

# SHAPING TOMORROW

Workforce Planning Report Summary

HOSPITALITY | 2024



# FOREWORD FROM THE CEO

It is with great pleasure that I present “Shaping Tomorrow,” the 2024 Hospitality sector Workforce Planning Report Summary (WFPRS). As one of the recently formed Jobs and Skills Councils (JSCs), SaCSA aims to use workforce and training insights to identify and provide solutions for industry-specific workforce challenges that will aid us in shaping the workforce of tomorrow.

Hospitality is a diverse and dynamic sector dedicated to providing exceptional service experiences in food and beverage and event management. As a cornerstone of the service economy, Hospitality professionals play a pivotal role in creating memorable and enjoyable moments for guests.

“Shaping Tomorrow” offers an overview of the Hospitality sector’s workforce and identifies some of the challenges our sector faces. It also delves into the challenges and opportunities within the Vocational Education and Training (VET) sector and outlines our initial focus areas. Combined, these areas will drive our efforts and stakeholder consultations in the near term and provide a strategic approach to managing industry challenges.

This report, developed in consultation with our wide range of stakeholders, builds on SaCSA’s expertise in workforce planning and is a major advancement towards exploring the issues facing the Hospitality sector.

Through collaboration with other JSCs, we aim to understand current, emerging and future workforce challenges, including skills gaps and shortages. This collaboration will continue to help us refine data collection and analysis processes for better alignment of demand and supply of skilled labour within each sector of our remit.

“Shaping Tomorrow” is intended to be a valuable tool for industry stakeholders, including employers, businesses, industry peak bodies, unions and government agencies. It will inform the creation of policies and proposals while encouraging further workforce planning, training product development, skills development promotion and monitoring, and industry stewardship.

The 2024 WFPRS is a testament to SaCSA’s commitment to developing and empowering the workforce of the Hospitality sector in Australia both now and into the future. I thank each and every stakeholder involved for taking their time and sharing their expertise to help us shape this report.

## ACKNOWLEDGEMENTS

SaCSA extends its gratitude to the industry representatives who provided their help in formulating the “Shaping Tomorrow” Hospitality sector, 2024 Workforce Planning Report.

Service and Creative Skills Australia (SaCSA) is a Jobs and Skills Council funded by the Australian Government Department of Employment and Workplace Relations.



## DISCLAIMER

While utmost care and diligence were applied during the creation of this report, SaCSA does not guarantee the complete accuracy of the information it contains. SaCSA is not liable for any harm or loss that may arise from the dependence on this information.



## Natalie Turmine

Chief Executive Officer  
Service and Creative Skills Australia (SaCSA)

# SHAPING TOMORROW

## PURPOSE

This document summarises “Shaping Tomorrow” Workforce Planning Report, Hospitality 2024, as prepared by Service and Creative Skills Australia (SaCSA) Jobs and Skills Council (JSC), in close collaboration with and consultation with our wide range of tripartite stakeholders. For further details, see “Shaping Tomorrow” Workforce Planning Report, Hospitality 2024.

## OVERVIEW - TOURISM, TRAVEL & HOSPITALITY WORKFORCE

The Tourism, Travel and Hospitality workforce underpins Australia’s visitor economy.

The visitor economy comprises the wide range of interconnected industries that provide goods and services to visitors who travel to a destination for a variety of purposes, including leisure, education, business and employment. It is a significant driver of economic and employment growth, prosperity and wellbeing for Australia.

This includes outbound travel by Australians visiting overseas which is a natural complement to inbound travel and underpins the air and sea connectivity that Australia needs to sustain a vibrant visitor economy. Australians travelling overseas also, directly or implicitly, promote Australia as a travel destination to those with whom they interact.<sup>1</sup>

There are a range of estimates of the size and scope of the visitor economy and the associated Tourism, Travel and Hospitality workforce. There is no single dedicated Australian Bureau of Statistics (ABS) industry code or definition that captures the entire workforce.



The ABS Tourism Satellite Account (TSA) is a statistical framework that measures the economic impact of tourism on the Australian economy. It captures the direct contribution of tourism to the Gross Domestic Product, including spending or activity by tourists, employment in tourism-related industries, and the production of tourism-related goods and services. As of the December 2023 quarterly release of the ABS TSA, the total filled jobs in tourism was estimated at 655,400 persons.<sup>2</sup>

THRIVE 2030, identifies more than 1 million persons employed directly and indirectly in the sector as part of the broader visitor economy.<sup>3</sup> THRIVE 2030 defines tourism subsectors in the sector, drawn from the ABS Australian and New Zealand Standard Industrial Classification (ANZSIC) methodology and supplemented by stakeholder advice, including: Accommodation, Transport, Culture, Arts and Recreation, Tourism Services, Education and Training, Business Events, Food Services and Retail.

