

## CURRENT IMPACT OF TRAINING PACKAGES

Future domestic, social and economic changes will have multiple effects on the workforce within tourism, hospitality and events. Leadership and entrepreneurial skills are particularly important for handling changes in Australian society, for example growth in the cultural diversity of employees and the reduced proportion of younger people.

Recruitment, retention and motivation of skilled employees are vital tasks for supervisors and managers; tasks of increasing significance for continued growth and productivity. High staff turnover has a major impact upon the quality and continuity of the product or service offered. The development of flexible career pathways and progression opportunities for employees will increase retention rates and improve job satisfaction. It is important that these factors are viewed in the context of other employment and industry factors, in order to improve workforce development and ensure sustainability in the tourism and hospitality sector.

The quality of training and work readiness of graduates has been an issue for many employers in tourism, hospitality and events. Employers have mixed experiences with the content of training and assessment and of the capacities of some trainers<sup>94</sup>. SSA's 2010 Environmental Scan reported industry concern that institute or wholly classroom-based learning in training kitchens is seen as inadequate, unable to produce work-ready employees. It is imperative for the economic survival and competitiveness of the industry that trainees are able to 'hit the ground running'. Having work experience is a key to success in these industries rather than just having a piece of paper with a qualification. Feedback to SSA also stated that the skill and knowledge level of qualified commercial cooks is decreasing because they are often being supervised or trained in the workplace by unqualified cooks. Hence, there is the need to better balance on-the-job and off-the-job training, as well as to better connect workplaces, enterprises and businesses in tourism, hospitality and events with the training. These issues remain valid for industry in 2011.

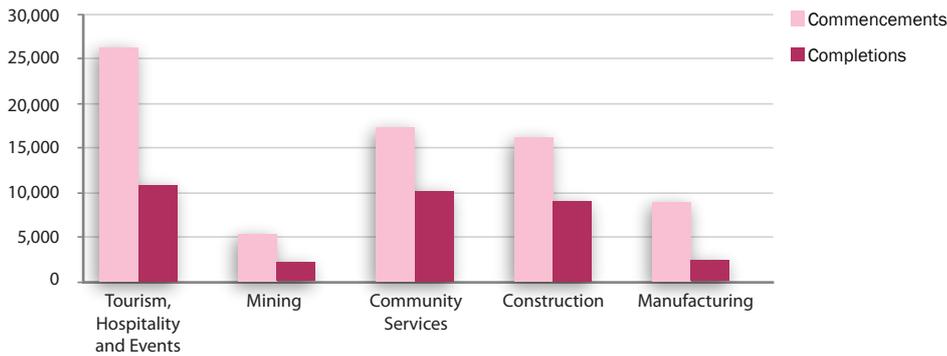
Increased knowledge about training options in VET as pathways to training, as well as pathways to further education opportunities, are essential to increasing industry's skill base and to working towards improving workforce development, particularly in areas of skill shortage<sup>95</sup>.

## PARTICIPATION IN VOCATIONAL EDUCATION

Information publicly available<sup>96</sup> on VET effort is limited to public-funded training and accredited training delivered to international students as part of immigration requirements. SSA is aware that the existing data only provides part of the picture and is looking forward to the implementation of the National VET Data Strategy.

Most course enrolments in tourism and hospitality training packages in 2009 were in Certificate II in Hospitality Operations, Certificate III in Hospitality Operations, Certificate II in Tourism (Operations), Certificate III in Tourism (International Retail Travel Sales) and Diploma of Event Management. This latter qualification mirrors the image of events as a 'sexy' industry, attracting an increasing number of students.

The tourism, hospitality and events industry's commitment to training is evidenced by a comparison with other industries. The below table provides a comparison of the number of apprenticeship and traineeships commencements and completions in 2009 across a number of industries.

