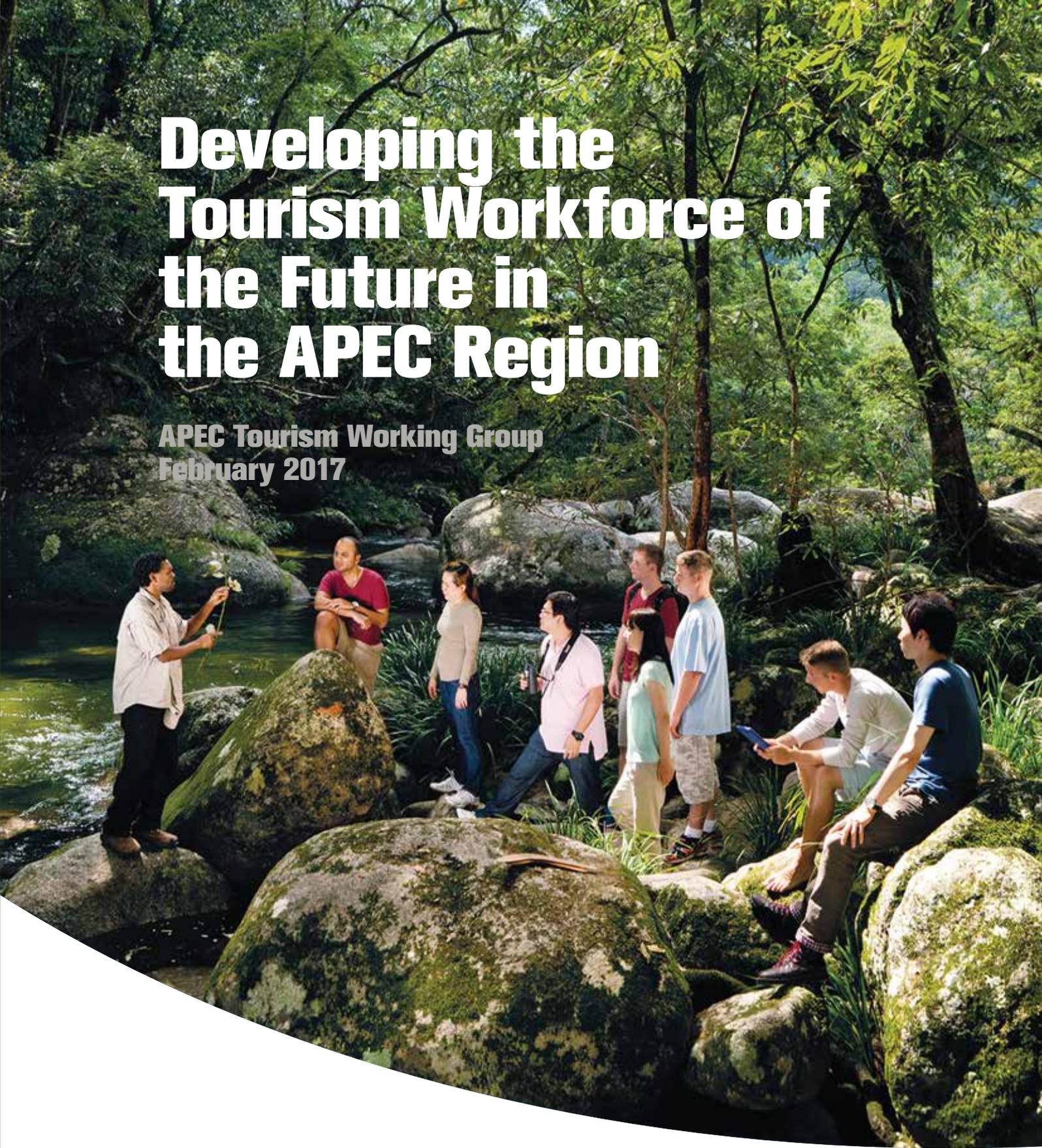


Developing the Tourism Workforce of the Future in the APEC Region

APEC Tourism Working Group
February 2017



**Asia-Pacific
Economic Cooperation**

Sponsor: **Australia**

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Asia-Pacific Economic Cooperation (APEC) Tourism Working Group

February 2017

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The views expressed in this paper are those of the author and do not necessarily represent those of the APEC Member Economies. The recommendations considered in this report may be further considered by relevant APEC fora.