For the purposes of SaCSA’s Workforce Planning Report (WFPR), and following stakeholder and industry consultation, the Tourism, Travel and Hospitality workforce is defined to encompass workers who operate across a diverse range of industries covering: Tourism, Travel and Tour Services; Hospitality; Retail Trade; Cultural Services; Transport; Education and Training and Outdoor Recreation (i.e those defined in the SIT Tourism, Travel and Hospitality Training Package - see Table 1).

This results in 1,213,000 persons engaged in the Tourism, Travel and Hospitality workforce as at end 2023.

This approach is driven by the estimates in the TSA of the workforce, supplemented by the ABS ANZSIC / industry workforce estimates, for Accommodation and Food Services and related industries.

<sup>1</sup> Australian Trade and Investment Commission, THRIVE 2030 revised: The Re-Imagined Visitor Economy Strategy, March 2023.

<sup>2</sup> ABS, Tourism Satellite Account, Quarterly tourism labour statistics, Direct tourism filled jobs, December 2023.

<sup>3</sup> Australian Trade and Investment Commission, THRIVE 2030 revised: The Re-Imagined Visitor Economy Strategy, March 2023.

It is sufficiently broad to fully capture those employed and engaged with the Tourism, Travel and Hospitality sector. It builds on the TSA activity-based approach for the sector to better capture all those who are employed and engaged across the sector. It is also broadly inline with the Department of Employment and Workplace Relations (DEWR) industry mapping to each JSC, which aligns with training products each JSC is responsible for. Finally, the industry-based approach is also potentially more accurate given the Australian and New Zealand Standard Classification of Occupations (ANZSCO) and the ANZSIC have not been finalised for each JSC (see data and evidence gaps section).

A mapping of the Hospitality-related industries as a whole is outlined in Table 1, including how they directly relate to SaCSA and other JSCs (where there are close links to industries and respective training products, following consultations with stakeholders and industry). Table 1 also presents some occupations under each of the industries, noting these relate to training packages allocated to each JSC and are non-exhaustive.

**Table 1: Tourism, Travel and Hospitality workforce sectors, occupations and links to responsible JSCs and respective Strategic Workforce Advisory Groups (SWAGs) or their equivalents**

Hospitality	Tourism, Travel and Tour Services	Retail Trade, Cultural Services	Transport	Education, Training, Outdoor Recreation
<ul style="list-style-type: none"> <li>Accommodation</li> <li>Cafes, Restaurants and Takeaway Food Services</li> <li>Pubs, Taverns and Bars</li> <li>Clubs</li> <li>Gambling Activities</li> </ul>	<ul style="list-style-type: none"> <li>Travel Agency and Tour Arrangement Services (a part of Administrative and Support Services)</li> <li>Amusement and Other Recreation Activities (a subset of Arts and Recreation Services)</li> </ul>	<ul style="list-style-type: none"> <li>Retail Trade</li> <li>Cultural services</li> </ul>	<ul style="list-style-type: none"> <li>Rail Passenger Transport</li> <li>Water Passenger Transport</li> <li>Scenic and Sightseeing Transport</li> <li>Air and Space Transport</li> </ul>	<ul style="list-style-type: none"> <li>Education and Training</li> <li>Sports and Physical Recreation Activities</li> </ul>
Occupations (examples)	Occupations (examples)	Occupations (examples)	Occupations (examples)	Occupations (examples)
<ul style="list-style-type: none"> <li>Accommodation and Hospitality Managers</li> <li>Cafe or Restaurant Manager</li> <li>Caravan Park and Camping Ground Manager</li> <li>Hotel and Motel Manager</li> <li>Pastrycook</li> <li>Chef</li> <li>Cook</li> <li>Bar Attendant</li> <li>Barista</li> <li>Cafe Worker</li> <li>Gaming Worker</li> <li>Hotel Service Manager</li> <li>Waiter</li> <li>Kitchenhand</li> <li>Caretaker</li> </ul>	<ul style="list-style-type: none"> <li>Conference and Event Organiser</li> <li>Tour Guide</li> <li>Tourism and Travel Advisers</li> <li>Tourist Information Officer</li> <li>Travel Consultant</li> </ul>	<ul style="list-style-type: none"> <li>Visual Merchandiser</li> <li>Sales Assistant (General)</li> <li>Entertainer or Variety Artist</li> <li>Community Arts Worker</li> <li>Recreation Officer</li> </ul>	<ul style="list-style-type: none"> <li>Truck Driver (General)</li> <li>Railway Track Worker</li> <li>Waterside Worker</li> <li>Train Driver</li> <li>Train Controller</li> <li>Aeroplane Pilot</li> <li>Air Traffic Controller</li> <li>Aircraft Baggage Handler and Airline Ground Crew</li> <li>Flight Attendant</li> </ul>	<ul style="list-style-type: none"> <li>Diving Instructor</li> <li>Snowsport Instructor</li> <li>Other Sports Coach or Instructor</li> <li>Bungee Jump Master</li> <li>Fishing Guide</li> <li>Mountain or Glacier Guide</li> <li>Outdoor Adventure Instructor</li> <li>Whitewater Rafting Guide</li> </ul>
Responsible JSC and SWAG	Responsible JSC and SWAG	Responsible JSC and SWAG	Responsible JSC and SWAG	Responsible JSC and SWAG
<ul style="list-style-type: none"> <li>SaCSA</li> <li>Hospitality SWAG</li> </ul>	<ul style="list-style-type: none"> <li>SaCSA</li> <li>Tourism SWAG</li> </ul>	<ul style="list-style-type: none"> <li>SaCSA</li> <li>Retail SWAG</li> </ul>	<ul style="list-style-type: none"> <li>Industry Skills Australia</li> <li>Maritime Strategic Workforce Planning Committee</li> <li>Transport and Logistics Strategic Workforce Planning Committee</li> <li>Rail Industry Strategic Workforce Planning Committee</li> <li>Aviation Strategic Workforce Planning Committee</li> </ul>	<ul style="list-style-type: none"> <li>HumanAbility</li> <li>Sport and Recreation IAC</li> </ul>