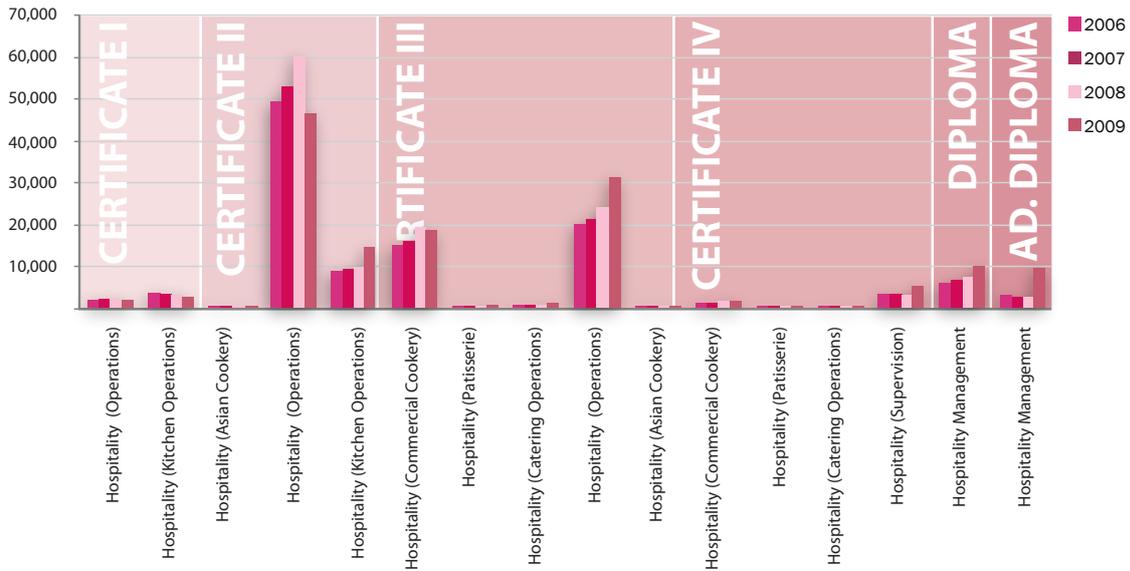


**FIGURE 4 APPRENTICES AND TRAINEES IN 2009**

The above table shows that for every mining student commencing training, there are five students commencing from the tourism and hospitality industry. In terms of completions, for every mining student that completed, there were more than four tourism and hospitality completions. Similarly, for every student who commenced a construction course, there were 1.6 students commencing in tourism and hospitality. With regards to manufacturing, for every student who commenced a course, there were three tourism and hospitality students and for every manufacturing completion, there were four in tourism and hospitality. However, while there is a high absolute number of tourism and hospitality apprenticeship and trainee commencements, the completion rates are relatively low.

The industry's commitment to training is also described in a research report produced by the University of Ballarat on behalf of SSA, which studies the perception of skills in the service industries. 'Ways of Seeing – Reconceptualising Skills' contains four case studies of employees in the service industries and investigates the value that employees at different levels attach to specific roles. The hospitality industry's engagement in a range of training that is not formally recognised was noted in the study (for example, the report notes the importance of tasting and varying a recipe to achieve the right flavour. Taste is something that, according to the interviewees, comes with experience and, of course, working under the supervision of well-trained chefs). In common with much of the industry, the case study hospitality business had a considerable reliance on on-the-job training, some of which was of a formal nature. An example of this would be the business's pastry chef who had undertaken a four-year apprenticeship having gained industry experience before joining the company. Two training courses he completed while working for the company were Hazard Analysis of Critical Control Points (an internationally accredited food safety program) and an internal food-handling course<sup>97</sup>.

Industry feedback to this skills council has highlighted the necessity of a high level of workforce experience during training. When gaining employment after graduation, hospitality and service managers show a very low match between intended and destination occupation (11%)<sup>98</sup>. Reasons for this can be a combination of low availability of manager positions and high number of graduates, as well as the young age and therefore relative immaturity of graduates. Students may start employment without finishing their studies or may have selected higher qualifications than needed; others may opt to travel overseas.



**FIGURE 5 VOCATIONAL COURSE ENROLMENTS BY HOSPITALITY QUALIFICATION (2006–2009)**

As may be seen in Figure 5 above, the number of enrolments in hospitality qualifications has mostly seen a constant average annual growth.



