

Accommodation

The accommodation sector has been instrumental in Western Australia's response to the COVID-19 pandemic and is seeing strong consumer demand in regional Western Australia.

What has happened and where is the sector now?

Workers engaged in the Accommodation sector provide services to visitors in hotels, serviced apartments, resorts and holiday parks, and caravan parks, as well as for workers in the resources sector.

It is a significant component of the broader tourism industry with strong links to other sectors including food and beverage venues, events, and tourist activities.

Western Australia's accommodation sector experienced a strong period for the year ending March 2020, welcoming over 11.6 million overnight visitors to the state.¹

The most recent data available from 2018-19 indicates that accommodation and ownership of dwellings in Western Australia contributed \$975 million to the state's Gross Value Added (GVA). The sector employed 9,000 people, 13 per cent of the total tourism workforce.²

The accommodation sector has been integral to WA's recovery

The accommodation sector has been an important part of the Western Australian state government's response to the COVID-19 pandemic.

Although there were large parts of Western Australia's accommodation sector suspended due to travel restrictions between March and June 2020, parts of the sector have continued operations throughout 2020. Australians that returned home spent their quarantine period in hotels and serviced apartments in Perth, while the state's mining operations continued requiring accommodation for fly-in-fly-out workers, and many of the state's caravan parks assisted travellers leaving Western Australia when the hard border with the rest of Australia commenced in March 2020.

Most interstate borders have been removed, and visitors from other Australian states and territories can visit Western Australia without the requirement to quarantine. West Australians have been travelling around the state at record levels, demonstrating demand in regional areas for accommodation in a range of typologies such as resorts, caravan parks and campsites, luxury glamping, hotels, motels and serviced apartments.

The sector's current challenges

Most accommodation-related duties can only be performed onsite, usually involving high levels of guest interaction. However, greatly reduced occupancy has considerably impacted staffing requirements. In many cases, management and senior workers have been the only staff onsite.

Guest services in hotels

Guest services and cleaning in quarantine hotels were adjusted according to quarantine requirements. Guest interactions significantly decreased as people remained in their hotel rooms, although when they have occurred, they have often required heightened communication and interpersonal skills to manage any mental health-related issues people may have experienced through quarantine. This resulted in modified workers' rosters, and duties.

Staffing capacity

Certain accommodation providers, including some that remain temporarily closed in the metropolitan area,

continue employing full or part-time team members through JobKeeper.³ However, many workers who have not been able to attend their workplace or have been ineligible for government support will potentially look for work outside the accommodation sector.

There is a converse challenge for many accommodation providers, particularly in regional areas. Current staffing availability is not meeting consumer demand, due to the absence of international workers and a lack of locally skilled workers. It is expected that the removal of interstate borders in time for Christmas school holidays will intensify demand and therefore exacerbate staffing shortages.

Where to from here?

Emerging Industry Developments

The sector's prospects and areas of opportunity

Industry sentiment is that Western Australia's accommodation sector will mostly recover, although it is anticipated that some operators may not survive.

As indicated above, industry consultation reports elevated demand for accommodation services, especially in regional areas, with operators receiving forward bookings well into 2021.

The operational focus is on protecting guest and staff health and wellbeing throughout the guest's stay. This includes superior cleaning, hygiene, and operating measures.

Caravan parks

Research released by the Caravan Industry Association in June 2020 showed that 19 million Australians indicated they would consider staying in a caravan park. While it was already a popular holiday choice, it is also considered one of the safest accommodation types available in Australia.⁴

The sector's projected areas of focus

A major challenge to ongoing sector viability in the accommodation sector is the shortage of available workers in regional areas that are experiencing elevated customer demand.

Although employers have tried many strategies and employee attraction tools, regional operators particularly, are reporting difficulties with filling positions because of a lack of staff accommodation, taxing weather conditions and a lack of travel assistance for prospective workers.

Operators in both metro and regional areas also warn that JobSeeker payments with the additional COVID-19 supplement, which can be equal to or more than a hospitality wage, is contributing to a shortage of applicants. A result is a reduced number of rooms made available to guests because businesses do not have sufficient staff to provide the expected level of service.

What will future growth look like?

Workforce Drivers – Priority job roles in the Accommodation sector

At present, one of the most important job roles in the accommodation sector is housekeeper or cleaner. In some establishments, there are separate teams that prepare rooms for guests and maintain the cleanliness of public spaces, while in other properties an individual may be responsible for all cleaning requirements.

The COVID-19 pandemic and health and hygiene requirements related to quarantining of returning Australians have elevated the importance of cleaning to the smooth operation of an accommodation business.