## WORKFORCE CHALLENGES

There are cross-cutting and interrelated trends and challenges shaping the Hospitality sector. Many of these issues and challenges are shared with the Tourism sector, as the two sectors have a degree of overlap and share the same Tourism, Travel and Hospitality training package. SaCSA will continue to work closely with stakeholders to better understand the issues identified in this Workforce Plan and work on fit-for-purpose solutions within our remit over time.

### UNDERSTANDING CURRENT AND EMERGING WORKFORCE NEEDS

The disruption caused by the COVID-19 restrictions resulted in many experienced workers leaving the sector, who have been difficult to replace. Further work is required to promote careers and opportunities in the sector and to improve career pathways through training and education.

### RECOGNISING THE ROLE OF MIGRATION AND REGIONAL CHALLENGES

Migrant visa holders have had a complementary role in meeting the specialised demands and in addressing shortages in the sector, including in regional and remote areas.

The importance of migrant visa holders was illustrated during the COVID-19 restrictions. For example, the Australian Government THRIVE 2030: The Re-Imagined Visitor Economy Strategy (THRIVE 2030 Strategy) notes that workforce shortages had been exacerbated by the short-term restrictions placed upon the entry of permanent and temporary migrant workers who had been an important supplement to the visitor economy workforce, across both Tourism and Hospitality.<sup>4</sup>

### HOSPITALITY AS A CAREER

More needs to be done to improve staff retention, including shifting perceptions about longer-term career opportunities in the sector.

Stakeholder feedback suggests that the drivers behind attraction and retention issues that contribute to turnover include the seasonal nature of many hospitality jobs.

Hospitality sector jobs being seen as a first job rather than being a long-term career, high-pressure work environments, unsocial hours, perceived lack of autonomy and a lack of clear leadership.

Stakeholders have further noted the need for additional mentoring programs to support workers, in particular for apprentices and trainees and as employees are progressing in their career.<sup>5</sup> There are mentoring programs available for the industry through the Australian Culinary Federation and Women in Hospitality, but these programs are not focused on employees going through their apprenticeship or career journey.<sup>6</sup>

### PRIORITISING UPSKILLING

While enrolments and completions have remained relatively steady across the SIT Hospitality-related training package qualifications over the past five years, there have been significant shifts in how training is being delivered. There has been an increased use of Private and Enterprise training providers, while training in TAFE institutes, Universities and Community Education Providers has declined.

Consultation with state and territory representatives has highlighted that upskilling the existing Hospitality workforce remains challenging, with staff unlikely to want to up-skill or remain in the sector long term if they do not see a career path. Stakeholder consultation also suggests that there is a gap when it comes to leadership skills. Leadership, business management and human resources skill sets were identified as gaps in the sector, according to the Australian Chamber of Commerce and Industry.<sup>7</sup>

<sup>4</sup> Australian Trade and Investment Commission, 'THRIVE 2030 revised: The Re-Imagined Visitor Economy Strategy', March 2023.