**FIGURE 6 VOCATIONAL COURSE COMPLETIONS BY HOSPITALITY QUALIFICATION (2006–2009)**

Feedback from the hospitality industry indicates that Certificate II qualifications are seen as useful provided the training is effective and equips the learner with foundational skills and knowledge. It was also considered important that training includes essential skills, such as customer service and dealing with people from all backgrounds, as staff often lack the soft skills required by industry.

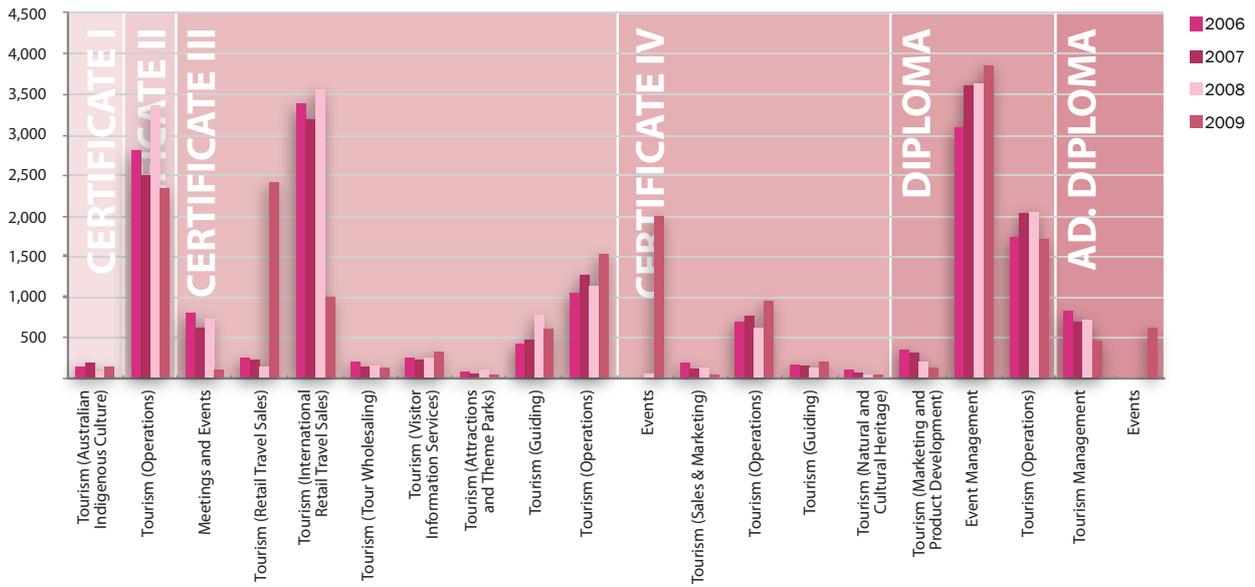


FIGURE 7 VOCATIONAL COURSE ENROLMENTS BY TOURISM QUALIFICATION (2006-2009)

