

The Tourism and Travel Industry

FutureNow is an independent body that provides industry informed advice to influence skills development strategies across the creative and leisure sectors. Our work assists Western Australia to be prepared with the new order skills required by the evolving economy and our changing society.

**What has happened and where is the sector now?**

Domestic Tourism

West Australians have demonstrated a growing interest in domestic travel, and an increased desire for travel in general. Domestic tourism in Western Australia has rebounded to above pre-pandemic levels. Still, it is not yet sufficient to cover the lack of international visitors, particularly from China, which was previously Australia’s biggest visitor market. International tourism into Australia has started to rebound from the pandemic. Occupancy rates at Australian hotels and resorts are recovering as corporate travel increases and international tourists return to Australia.

International Tourism

The number of inbound international trips into Western Australia for January 2024 was 14.6% lower than pre-COVID levels in January 2019. The three leading source countries for Western Australia are currently: The UK (10,010 trips), New Zealand (5,050), and China (3,040)1. With new direct flights to London, increasing aviation supply through the Singapore and Middle East gateways and renewed visiting friends and family (VFR) travel, the United Kingdom has had a faster rate of return for visitor arrivals than most markets.

Tourism Research Australia expects the recovery of international tourism to take some time. They forecast visitor arrivals to move higher than pre-pandemic levels in 2025 and total 11.0 million by 20272.

# Aboriginal Tourism Goals

# A key pillar of the recently released West Australian Visitor Economy Strategy (WAVES 2033) is to develop Aboriginal Cultural Centres and to make WA Australia's Aboriginal tourism leader3. Tourism WA and Tourism Australia have both run campaigns that highlight Australia’s magnificent remote locations and unique Aboriginal culture, however, stakeholders in the industry are finding it very difficult to recruit local people to undertake the career choice of a tour guide to meet the international demand for these experiences.

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| *As international tourism returns, demand for quality tourism experiences in Western Australia will grow, leading to increased demand for highly skilled tour guides, particularly those engaging in aboriginal tourism experiences. With tourism business expanding and strong marketing activities from Tourism WA and Tourism Australia branding Australia as a safe and remote destination, then the demand for tour guides will increase.* |

# Recommendations from industry in the current round of ANZSCO proposed changes to the occupation of 451412 Tour Guide, is to add a specialisation of Aboriginal and Torres Strait Islander Tour Guide4. The Western Australian Indigenous Tourism Operators Council (WAITOC) is working closely with indigenous tour operators to assist them with their succession planning for tour guiding businesses. Aboriginal tour guiding work is seasonal in the North West and not transferrable due to kinship groups being restricted to acting as tour guides to their own country. WAITOC advises that an industry-led program designed to attract younger Aboriginal workers to the occupation is required to address succession planning.

Tour Guide Shortages

Tour guides accompany and guide visitors on sightseeing, educational and other tours and experiences, and describe and explain points of interest and cultural or historical significance. Industry report that there is unmet demand for tour guides with appropriate nationally recognised qualifications. Attracting, training and retaining skilled and quality driver guides has been identified as a key priority for 2024. Looking further into the future, demand for tour guides is set to continue, with travellers looking for unique experiences they can’t find on their own, experiences that support local communities are active and nature-based inclusions.

With little demand for travel during the pandemic, students did not take up studies in tourism and guiding in particular so the industry is suffering now due to that lost pipeline of new graduates entering the industry.

# Regional Tourism

# Tourism Research Australia statistics show WA's tourism recovery has led to a spending increase of $3.6 billion compared with 2021, and $500 million more than the previous record in 2019 before the pandemic. Almost half of the record spend - about $6.8 billion - was injected into the regional WA economy5.

# New direct flights from Sydney and Melbourne into regional tourism destinations such as Margaret River and Exmouth and a direct Singapore to Broome route have increased demand for quality tourism offerings in the regions.

# *Latest research from the Tourism & Transport Forum (Australia's peak industry group for the Australian tourism, transport and aviation sectors) has found that the South West region of WA has experienced the biggest growth in popularity in regional tourism across Australia since the pandemic, 16% above pre-COVID levels6.*

**Emerging Industry Developments**

# Caravan Parks - an affordable travel alternative

The caravan industry is booming. Caravanning provides Australians with an affordable way to travel domestically, bringing economic benefits to many regional areas. Encouraging Australians to travel and spend domestically as they would overseas, is one of the actions of THRIVE 2030, the national strategy for the sustainable growth of the visitor economy. Synergy and Horizon Power are working with the State Government to create Australia’s longest Electric Vehicle (EV) charging network7. Once completed, EV drivers will have access to 98 EV charging stations across 49 locations, from Eucla at the South Australian border to Kununurra in the far north of Western Australia8.

# Cruise tourism

Cruise shipping helps visitors experience different regions of the State and showcases WA's unique onshore attractions that are accessible from our 12 port destinations, each offering distinct tourism experiences. It is anticipated that in 2024 total cruise passenger capacity in Australia will build on 2023 by 42%, reflecting the strong interest shared by international tourists and Australians alike in cruising, as well as the range of new ships entering service9.

The WA Government believe that cruising is critical to the WA tourism sector and injected $333.5 million in 2022-23 into the state's economy with 153 cruise ship visits to WA port destinations in 2022-23, an increase of 18% from 2018-1910.

**Travel**

Data from the Australian Travel Industry Association (ATIA) has identified that at least 70% of all international air sales are through agencies rather than directly with airlines. This reliance has increased as a result of the COVID pandemic’s immediate and residual impact in making travel more complicated. Over 90% of corporate sales (medium and large businesses) are through agencies rather than directly with airlines, recognising that reliance on a travel professional streamlines processes and makes it easier for companies to ensure compliance with their financial policies and duty of care11.

