



Australian Travel Industry Association (ATIA)

Skills Priority List Submission 2024

March 2024

1. Introduction

The Australian Travel Industry Association (ATIA) welcomes the opportunity to provide a submission to Jobs and Skills Australia in relation to its Skills Priority List 2024.

In our submission we have focused on the occupations of Travel Consultant, Tour Guide and Sales, Marketing and Business Development related roles.

This submission summarises findings from ATIA's Skills & Workforce Survey. The survey was undertaken from 24 January to 14 February 2024. 55 businesses participated in the survey, ranging in size from 1 to over 5000 employees in Australia.

About ATIA

ATIA is the trusted source for advice and best practice in the travel sector. Our mission is to highlight the integrity of our members through effective approaches in advocacy, industry recognition and awards, and ultimately boosting the confidence of the travelling public.

ATIA's membership base includes the full spectrum of travel intermediary businesses across Australia including retail, corporate and online travel agents, tour operators, wholesalers and consolidators. Our members range in size from the largest listed organisations such as Flight Centre, Helloworld, Corporate Travel Management and Webjet, through to small independently owned and operated travel businesses.

A large proportion of travel agent members are small to medium businesses, many of whom operate under networks such as Helloworld, Flight Centre Independent, My Travel Group, itravel, Express Travel Group, Travellers Choice and CT Partners. ATIA's membership also includes consolidators, tour operators and wholesalers such as Scenic, APT and The Travel Corporation. ATIA has a total of 1,750 ATAS-accredited member locations throughout Australia.

ATIA also administers the Australian Travel Accreditation Scheme (ATAS), which is the largest and most representative accreditation scheme for travel businesses in Australia. All ATIA members are ATAS accredited and recognised for their highest operational standards including yearly assessment of finances, minimum levels of training and procedures for dealing with consumer grievances. About 85% of consumers are more likely to book with an ATAS-accredited travel agency or tour operator.

2. Industry Context – Demand for travel professionals

Overall there continues to be a significant need for travel professionals in order to meet the demand of travelling Australians and many of the occupations supporting the travel industry continue to be in shortage.

Typically, at least 70% of all international air sales are through agencies rather than direct with airlines. This reliance has increased as a result of the COVID pandemic's immediate and residual impact in making travel more complicated. Over 90% of corporate sales (medium and large businesses) are through agencies rather than direct with airlines, recognising that reliance on a travel professional streamlines processes and makes it easier for companies to ensure compliance with their financial policies and duty of care. In 2023 travel professionals sold almost 23 million air tickets worth almost \$18.5 billion.¹

The demand for air travel is expected to double by 2040, growing at an annual rate of 3.4%.² Given the reliance on travel professionals to arrange travel, this will have a flow on effect for demand for travel consultants and other travel related occupations.

In today's increasingly complex world of travel, demand for professional assistance continues to grow. This is particularly the case as consumer preferences shift, for example, many customers are seeking expert assistance with finding sustainable travel options, luxury holidays, or package deals including car hire etc. There are also specialised services such as disability specialist travel agencies who are experts in designing and arranging personalised travel experiences for people with disabilities, and who are registered NDIS service providers. Demand for organised tours and tour guides is also set to continue, with travellers looking for unique experiences they can't find on their own, experiences that support local communities and active and nature-based inclusions.

In relation to cruise, it is anticipated that in 2024 total cruise passenger capacity in Australia will build on 2023 by 42%, reflecting the strong interest shared by international tourists and Australians alike in cruising, as well as the range of new ships entering service.³ Again this will have a flow on effect for demand for occupations such as travel consultants, travel agency managers, tour guides and sales and marketing professionals, as 65% of travellers use travel advisors to book cruises.⁴ Interestingly, younger cruise travellers – from Gen Z to Millennials to Gen X – turn to travel advisors to book their cruises more so than any other generation,⁵ dispelling a common misconception that it is only the older generation who favour travel professionals.

In addition to future demand for travel related occupations, it is important to understand the base from which the travel industry workforce sits when making an assessment of occupations in shortage going into 2024. The travel industry experienced a loss of more than a third of its skilled workforce during the COVID pandemic. Commencements in traineeships in the travel industry fell by over 80 per cent, severely limiting the pipeline of skilled workers.⁶ This impact is ongoing, with employers in the travel industry experiencing significant difficulties in recruiting and attracting people back to the industry, largely due to the perceived unpredictability of the industry following past approaches by governments during the COVID pandemic. The residual impacts of the reduction in travel industry during the COVID pandemic combined with the growing demand for travel professionals means these occupations will be in high demand in 2024.

