

Skills, Labour and Training

TTF Australia Member Polls

INTRODUCTION

TTF Australia (Tourism & Transport Forum) commenced polling Members on labour issues to inform its advocacy work. The organisation (in conjunction with Infrastructure Partnerships Australia IPA) is committed to ensuring Australia has access to properly trained, educated and skilled workers in the tourism, transport and infrastructure industries.

As both TTF and IPA have identified limitations within the current labour market in Australia, advocacy has been undertaken to Government to recommend changes in migration and education policies. A key success to TTF lobbying is to identify the difficulties affecting Members' businesses and to utilise robust data to strengthen our arguments to politicians and the media.

In 2005 (prior to the creation of IPA), TTF undertook a short survey of its Member CEOs to identify key concerns in the labour market. The success of this poll, including TTF enabling Working Holiday Maker Visa policy change in Canberra, led to the poll being repeated in late 2006. The second poll also provided the first opportunity for IPA Members to be included in the research.

In early 2007, two further Member polls were undertaken. A brief questionnaire on the Short-term Business Visa Migration Program was sent to selected TTF and IPA Members. This formed the basis of the joint TTF and IPA submission to the *Commonwealth Joint Standing Committee on Migration* Inquiry into the 457 Scheme. The third polling of labour market questions was undertaken to incorporate AusCID Members data and issues into the trend analysis being prepared from late 2006.

This report is a compilation of the three most recent Member Polls. TTF trusts that Members will find it of interest. It should be noted that all responses are treated in confidence and no individual Member is identified in the report. (NB. IPA data has been included in questions relevant to both organisations).

TTF will continue to work for our Members in resolving the current challenge of Australian businesses ability to access cost effective labour. Our advocacy will include policy recommendations for short, medium and long-term solutions for tourism, transport and infrastructure industries.

For further information on Labour, Training and Skills please contact Kate Davidson, TTF Australia's National Manager, Research and Sustainability on 02 9240 2000 or kdavidson@ttf.org.au.

EXECUTIVE SUMMARY

- 75% of Members had difficulty filling positions.
- 49% of respondents had greater difficulty in filling positions than 12 months ago, 45% of respondents found it similarly difficult to fill positions compared to 12 months ago and 5% of respondents found it less difficult to fill positions than 12 months ago.
- In terms of the types of jobs that were difficult to fill;
 - Engineering was the most difficult position to fill in 2006.
 - Sales/marketing, finance/accounting, property development and managerial positions were also mentioned frequently as being difficult to recruit for.
 - The difficulty in hiring chefs has eased slightly since 2005, when it was rated the most difficult position to fill.
- Problematic locations for filling positions were; Western Australia, Queensland, Northern Territory and regional areas. Particular cities having difficulty with labour shortages included Sydney, Brisbane, Canberra and Perth.
- Skills and training areas which could be improved with the support of Government were cited as;
 - Basic “customer service skills”.
 - Apprenticeship trades such as electricians, mechanics and chefs.
 - Support for TAFEs in encouraging realignment of teaching programs to current employment needs, including:
 - targeting mature age workers for re-entry to the work-force;
 - technical skills; and
 - job-readiness.
- 27% of respondents employ people under the Working Holiday Visa Scheme (WHV).
 - Of these, the majority indicated that the extension of time for employing WHV in one business from 3 to 6 months has made hiring such a person, more attractive.
 - Some respondents, whilst welcoming the changes, suggested a one year limit per individual employer would be ideal, with a corresponding increase in visa length to 2 years.
 - Flexibility in allowing WHV holders to work in different departments and regions of the same organisation would also alleviate the six month limitation substantially.
- 73% of respondents employ people on the 457 Temporary Business Visa with an average of 28 people.
 - Of these, 55% of respondents had increased numbers of staff on the 457 Visa over the past 24 months, 20% of respondents had decreased numbers of staff on the 457 Visa over the past 24 months and 25% of respondents had unchanged numbers of staff on the 457 Visa over the past 24 months.
- Only 21% of respondents considered that the time and employer obligations involved in arranging a 457 Visa were too onerous.

The following pages provide more detail on the research and results based on the responses received.

BACKGROUND AND METHODOLOGY

TTF Australia (Tourism and Transport Forum) is the national peak advocacy body for the tourism and, transport sectors. TTF represents the business interests of 200 leading Australian companies involved in tourism, transport, investment, property development, leisure, retail, hospitality, education, technology and major events. Collectively, TTF Members employ in excess of 450,000 people across Australia. A copy of TTF's Member brochure "Our Members Our Strength" is available from the website www.ttf.org.au.