The demand for air travel is expected to double by 2040, growing at an annual rate of 3.4%. Given the reliance on travel professionals to arrange travel, this will have a flow on effect for demand for travel consultants12.

The travel industry experienced a loss of more than a third of its skilled workforce during the COVID pandemic. Commencements in traineeships in the travel industry fell by over 80 per cent, severely limiting the pipeline of skilled workers13. This impact is ongoing, with employers in the travel industry experiencing significant difficulties in recruiting and attracting people back to the industry, largely due to the perceived unpredictability of the industry following past approaches by governments during the COVID pandemic. Many of those nearing retirement age at the onset of the pandemic chose to leave the travel industry and have not returned. Others left due to redundancy or the need for fulltime income and have not returned. Many found higher paying jobs in other industry sectors.

Major travel agents, like Flight Centre and Helloworld, have shifted their business mode. They are moving away from in-person retail networks and increasing their online presence, however, this still requires the services of well trained and experienced travel consultants.

# **Workforce in the Sector**

# Government and Industry Partnerships

# The state government has committed $3.9 million over the next two years to develop workforce skills for the tourism and hospitality industries via Tourism WA. This is a key pillar of the State Government’s Diversify WA economic development framework which has identified the sector as one of the 8 priority sectors in which Western Australia has a competitive advantage and where there are significant growth opportunities The Tourism Workforce Development Program will fund short-term programs to address the current shortage of workers while also building a pipeline of talent for the future. Many of the programs have a focus on connecting local people with local jobs across the State. These include longer-term initiatives aimed at encouraging young people to consider careers in tourism and hospitality.

# Jobs Website

# A dedicated tourism and hospitality jobs, training and careers workforce portal, [westernaustralia.jobs](https://westernaustralia.jobs/) has been created and is the central call to action for Tourism WA workforce initiatives. The site, developed in partnership with the Australian Hotels Association WA, has attracted many employers and job seekers since its launch in May 2022, connecting them with more than 500 jobs14. In addition, the website contains resources for career information and training and education options in the sector.

# Gender Balance

# As 78 percent of travel consultants and 80 percent of tourist information officers are female there is an opportunity to promote these occupations to the male population to increase the number of applicants and increase the gender balance in the occupations15.

# **Regional Tourism Workforce**

# Regional visitor centres are very seasonal (particularly in the North West) This means that many visitor centres can only employ their staff on a casual basis. 71% of tourist information officers live outside of Perth in the regions, as the demand for tourist information is greatest in major tourism areas of the North West and South West of the state15.

# Housing and Childcare

# *The biggest barrier to increasing the workforce in the regions is the lack of suitable rentable accommodation in regional areas. The Regional Chamber of Commerce and Industry WA (RCCIWA) reports that there is a shortage of regional housing availability, and rents are extremely high for the small number of available rentals. In addition to housing shortages, there is a shortage of childcare places in the regions which prevents some potential workers from being able to accept job opportunities in regional areas. Regional Western Australia has been ranked as the worst in Australia for childcare availability. The biggest contributing factor to this problem is the chronic shortage of childcare staff16.*

# **Long Term Succession Planning**

# Career Development

# Industry has found that given the challenges over the pandemic period, parents and school career advisors are not encouraging high school students to enter the travel and tourism sector which has contributed to the undersupply of new entrants to the sector. The tourism and travel industry is being showcased as part of an annual program of in-school career information sessions run by Tourism WA, which will support longer-term initiatives aimed at encouraging young people to consider careers in the sector thereby creating a sustainable pipeline of local skilled workers.

# Career Promotion

# *An updated occupational guide with case studies regarding careers in the tourism Industry has been produced by Tourism WA with input from FutureNow. This collateral has been placed on the westernaustralia.jobs website and distributed to schools, TAFE expos, the Department of Justice sites via career expos and presentations as well as through the West Australian Jobs and Skills Network.*

# Year 9 Career Taster Program

# The year 9 career taster program enables students to discover potential careers in the tourism industry either via incursions to TAFE campuses and/or visits to tours and attractions. The program supports students to become ‘career curious’ and extend their thinking through practical activities and meaningful experiences with the world of work.

# In 2023 North Regional TAFE ran a series of tourism career taster sessions at the Broome and Kununurra campuses and in 2024 they will be holding four sessions at the Broome campus and four at the Kununurra campus. These sessions will focus on careers in the tourism sector, including the role of tour guides and tourist information officers in both locations.

# Skills Training Programs

# The Australian and Western Australian Governments have continued the Skills Agreement commenced in 2022 to address skills shortages. The funding supports the FREE IN '24 initiative, which is designed to reskill and upskill people for work and covers the Certificate III in Tourism. The certificate III in Guiding is offered as a ½ price qualification as part of the state government's Lower fees, local skills program, through to 31 December 2025. In addition, North Metropolitan TAFE are offering a Tour Guiding Skill Set 1 day/week 10 weeks.

# Western Australian Jobs, Education and Training Survey

# Annually, FutureNow undertakes work on The Western Australian Jobs, Education and Training Survey (WAJET) and this work informs the State Priority Occupation List (SPOL) for 2024. The occupations of Tour Guide, Tourist Information Officer and Travel Consultant have been surveyed for this report in 2024.

**We would like to hear from you**

## FutureNow is continually seeking input from stakeholders in the Western Australian Tourism and Travel sector. If you are interested in providing further information about the workforce in this sector, please get in touch with the Industry Development Manager:

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