



GOLD COAST REGIONAL JOBS COMMITTEE
STAGE 2: JOBS OF TODAY

A REVIEW OF THE GOLD COAST TOURISM AND HOSPITALITY WORKFORCE CONTEXT

DECEMBER 2021



MESSAGE FROM THE CHAIR

Tourism and hospitality are vital sectors of the Gold Coast economy. The COVID-19 pandemic has had enormous impact on these sectors in a number of ways including:

- Inability to trade due to COVID-19 restrictions;
- Loss of workforce due to International students and migrants returning overseas; and
- Loss of workforce due to staff transitioning to other sectors.

At a national level, there is a tight labour market across many sectors including hospitality and tourism. This is being keenly felt on the Gold Coast and as COVID-19 restrictions lift and tourists begin to come back, the industry is deeply concerned that they will not have the chefs, cooks, baristas and hotel staff etc to meet demand.

Due to the immediacy of the issues facing the sector on the Gold Coast, the Gold Coast Regional Jobs Committee (GC RJC) has developed this position paper to define the extent of the problem; engage with government and Industry stakeholders; and identify a suite of solutions for consideration.

These solutions represent opportunities for key stakeholders to address the current workforce shortage and include the extension of existing programs or entirely new initiatives.

This GC RJC initiative is an important first step in responding to those businesses facing significant workforce shortfall in the tourism and hospitality sectors.

The GC RJC have been the catalyst to bring stakeholders together to work toward local solutions to address local workforce issues.

The GC RJC program has created a network of key industry bodies whose expertise in their individual portfolios will enable them to actively participate in quantifiable industry solutions.



Estella Rodighiero
Chair
GOLD COAST REGIONAL JOBS COMMITTEE

1 in 3

Tourism staff let go
during pandemic

54%

Decline in Gold Coast
tourism expenditure

1000's

Thousands of unfilled
tourism and hospitality jobs

1.0 INTRODUCTION

Regional Jobs Committees are proudly supported and funded by the Queensland Government. They are part of a broader plan to work with key stakeholders to respond to current and emerging employment needs, improve training pathways and drive economic activity across Queensland.

RJC's are one of the key actions of the Skills for Queensland - Great Training for Quality Jobs Strategy, which includes a strong focus on engagement and local leadership of skills and workforce challenges.

The Gold Coast Regional Jobs Committee (GCRJC) is an initiative of the Queensland Government managed on behalf of the Queensland Government by Regional Development Australia Gold Coast (RDA Gold Coast).

The Committee membership includes key industry leaders and employment sector representatives. This position paper has been developed in response to "Jobs of Today", specifically within the hospitality and tourism sector. This recognises their importance to the Gold Coast economy and acknowledges changing COVID-19 restrictions and concerns regarding the ability to have a workforce to support these sectors into 2022.



2.0 HOSPITALITY AND TOURISM ON THE GOLD COAST

The tourism and related hospitality sector cuts across several industry groups, and in 2019/20 the sector accounted for over 40,000 jobs; sales approaching \$10 Billion; value add contribution to the Gold Coast economy of \$5 Billion and contributes 15% of its total economy. The Gold Coast accounts for approximately 30% of the Queensland tourism and hospitality sector.¹

Tourism
contributes 15%
of local economy

The sector is vital for the Gold Coast and for Queensland's economy. In relation to other industries, the Gold Coast visitor and hospitality sector punches well above its weight.

While the visitor and hospitality sector is large and vital, its share of total Gold Coast economic activity has declined in the past 20 years as the economy has gradually diversified. COVID-19 has generated a raft of challenges and the visitor and related hospitality sector has been severely impacted.

To understand the historical value of the tourism and hospitality sector on the Gold Coast, it is appropriate to review an assessment conducted prior to the COVID-19 pandemic. In 2019 the Queensland Government, in a report for the proposed Gold Coast Global Tourism Hub noted that "tourism is a significant driver of economic and social outcomes for the Gold Coast, delivering 41,000 direct and indirect jobs and supporting more than 3,000 tourism businesses".²



¹ Economy.Id Gold Coast profile

² Gold Coast Global Tourism Hub, Queensland Government 2019

3.0 COVID-19 RESTRICTIONS AND SECTOR IMPACT

COVID-19 restrictions have had a devastating effect on the Gold Coast tourism and hospitality sectors. In 2020, visitors to the Gold Coast decreased by 38.7% to 8.7 million and expenditure declined by 54.2% to \$2.7 billion.³