Workforce Drivers – Essential skills required to work in the Accommodation sector

Customer service

The requirement for the accommodation workforce to be able to deliver a high standard of customer service is everlasting, although these skills have become even more important as changes within accommodation settings such as social distancing, provision of contactless amenities and other restrictions may impact a guest's stay. Customer service has now expanded, and accommodation workers must be able to manage guest expectations within the new service model.

Infection control and hygiene

As indicated earlier in this report, hygiene and infection control skills have become more important than ever and have become the focus of many training programs designed for the hospitality industry.

Human resourcing

Government restrictions in response to the COVID-19 pandemic resulted in changes with short notice to staffing rosters or in many cases, ceasing people's employment. Managing these evolving changes and the personal impact they may have had, has elevated the importance of sophisticated human resources skills and the management of casual workers.

Self-care and mental health

Working in hospitality can be stressful and overwhelming. The working conditions can be challenging while high levels of personal interaction demand that workers demonstrate friendliness and professionalism. The impact of COVID-19 means that mental health and employee self-care skills have become more important than ever before for workers in the hospitality industry.

In addition to human resourcing skills, the soft skills of communication and empathy are essential for managers and supervisors in supporting mental wellbeing in the sector. This may include openly sharing information on job security, changing restrictions on operations, or health and safety protocols to reassure employees of their safety, or providing resources to assist in the care of employee mental and physical wellbeing.

Technology

The use of technology in accommodation services has increased significantly to enhance the health and safety of both guests and staff. Technology is being adopted where guest interaction is through their mobile device or an in-room device. This may include contactless check-in and check-out, room door codes, in-room dining and housekeeping requests, online streaming content, or voice-activated lighting and heating services. This is increasingly eliminating the need for remote controls, hotel telephones, and light switches as well as the cleaning requirements associated with these devices.

Technical skills are therefore becoming increasingly important to manage the various elements of a guest's stay. Workers need technological skills that support the use of technology in the property as well as assist guests who may require help with using technology.

How will the accommodation sector get there?

Employment initiatives and Industrial Relations updates

Details of economic and jobs stimulus measures introduced at all levels of government are as follows.

Commonwealth wage subsidies

- [JobKeeper 2.0](#)
- [JobSeeker 2.0](#)

Amendments to the Hospitality Industry (General) Award

- Flexibility in terms of classification of duties performed, hours of work, and annual leave, which expired on 27 September 2020 in line with the end of the Jobkeeper 1.0.

- Introduction of unpaid pandemic leave, to operate until 28 March 2021 in line with Jobkeeper 2.0.

Adjustment to minimum wage

The Fair Work Commission announced a 1.75 per cent increase to the minimum wage. The implementation date for hospitality staff has been deferred to February 2021, a move supported by industry associations.

Filling regional job vacancies

Although the 'Work and Wander out Yonder' campaign has seen high levels of interest, some reports indicate this is not converting to applications or acceptance of job offers. The accommodation sector would welcome relocation assistance similar to the 'Take up a Job' in the agriculture sector.

Skills and Training Options

Jobs and Skills Skills Ready - half price and fee-free courses⁴

In addition to individual training providers developing specific training courses to meet local industry needs, the following courses are included in the Lower fees local skills Package:

Free courses	Half price courses
Hospitality Service Skill Set Work in Hospitality Skill Set Customer Service Skill Set Infection Control Skill Set	Certificate III in Hospitality

Infection control and hygiene training for reopening

In addition to all businesses completing a COVID plan for return to the workplace, the AHA(WA) Hospitality and Tourism COVID-19 Hygiene course was mandatory for all staff working in hospitality venues in Western Australia.

Apprenticeship Support

- JobMaker Hiring Credit – Eligible employers will receive \$200 per week if they hire an eligible employee aged 16-29 years or \$100 per week if they hire an eligible employee aged 30-35 years.
- Boosting apprenticeships wage subsidy – From 5 October 2020 to 30 September 2021, businesses of any size can claim up to half of the wages of new apprentices or trainees who commence during this period.

We would like to hear from you

FutureNow is continually seeking input from stakeholders in the WA Accommodation sector. If you are interested in providing further information about the workforce in this sector, please get in touch with the Industry Manager:

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References

1. Tourism Western Australia; Western Australian Tourism Industry Scorecard – Year Ending March 2020; accessed 14 July 2020
2. Tourism Western Australia; State Tourism Satellite Account (State TSA) 2018-19; May 2020; data sourced from TRA State Tourism Satellite Accounts 2018-19; accessed 14 July 2020
3. FutureNow Industry consultation
4. Caravan Industry Association of Western Australia; News; Camping's back with a Boom, with 19 million Australians keen to stay in Caravan Parks!; 14 June 2020; accessed 15 July 2020.