Infrastructure Partnerships Australia (IPA) is Australia's only industry organisation that brings together both public and private sectors to promote partnerships in infrastructure provision. IPA considers infrastructure to include a broad range of services from public transport, roads, rail, ports, airports and utilities such as gas, water, electricity and telecommunications - to supporting social infrastructure including schools, skills, public housing, justice facilities, convention centres, hospitals, and cultural and sporting venues. IPA membership is limited to CEOs of Australia's leading public and private organisations with an interest in providing infrastructure (www.infrastructure.org.au).

Email survey questions were sent to TTF and IPA CEO Members requesting their participation in the August 2006 survey. The CEOs responded in person or requested their Human Resources Manager to reply. Responses were collected over a three week period.

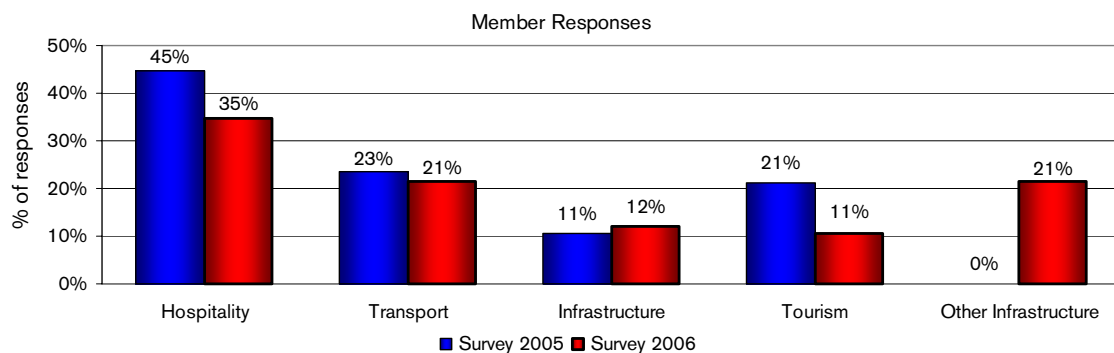
Email survey questions were sent to TTF and IPA CEO Members requesting their participation in the January 2007 survey. Responses were collected over a four week period.

AusCID members were invited to complete an online version of the survey in early March 2007, following the introduction of new survey software by TTF and IPA.

All replies and comments were analysed in-house with the resultant findings detailed below.

Member analysis:

Analysis category	Includes	% of Respondents
Hospitality	Accommodation, gaming, hotels, casinos, resorts, timeshare, camping & caravan, backpackers, etc	35
Investment	Developers, banks, financiers, capital investment companies, convention centres, ports	21
Transport & Aviation	Airlines, rental car companies, airports, taxis, railways	12
Tourism	Attractions, marketing & advertising, credit cards, museums, coach touring, arts, major events, retail, duty free, entertainment	11
Infrastructure		21



RESULTS

Question 1: Does your company currently have difficulty filling vacant positions?

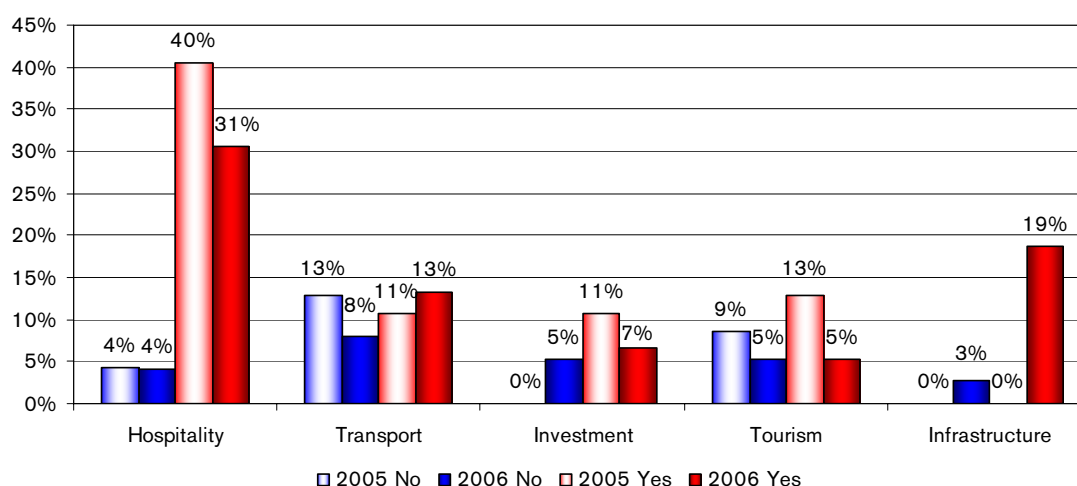
- 75% had difficulty filling positions
- 25% had no difficulty in filling vacancies.