Developing the Tourism Workforce of the Future in the APEC Region

APEC Tourism Working Group (TWG)
February 2017



Australian Government
Department of Foreign Affairs and Trade



EARTHCHECK



Griffith Business School

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Members of the Tourism Working Group (TWG) from each of the 21 economies who responded to the survey and those able to attend the workshop contributed greatly to the final outcomes as presented in this report. Thank you for sharing your experience. Economies able to attend the workshop, taking place as a side event to TWG49 in Kokopo, Papua New Guinea, provided excellent contributions to the workshop discussion. Industry representatives, academia, non-governmental organisations and other industry support organisations contributed to the survey. Thank you to each of you for taking the time to contribute your experience. Lastly, particular thanks goes to the representatives from those economies who contributed their time and experience to the development of the case studies.

Glossary

Terms of Regional Reference

References are made in this document to various terms of geographical reference groups. The context for each of the reference group is outlined below.

APEC: Refers to the twenty-one economies of APEC

Australia	New Zealand
Brunei Darussalam	Papua New Guinea
Canada	Peru
Chile	The Republic of the Philippines
People's Republic of China	Russia
Hong Kong, China	Singapore
Indonesia	Chinese Taipei
Japan	Thailand
Republic of Korea	United States
Malaysia	Viet Nam
Mexico	

ASEAN: Refers to the ten Member States of the ASEAN

Brunei Darussalam	Myanmar
Cambodia	The Republic of the Philippines
Indonesia	Singapore
Lao People's Democratic Republic	Thailand
Malaysia	Viet Nam

Asia-Pacific: Refers to the Member States of the UNWTO of East Asia and Pacific

Australia	Mongolia
Brunei Darussalam	Myanmar
Cambodia	Papua New Guinea
People's Republic of China	The Republic of the Philippines
Fiji	Republic of Korea
Hong Kong, China	Samoa
Indonesia	Thailand
Japan	Thailand
Lao People's Democratic Republic	Timor-Leste
Macao, China	Vanuatu
Malaysia	Viet Nam

Acronyms

ABTC	APEC Business Travel Card	OECD	Organisation for Economic Co-operation and Development
AQF	Australian Qualification Framework	OH&S	occupational health & safety
AQRF	ASEAN Qualification Referencing Framework	PATA	Pacific Asia Travel Association
ASEAN	Association of Southeast Asian Nations	RSE	Recognised Seasonal Employment
CATC	Common ASEAN Tourism Curriculum	SDG	Sustainable Development Goal
EEO	equal employment opportunity	SME	Small-to-medium enterprise
EQF	European Qualifications Framework	STEM	Science, Technology, Engineering and Maths
EU	European Union	SWP	Seasonal Workers Programme
HKQF	Hong Kong Qualification Framework	TEP	Tourism Employment Plans
HR	Human resources	TFW	Temporary foreign workers
HRDWG	Human Resources Development Working Group	TSA	Tourism Satellite Account
HRM	Human resource management	TVET	Technical Vocational Education and Training
ICT	Information and communications technology	TWG	Tourism Working Group
ILO	International Labour Organization	UN	United Nations
IOM	International Organization for Migration	UNDESA	United Nations Department of Economic and Social Affairs
MoU	Memorandum of Understanding	UNESCO	United Nations Educational, Scientific and Cultural Organization
MRA	Mutual Recognition Agreements	UNWTO	United Nations World Tourism Organization
MSME	Micro, small and medium enterprises	VET	Vocational Education and Training
NGO	non-government organisations	VPET	Vocational and Professional Education and Training
NQF	National Qualification Framework	WTTC	World Travel and Tourism Council
NSTVET	Asia Pacific National System of Technical Vocational Education and Training		



Executive Summary

Tourism in the APEC region is on track for above global growth rates, creating a future of both skill and labour shortages. Skill requirements, including both specialist hard skills and general soft skills are also increasing. Digitisation and the changing nature of the industry is also driving a greater requirement for information and communications technology (ICT) skills, soft skills and entrepreneurship among Small-to- and Medium Enterprises (SMEs).