¹ Ticket defined as individual air tickets sold.

² International Air Transport Association (IATA), [Global Outlook for Air Transport](#), June 2023

³ Cruise Lines International Association Australasia (2024), Cruise lines boost Australian presence in a big year for cruising, 4 January 2024.

⁴ CLIA, State of the Cruise Industry, September 2023 update, at https://cruising.org/-/media/clia-media/research/2023/clia_state-of-the-cruise-industry-report-sept-2023-update-live.ashx

⁵ CLIA, State of the Cruise Industry, September 2023 update, at https://cruising.org/-/media/clia-media/research/2023/clia_state-of-the-cruise-industry-report-sept-2023-update-live.ashx

⁶ NCVER

3. Travel Consultants

This section addresses the need for Travel Consultants, which falls under the Australian and New Zealand Standard Classification of Occupations (ANZSCO) Code 451612. At the industry level, this occupation is also known as Travel Consultant, Travel Advisor, or Reservations Consultant, each fitting the description of tasks outlined in the relevant ANZSCO Code.

The results strongly indicate that Travel Consultants should remain on the Skills Priority List as an occupation in shortage in 2024.

Recruitment Needs

Filling vacancies

In relation to the proportion of vacancies that were filled in the period January – December 2023, 27% reported that a low proportion were filled (e.g. less than half were filled), 39% reported that a moderate proportion were filled, and 34% reported that a high proportion were filled (e.g. almost all vacancies were filled).

The impact of recruitment difficulties on travel businesses is significant, with survey respondents reporting that the lack of ability to fill vacancies for travel consultants has resulted in the following:

“At this stage, the inability to get staff will likely result in the closure of our business”.

“Our business is being held back because of insufficient staff to meet demand.”

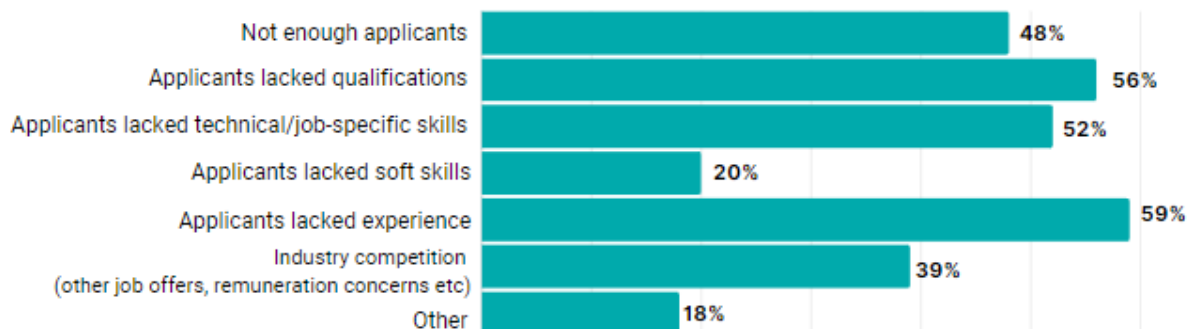
“[recruitment challenges in 2023] were very frustrating... it just means I have to constantly work more hours”.

“I just want to employ someone. At this rate we are going to be turning away business”.

Notably, some respondents who did not recruit for Travel Consultants in 2023 reported that they had a need for new workers, however due to being a sole operator or small business did not feel they had the time to recruit and onboard new employees, and were just trying to stay on top of their clients and bookings.

Reasons for shortages

For the roles that weren't filled, the main reasons included applicants lacking experience, qualifications or technical/job-specific skills needed. In addition, 48% reported there were not enough applicants.



Main reasons roles weren't filled

Traineeship commencements for Certificate III in Travel fell by over 80% during the COVID-pandemic,⁷ severely limiting the pipeline of people with the qualifications needed.

Particular challenges faced by travel businesses include the following:

“Finding suitable applicants remains the biggest challenge”

“Limited candidates who wanted to undertake all the training and see the whole thing through. ...Despite all the support that was provided [candidates] sometimes didn't respond or show up to work.”

Career levels

Travel Consultants at the senior level were most difficult to recruit for (33%), closely followed by mid-level (29%). 21% reported it was most difficult to recruit for early career roles, and 17% found entry level roles most difficult to recruit for.