<sup>5</sup> SaCSA industry consultations to inform the 2024 Workforce Plan.

<sup>6</sup> Initiatives Women in Hospitality, and Australian Culinary Federation.

<sup>7</sup> Australian Chamber of Commerce and Industry, Travel, Tourism, Hospitality, Accommodation and Events Workforce Development Strategy 2023 Report, 2023, unpublished.

## WORKFORCE INSIGHTS AND SKILLS NEEDS

### EMPLOYMENT AND DEMAND

Overall, the ANZSIC groups for Hospitality accounts for 916,000 persons and encompasses businesses primarily engaged in providing food and beverage services to patrons. This includes a wide range of services such as restaurants, cafes, takeaway food services, catering services, bars, pubs and similar establishments.

At the group level, Cafes, Restaurants and Takeaway Food Services is the largest (646,000 persons) followed by Pubs, Taverns and Bars (106,900 persons) and Accommodation (92,400 persons).

The Hospitality sector has initially recovered from COVID-19 restrictions and, after a recovery phase, there has been a decrease in employment in this sector. Based on the SaCSA ANZSIC mapping of the Hospitality sector, the five-year time series shows a notable decline in the sector during the COVID-19 restrictions.

### THE HIGH-LEVEL FUTURE OUTLOOK

According to Victoria University's employment projections produced for JSA, the five-year projection shows Chefs with the highest employment projections in percentage terms (8 per cent) and the ten year projection shows Other Accommodation and Hospitality Managers with the highest employment projections in percentage terms (17 per cent).<sup>8</sup>

#### Occupation Shortages

**REGIONAL SHORTAGE:**  
Waiters

**NATIONAL SHORTAGE:**  
Cooks, Pastrycooks and Chefs

### OCCUPATIONAL AREAS OF FOCUS

Looking at the workforce data evidence base – in particular the occupations, training and skills needs – there are two emerging areas of focus to explore further. This includes:

- Cooks, Pastrycooks and Chefs – which are in national shortage
- Waiters – which are in regional shortage

Both occupations are in shortage, based on the Skills Priority List, and there is limited formal training (compared with their workforce size). Additionally, both enrolments and completions for training have declined over time.

### EVIDENCE GAPS AND AREAS FOR DEVELOPMENT IN WORKFORCE DATA

Based on the research to date and stakeholder insights, there are a number of data and evidence gaps.

The industry or ANZSIC mapping to JSCs has been done from a training product perspective, rather than the traditional ABS industry mapping. This makes it possible to undertake workforce mapping relevant for each JSC at the 3-digit industry level. However, this necessitates the identification of interconnections across industry sectors and JSCs.

The mapping of individual ANZSCO occupations has not been finalised for each JSC, and there is not yet a finalised concordance between ANZSIC and ANZSCO by industry sectors and subsectors. This makes it challenging to definitively map by occupations for JSCs at this stage, and difficult to map each of the industry sectors for SaCSA.

SaCSA will explore the issues affecting these occupational areas of focus over the next 12 months.

<sup>8</sup> Jobs and Skills Australia, Victoria University Employment Projections - May 2023 to May 2033.



## TRAINING DEVELOPMENTS

One part of SaCSA's role in VET is to ensure that qualifications, skills sets and units of competency are fit for industry and stakeholder purposes. In addition, SaCSA's remit includes the role of training product development, promotion, implementation, monitoring and stewardship.

### EDUCATIONAL PROFILE

Overall, enrolments and completions have remained relatively steady across the Hospitality-related aspects of the SIT – Travel, Tourism and Hospitality training package qualifications over the past five years. There has been a slight upward trend in VET total program enrolments, while completions have remained relatively unchanged over time for the Hospitality sector. There were 193,796 enrolments in 2022, a 7 per cent increase from 181,668 enrolments in 2017, while completions in 2022 were 61,838, a slight 1 per cent increase from 61,443 in 2017.

### REASONS FOR DISCONTINUING TRAINING

NCVER indicates that in 2023 the key reasons for non-completion of the SIT – Tourism, Travel and Hospitality training package was due to "changed jobs or started a new job" at 26 per cent, followed by "personal reasons" at 15.3 per cent.<sup>9</sup>

The drivers and reasons behind this non-completion data need to be explored further as additional explanations are not identified in the survey responses to date.

In addition, in 2023 the SA Government led a national working group which investigated the factors impacting VET completions. The report from this working group<sup>10</sup> made 17 recommendations linked to key factors that the report identified as influencing a learner's journey. These factors include learner wellbeing, information on career pathways, improved support for learners and their employers, and improved training practice and quality.

