



Workforce and Skills Technical Working Group Final Report

August 2024

Background

The THRIVE 2030 Workforce and Skills Technical Working Group (the Working Group) was established in May 2022 in accordance with Action 3.1 of THRIVE 2030 Phase 1 Action Plan, to “identify gaps and provide practical immediate solutions to address the current workforce challenges and support the development of the future needs of the visitor economy workforce”.

The Workforce and Skills Technical Working Group’s [Terms of Reference](#) outlined its purpose as follows: “to help visitor economy businesses develop a world-class workforce with the right skills to meet the needs of visitors. Collaboration between industry and all levels of government is essential to solve this important and complex challenge” (paragraph 4). Under the Terms of Reference, the working group would be set up for two years (paragraph 5).

This final report of the Working Group summarises the group’s deliberations, advice and outcomes. The report will be provided to the THRIVE 2030 Implementation Advisory Group to consider as part of its role in monitoring implementation of THRIVE 2030 Phase 1.

Working Group

Working Group members are listed in **Attachment A**.

The Working Group conducted three formal meetings. The meetings focused on identifying gaps in data and determining a research agenda, areas for improved collaboration amongst states and territories, and continued identification of key challenges for the visitor economy workforce. Summaries of the Working Group’s meetings and its 12-month status report are available online on the THRIVE 2030 Workforce and Skills Technical Working Group web page [here](#).

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In addition, Working Group members played a leading role in facilitating the Government's Tourism Jobs Summit, held on 30 August 2022, and the development of the *Visitor Economy Workforce and Skills Interim Action Plan* (published in June 2023).

Context

Throughout the term of the Working Group, the Government has initiated a range of whole-of-Government measures aimed at improving the workforce and employment outcomes across Australia's economy. The measures include release of the **Employment White Paper** (in September 2023), the **Migration Strategy** (in December 2023), and the ongoing skills reform agenda, including the five-year **National Skills Agreement**. Austrade considered the Working Group's feedback when providing input to these Government measures.

Visitor Economy Workforce¹

As at 31 March 2024, there were 644,600 tourism filled jobs. This was 13.8% lower than the pre-pandemic peak of 747,900 in December 2019. The visitor economy represented 1 in 24 filled jobs in the economy (4.1%), down from the pre-pandemic level of 1 in 19 (5.3%) in the December quarter 2019. Quarterly Tourism Labour statistics are available on the Tourism Research Australia website [here](#).

Further details on the size and composition of the visitor economy workforce are contained in Tourism Research Australia's *Tourism Workforce Report 2023*, which was produced at the request of the Working Group.²

Identifying workforce gaps, barriers and needs

The Working Group undertook a range of activities and engagement to identify the gaps, barriers and future needs facing the visitor economy workforce. Insights from these activities informed the Working Group's advice to Austrade, and have been used as the basis of submissions into Government processes as detailed below.

Tourism Jobs Summit

The Minister for Trade and Tourism, Senator the Hon. Don Farrell, hosted the Tourism Jobs Summit on 30 August 2022 to bring together tourism industry associations, unions, business, academia and Australian and state and territory governments in order to recommend options for addressing workforce challenges.

¹ *Quarterly Tourism Labour Statistics, March 2024*, Tourism Research Australia summary

² *Tourism Workforce Report 2023*, Tourism Research Australia

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Working Group members led discussions at the event to understand the key workforce priorities for the visitor economy. Five themes for the workforce challenges facing the visitor economy emerged:

- Addressing workforce supply: structural challenges.
- Addressing workforce supply: domestic workforce.
- Addressing workforce supply: international workforce supply.
- Skills: improving workforce capability.
- Promoting the visitor economy as a career of choice.

The outcomes from the Tourism Jobs Summit are detailed in **Attachment B**.