Many experienced travel consultants left the industry during the period of COVID restrictions, and have found other career paths. Comments by travel businesses include the following:

“Lack of experienced travel agents – most have left because of COVID”

“The biggest challenge is getting the experience that left over the pandemic back into the industry. Not just for our organisation but for the entire distribution chain”

“The recruitment for experienced travel consultants is challenging. Many have left the industry and many businesses are struggling with time to train up inexperienced consultants”

Location

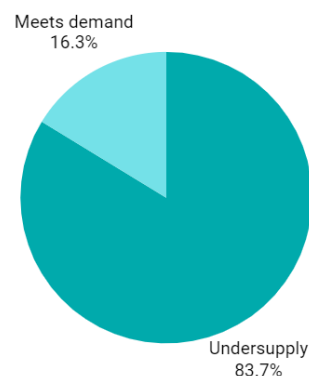
Vacancies were experienced Australia-wide, with New South Wales and Queensland experiencing the highest levels of vacancies. This also reflects where the majority of businesses are located.

While the vacancies were experienced in both regional and metro areas (20%), a high proportion of vacancies were primarily in metropolitan areas (57%), and 16% were primarily in regional areas (noting 7% were unsure where the vacancies primarily were).

Level of suitably skilled workers

In terms of the level of suitably skilled workers for the period January – December 2023, 84% reported that there was an undersupply, being not enough workers for the work available.

Only 16% reported that there were enough skilled workers for the work available (i.e. meets demand), and no survey respondents reported that there is an oversupply of skilled workers.



Level of suitably skilled workers for the period Jan-Dec 2023

⁷ NCVET

Future demand

As demonstrated in Section 2, demand for travel consultants is expected to increase. In addition to the analysis in Section 2, when asked how they expect demand for the role to change over the next 1-5 years, comments from travel businesses included the following:

"For us - increase. The staffing levels are still well below what they were before COVID for a number of travel agencies. We have higher staff levels than before, but a significantly higher level of demand that we need more staff to keep up with demand and service clients properly."

"Demand will grow as corporate business is on the rise"

"We are growing and will recruit many times during 2024"

"We would expect demand for this role to increase over the next 1-5 years as our inbound markets increase and business levels increase/grow."

"[there will be] steady growth as a whole generation is due to retire"

"Due to limited number of staff entering the industry and looking at these type of roles I would anticipate that there would be great demand over the next 1-5 years."

"Demand will increase as our business grows and sales returns to pre-covid volume."

4. Travel Agency Managers

This section addresses the need for Travel Agency Managers, which falls under ANZSCO Code 142116.

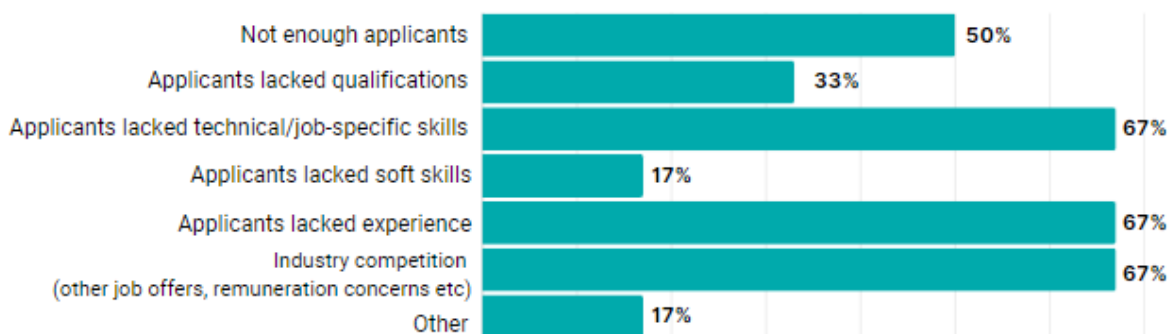
Recruitment needs

Filling vacancies

In relation to the proportion of vacancies that were filled in the period January – December 2023, an equal amount (33%) indicated that a low proportion, moderate proportion and high proportion of vacancies were filled.

Reasons for shortages

For the roles that weren't filled, the main reasons included that the applicants lacked the experience or the technical/job-specific skills, or due to industry competition, including other job offers and concerns around remuneration that was able to be offered.



Main reasons roles weren't filled

Career levels

Mid-level roles were reported to be the most difficult to recruit for (36%), with senior positions following at 29%. Early career roles were the next difficult to recruit for (21%), and 14% reported that entry level roles were the most difficult to recruit.