The following table identifies the responses by category. It indicates that the hospitality and infrastructure sectors appear to be having considerable difficulty filling positions. Around half of the respondents from tourism, transport and aviation are also having difficulty filling positions.

Category	Yes	No
Hospitality	87%	13%
Investment	56%	44%
Transport & Aviation	63%	37%
Tourism	50%	50%
Infrastructure	69%	31%

In the second survey, difficulty in filling positions has worsened in the transport sector. The decline in difficulty of filling positions for hospitality may be due to the changes in legislation to the Working Holiday Maker visa. It also reflects the changes in “position” due to the introduction of IPA members into the data.

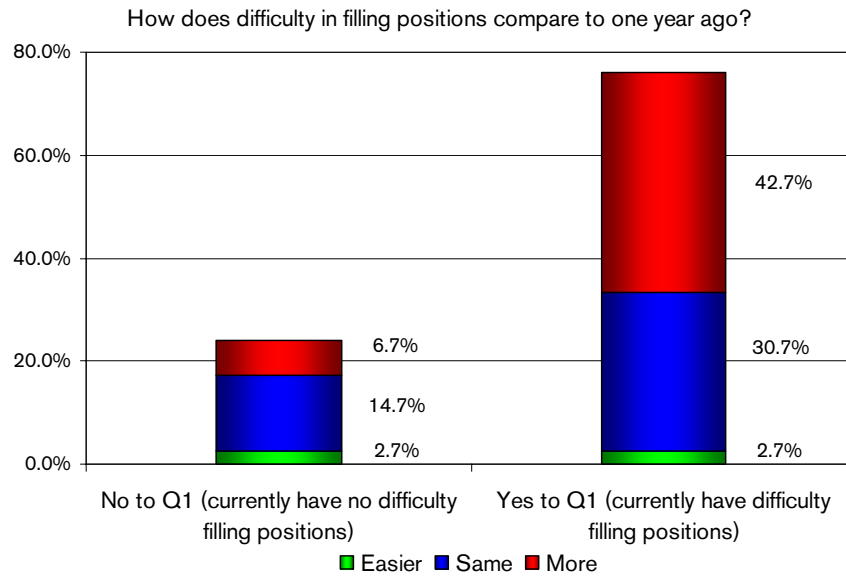
Does your company currently have difficulty filling vacant positions?



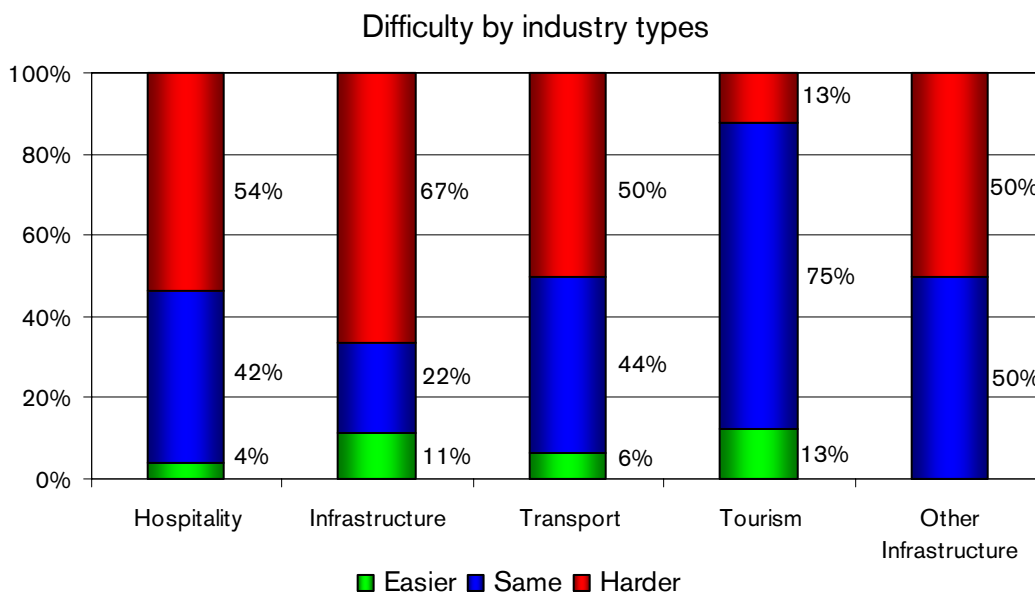
Question 2: How does the difficulty in filling positions compare to one year ago?