COVID-19 caused
54%
decline in tourism
expenditure

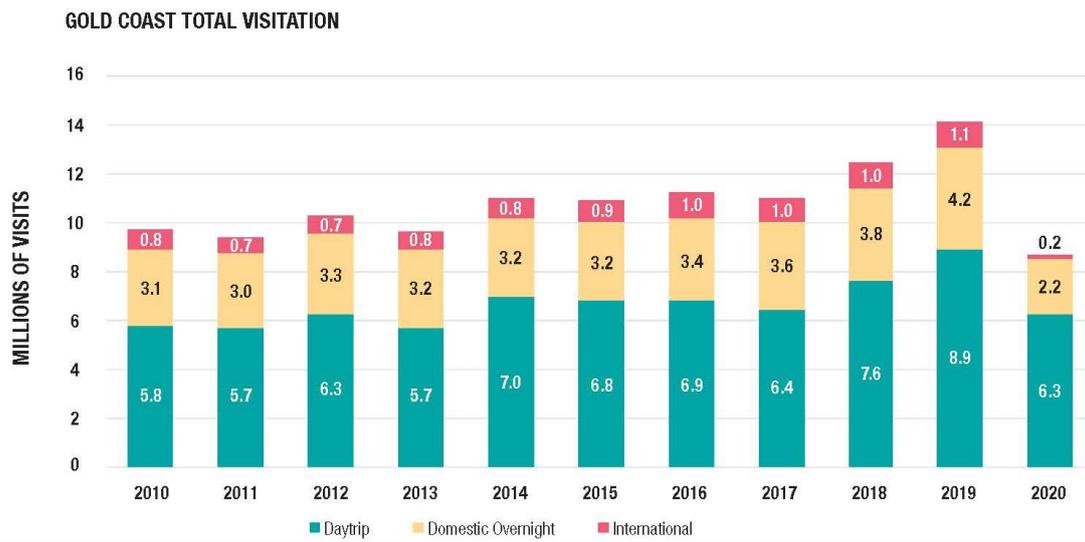


Image 1. Gold Coast Total Visitation, Tourism Research Australia

Destination Gold Coast segments this into domestic (significant reduction) and international (total loss) as detailed below:

Domestic visitation

- Domestic overnight visitation fell by almost two million visitors for the calendar year to 2.2 million visitors (down 47.1%), while daytrip visits to the Gold Coast also declined by 2.6 million to 6.3 million (down 29.3%).
- Domestic overnight spend similarly declined by 49.8% to \$1.9 billion (down \$1.8 billion), while daytrip visitor spend declined by 34.2% to \$595 million.

International visitation

- International visitation to the Gold Coast effectively ceased as of March 2020. As a result, international visitor numbers were down 84% for the year to 173,000 visitors (a loss of 907,000 visitors).
- International visitor spend fell by \$1 billion to \$272 million (down 79.7%), comprising a third of all lost visitor expenditure in the Gold Coast for the year.

This impact to the sector has resulted in difficulties attracting local workforce due to concerns regarding job tenure and potential ongoing restrictions.

³ Tourism Summary Calendar Year 2020, Destination Gold Coast 2020

4.0 IMPACTS ON WORKFORCE

Recent research conducted by the Tourism and Transport Forum (TTF) shows that one in three tourism reliant businesses let staff go during the pandemic and are now struggling to fill positions to cater for their customers. TTF identified that a lack of working holiday makers, students and skilled visa holders is largely responsible for the skills gap.⁴

Many of the tourism workforce who have experienced job loss or loss of hours have lost confidence in the sector. This trend is noted by Griffith Institute for Tourism, Deputy Director Sarah Gardiner who suggested that “job security fears and conditions at work were a major barrier to attracting staff and that businesses needed to think about what benefits they could offer employees”.⁵

This has highlighted the need for the tourism and hospitality sector to offer more incentives and reduced barriers to employment in order to attract more workers. Accor, Australia’s largest accommodation provider has reduced the time taken from interviewing to starting and included additional benefits such as extra leave to secure the workforce required to meet current need and forecasted growth.⁹ Similarly, Wyndham are providing 2-nights resort accommodation and cash gifts to successful applicants and discounts on accommodation for people who apply.