<sup>9</sup> NCVER, custom data request for SaCSA, based on the 2023 NCVER Student Outcomes Survey (Based on students who completed VET training in 2022), 2024.  
<sup>10</sup> Skills South Australia, (Skills SA) Department of Education, October 2023.

## WORKFORCE STRATEGIES AND MEASURES

Given the workforce, skills and training needs facing the Hospitality sector and the importance of the sector to Australia's workforce and economy, there are a range of strategies and measures that have been put in place at the National and State / Territory level. These are outlined below, along with the implications for SaCSA. Some of these strategies and measures are cross-cutting and some are sector-specific.

The implications of the National Skills Agreement (NSA),<sup>11</sup> the Australian Universities Accord,<sup>12</sup> the Migration Strategy,<sup>13</sup> and the Employment White Paper<sup>14</sup> for the Hospitality sector have also been considered. These key National projects will influence priorities, funding, and operational mechanisms for the Australian Government, all JSCs, and all the States and Territories.

The key Australian Government policy in the Hospitality sector is THRIVE 2030 Strategy, led by Austrade.<sup>15</sup> This is Australia's national strategy for the long-term sustainable growth of the visitor economy. The THRIVE 2030 Strategy identifies 7 priorities that industry and governments will work on together to deliver its vision. As part of this, SaCSA can collaborate with Austrade and other stakeholders to:

- Explore the drivers of shortages in key occupations in the sector (such as Cooks and Chefs). This will include defining the issues in the occupations, understanding the drivers of the shortages, and working towards practical solutions with implications for training product development and workforce settings

- Explore improved connections between industry and school students through a structured industry approach to existing work experience programs. This will involve research into the existing programs, with a view to developing a pilot to trial closer collaboration between schools and industry.

SaCSA has also met with representatives from the Australian Government and all state and territory governments to capture and map information on current and proposed skills programs and initiatives that could help address the skills and labour challenges in the Hospitality sector.

SaCSA has an opportunity to better understand these services and strategies and to engage with Hospitality sector employers so that they are aware of the support available to:

- Help them navigate to, and connect with, industry initiatives (in particular career pathway programs)
- Develop bespoke workforce development solutions aimed at addressing skills and/or labour needs
- Minimise the resourcing impact on their business of participating in programs that will assist with attraction and retention
- Understand the benefits for their business and the broader sector.

<sup>11</sup> Department of Employment and Workplace Relations, National Skills Agreement, January 2024.

<sup>12</sup> Department of Education, Australian Universities Accord Final Report Document, December 2023.

<sup>13</sup> Department of Home Affairs, Migration Strategy, December 2023.

<sup>14</sup> Treasury, Working Future – The Australian Government's White Paper on Jobs and Opportunities, September 2023.

<sup>15</sup> Australian Trade and Investment Commission, 'THRIVE 2030 revised: The Re-Imagined Visitor Economy Strategy', March 2023.



## PLANNED INITIATIVES

Consistent with the issues identified, a number of planned initiatives are included in this Report Summary that will be progressed, with an update in the 2025 SaCSA Workforce Plan:

### **Deepening our understanding of the workforce and skills needs in the following areas:**

- Surge workforce study, to understand and plan for surge workforce needs for major events, including business events
- Exploring the drivers and implications of shortages in key occupations in the Hospitality sector, including Chefs and Cooks, which aligns with the THRIVE strategy
- Research into the structured industry approach to existing work experience programs to explore improved connections between industry and school students, which aligns with the THRIVE strategy

### **Training product development in the sector, including:**

- Audit and Review of the SIT – Tourism, Travel and Hospitality training package to better understand updates which may be required to ensure training products are fit for purpose and meet industry requirements (including updating superseded units of competency). This includes the Responsible Service of Alcohol unit of competency language review, and research into drink spiking and alcohol-related sexual violence
- Mapping existing qualifications against the Qualification Development Quality Principles to simplify and rationalise qualifications where appropriate, including the Shaping Service Skills project
- Exploring the drivers of low VET engagement, including insights from our stakeholders in this effort

### **Industry and cross sector JSC collaboration, including:**

- Collaboration with other JSCs to address workforce needs of the Hospitality sector
- Influencing relevant cross-cutting national initiatives (including the National Skills Agreement, Universities Accord, the Migration Strategy)

### COMPLETE REPORTS

This is a summary version of the complete “Shaping Tomorrow” Workforce Planning Report, Hospitality 2024.

To view this complete report and those of other sectors, please go to the SaCSA website.

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