International College of Advanced Education submission: House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation March 2007



Impediments and Opportunities in Tourism Training and Employment

1. Access to flexible training delivery

SMEs in the tourism industry must be entirely responsive to customer demand, with demand often coming with very little lead time. This is especially so in peak periods. For many operators and their staff this business imperative makes attendance at training sessions at set times and locations problematic, if not impossible.

To ensure that employees have reasonable and equitable access to Nationally Recognised Training, and so businesses do not unduly suffer from rigid and inflexible training regimes, VTE in the tourism industry must be flexible in terms of the delivery modes, timing and location.

2. Casual employment arrangements

Due to extreme seasonality, it is common practice in the Northern Territory and other areas for many tourism SMEs to employ staff on a casual basis. Because of the nature of their employment, these employees are excluded from undertaking an apprenticeship, and employers are denied the many advantages of having a workforce undertaking formal training.

However, many staff follow employment demand in peak seasons in different regions, effectively maintaining permanent employment, albeit with different employers in different locations. Consequently many employees in the industry amass significant experience, knowledge and skills over many years, but cannot access the benefits that an Apprenticeship or Traineeship affords, and exit the industry with no formal qualification in recognition of their abilities.

In an increasingly tight labour market, potential employees can view the tourism industry unfavourably, as providing limited opportunities for formal workplace training, and consequently limited opportunities for career advancement. The tourism industry has historically suffered from relatively higher staff turnover than other industries, and the absence of opportunities to gain vocational qualifications whilst at work will only contribute to the problem.



Graph 3: Quarterly trends, from March quarter 1999 to June quarter 2006, for all visitors to the Northern Territory.

ICAE submission: House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation. 1 March 2007

http://www.tourismnt.com.au/nt/system/galleries/download/NTTC Research/Tourism trends x major event graphs 0506.pdf



3. Supervision ratios

Under Australian Apprenticeship arrangements, apprentices must be under constant and direct supervision at all times. This requirement makes it very difficult for most people to undertake Tour Guiding as an apprenticeship, as very few enterprises have the capacity to employ two tour guides for one tour.

4. Funding

There is a continuing and acute need for remote and regional areas to develop diversified income streams, and it is widely acknowledged that tourism can substantially contribute to a region's economic well-being. For the people in a region to be able to sustainably maintain a tourism industry there is a requirement for training at all enterprise levels.

Current ACH-based funding arrangements for remote and regional tourism training represent an extremely high-risk / low-reward business model, and consequently many RTOs are unwilling to undertake remote training ventures. The current remote ACH rate for tourism training in the NT is around \$11.50. At this rate, a Certificate I in Tourism (Australian Indigenous Culture) returns to the delivering RTO approximately \$2,100.00 per participant, a return that is entirely contingent upon the participant successfully completing the qualification. Whilst conducting a recent training programme delivering Certificate I in Tourism for 10 participants in a remote location, ICAE incurred costs of around \$12,000.00 for participant and instructor airfares, and accommodation and board costs for participants of around \$15,000.00. To conduct training of this nature, RTOs need access to additional funding guarantees to reduce the financial risks, and make delivery of remote tourism training financially viable and rewarding.

5. International apprenticeships

Approval by state/territory governments and RCBs of TST visas would undoubtedly assist in solving apprentice-level recruiting difficulties.

6. Employer education

Many employers do not understand Australian Apprenticeships, traineeships, how to access available training incentives (if they are aware of the incentives' existence), employer rights and responsibilities regarding apprentices and apprenticeships, and the VTE system.

7. Piecemeal payment and apprenticeships in regional areas

In many remote Indigenous communities, enterprises are organized and operated around community and cultural requirements, rather than a strict adherence to the more ubiquitous 24/7/365 arrangement found in regional and urban areas of Australia. This mode of operation, while obviously not lending itself to permanent full-time employment arrangements, allows people to contribute to the workforce whilst still participating in important traditional cultural practices. Employees in these situations often maintain employment over many years, receiving payment from their employer on a piecemeal basis, and building a considerable repertoire of workplace skills and knowledge. They are, however, denied access to Australian Apprenticeships, simply because of the nature of their employment.

Australian Apprenticeships should be available to all employees, regardless of their employment arrangements, to allow everyone in the workforce to acquire valuable Nationally Recognised, transportable and workplace skills.

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