This event and its outcomes established the direction of the Working Group's actions and outcomes. The five priority themes and key actions identified under each theme directly informed the Government's Jobs and Skills Summit, Austrade's input to the Government's Employment White Paper (led by Treasury), the Migration Review (led by the Department of Home Affairs), and the development of the *Visitor Economy Workforce and Skills Interim Action Plan*.

Research and reports

The Working Group commissioned a research agenda to deepen understanding of the challenges facing the workforce, the scope of current research and initiatives underway, and analysis of visitor economy workforce data. The research informed the Working Group's discussions and actions, and included:

- *Tourism Workforce Report 2023* produced by Tourism Research Australia. The report examines the size and composition of the visitor economy workforce, job vacancies in tourism-related occupations, recruitment in the sector, and availability of international labour. The report is published on the Austrade website [here](#).
- *The Visitor Economy – Making it a Career of Choice*, Swinburne University: A broad literature review of global and domestic approaches to workforce and skills issues. The report is published on the Austrade website [here](#).
- A literature review of existing workforce and skills research projects by Australian universities was conducted by The Council for Australasian Tourism and Hospitality Education (CAUTHE). This was supplemented with further analysis of the scope of existing research and data on workforce products.
- Reports and analysis were also provided to the Working Group on:
 - student visa holders' fields of study; visa categories, cohorts and new policy settings;
 - opportunities to enhance support for Indigenous tourism;
 - working holiday makers; and

- barriers to cross-border recognition of foundational credentials.

Outcomes

Visitor Economy Workforce and Skills Interim Action Plan

The *Visitor Economy Workforce and Skills Interim Action Plan* (the Action Plan) was published in June 2023 and was informed by the views of the Working Group. The Action Plan incorporates immediate actions underway by the Australian Government, state and territory governments and industry to rebuild workforce capability. The Action Plan incorporates Tourism Jobs Summit Outcomes and was informed by consultations with Australian and state and territory governments, and with industry.

The Action Plan focuses on five key objectives to address workforce and skills issues:

1. Improve structural challenges faced by the visitor economy.
2. The visitor economy has access to a secure and resilient workforce.
3. Australia is an attractive destination for an international workforce.
4. The visitor economy is resourced with a modern and well skilled workforce that is resilient and adaptable when faced with changing market forces.
5. The visitor economy is an attractive career choice with multiple professional pathways.

Increased workforce participation

A key action identified at the Tourism Jobs Summit was to remove welfare and tax system disincentives to work, to increase participation from the domestic workforce. The recommendation to increase work rights for Age Pension recipients was carried through to the National Jobs and Skills Summit. Subsequent Government policy made changes to the Work Bonus giving older Australians greater flexibility to work and earn more without affecting their pension. As of the end of the 2022-23 financial year, there were 11% more pension recipients working in the visitor economy compared to the previous financial year.

Cross-border recognition

Cross-border recognition of foundational visitor economy credentials, such as Responsible Service of Alcohol and Food Handling, was identified as a barrier to worker mobility and workforce supply by the Working Group and at the Tourism Jobs Summit (facilitated by the Working Group). It is also an action in THRIVE 2030. Austrade examined the issue through consultation with state and territory governments and the Department of Employment and Workplace Relations. The research has been passed on to the Services and Creative Skills Australia (SaCSA) Jobs and Skills Council to consider in the context of their industry stewardship function. The scoping of a National Skills Passport, announced in the Employment White Paper, may assist to address this barrier.

Supporting business capability

At the direction of the Working Group, Austrade compiled a list of programs, initiatives, and tools to support and strengthen the management capability of visitor economy businesses. Available on the Austrade website [here](#), the summary outlines resources and initiatives available to businesses nationally, as well as across individual states and territories. The list includes support for the sector's workforce from both government and industry.

Future Opportunities

Implementation of a range of whole-of-Government strategies is underway, providing significant opportunities to continue to build visitor economy workforce capability and address ongoing challenges. The Working Group's advice has informed Austrade's involvement with these processes. Many of the recommendations and reforms underway align with the Tourism Jobs Summit outcomes, and progress actions from the *Visitor Economy Workforce and Skills Interim Action Plan*.

