the industry. Recent consultations highlighting the *Chef Shortage*, *Future of Work* and *Digital Disruption* indicate a number of the challenges that industry is currently facing, with no real solution yet identified. An interesting comment raised is that VET has a "one size fits all approach" rather than reflecting needs of various industries and sectors. QTIC has worked closely with DESBT to provide industry advice related to VET Investment.

Another respondent comments:

*"Unless the Government takes an urgent stand against disruptive industries, Airbnb, Airtasker, Uber etc who operate outside the legal parameters of business, pay cash in hand, and little or no tax there will not be jobs for our VET students. The only jobs will be those subsidised heavily by the Government. Makes the employment figures look good but at what cost. If industry is to be developed and encouraged to employ, we need skilled employees who are committed to working and putting in a hard day's work. If the training doesn't include this work ethic the employer loses."*

There are a number of other state and federal inquiries that have been conducted over the past 18 months (e.g. Regional Inequality, Wage Theft) that feed directly into this agenda. It is essential that lessons learnt and recommendations from these are included within the outcomes of the *Skills for Queensland* review.

QTIC is well positioned to continue to act as a conduit between government and industry and provide advice on where training and government strategies are aligned and has built trust with operators. As QTIC provides submissions to various policy amendments, inquiries and strategies, there is often reference to education and how the education and training sector can support or align with policies to ensure a close link.

#### 5. How do we maximise local jobs from the economic activity that is occurring and the skill shortages that are being reported?

First, awareness is a fundamental part of maximising economic activities and in ensuring that skills shortages are reduced. QTIC continues to advocate for tourism and hospitality to be marketed as an industry that offers significant career opportunities. Programs such as the Department of Innovation and Tourism Industry Development's *Young Tourism Leaders* and the *QTIC Young Professional Mentors* program and the *Salute to Excellence Awards* come some way in highlighting the opportunities that tourism creates. However, more can be done to promote the opportunities of the industry and to reduce the gaps in the industry.

Next, a state led marketing campaign featuring opportunities across industry continues to be highlighted as the strongest opportunity to address this issue.

Some feedback and suggested recommendations to maximise opportunities identified by industry include:

- *The labour supply from the lower socioeconomic population is not going to fill the shortages as the engagement and agency of this vulnerable group is a barrier. Other opportunities for school-based traineeships and mature aged worker programs should be prioritised.*
- *Advertising at school levels - a lot of students start in the workforce in year 10, 11 and 12 - to be able to leave school with a job and experience is valuable.*

- *Make it easier for small business to employ someone. Make it easier for them to dismiss them as well. The Govt is working hard to get the long term unemployed into work even when they don't want a job, but not good at supporting the employer when the person does not perform.*
- *Support and incentivise small tourism businesses to hire.*
- *More skill-based training in primary and secondary schools in trades and services.*
- *More accredited guide training e.g. Wet Tropics Guide Accreditation.*
- *Support required for tourism/accommodation businesses to retain employees in seasonal periods. Accessible funding options for growth of small business wishing to expand and create jobs and growth.*

The Future of Work report completed by QTIC for Jobs Queensland in 2018 provides insight into skills shortages and future opportunities for industry. It is recommended that VETIAOs are engaged annually to conduct such research to devise recommendations for the following year(s). It is important however, that adequate time is provided for the completion of such as report, with a minimum of six months required to elicit in-depth information on industry needs. With three years fixed funding for VETIAOs, this would provide the opportunity to take a strategic approach.

## **6. Is available VET funding effectively prioritised towards training most aligned with current, emergent and future skill priorities?**

A number of key stakeholders identify the need for structural change across the skills, education and training sectors. Most important was the ability of tourism, (hospitality and events) stakeholders to influence children as young as grade 6 and 7 and critically their parents during their formative years as they made decisions about their future occupational preferences. The promotion of the roles available and aspirational career opportunities is key to shifting perceptions and encouraging industry participation.

A disconnect is perceived among employers between the skills that graduates with certificates and higher-level qualifications had gained and those required by industry. They attribute this to training package curriculum design and suggest a review the training programs. Furthermore, negative media has driven a concern that RTOs focus less on the quality of training and graduate outcomes and more on pushing quantity through the program. The review of training organisations and liquidation of several major RTOs has heightened this negative perception and has stimulated mistrust.