⁴ Skills Shortage Hinders Tourism Industry Recovery, Tourism and Transport Forum, October 2021

⁵ Queensland staff shortage worries tourism operators ahead of post-COVID reopening - ABC News

5.0 TYPES OF JOB SHORTAGES

Prior to COVID-19 restrictions, Jobs Queensland⁶ notes requirement for the following types of jobs in the accommodation and food services by need in descending order through to 2022. Despite the data not including the impacts of COVID-19 it does highlight the types of jobs needed and their relative proportions.

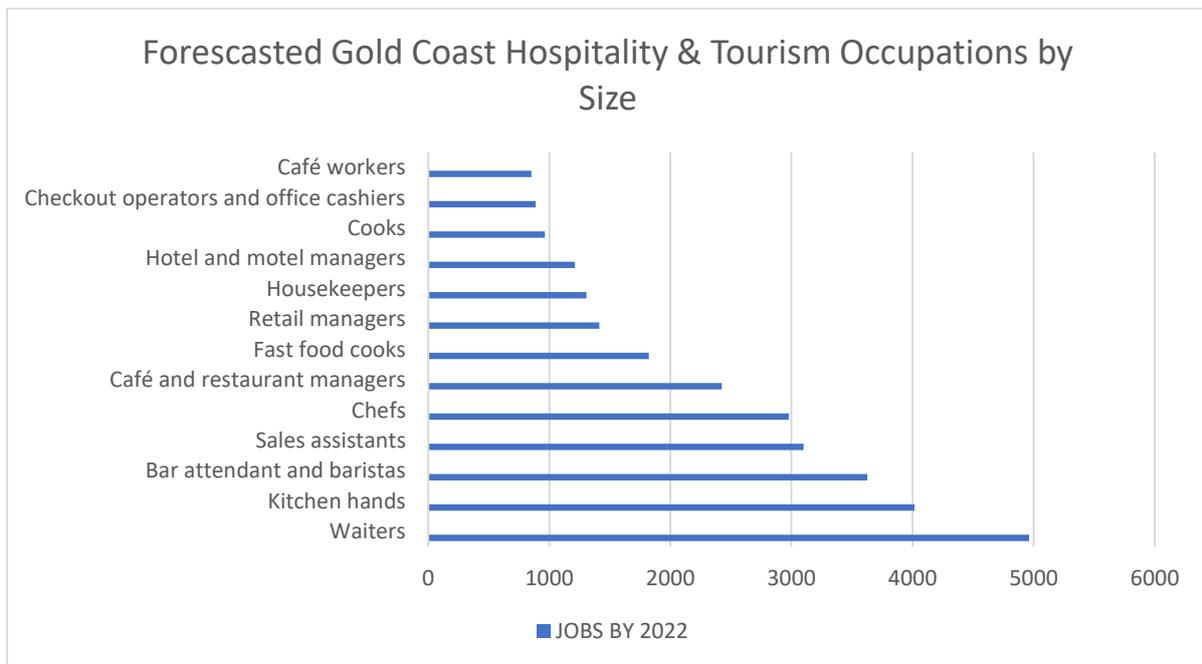


Image 2. Forecasted Gold Coast Hospitality & Tourism Occupations by Size, Jobs Queensland

The Australian Government's Skills Priority List⁷ identifies the need for cooks and chefs in the highest category of most need - occupations in national shortage, with strong future demand. The Queensland Tourism Industry Council identify 3,739 positions unfilled across the state for chefs, kitchen hands, housekeeping, hotel management and wait staff.⁸

Review of employment website, SEEK on 29 November 2021 detailed 805 Gold Coast vacancies in the hospitality and tourism sector⁹. Critical shortfalls include chefs/cooks (210), bar and beverage staff (132) and management (109). Discussions with industry confirm difficulties in attracting people to these types of positions and to working on weekends and after hours.

It is noted that in addition to SEEK, there are other employment portals such as Study Gold Coast's; Gold Coast Student Jobs portal and the City of Gold Coast's Business Portal and that social media, shop fronts and word of mouth are also being used to attract staff.