Employment White Paper

The Government released *Working Future*, the Employment White Paper, in September 2023, outlining the Australian Government's vision for a dynamic and inclusive labour market that provides the opportunity for secure, fairly paid work for all. The Working Group informed Austrade's input into the process through the Tourism Jobs Summit and informed Austrade's contribution to inter-agency meetings and processes related to the White Paper.

Working Future recognises the unique challenges that come with seasonal and location-specific work in the visitor economy and aligns with the issues identified by the Working Group and actions in *THRIVE 2030*.

Issues identified as important by the Working Group and included as initiatives in Working Future to provide opportunities for the visitor economy to grow its workforce pipeline include:

- Closer collaboration between industry and education and training providers through turbocharging TAFE Centres of Excellence and exploring the development of higher apprenticeships, through funding from the National Skills Agreement.
- Investment in data collection to improve understanding of priority labour market data gaps, particularly for underrepresented cohorts, through modernising the labour force survey.
- Smoothing the transition between income support and work, so that people can retain concession cards for longer when they first get back into work. This has been legislated.
- The \$4,000 Temporary Work Bonus increase has become permanent, continuing to allow age pensioners to work and earn more.
- A new disability employment services model to better support people with disability, funded through the May 2024 budget.

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The Government will invest \$54 million over 5 years for a new employment pathways package, delivered in partnership with employers, focusing on people with barriers to work who are seeking job opportunities and sustained employment.

The Government has also funded continued support for apprentices, trainees, and their employers in priority occupations while the Strategic Review of the Australian Apprenticeships Incentive System is underway. The 2024-25 Budget included \$265.1 million over four years to adjust previously scheduled Phase Two Incentive System payments.

Migration Strategy

The Working Group informed Austrade's feedback into the Migration Strategy's development through the Tourism Jobs Summit and continued feedback in meetings. The Government released the [Migration Strategy](#) in December 2023, delivering a new vision for Australia's migration system that matches the needs of the nation and delivers for Australia and migrants. The Strategy is aligned with the Employment White Paper, and addresses priorities outlined in THRIVE 2030 and the *Visitor Economy Workforce and Skills Interim Action Plan*.

Key Migration Strategy reforms currently being implemented which affect the visitor economy workforce include:

- Evaluating how the migration system can better support regional Australia in new ways, including exploring the intent of the Working Holiday Maker Program. Consultation on regional migration settings has taken place.
- The new Skills in Demand visa, a 4-year temporary skilled worker visa to replace the Temporary Skills Shortage visa. The visa will have three streams: Specialist Skills for highly skilled migrants earning at least \$135,000; Core Skills which includes occupations on a new Core Skills Occupation List and paid a salary at or above the Core Skills Threshold of \$73,150; and Essential Skills, an area of future reform. Additionally, the visa will promote transparency and worker mobility through a public register of approved sponsors.
- Changing the permanent Migration Program planning from an annual model to a multi-year planning model, allowing for better coordination of migration settings to meet the strategic, structural, and long-term challenges of the nation.
- Measures to improve integrity in international education and support genuine students.

The Government has also released the Draft International Education and Skills Strategic Framework for consultation. The Strategic Framework, once finalised, will set out a new direction for a sustainable, high-quality, and diverse international education and training sector, founded on integrity. International students are also important to the workforce in the visitor economy, especially in regional areas.

Skills and Higher Education Reform

The Working Group considered skills gaps in the visitor economy workforce and facilitated discussions at Tourism Jobs Summit on this. The Tourism Jobs Summit identified a need for improved collaboration between the tourism industry and training providers.

The Australian Government and state and territory governments are improving the vocational education and training (VET) system through delivering the **Skills Reform agenda**.