## **7. Is VET being delivered efficiently through appropriate delivery strategies that result in high completion rates and employment outcomes?**

The GovDex data provides insight into the completion rates and assists in assessing the impact of the VET sector. In order to assist in making clear decisions, it is recommended that the GovDex formatting is reconsidered to enable VETIAOs the chance to create pivot tables with the data to analyse the data in more detail. Furthermore, it is recommended that the data is pooled in the one sheet to enable year-on-year or quarterly comparisons. Once again, this would provide VETIAOs with a more solid base for future strategies.

A further opportunity is for the inclusion of VETiS data to offer a more holistic and valid representation of training and related outcomes. Without the full picture of training being completed it is challenging to offer accurate insight and recommendations.

## **8. Are the training needs of regional, rural and remote Queensland being appropriately recognised? What is the role of VET in supporting regional economic development?**

QTIC continues to support targeted investment into capacity building for regional Australians and the development of connections with other regions. Human capital, skill development and capacity building are particularly important in addressing inequality in regional Australia, yet these needs are still not met.

QTIC is working closely with the Outback School of Hospitality to develop a 2019 hospitality training and promotional plan. This plan will promote and showcase the training and employment opportunities utilising the mobile Trade Training Centre, to five schools including, Aramac State School, Winton State School, Blackall State School, Barcaldine State School and to Longreach State High School which is the lead school.

Other regional initiatives including RTSP, Skilling Queenslanders for Work and the Pre-Apprenticeship program being delivered across Queensland is assisting in addressing some of the regional challenges faced. On-going support of these programs is integral to strengthen regional economies.

Attracting the right staff is an ongoing challenge for employers dealing with seasonality and high turnover, particularly in regional communities with small labour pools. It is essential that there are systems in place for the professional and social support of individuals. The biggest causes of high turnover are staff feeling as though they cannot progress in their roles, or that they do not have the social networks to maintain a balanced life in regional areas.

Strategies to promote decentralisation and to support the growth of regional, rural and remote Queensland need to be integrated with the training agenda. Opportunities for capacity and capability building that develop transferable skills to service a diverse range of industries should be considered in order to support growth in regional areas and promote skilled labour retention. Targeted plans, coordinated through schools, vocational education and higher education providers should also be activated.

It is also important to consider the location of education and training providers at all levels. Without regional access to education, local residents are forced to move away, many of whom do not return. Through strategic location of educational institutes there are opportunities not only for local residents to gain qualifications locally but also to encourage others to move to regional areas for training.

## **9. Are there more effective ways to prioritise VET funding to better meet the needs of industry, employers and students?**

All research focusses on immediate or mid-term however the "future" currently does not look beyond five years. To start to create a strong long-term plan and prioritise effectively for the future of work, research needs to look at the next 5-15 years to determine what gaps and shortages are anticipated and put structures in place to mitigate these weaknesses with the current system.

QTIC informs and supports the Australian Chamber of Commerce and Industry (ACCI) position that skill sets are important for an adaptive workforce. They can be used for micro-credentialing, upgrading skills and gaining specific knowledge in emerging areas. In the new design, qualifications remain the comprehensive foundation for a skilled worker, whereas skill sets are supplementary. Skill sets are used to build on the core skills a learner develops from their first qualification.

## **10. Are there areas of unmet industry demand for priority skills not currently being addressed by Queensland's subsidy arrangements? If so, how might these be identified now and in the future?**

Through discussions with industry, it is apparent that there are a number of skill areas that industry identify are lacking among job candidates.

These include:

Power skills (soft skills) – these are defined as common sense, people skills, empathy, emotional intelligence, the ability to engage meaningfully with guests, to create and value-add to experiences, showing initiative, being self-starters and motivated. There is an expectation that these skills are gained and taught at home or at school to be then transferred into the workplace, yet often are missing. At an

institutional level it needs to be determine who is responsible for the delivery of these needs and they need to be integrated into courses.