⁶ <https://jobsqueensland.qld.gov.au/anticipating-future-skills/portal/>

⁷ Skills Priority List June 2021, National Skills Commission

⁸ Queensland Tourism and Investment Council, November 2021

⁹ <https://www.seek.com.au/?where=All%20Gold%20Coast%20QLD>

The Gold Coast Bulletin on 17 November 2021¹⁰ noted that:



Star Entertainment has more than 400 jobs on offer across Brisbane and the Gold Coast, including 80 at the soon-to-open Dorsett Hotel at Broadbeach.



Village Roadshow Theme Parks is seeking more than 500 people to fill jobs including lifeguards, food and beverage servers and retail attendants.



Ardent Leisure, which runs Dreamworld, WhiteWater World and SkyPoint, hopes to employ almost 300 people over the summer season, a 20 per cent on the same time last year.



Virgin Australia, which bases almost 75 per cent of its workforce in Queensland, is also looking for hundreds of new employees.

This confirms that there is an urgent shortfall in workforce required to support the tourism and hospitality sector which is likely to increase once border restrictions ease. This is likely to be compounded by the need to have additional staff to manage COVID-safe regulations such as checking in and vaccination assessment.

There have been a number of initiatives aimed at responding to the workforce shortfall in Queensland such as the 'Work in Paradise Program' which was aimed at attracting workers to the north of the State through financial incentives. In some regards, it is noted by industry, that this may have exacerbated the Gold Coast issue due to hospitality and tourism staff moving north due to initiatives such as this.

¹⁰ <https://www.goldcoastbulletin.com.au/news/queensland/thousands-of-jobs-on-offer-at-queenslands-biggest-tourism-operators/news-story/062e3462d6df7bd5d236ea66f9d59611>

6.0 IMPACTS TO THE SECTOR

Difficulty finding staff in the hospitality and tourism sector is likely to delay the economic rebound. As noted in the Australian Trade and Investment Commission’s Thrive 2032 – The Reimagined Visitor Economy¹¹ “during COVID-19, a large number of experienced staff exited the visitor economy. The visitor economy needs to rebuild this lost expertise. Workforce shortages are a particular challenge after the dramatic job losses caused by the COVID-19 pandemic, exacerbated by the continuing short-term absence of permanent and temporary migrant workers who had been an important supplementation to the visitor economy workforce. “

It is appropriate to address shortages in the short-term, while at the same time working on a strategy to address structural challenges in the medium and longer term. An inability to provide the skilled and unskilled work requirements for the sector in the future will restrict the sectors potential during the rebound and in the long term. Without adequate workforce the sector will not reach its potential as described below.