Part of the agenda is the **National Skills Agreement**, which came into effect 1 January 2024. The Australian Government has invested an additional \$3.7 billion, with a total investment of up to \$12.6 billion, over five years to expand and transform access to the VET sector, support quality training and implement reforms to address critical skills needs, including:

- Establishing nationally networked TAFE Centres of Excellence and strengthen collaboration between TAFEs, universities, and industry.
- Supporting, growing, and retaining a quality VET workforce.
- Establishing a National TAFE leadership Network to promote cutting edge curriculum.
- Closing the Gap initiatives to be designed in partnership with First Nations peoples and led by them.
- Improving VET completions including women and others who face completion challenges.
- Improving foundation skills training capacity, quality, and accessibility.
- Improving VET evidence and data.

The **Jobs and Skills Councils** (JSCs) have been established, bringing together employers, unions, and governments in a tripartite arrangement to find solutions to skills and workforce challenges. The JSC for tourism and hospitality occupations is [Services and Creative Skills Australia](#) (SaCSA). The JSCs will identify skills and workforce needs for their sectors, map career pathways across education sectors, develop contemporary VET training products, support collaboration between industry and training providers to improve training and assessment practice, and act as a source of intelligence on issues affecting their industries.

SaCSA has identified a range of projects to address challenges faced by industry and learners in the current VET system. These include trialling new qualification designs, reviewing training products to ensure they meet industry needs and piloting better connections between industry and school students through a structured approach to existing work experience.

The JSCs work in close collaboration with **Jobs and Skills Australia** (JSA). JSA was established in 2022 to provide high quality data, analysis, and insights to better understand Australia's skills and labour shortages across the economy and undertake targeted sector capacity studies. A number of JSCs (most notably SaCSA and HumanAbility) have responsibility for industry-specific analysis relevant to the different sectors that form part of the visitor economy. SaCSA has proposed research projects to drive further activities including

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investigating skills gaps in tourism management and digital literacy skills, and drivers of the occupation shortages.

The **Australian Universities Accord** aims to create a long-term reform plan for the higher education sector to meet Australia's future skills needs. The Final Report was released in February 2024, with recommendations aligning with the Tourism Jobs Summit Outcomes, the Employment White Paper, and the Migration Strategy.

Further Skills Reform initiatives in progress include reforming the design of VET qualifications, revising the standards for Registered Training Organisations, and the **Fee-Free TAFE program**. Fee-Free TAFE has been extended through to 2026, and tourism and hospitality courses continue to be recognised as a national priority sector under the program.

Continuing Work

The Government continues to implement a \$48 million package to support the recovery of the visitor economy. This includes measures to attract and upskill workers, as follows:

- The Choose Tourism Grant program, offering state and territory governments and tourism bodies a share of \$7.5 million for programs to attract workers to the tourism industry. Programs are targeted at attracting underrepresented workers (First Nations Australians, young people, mature age Australians and people with disabilities) to careers in the industry.
- A national 'Workforce Diversity' campaign to encourage employers to broaden their workforce by hiring people with disabilities, older Australians, and younger Australians, and promote Australian Government employment services and disability employment services.
- \$10 million in funding to enhance Accommodation Australia's online platform 'the Hub' to become a national one-stop digital hub for tourism, travel and hospitality employers and workers.
- Ongoing promotion of the Government's Work Bonus to support additional working hours for pensioners without affecting pension entitlements.

The Government is also boosting employment opportunities for people with disability through the \$3.3 million Tourism Local Navigators Pilot which completes its work in September 2024.

Austrade will continue to engage with key agency partners including the Department of Employment and Workplace Relations, Home Affairs, Jobs and Skills Australia and the Jobs and Skills Councils, to progress visitor economy workforce issues as the Employment White Paper, Migration Strategy and Skills and Education Reform work is implemented, complementing delivery of the Interim Action Plan.