Most respondents either identified the same difficulty in filling vacant positions or found it more difficult.

- 49% identified it as being more difficult to fill vacancies;
- 45% identified it as being the same level of difficulty for filling positions;
- 5% identified it as being easier to fill positions this year when compared to last year;



The following graph highlights whether filling positions is more or less difficult than twelve months ago.

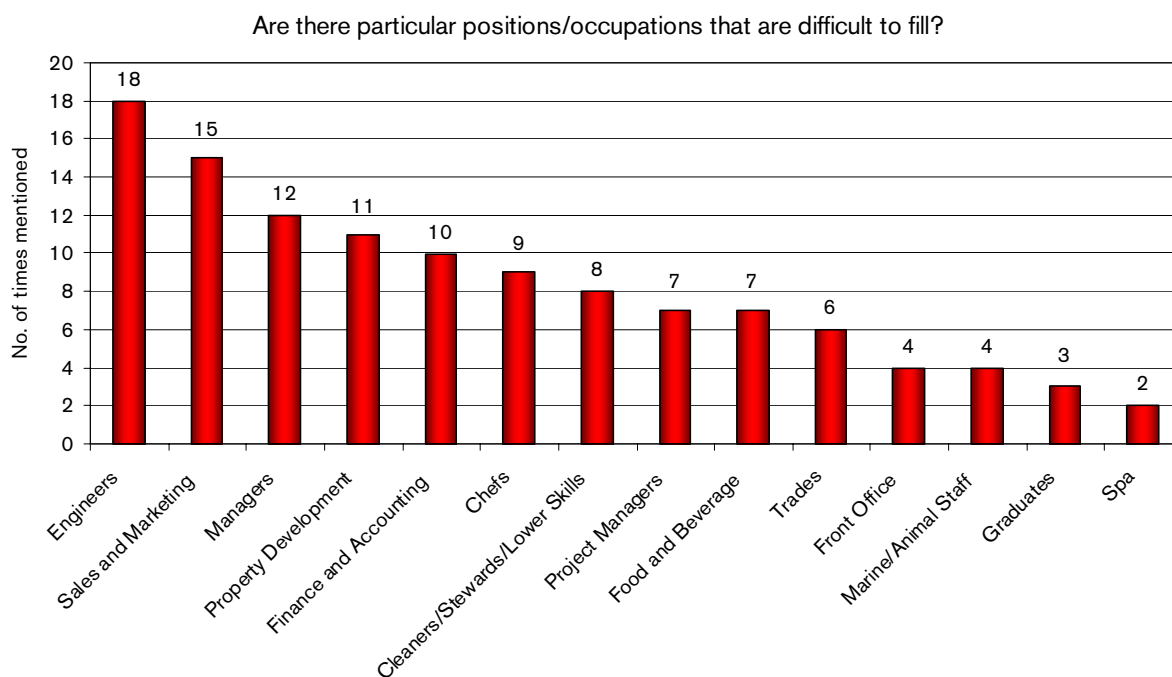


Question 3: Are there particular positions/occupations that are difficult to fill?

Most respondents indicated that there are some occupations or positions they had difficulty filling. A complete transcript of responses is included, see Appendix 1.

- Engineers were the most difficult positions to fill.
- Sales/marketing, managerial positions, property development and finance/accounting were also difficult positions to fill.
- Chefs ranked as the 6th most difficult position to fill, which is a decline on the results of the survey conducted in 2005, where chefs were mentioned 15 times and were ranked the most difficult position to fill.
- Compared to the 2005 survey, higher skill level jobs appeared to be more difficult to fill. During 2005 positions that ranked highest included food and beverage staff and trades persons.

The following table provides the frequency with which various positions were mentioned.



Question 4: Are there particular geographic locations for which it is more difficult to recruit?

10 respondents said they had no difficulties with recruitment in any particular location.

