

Tourism and Travel

The tourism and travel sector has experienced significant challenges during 2020. Recovery in 2021 is hopeful, dependent on the return of international travel to Western Australia.

What has happened and where is the sector now?

Travel and tourism workers help convert dreams into reality by arranging the perfect trip or support the corporate market by ensuring business trips run smoothly. The sector is divided mainly between administrative services and physically delivering tourism experiences to customers.

The year ending March 2020 was a record year of growth for Western Australia's tourism industry, with the state welcoming over 11.6 million overnight visitors, including 1.8 million visitors from interstate and more than 950,000 visitors from overseas.¹ This contributed \$12.2 billion to the state's Gross State Product (GSP) and provided employment for 100,900 persons.²

The cruise subsector contributed \$228.9 million to the Western Australian economy and generated approximately 850 jobs, either onboard providing hospitality services or onshore at one of WA's 10 cruise destinations, stretching from Wyndham to Esperance.³

The COVID-19 pandemic had a particularly profound impact on this sector. Border closures and travel restrictions introduced in March 2020 and extended to March 2021, continue to significantly limit domestic travel and prohibit international travel to Western Australia, and have led to mass redundancies and staff dismissals.

Signs of recovery

There is a degree of optimism in the sector due to borders reopening. West Australians have been exploring their home state at record levels since the removal of regional borders, and Interstate travel to Western Australia is set to increase, upon withdrawal of the hard border.

There are indications that in accordance with accommodation operators across the state reporting forward bookings to April 2021, tourism operators can expect a proportionate increase in visitors undertaking tours and booking experiences while in the region.

The sector's current challenges

Although the ongoing international travel ban to Australia has had a considerable impact on all travel and tourism businesses, some parts of the sector have felt the effects more acutely than others. Many tourism businesses in Western Australia base their operations around the international visitor market, and the industry sentiment is that the intrastate market cannot sustain the sector's viability.

Tour operators and tour guides

Operators report that intrastate travellers do not spend as much on tours and experiences, thus impacting on their business continuity and ability to employ staff.

Tourism operators in the metropolitan region are especially challenged as residents are unlikely to pay for a tour in and around their hometown. Across the state, tourism business encounter intrastate visitors preferring to drive themselves, and undertaking self-directed experiences that may not require a booking.

In addition, the sector expects that travel to Western Australia from other states will most likely be for family reunions. Historically, this visitor group does not participate in bookable tourism experiences.

Travel agents

WA travel agents reportedly secure up to 90 per cent of their income from West Australians travelling overseas.⁴ An inability to take forward bookings, due to decreased customer confidence and uncertainty around the resumption of national or international travel, has resulted in thousands of redundancies. In 2020, travel agents have been involved in processing cancellations on behalf of a variety of separate suppliers such as airlines, accommodation providers, car hire, airport transfers, tours, sport and recreation, and arts or cultural services.

Where to from here?

Emerging Industry Developments

Prospects and areas of opportunity

The sector is working to rebuild confidence in the safety of travel. Businesses have innovated and adapted to survive while working with governments to meet changing health and safety obligations.

Western Australia is a safe destination

There is confidence that if high levels of ongoing testing and contact tracing continue as well as the promise of a vaccine, domestic will increase and potentially some international travel (within 'travel bubbles') will return in 2021. Western Australia is one of the safest places globally at present given the low rate of local COVID-19 transmission. This status is contributing to Western Australia's desirability as a destination and it has become important to maintain high levels of destination awareness and encourage people to 'keep dreaming' so they can appropriately plan for when international travel resumes.

Hygiene and infection control

Managing mandatory contact registers for the purposes of COVID-19 contact tracing in Western Australian venues such as zoos, amusement parks, museums and galleries supports the level of trust in the community. There are certain implications for staff training in relation to matters of customer privacy and secure record keeping as well as technological aspects if using QR codes.

The sector's projected areas of focus

Tour operators and tour guides

With West Australians travelling through the state, the challenge is to encourage bookings for tours and experiences that support local businesses in destinations where visitors are booking accommodation and hospitality services at record levels.

In response to difficulties that tourism businesses were experiencing in relation to a lack of intrastate bookings, the State Government developed the initiative '*A million reasons to wander out yonder*'.⁵ The campaign, which launched in September 2020, offered visitors vouchers towards tours and visitor experiences in the state. It proved highly popular and signified significant demand, with 10,000 vouchers claimed in four minutes.

Cruise tourism

International cruise lines are prohibited from visiting Western Australia for a period extending into late 2021. However, the subsector incorporating super yachts and expedition cruises sailing in remote locations of the state are expected to continue operations, providing some work for local crew. Certain vessels have continued operating with West Australian guests during the second half of 2020, with forward bookings into 2021. The challenge is to ensure comprehensive training for this group of workers who are not onshore for sufficient periods of time to undertake training.

What will it take for recovery and future growth?

Workforce Drivers – Essential skills required to work in the travel and tourism sector

Skills required in the tourism and travel industry vary significantly across business owners or travel agency franchisees, destination marketing managers, boat skippers, helicopter pilots, SCUBA dive masters, snorkel guides, to local tour guides or volunteers who meet and greet visitors, and all other visitor touchpoints. While the sector recognises formal education and training pathways, the success of the workforce is about the right combination of technical knowledge as well as attitude and personality or ‘soft skills’.

Aboriginal cultural tourism

Capacity building and business management upskilling continue to be important for Aboriginal tourism businesses.

In the absence of international visitors, who typically seek out Aboriginal tourism experiences, marketing skills to promote cultural tourism to the domestic market are becoming highly sought after.

Destination knowledge

Trust is intrinsic to customer engagement for travel agents due to high levels of travellers’ personal commitment. This means that not only will destination and product knowledge increase in importance, a heightened knowledge of health and safety precautions in the travel industry in general but also for specific destinations will be essential to enable customers in making future bookings with confidence.

Visitor Centre Officers in particular provide expert, local advice to visitors and offer booking services for accommodation and tours in the region. These workers undergo continual training to enable them to offer unique, regional information that visitors cannot obtain through any other channel.

How will the travel and tourism sector get there?

Employment initiatives and Industrial Relations updates

Financial support and funding for the travel sector

WA travel agents reportedly secure up to 90 per cent of their income from West Australians travelling overseas. In the absence of this business activity, the State Government has established a \$3 million COVID-19 Industry Support Fund to help Western Australian travel agents sustain their businesses as they deal with the impacts of COVID-19.⁶

In addition, the Federal Government has established a \$128 million scheme, providing one-off payments to assist travel agents in recognition that many continue processing consumer refunds, while unable to trade due to the ongoing uncertainty about international travel.⁷

Cruise health and safety protocols

Cruise Lines International Association (CLIA) and its cruise line members are working with medical experts to establish a health framework that will ensure the safety of guests and prepare for future operations. This work will define the additional screening, cleansing and medical protocols that cruise lines will adopt globally.

Skills and Training Options

Customer engagement

This industry operates with very high levels of personal interaction. Due to perceived or real negative impacts of the COVID-19 pandemic on peoples’ tourism and travel experiences, customer engagement is more intrinsic than ever. Skill sets or micro-credentials addressing the soft skills of communication, resilience, and empathy are may meet these specific interpersonal skill requirements.

Jobs and Skills Skills Ready - half price and fee-free courses⁸

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
Customer Service Skill Set Infection Control Skill Set	Certificate III in Guiding Certificate III in Tourism

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 or tourism venues in Western Australia.

We would like to hear from you

FutureNow is continually seeking input from stakeholders in the WA 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 Manager:

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