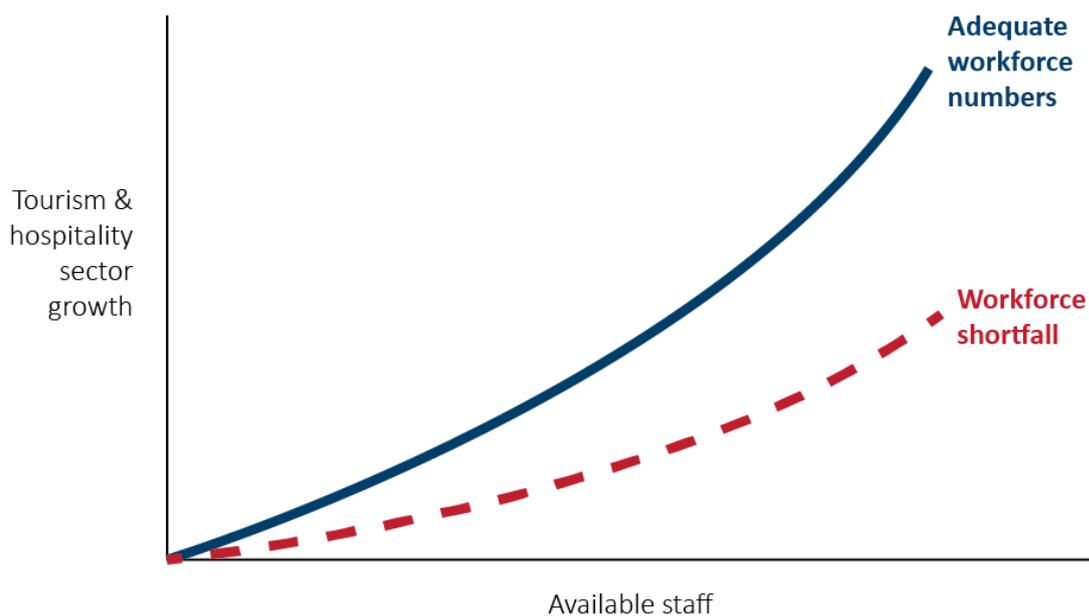


Image 3. Tourism & hospitality sector growth impact from workforce shortfall

¹¹ THRIVE 2030, The Re-Imagined Visitor Economy, A national strategy for Australia’s visitor economy recovery and return to sustainable growth – 2022-2030, Australian Trade and Investment Commission

7.0 LIFTING COVID-19 RESTRICTIONS

On Monday 18 October 2021, Queensland’s COVID-19 Vaccine Plan To Unite Families - A Plan For Queensland's Borders was released. The plan details changes to domestic and international travel to Queensland when Queensland reaches 70%, 80% and then 90% of the eligible population fully vaccinated and begins on 19 November.¹²

It is expected that this will result in a significant increase in visitors and this is clearly demonstrated by Gold Coast Airport Forecasting for Gold Coast inbound flights in December 2021 and January 2022. As shown in the graph below, it highlights that off a very low base it is expected that there will be more flights into the Gold Coast from around 17 December 2021 than the same time two years prior.

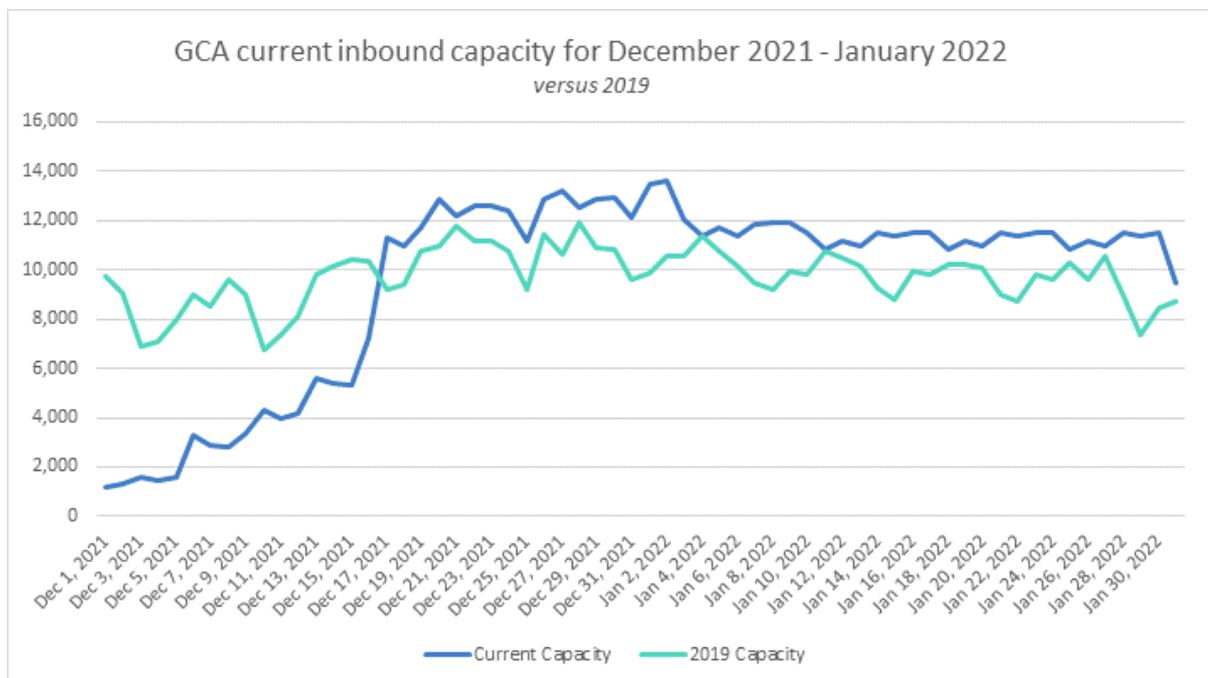


Image 3. GC Inbound Capacity for 2021 versus 2019, Gold Coast Airports

¹² <https://www.covid19.qld.gov.au/government-actions/queenslands-covid19-vaccine-plan>

8.0 SUMMARY

The COVID-19 pandemic has significantly affected the Gold Coast tourism and hospitality sector. In addition to restrictions there has been a loss of workforce from the sector as migrants have left the country and local workforce have sought increased job security in other sectors.