Other responses stated:

- Sydney is a geographical location in which it is difficult to find staff. However, some CBD-based Members in Sydney had no trouble with recruitment.
- Western Australia and Queensland operators had trouble with recruitment.
- Generally, most businesses had trouble with recruitment in regional areas.
- Perth, NT, SA, and more specifically areas in remote areas like Far North Queensland were locations mentioned as difficult to recruit for.

See Appendix 2 for a full transcript of responses by category.

Question 5: What priority skills and training areas do you believe the Government could invest in to assist your business?

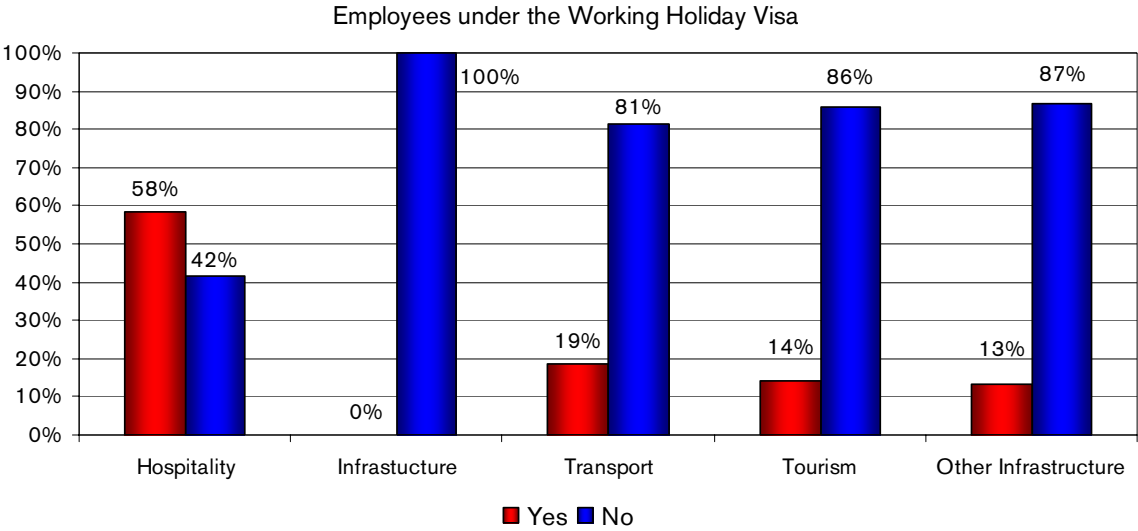
- Customer service skills ranked as the highest priority for Government to assist Member organisations with.
- Apprenticeship trades such as electricians, mechanics and chefs should be given priority assistance.
- Government support of traineeships and other on-the-job training concepts are priorities.
- General language, communication and computer skills need to be improved at school and/or tertiary level.
- Training schemes targeting mature-aged workers for re-entry to the workforce is considered a priority need by business.

A number of insightful observations and suggestions on skills and training priorities were made by individual respondents and a transcript of these is provided in Appendix 3.

Question 6: Does your business employ any foreign visitors under the Working Holiday Maker Visa (WHM) Scheme? If so, have the changes to the scheme allowing WHM employees to work for six months instead of three, impacted your business?

- 27% of respondents employ people under the Working Holiday Maker Visa Scheme (WHM).
- Of the respondents utilising the WHM scheme, the majority have indicated that the extension of time given has made employing such staff far more attractive. For the full transcript of responses refer to Appendix 5.

The following table shows hospitality companies are key utilisers of the WHM Scheme.



The second part of this question - **“If so, have the changes to the scheme allowing WHM employees to work for six months instead of three, impacted your business?”** illicited considerable response from Members.

The option whereby an employer may now employ a WHM for a total of six months rather than three, has made it more attractive for employers to utilise this labour source.

However, it is still not considered the optimum duration by respondents. Members indicated that the first three months of work is when considerable training takes place. The scheme would benefit from individuals being permitted to work longer to compensate for this learning period. The suggested period of time is between one year and two years.

This extension in time requests may be a reflection of the difficulty some tourism and transport employers have in sourcing Australian residents for specific roles. TTF will undertake further research into this during 2007-2008.

Question 7: Does your organisation employ people on the 457 Temporary Business Visa?

- 73% of respondents employ people on the 457 Temporary Business Visa

Question 8: If yes, how many staff is employed on the 457 Visa?

- The staff number on the 457 Visa ranges from 1 to 150 with a median of 8 and an average of 28.

Question 9: Have the numbers employed on the 457 Visas over the past 24 months increased, decreased or stayed the same?