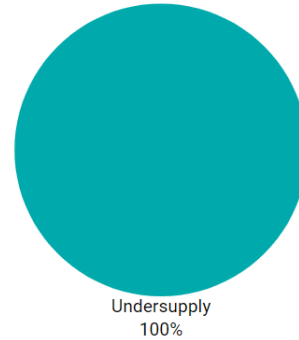
Location

Vacancies were experienced Australia-wide, with New South Wales experiencing the highest level of vacancies followed by Queensland.

While the vacancies were experienced in both regional and metro areas (33%), a high proportion of vacancies were primarily in metropolitan areas (67%).

Level of suitably skilled workers

All of the travel businesses who attempted to recruit for Travel Agency Managers in 2023 reported that there was an undersupply of suitably skilled workers for the work available.



Level of suitably skilled workers for the period Jan-Dec 2023

Future demand

Demand for travel in general and use of travel professionals will continue to grow, as set out in Section 2. When asked how they expect demand for the role to change over the next 1-5 years, comments from survey respondents included the following:

"I would expect much higher demand"

"I believe demand will only increase for these roles and it will remain difficult to fill these positions without compromise on experience"

"Demand will continue to rise"

5. Tour Guides

This section addresses the need for Tour Guides within Australia, which falls under ANZSCO Code 451412.

Note that ATIA members are primarily focused on outbound international travel by Australians and domestic corporate travel and accordingly there was a smaller sample size of businesses which attempted recruitment of Tour Guides in Australia in 2023. As such, these results should be used to complement other sources.

Recruitment needs

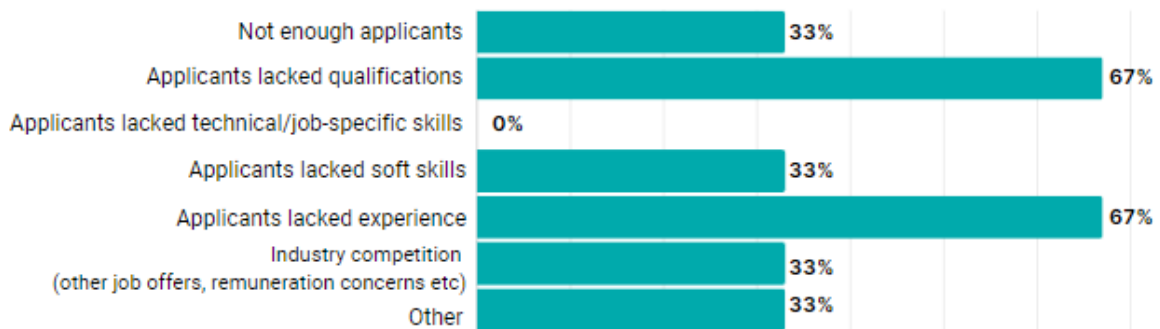
Filling vacancies

In relation to the proportion of vacancies that were filled in 2023, an equal amount of survey respondents reported a low, moderate, and high proportion of vacancies filled (33%).

Some reported that recruitment challenges for operational staff, including Driver/Guides was more challenging than any other role within the business.

Reasons for shortages

For the roles that weren't filled, the main reasons included applicants lacking experience or qualifications (67% each).



Main reasons roles weren't filled

Career levels

Both entry-level and early career roles were reported to be the most difficult to recruit for in 2023 (33% each), followed by mid-level and senior roles at 17% each.

Location

Vacancies were experienced Australia-wide, with the Northern Territory, New South Wales and Queensland experiencing the highest levels of vacancies.

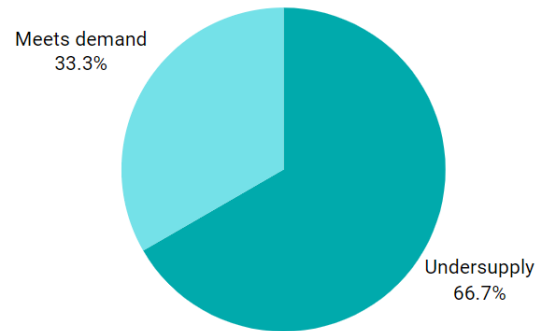
While the vacancies were experienced in both regional and metro areas (33%), a high proportion of vacancies were primarily in regional areas (33%).

Finding Driver Guides and Tour Guides to perform roles in remote parts of Australia, particularly the Northern Territory was outlined as a one of the biggest challenges for 2023, and a key priority for 2024.

Level of suitably skilled workers

In terms of the level of suitably skilled workers throughout 2023, two-thirds reported that there was an undersupply, being not enough workers for the work available. A third reported that there were enough skilled workers to meet demand. No respondents reported that there was an oversupply of skilled workers.