To assist in securing a workforce able to meet forecasted demand, it is appropriate to consider a range of initiatives which could be activated in the short, medium and long term to support the sector and the City rebound. The list of interventions for consideration is provided below and has been developed with input from government, Industry and relevant peak bodies.

It has a number of key elements:

1. To attract more residents Australia wide, to the sector;
2. To enable migrants to work more hours or be incentivised to work in the sector;
3. Changes to tax laws to encourage second jobs without penalty;
4. Changes to tax implications regarding raising earning potential for those on pensions;
5. Encourage mature aged people to re-enter the workforce;
6. Employers to actively engage and market to mature aged employees;
7. Consider solutions to accommodation stress;
8. Targeted marketing campaigns such as 'Work In Paradise'; and
9. Provide incentives to employees such as light rail passes, assistance to locate accommodation and/or free parking for work.

9.0 OPPORTUNITIES FOR STAKEHOLDER CONSIDERATION

Review of relevant literature and engagement with government, peak bodies and Industry has identified the following opportunities for consideration:

Theme	Consideration	Suggested advocates	Potential Timeframe
Local	Extend the State Government’s ‘Work in Paradise’ program to the Gold Coast	TBC	Short
	Consider marketing to the local community through social media ie Facebook, TikTok etc	TBC	Short
	Targeted marketing directly to schoolies and visitors highlighting the opportunity to work in the tourism and hospitality sector as initiated by DGC and TAFE (see Appendix A)	TBC	Short
	Provide opportunity for additional cohorts of people including mature aged people (similar to recent Dreamworld efforts) and unemployed people	TBC	Short
	Promote and encourage mature aged people to re-enter the workforce	TBC	Short
	Targeted marketing campaign to encourage employers to actively engage mature aged workers	TBC	Short
	Provide incentives to employees ie: free light rail, free parking for work, assistance to locate accommodation etc.	TBC	Short
	Extend the wage subsidy for apprenticeships through the Boosting Apprenticeships Commencement program.	TBC	Medium
	Advocate for changes to tax laws to encourage second jobs without incurring tax penalty	Regional Development Australia	Long
International	Advocate to the Federal Government for the development of a Designated Area Migration Agreements (DAMA). This would provide access to more overseas workers than the standard skilled migration program. DAMAs operate under an agreement-based framework, providing flexibility for regions to respond to their unique economic and labour	TBC	Medium

Theme	Consideration	Suggested advocates	Potential Timeframe
	market conditions. DAMA's are generally in effect for five years. This is a relatively new migration program and can help the City attract more skilled workers. Cairns currently has a DAMA in place		
	Transition students visas to working visas where required to enable an increase in the number of hours able to be worked within the region	TBC	Medium
	Consider increased funding for the Work Towards program aimed at increasing employment opportunities for underemployed and unemployed refugees, migrants and international students	TBC	Medium
	Consider providing credit towards permanent residency for working in the tourism and hospitality sector.	TBC	Long
	Advocate to increase permanent residency numbers to include skills from the tourism industry to fill the employee shortage in this industry This may reduce the reliance on temporary skilled visas like the working holiday visa.	TBC	Long
Structural	Consider the implementation of a pilot project to enable staff to work more than one job or across sectors without incurring tax penalties.	TBC	Long

Table 1. Opportunities for stakeholder consideration

WORK AND PLAY ON THE GOLD COAST

Do you want to work and play on the Gold Coast in the tourism and hospitality industry? Register your interest by scanning the QR code below.



Hand up for extra shift

HAYDEN JOHNSON

AUSTRALIANS must take second jobs pouring beers, waiting tables and servicing hotel rooms as a chronic worker shortage threatens the nation's economic growth and demands reform, a former Howard government minister has warned.

Twenty-six leading associations representing the businesses, food, hospitality and construction industries – led by former commonwealth minister Gary Hardgrave – have united to call for a national approach to avoid a catastrophic post-Covid skills and labour shortage.