- 55% of respondents said they had increased numbers of employees on the 457 Visas over the past 24 months.
- 20% of respondents said they had decreased numbers of employees on the 457 Visas over the past 24 months.
- 25% of respondents said it had stayed the same over the past 24 months.

Some respondents mentioned that the increase in size of their businesses was the reason for the increase in number of employees on the 457 Visas; some respondents noted that some employees on the 457 Visas had converted to permanent residents with a resultant decrease in the number of employees on 457 Visas.

Question 10: What types of jobs have you employed people on 457 Visas?

Jobs mentioned by the respondents are included in the below table:

Defence Services	Aircraft Engineering	Operations Managers	Buying Managers	Human Resources
Airport Management	Marketing	General Managers	Restaurant Supervisors	Sales Managers
IT Services	Legal	Front Office Managers	Housekeeping	Executives
On-Line Sales or Analysis	Chefs	Revenue Managers	Trades People	Professionals
Account Managers	Team Leaders	Food and Bev Managers	Electrical Lines People	Project Administrators
Engineering	Specialist IT	Media Business Directors	Commercial Lawyers	Finance Managers

Question 11: Do you consider the time and employer obligations involved in arranging a 457 Visa too onerous?

- 21% of respondents considered the time and employer obligations involved in arranging a 457 Visa were too onerous.

Some respondents commented that the obligations were very inflexible and time consuming, and there was too much red tape and preparation of the paperwork took very long. It was claimed that the authorities tended to take an extended period of time and more should be done to streamline the process between business and individuals, such as providing contact details for advisors.

- 79% of respondents considered the time and employer obligations involved in arranging a 457 Visa were acceptable.

Other comments:

Some Members provided additional comments on the issues raised by the survey. Their insights are pertinent to the issues investigated in this report and are reproduced below.

Infrastructure respondents

"We are concerned about any attempt to water down the current ease of importing skills via temporary visas - this is the only solution which will address the critical skills shortage which will peak in the next year."

"Focus should be on education - reducing the cost to Australian citizens and maintaining high standards recognised world wide."

"In the areas we defined as our needs we believe we are in crisis and service delivery by our industries is at threat."

"Differences in state legislation and approach make it difficult to select and place 457 Visa staff depending on their family circumstances (e.g. number of children). Govt procurement practices seriously undermine industry ability to resource effectively."

"It (457 Visa) is a very useful process and opportunity to obtain the right skills from overseas. We are noticing increasingly that applications are taking longer to process. Essentially, however, the process works well and fulfils our needs."

Transport respondents

"Our issues are about finding people with relevant work experience."

"The situation has improved for call centre staff and programmers."

"(457 Business Visa is) Approved relatively quickly although there is a certain amount of red tape, which is expected."

"The government's processing time (4-6 weeks for 457 Visas) could be improved."

Tourism respondents

"Let's change the system for the next generation, develop smart people, and increase our world tourism share, besides making it a core industry."

"This is a vital part of our international business. In addition we send executives on business visas to other countries thus promoting the exchange of cultures and experiences."

Hospitality respondents

"During the November and December period the 457 Visas took a greater amount of time to process and grant compared to other months."

"The salary level (required for 457 Visa) is also too high which eliminates a large number of necessary positions."

"The positions that are able to be sponsored needs to be more reflective of the labour shortage that the hotel industry is experiencing. It also needs to allow us to employ graduating hotel school students in more junior/supervisory roles."

"We hope the number of new recruits on these (457) visas grows to 60 per year by the end of 2007 and see this strategy as a major source of front line managers."

Appendix 1: Positions difficult to fill: transcript of responses

Infrastructure respondents

30-40 year old professionals particularly estimators

Civil Engineers particularly in transport infrastructure

Line workers, Electrical Fitters, Water Industry Operators (Trades), Power Engineering, Graduate Engineers

Major Project Managers

Senior Project Manager, Project Engineer

Technical Positions, Engineering Roles

Young Professionals

Road Engineer, Management Positions, Rail Engineer Signallers, OHW Marine Middle Level Engineers

Risk Analysts, Operator Maintainers

Transport Specialists, Project Managers, Water and Civil Engineers (mid level)

Cleaners, Housekeepers, Hospitality Staff, Admin Staff, Gardeners, Maintenance & Catering