Climate Change – the ability for employees to understand the risks and opportunities that are associated with Climate Change and the influence and impact that this has on daily operations. There is also a lack of understanding surround adaptation and mitigation measures and how businesses can future-proof themselves from climate risk. As we see the climate change impacts play out across the state, and changes to reporting requirements, these skills are becoming increasingly important. Whilst there is currently nothing in the market to support this, it is our understanding that a course is being developed in partnership with EarthCheck and TAFE, it is important that this is supported and incentivised to engage industry with this opportunity.

Middle Management – industry identifies that there is a lack of candidates with middle management skills. Whilst this can be addressed through the *Mentoring and Supervision Skill Set*, *CertIV in Business Management*, *Diploma in Travel and Tourism Management*, *Diploma in Hospitality Management* or *Diploma in Event Management* there is a relatively low uptake of these among industry with barriers including time and human resource availability.

Entrepreneurship - there is evidence that entrepreneurial skills may be in increasing demand. Globally, entrepreneurship skills are defined as qualities and traits such as creativity, resilience, adaptability, the ability to raise money, to think innovatively and to possess the social skills needed to build teams. These skills need to be integrated across courses to build competencies across graduates.

Technology - The growth of technology and digitisation will continue to increase the diversity of jobs across Australia. A key challenge is for Australians is to build the skills necessary to evolve with jobs as they change and as new ones are created. As this transition continues to accelerate, it is important that industry, governments, and education and training sectors continue to work together to ensure Australia's labour market has the right skills to match work needs now and in years to come.

## **11. Are current Annual VET Investment Plan programs responsive to the needs of employers, industry and students?**

Industry expressed mixed levels of awareness and understanding of government programs and initiatives aimed at ameliorating some of the skills issues identified by industry and government. Large organisations are, on the whole, more effectively engaging with these programs more than smaller ones.

Importantly, for SMEs the matched government contributions or upfront investments can make some of the incentives or programs less attractive. This is particularly the case with Tropical North Queensland and regional Queensland, conversely Gold Coast employers (generally larger firms) express more willingness – and ability - to contribute to incentives.

QTIC continues to work with industry and the thirteen regional tourism organisations to build growing awareness of opportunities available to up-skill staff and engage with VET programs.

## **13. Students, industry and government currently contribute towards the cost of training – do these arrangements help deliver the right people with the right skills at the right time?**

Whilst the contribution from all parties creates engagements and facilitates buy-in to the training being completed, the incentives and approach to the level and type of contribution should be flexible to industry needs.

In an occupation where a major skills shortage is identified, chefs, (understanding this is a federal incentive) incentives have been removed. This does not assist industry in addressing the challenges and does not provide opportunity to deliver the right people into the right role. Flexibility and

responsiveness to industry challenges should determine the contributions and incentives on offer for courses.

Vet Student Loans are identified as too restrictive. A balance is required to ensure more students can access vocational courses through government loans. Furthermore, government funding for the VET sector has declined dramatically over the last decade and the steepest decline has been seen in the state funding for VET. A government decline in VET investment indicates not only restricts opportunities within the sector but it also negatively impacts the perception of the industry sending the message that VET is not important.

#### **14. Do Queensland's VET providers deliver the skills needed by individuals, industry, employers and business?**

Research conducted with industry in 2018 indicates that the gap is widening between skills required by industry and skills taught in formal training and education programs, where the emphasis is on hard-skills. The research demonstrates that soft-skills receive less emphasis in most training and education programs despite being a must have attribute.

Employers and employees are also doubtful of the applicability and relevance of training offered by tertiary institutions - training is seen as too theoretical and not meeting the industry's requirements. Many employers maintain a preference for on the job training.

Primary research with members identified near unanimous consensus across regions that soft skills, language, literacy and numeracy, and employability skills are in deficit across most occupations, and will continue to be needed in the future. A shared sentiment is that labour market candidates, across occupations, possess either technical skills, or soft skills, but rarely both. Soft skills were defined as common sense, people skills, empathy, emotional intelligence, the ability to engage meaningfully with guests, to create and value - add to experiences, showing initiative, being self-starters, motivated and so on. Concern was noted regarding millennials who lack social-skills, which are expected to be gained and taught at home or at school to be then transferred into the workplace.