Mr Hardgrave (inset), who was vocational and technical education minister for three years until 2007, was engaged by employment services provider Asuria to devise and deliver an employment and

Skill shortage alarms ex-education minister



skills programs fit for the post-Covid nation.

He said Australia faced an "economic stagnation" with a lack of staff resulting in businesses limiting operations – despite 707,300 Australians considered unemployed.

"There are hundreds of rooms not put up for rent in hotels across Australia because they can't service them," he said. "On every front we're missing people."

Mr Hardgrave, now a journalist and political commentator, said there were serious national ramifications if the labour shortage was not fixed.

"This is about our viability as a state, as a nation – if we

haven't got people who can work out there working right now then the entire economy is going to have a Covid lag for the next two to five years," he said. "Now is the time to get yourself into the workforce – get off the benefits and get into work. They should not be any way shape or form embarrassed or dissuaded from taking this time to go and get a job."

Mr Hardgrave said the number of vacancies, including about 100,000 in the crippled hospitality and tourism sectors, suggested people "must be working pretty hard to stay unemployed".

He said the crisis in hospitality could be fixed if people use their spare time to pour beers or serve meals.

"We need Australians to be

prepared to take on two or three jobs – if they want them they're there," he said. "Australia needs you. That's the only way we'll fill the gaps." According to job search engine Seek there are almost 240,000 vacancies across the nation, including 47,503 in Queensland.

There were 143,708 people listed as unemployed in Queensland in October.

Mr Hardgrave said Australia had become too reliant on migration to fill skills and labour shortages and said the commonwealth government's plan to allow 200,000 foreign workers into the nation next week was unlikely to immediately solve the crisis.

"You're not going to get them here quickly, there's not 200,000 arriving on Friday

from next week," he said.

Mr Hardgrave said the crisis was "far worse" than the mining-inflicted shortage of 2005-06 when people left jobs to work in the FIFO sector.

Asuria chief executive Con Kittos said bespoke industry-led training programs would help develop the skills sectors were crying out for. The initiative will provide jobseekers with targeted skills and a job pathway through work experience and internships.

"We have never had a demand issue quite like this, highlighting both a need and opportunity to shift and strengthen the DNA of Australia's key industry workforce, by reducing our reliance on foreign labour," Mr Kittos said. "While employers and industry associa-

tions are calling out for more workers, the number of long-term unemployed, particularly the young and the mature-aged, are becoming longer-term unemployed."

National Retail Association chief executive Dominique Lamb said the labour shortage was another challenge to a sector already decimated by the pandemic.

"Just when it looks as though lockdowns will become a thing of the past, many will be unable to have enough staff to maximise their operations," she said.

"All industries affected by labour shortages need to come together to provide practical solutions to avert the looming crisis."

Queensland Hotels Association chief executive Bernie Hogan agreed more should be done to encourage people to take up a second job.



NO DOUBLE PLEASE, TAX IS TOO HIGH

NATASHA INNES

A BRISBANE university student quit her second job last Thursday due to the excessive amount she was being taxed.

Tia Skyring, 19, works at The Prince Consort Hotel in Fortitude Valley pouring beers, and until recently also worked behind the bar at The Glen Hotel in Eight Mile Plains. Some days she would work back-to-back shifts.

Despite the number of vacancies in the crippled hospitality and tourism sectors hitting about 100,000, Ms Skyring said there weren't enough incentives to sustain two jobs.

"The extra income wasn't even worth the time I was there due to tax," Ms Skyring said.

"I'm wondering why we're getting taxed more for actually working.

"Do (the government) not want people to be working and making more money, especially at this age ... or do they want us to go on Centrelink?"

Ms Skyring said she's looking forward to using her extra time to focus on the last two years of her nursing and midwifery degree.

Bartender Tia Skyring at The Prince Consort Hotel in Fortitude Valley. Picture: Richard Walker

APPENDIX C

STAKEHOLDERS ENGAGED

- Destination Gold Coast
- Study Gold Coast
- Busy at Work
- Jobs Queensland
- Department of Employment, Small Business and Training
- Department of State Development, Infrastructure, Local Government and Planning
- TAFE Queensland
- RDA Gold Coast
- Griffith Institute for Tourism
- Imlach Holdings



For further information go to <https://goldcoastrjc.org.au> or email contact@goldcoastrjc.org.au

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