Rail, Mining, Industrial Process, Pipeline Engineers

Transport & Aviation respondents

Engineers

Engineers, Drafters, Property Development Managers

Call Centre Staff

Front Office, Cleaning Staff

Finance and accounting, Engineering and technical

Fleet Controllers

Technical specialists, Experienced Generalists

Property Development Directors

Lower Level Finance

Trades, Engineering

Engineers, Coach Tour Drivers, Trades

Airline Marketing and Sales

Management, Admin / office, Trades

Sales

Engineering, Accounting/Finance, Project Managers

Investment

Building Surveyors, Engineering

Project Managers

Project Managers, Mine Managers, Engineering

Property Development, Town Planners

Architectural, Interior Design, Finance

Engineering, Environmentalists

Engineers, Project Managers

Safety/Risk, Hydrographic Surveyor, Accounting - Management and Financial

Tourism respondents

Sales and Marketing executives, Management

Sales, OH&S Consultants, Finance Managers

Sales Executives

Directors

Operations

Property Development, Business Development

Technical/Trades, Animal Keepers, Life Guards, Cleaners and Stewards

Hospitality respondents:

Duty Managers, Front Office Managers, Sales, Hotel Engineers, Project Managers, Chefs

Chefs, Food Service Managers, Marketing and Accounting

Sales

Professionals, Graduates

General low skill

Experienced Property Analysts, Asset Managers

Executive

Food and Beverage supervisory

Chefs, Food and Beverage Staff

Chefs, Sales/Marketing, Massage/Beauty Therapists, Management

Chefs, Food and Beverage Staff, Cleaning

Chefs, Hotel Engineers, Business Development Managers/Sales and Marketing, Training Managers / HR Managers

Finance, Retail

Chefs, Food/Beverage Attendants, Food/Beverage Managers

Room Attendants, Kitchen Stewards, Laundry Attendants, Cleaners, Chefs, Trades people, Qualified Marine Staff

Sales, Middle Management, Senior Management, Team Leaders

Front Office Clerks, Food/Beverage Attendants

Technical Skilled, Well Presented Security personnel

Sales, Front Office

Chefs, Quality supervisory management, Sales

Middle Management, Line Level Finance

Accounting, Finance, Sales, Finance, Sales

Accounting, Vineyard

Wait Staff

Chefs, Trades, Spa Therapists, Marine Trades

Appendix 2: Locations difficult to recruit staff: transcript of responses

Infrastructure respondents

Queensland and Western Australia

Barcaldine, Moranbah

Adelaide and Perth

Whole State

WA, QLD, SA

Transport & Aviation respondents

Western Australia, Northern Territory, North Queensland

Central Australia

Rockhampton Region, Brisbane

Western Australia

Investment respondents

Regional

Queensland, Western Australia

Western Australia, Queensland

Tourism respondents

Sydney

Hospitality respondents:

Western Australia

Sydney

Western Australia, Sydney

Western Sydney

Western Australia

Canberra

North Queensland

Central Coast, Canberra

Regional Areas

Regional

Airport Locations, Alexandria

Regional Australia

Sydney

Western Australia

Sydney, North Queensland

Gold Coast, Melbourne, Sydney

Hunter Valley

Western Sydney

Northern Territory, Queensland, Western Australia

Appendix 3: Skills and training priorities: transcript of responses

Infrastructure respondents

Increase the intake of engineers at universities

Sciences/engineering/legal

Promotion of engineering as a career to schools, general awareness raising across the community on engineering

Minimal impact from these areas in our industry

Focus needs to be at school level so that school leavers see engineering as a worthwhile career

Transport & Aviation respondents

TAFE

Correct work experience is required. Skills required are travel related such as fares and ticketing. On-The-Job experience is essential. We would need the combining of theoretical knowledge with skills building such as sponsored work experience so that when applicants come to us they actually have some experience we required. Demographics are irrelevant to us

Return to work skill training specific to our needs with aptitude screening for job to candidate fit

Engineering and technical at university and TAFE. Finance and accounting at university. Better quality maths and science in school

The positions would be suited to people who are forward planners and may suit people with good planning skills

Basic Finance

TAFE Technicians

Customer Service Programs, Emergency Procedures Training / Certificate

Electrical trades/apprenticeships. Encourage women into trades and engineering

Technical skilled courses

IT and computer science courses at University

Trade skills for school leavers, apprentices. Escalate subsidies to employers for staff training that results in recognised qualifications rather than one off courses. Promote mentoring within companies by subsidising wages for mature workers

School leavers require general business skills. Refresher courses for those re-entering the work force