There was a general sentiment that it will continue to be challenging to find suitably skilled workers given the amount of experienced people who left the industry during the period of COVID restrictions and who have not returned to the industry.



Level of suitably skilled workers for the period Jan-Dec 2023

Future demand

Demand for travel in general and use of tour guides will continue to grow, as set out in Section 2. Attracting, training and retaining skilled and quality Driver Guides was identified as a key priority for 2024. Looking further into the future, demand for tour guides is set to continue, with travellers looking for unique experiences they can't find on their own, experiences that support local communities and active and nature-based inclusions.

When asked how they expect demand for the role to change over the next 1-5 years, comments from survey respondents included the following:

"As the want/need for Travel grows, so will the need for good quality Tour Guides/hosts."

"Demand will continue to grow as there is a skills shortage for tour guides and people entering the industry in these type of roles. A number of experienced tour guides will start to reach retirement age."

6. Sales, Marketing and Business Development

This section addresses the need for Sales, Marketing and Business Development professionals. These roles fall within ANZSCO Minor Group 225, given the range of roles we have not detailed specific ANZSCO codes.

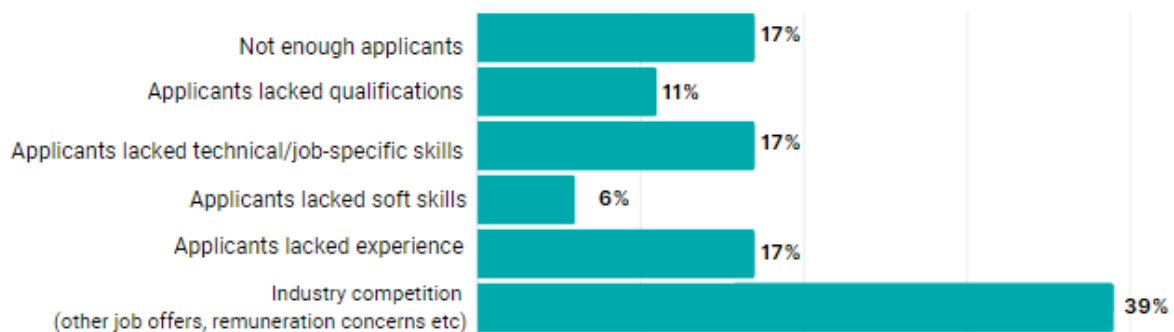
Recruitment Needs

Filling vacancies

In relation to the proportion of vacancies that were filled in the period January – December 2023, the majority of respondents (72%) reported that a high proportion of vacancies were filled. 17% reported that a moderate proportion were filled, and 11% reported that a low proportion of vacancies were filled.

Reasons for shortages

For the roles that weren't filled, the main reason was because of industry competition, including other job offers and concerns around remuneration that was able to be offered.



Main reasons roles weren't filled

Career levels

Mid-level roles were reported to be the most difficult to recruit for (38%), with senior positions following at 34%. 21% reported that early career level roles were the most difficult to recruit for, and 7% reported that entry level roles were the most difficult.

Location

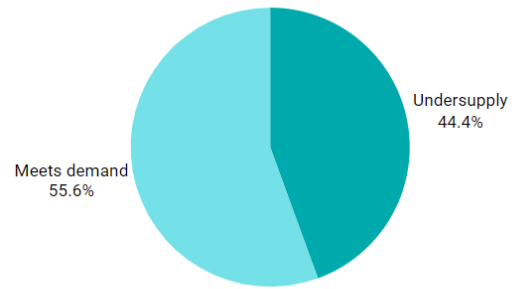
Vacancies were experienced Australia-wide, with Queensland experiencing the highest level of vacancies, followed by Victoria and New South Wales.

While the vacancies were experienced in both regional and metro areas (33%), a high proportion of vacancies were primarily in metropolitan areas (67%).

Level of suitably skilled workers

In terms of the level of suitably skilled workers throughout 2023, 55.5% reported that there were enough skilled workers to meet demand. 44.5% reported there was an undersupply, being not enough workers for the work available.

No respondents reported that there was an oversupply of skilled workers.



Level of suitably skilled workers for the period Jan-Dec 2023

Future demand

As travel businesses grow (see Section 2), so will the need for sales, marketing and business development professionals. Specific comments from ATIA members include the following:

“Demand will grow as Travel businesses grow and are in the position to employ people to assist in marketing and growing their business”

“Demand will grow as corporate business is on the rise”