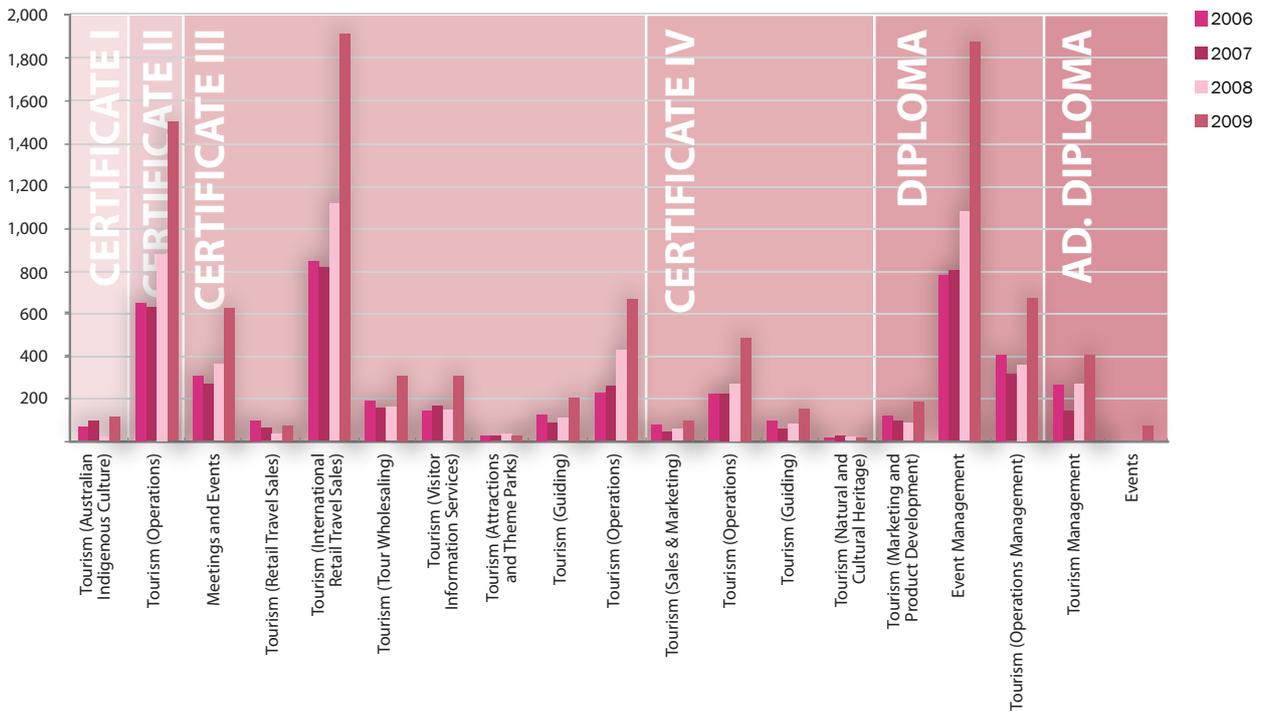
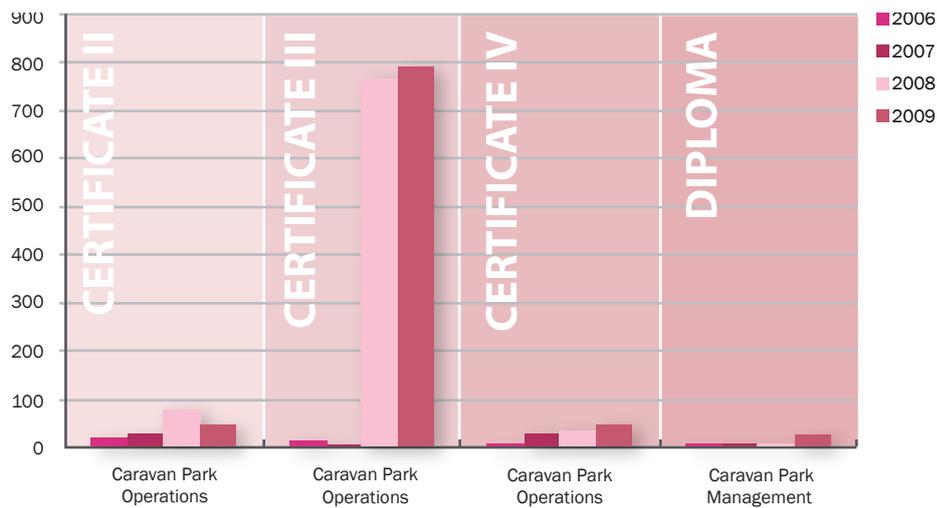
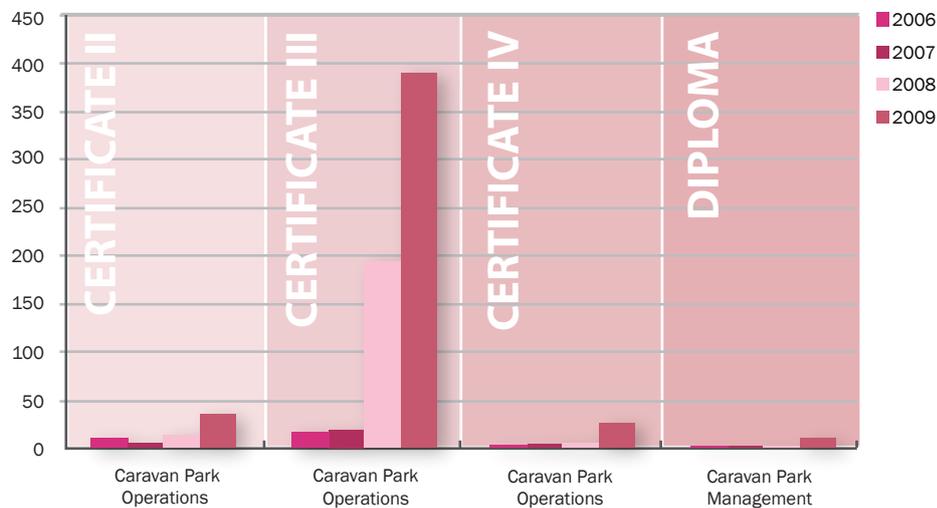


