

# INTRODUCTION

## THE ROLE OF SERVICE SKILLS AUSTRALIA

Service Skills Australia (SSA) is the Industry Skills Council for the service industries. Skills councils are the recognised national bodies providing advice to government and industry on industry training and skill development needs.

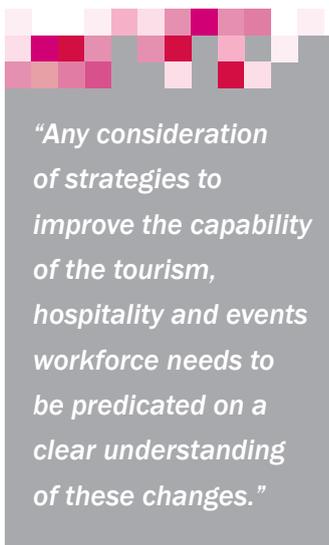
SSA is an independent, not-for-profit body, managed by industry members and funded by the Australian government. The strategic goals of SSA, developed in partnership with the industries, are to:

- develop a culture within the service industries which promotes and enhances the skills development of its workforce
- develop policies, programs and services, including industry training packages, that support industry needs in relation to skills and workforce development
- achieve quality skills outcomes throughout the service industries
- produce quality workforce development information and use industry intelligence to inform decision making.

SSA represents the tourism, hospitality and events; sport, fitness and recreation; and retail, wholesale and personal services sectors.

## OBJECTIVES

This environmental scan provides an industry-specific overview of current and future trends and developments in the tourism, hospitality and events industries in relation to workforce development and vocational education and training (VET). Developed in partnership with industry and based on data mostly collected between February and December 2010, the scan reflects key issues and provides information on current and future skill demands, and their context, to inform the continuous improvement of SSA's suite of skills and workforce development strategies, including training package.



## KEY MESSAGES

Driven by changes in consumer trends and the demography of the Australian and international population, the nature of tourism and hospitality is changing. The complexity of the businesses, organisations and workforce that make up the industry needs to be understood by skill markets and policy makers to avoid a ‘one size fits all’ response to productivity and participation outcomes.

Any consideration of strategies to improve the capability of the tourism, hospitality and events workforce needs to be predicated on a clear understanding of these changes.

Industry has unanimously described its needs for the education and training system in the Tourism and Hospitality Workforce Development Strategy 2009<sup>1</sup>. Minister Ferguson has recommended that the Tourism Ministers’ Council work with SSA to implement the strategy<sup>2</sup>.

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## LATEST INDUSTRY INTELLIGENCE

### UNDERSTANDING THE INDUSTRY

Tourism and hospitality businesses are at the frontline of Australia’s economy – providing consumer goods and personal and leisure services to both domestic and overseas consumers. The industries are influenced by continual changes in national and international customer demands and expectations, as well as by an increasingly global marketplace.

The tourism, hospitality and events industries include accommodation, restaurants, cafés, bars, catering, gaming, meetings, events (business and leisure), conference organisers, tour operations, tourist information services, tour guiding, holiday parks and resorts, cultural tourism, casinos and caravan park operations.

Markets within tourism and hospitality, such as business travel, major events and education travel provide potential benefits for other industries in promoting Australia and Australian products and services<sup>3</sup>.

Tourism is a sector made up of a number of industry participants. It is generally accepted that the tourism product, the visitor experience, is provided through an amalgam of services across a broad range of industry participants; including but not limited to hospitality, hotels, restaurants, tourism operators, tourist attractions, transport, retail, business and major events, recreation, and educational and cultural services<sup>4</sup>. This is also true of the hospitality industry, which shares many of the service providers in the tourism sector.

As tourism is not an industry in the conventional sense, it does not appear in the national accounts or in international statistical classifications. In order to establish adequate statistical standards, an exact definition of tourism and the tourist has been agreed on by the United Nations World Tourism Organisation: ‘Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.’<sup>5</sup>

Industries are usually classified according to the product or service being provided but instead, tourism is defined according to the consumer of the product or service, and so may be considered a market. Additionally, a high number of businesses in tourism, hospitality and events are active in two or more sectors. Hotels, for example, need tourism to generate part of their business, and events cooperate with tourism to promote their location<sup>6</sup>.