There was also discussion surrounding the ability for this generation to transfer their digital native skills into a business context and the upskilling required for this 'interpretation'. Furthermore, a lack of literacy in relation to commonly used programs, such as the Microsoft Office Suite, using Excel formulas, spellcheck and other routine functions was highlighted in regional contexts.

#### **16. Do industry and business have the tools needed to lift the skills of their employees?**

Across the 54,000 tourism and hospitality businesses in Queensland, 9 in 10 are small to medium businesses. One of the major challenges faced by small businesses is having the resources (financial, human and time) to provide adequate skills training to staff. As a hands-on industry operator are often constrained by a number of factors creating barriers to engagement with upskilling. Support to small business operators is integral to ensure they can provide the skills investment required.

#### **20. How do we attract parents/influencers, potential students, employers, industry groups, providers and other key stakeholders to VET?**

We need to change the narrative surrounding vocational education and the career opportunities available through VET. A state-wide campaign that champions the role that VET plays in our economy has been advocated for on a number of occasions. It is important that the value of VET is highlighted as a pathway to industry.

QTIC has been engaged with schools for a number of years in an attempt to emphasise the opportunities that are available within the industry. Through professional development opportunities for teachers, a presence at trade shows and expos and through validation sessions, QTIC has been able to highlight some of the benefits of the industry.

The role of a VET Advisor in schools should not be underestimated. For schools that have a designated VET Advisor, there is stronger engagement with apprenticeship and traineeship programs. Government funding for VET Advisors should be a key focus area to drive engagement with the sector among students.

## **21. Are there new ways to create better connections between schools and VET, and VET and higher education?**

Initiatives such as the Gateway Schools program work positively toward a strong connection between school and VET. Such programs require ongoing commitment to funding to create a strategic commitment to programs and build on the opportunities available to students. One-off projects only offer shallow and superficial engagement which does not support the broader goals and objectives of the industry.

The importance of school-based apprenticeships or traineeships should not be overlooked. On the job learning is integral to gain real skills. This is not only of value to the school leaver, but also ensures that leavers have gained adequate skills to make them effective and efficient when they enter the workplace. The value of Work Integrated Learning (WIL) programs should also not be underestimated. The opportunity for students to develop an understanding of an industry before they commit the time to further education is important to enhance longevity in industry. Strong positive formative experiences with industry help shape the opportunities pursued by students.

## **22. How can the Queensland Government encourage sharing of information about VET experiences including successes and best practice while remaining a trusted and independent source of advice?**

There are opportunities for stories to be shared through VETIAOs, with the government developing and sharing materials VETIAOs are well positioned to share these stories to share with industry and among schools.

## RECOMMENDATIONS

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Based on the analysis conducted, the existing research into wage theft and the current state of the industry, the following recommendations are put to the Queensland Government:

- Enhanced coordination of consultation with VETIAOs to enable effective management of information and to reduce industry's frustration with overlapping consultation processes.
- Review of SIT training package.
- On-going funding commitment to VETIAOs to enable longer term strategic insight and on-going future-of-industry research.
- Integration of broader economic policies and issues (e.g. Regional Inequality and Wage Theft) to be reflected in the outcomes of this paper.
- Opportunities for VETIAOs to add sectors that align with existing work.
- Review of the provision of GovDex data to offer a year-on-year compounding database and with the inclusion of VETiS data.
- Focus on on-the-job training models such as school-based apprenticeships and traineeships as ways to promote industry to school students.
- Facilitate flexibility in the training system.
- Engage and fund dedicated VET Advisors at school.
- State-wide marketing and promotional campaign to celebrate opportunities in VET.
- More flexibility in funding of non-registered skill sets and micro-credentials.
- Promote VET Student Loans to increase uptake.

## FURTHER ENQUIRIES

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QTIC welcomes the opportunity for further discussion regarding the points raised in this submission. For all enquiries, please contact QTIC Policy Team on (07) 3236 1445 or email [policy@qtic.com.au](mailto:policy@qtic.com.au).