FIGURE 8 VOCATIONAL COURSE COMPLETIONS BY TOURISM QUALIFICATION (2006-2009)



**FIGURE 9 VOCATIONAL COURSE ENROLMENTS BY CARAVAN PARK QUALIFICATION (2006-2009)**



**FIGURE 10 VOCATIONAL COURSE COMPLETIONS BY CARAVAN PARK QUALIFICATIONS (2006-2009)**

As a result of the review of THC04 Caravan Industry Training Package, the contents of the training package were absorbed as components of other relevant training packages.

- The qualifications in Holiday Parks and Resorts were subsumed into SIT07 Tourism, Hospitality and Events Training Package.
- The qualifications in recreational vehicle manufacturing and recreational vehicle servicing were subsumed into manufacturing training packages.
- The qualifications in recreational vehicle and accessories retailing were removed due to poor take-up and given the existing option to achieve similar and appropriate qualifications through SIT07 Retail Services or automotive training packages.

## International students

International students are important contributors to the economy through their tuition fees, their accommodation and services spend, as well as the spending of their visiting friends and relatives. Furthermore, they represent an important labour pool for tourism, hospitality and events businesses. The top three fields of education for international students accounted for four in five enrolments and commencements in the VET sector in 2008. Management and commerce attracted 55% of enrolments; food, hospitality and personal services ranked second, contributing 17% of enrolments; followed by society and culture with 10% of enrolments<sup>99</sup>.

FOOD AND HOSPITALITY	LEVEL OF STUDY	2008	2009	2010
Baking and pastry making total		1,959	4,230	2,768
Butchery total		0	9	8
Cookery	Certificate II	2	17	15
	Certificate III	4,283	6,705	4,831
	Certificate IV	3,892	6,281	3,450
	Diploma	1,048	1,171	629
	Advanced Diploma	150	271	173
Cookery total		9,375	14,445	9,098

**FIGURE 11 INTERNATIONAL VET STUDENT ENROLMENTS IN FOOD, HOSPITALITY AND PERSONAL SERVICES BY DETAILED FIELD OF EDUCATION AND LEVEL OF STUDY (YTD AUGUST 2010)**

Negative international publicity regarding the experiences of some Indian, Nepalese and Bangladeshi students can be seen as attributing to the reported 38% drop in student visa applications for VET courses between October and December 2009<sup>100</sup>. This drop will result in fewer international students being available to fill roles in the hospitality industry, and will potentially impact upon the education export industry and wider economy. Industry feedback to SSA has recognised the breadth of contribution that this workforce makes and has stated that an accurate picture of that contribution is needed in order to ensure effective workforce planning. SSA's own position on this matter was outlined in a response to the *Inquiry into the Welfare of International Students* in August 2009<sup>101</sup>. The response concentrated on the quality of training and assessment and, to a lesser extent, the impact of this issue on the tourist market.