Investment respondents

Under-graduate cadetships

TAFE - project management for trades people without tertiary education

Students who have had the opportunity to gain skills through employment during breaks of education are more capable of filling vacancies than those who have had no work experience. The course structure should be improved to allow students to be employed whilst continuing to study to gain this important experience

Critical need to inform school leavers about engineering, the opportunities for employment and the exciting careers that can come their way. Support then needs to be provided to universities to open up HELPS places

We already employ current TAFE students

Tourism respondents

Senior tourism execs and boards should do an MBA with some focus on destination marketing, and finance/investment modules

Sales, marketing, IT, finance, operations

We have found that the general skills required by the agency available in the market. Attraction/recruitment difficulties mainly arise from the market remuneration commanded by some positions and the inability for Government organisations to match that remuneration

Hospitality respondents:

Hospitality training courses and opening up immigration restrictions. Give tax breaks to return to work parents for childcare.

Service Management, Labour Management / IR practices. Cookery

Across the board

Basis training levy rebates

Difficult for the Government to assist with specifics for property Fund Management business.

TAFE (Hotel related)

Shortage of junior chefs e.g. commis and demi level. Major Trades shortage and major shortage of accountants and financial controllers

Skills training/chefs

Promote Cookery Apprenticeships to school leavers and mature age workers and pre-apprenticeship courses through TAFE

Traineeships, Apprentices and Mature age workers

Hospitality

More focus on apprenticeships and traineeships - stronger focus on food and beverage

The biggest assistance would be to modify the criteria for overseas sponsorship. We would benefit from an increase in Industry Based Learning as we could employ skilled staff for the 12 month period between their higher educational studies. While we certainly suffer from skilled labour shortages we have additional challenges due to our remote location. Additional training options are unlikely to affect us and the declining rates of candidates entering the employment market are a bigger issue than training particular groups

Retail Management through schools, customer service related courses through TAFE/schools

Ready school leavers who are not bound for professional careers

Sales people are in short supply

Apprenticeships, Traineeships and casual workers

Job Applications - resumes and letters of application

Sales, Promoting/Marketing, Hospitality

Social skills especially for school leavers. Conversation, presentation and etiquette skills

Encourage people to commence apprenticeships in the areas of demand. Apprenticeships should be reviewed for length and relevancy and adjusted accordingly

Appendix 4: Working Holiday Maker Visa: transcript of responses

Infrastructure respondents

We have typically low applications from this group. If the suitable skills were available we would employ under this visa

Yes we do minimal, but have not noticed any change

Transport & Aviation respondents

We rarely do, current one employee but only because of previous work experience with our UK branch

6 months helps as it defrays the training cost over a longer period

The change in working visa entitlements allows more flexibility for companies to employ travelling graduates in higher positions. We employ backpackers in unskilled positions but most only stay a few weeks

Investment respondents

Although no employees are currently employed under the Working Holiday Visa Scheme the extension is beneficial to utilise skills developed within the first 3 months

Tourism respondents

This hasn't impacted us yet, however it may be beneficial over the summer period

Hospitality respondents:

We welcome the changes but they are not enough. It could be further improved if they could move around the country and work for the same group but in different locations. It could be improved also if hospitality was counted as a "seasonal job" and could thereby make the backpacker able to secure an extended visa

Keeping backpackers for 6 months has been very helpful; it has allowed us to find more senior semi professionals alike accounts staff. 1 year would be better

The changes have assisted us

These changes are invaluable and would like to see them go further

Yes, when they have relevant experience however it hasn't impacted the number of people we take on a working holiday visa

Occasionally. The changes have enabled our hotels to consider these applicants for more roles during peak seasons as they can work longer for our hotels

Housekeeping for leisure resorts. It is far more beneficial to have staff for 6 months rather than 3 which reduces retraining but also staff can stay for a whole peak period

We have always employed a small amount of foreign backpackers and the changes have allowed us to increase this number although we are yet to see whether foreign backpackers want to stay in one location for six months

Have had good visa temps, having them for 6 months is a big bonus as the extra 3 months gives the temps to consolidate their early training in the first 3 months

Would consider employing such people

Low numbers of this category employed as we don't operate season properties. No impact seen

6 months is better, but we would prefer 12 months to 2 years

Able to keep a strong work holiday visa staff for longer. I am more likely to hire a WH visa applicant now

For grape picking, same numbers available

We employ a number of backpackers under the working holiday scheme. The changes have been very positive as we are located in remote regional areas. This allows us to utilise those people for longer periods