Development of the THRIVE 2030 Phase 2 Action Plan is underway. Workforce and skills issues will be a continuing priority and future activities will build on the Tourism Jobs Summit

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outcomes, Interim Action Plan, and ongoing whole-of-Government work to inform the next stage of activity to deliver a secure and resilient visitor economy workforce.

Attachment A – List of Working Group Members

Member	Position/Organisation
AUSTRALIAN GOVERNMENT REPRESENTATIVES	
Carl Binning (June 2023 – January 2024)	Group Manager, Economic Policy and Programs Group, National Indigenous Australians Agency
Deborah Fulton (May 2022 – June 2023)	Employment Branch Manager, National Indigenous Australians Agency
Margaret Kidd (May 2022 – Nov 2022)	First Assistant Secretary, Workforce and Engagement, Department of Education, Skills and Employment
Philippa King (Chair)	Deputy CEO, Austrade
Miranda Lauman (Nov 2022 – May 2024)	First Assistant Secretary, Workforce Australia for Business Division, Department of Employment and Workplace Relations
Michael Willard	First Assistant Secretary, Immigration Programs Division, Department of Home Affairs
STATE AND TERRITORY GOVERNMENT REPRESENTATIVES	
Jonathan Kobus	Director, Visit Canberra
Stephen Mahoney	General Manager, Destination NSW
Valerie Smith	Executive Director Industry Development, Tourism NT
INDUSTRY REPRESENTATIVES	
The Hon. Martin Ferguson AM	Former Tourism Minister Reimagining the Visitor Economy (RVE) Expert Panel Chair
John Hart OAM	Executive Chair, Australian Chamber of Commerce and Industry – Tourism
Brett Kapernick	Strategist
Jessica Keen	National Manager, Industry Development and Capability, Australian Tourism Export Council
Sharon Ninnette (May 2022 – November 2023)	Senior Indigenous Programme Manager, Crown Perth
Dr Donna Odegaard	Co-Chair, Indigenous Tourism Australia CEO, First Nations Broadcasting Australia

Attachment B – Tourism Jobs Summit Outcomes

The Tourism Jobs Summit participants suggested actions to address workforce challenges under five key themes, and voted on a prioritised list of actions, outlined below.

All key actions are being progressed or delivered across whole-of-Government work, including the Visitor Economy Workforce and Skills Interim Action Plan, the Employment White Paper, the Migration Strategy, the National Skills Agreement, the Universities Accord and the Skills Reform agenda.

Agreed Key Actions

Addressing supply: structural challenges

Participants agreed on the following priority actions:

1. Better use migration, and reforming the migration program, including in relation to Working Holiday Makers.
2. Promote the visitor economy as a career of choice.
3. Better activate temporary and seasonal workers in Australia.

Addressing supply: domestic workforce

Participants agreed on the following priority actions:

1. Remove disincentives from welfare and tax systems to encourage cohorts, such as people with a disability and people on an Age Pension, to the workforce.
2. Enhance funding for pathways to visitor economy careers.
3. Address housing shortages in regional areas, with incentives for landowners to provide housing solutions.

Addressing supply: international workforce

Participants agreed on the following priority actions:

1. Remove industry sector limitations whilst retaining regional dispersion requirements for Working Holiday Makers (WHM).

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2. Allow international students to increase the number of hours they can work (up to 30) and allow them to arrive early on a student visa.
3. Expand age limit for WHM, and the importance of a second and third WHM stay.

Skills: improving workforce capability

Participants agreed on the following priority actions:

1. Incentivise employers to improve on the job training, including through micro credential training.
2. Achieve national consistency of training programs and qualifications; including urgent actions by State and Territories to align regulations and acknowledge each other's qualifications.
3. Achieve better integration between training providers and industry to ensure training meets business needs.

Career of choice: Elevating the visitor economy

Participants agreed on the following priority action:

1. Provide clear messaging on pathways for tourism as a career of choice and take action to change perceptions on tourism as a career of choice including ensuring employers better engage and empower staff.