This report has been prepared for the APEC Tourism Working Group (TWG) and builds on the APEC Leaders' Action Plan for Promoting Quality Employment and the APEC Tourism Ministers' 2014 commitment to discuss and enhance tourism coordination mechanisms in the Asia-Pacific, including in personnel education and training, and job creation through tourism. Moreover, a key goal of the APEC TWG is to promote sustainable and inclusive tourism development in the APEC region that will enable member economies to increase their competitiveness. The findings from this report are drawn from: a) an extensive literature review; b) a survey of the twenty-one member economies across Government, industry and academia (with 335 responses; 60% from non-English speaking participants); c) a workshop with industry leaders; and d) case studies of member economies.

The Challenges

- **A growing need for labour and skills:** growth in visitation is more rapid than growth in population (especially young people) across most of the APEC economies. Some APEC economies have latent labour supply, but they lack the skills required in those economies with a labour shortage. Across all economies there is an identified skills shortage in 'soft skills' such as customer service and management skills as well as some identified 'hard skills' such as technical staff.
- **Participation by women and young people needs to be a focus:** women and young people generally fill tourism jobs that are lower paid. Women and youth tend to experience poorer working conditions. Tourism can, however, provide flexibility for working mothers and students, and can offer a path to operating their own business.
- **Participation requires a shift in perceptions to address some realities of the industry:** the attractiveness of the industry to workers is poor due to low wages and difficult working conditions in junior positions. In addition, the lack of gender equality, less appealing working conditions (casual employment, discrimination, limited entitlements, etc), and unclear career paths are a hindrance to attracting and retaining the best people.
- **Micro, small and medium enterprises (MSMEs) have the greatest need:** in-house training capacity is essential but generally scarce among tourism MSMEs. Firms respond to skills shortages by investing more in recruitment rather than aiming to improve internal capacity through training and retention. Some businesses are not well informed or lack the capacity to take advantage of existing apprenticeship programs.

The Opportunities

- APEC economies need to adopt **a standard approach to collecting and sharing workforce data**, including a common approach to skills needs identification.
- Governments would benefit from systematically **engaging with employers, trade unions and education providers** to develop and implement qualification frameworks for in-house training, and closer alignment of Vocational Education and Training (VET) programs to meet industry needs, supported by funding programs for SMEs.
- An **APEC-wide approach to labour mobility** is critical for addressing skilled labour gaps; however, the current arrangements present a number of challenges. These can be addressed by improving transparency, streamlining visa processes, and multi-lateral skills recognition.
- The tourism industry, particularly within the APEC economies, can be **a leader in meeting the global key challenges for human capital development of the future**. The industry could, and should, become an 'Industry of Choice', with a proactive approach to gender equality, workers' rights and sustainability.
- Through the APEC TWG, a **proactive approach to the issues facing women and youth** could be adopted. This would include information sharing on programs and approaches used in APEC economies such as migration programs that support women, entrepreneurship programs and career pathways support.

Recommendations

Drawing on both the primary research conducted with APEC economies (including the case studies) and the literature review, the key recommendations are grouped in three key areas:

- 1 The **importance of the TWG** as a clearing house for information and knowledge transfer, and its leadership role in tourism human capital development:
 - a. Establish a **Women and Youth Advisory Group** to share knowledge;
 - b. Develop an **Industry of Choice charter**;
 - c. Undertake a **pilot project on reporting of comparable workforce and skills needs data** across APEC economies; and
 - d. **Share experiences** on the alignment of government, industry and education and the benefits of tourism employment awareness campaigns.
- 2 A **common and systematic approach to workforce challenges** across APEC:
 - a. Develop a **framework for Labour and Skills Needs Analysis and a common approach to labour and migration data collection**;
 - b. Develop **occupational standards and training tools** which support the **development of soft skills** and a new skillset, **entrepreneurial skills**;
 - c. Improve **collaboration between government, industry and training providers** to deliver more industry relevant and **job-ready graduates**, more **industry-experienced teachers**, and more **well-equipped businesses** to provide training and inductions to their staff;
 - d. Monitor the **effectiveness of SME support programs** across APEC economies, encouraging the sharing of lessons from grant funding and other support programs;
 - e. **Develop labour mobility** programs such as alignment of visa processing; and
 - f. Collaborate through the **HRDWG to work towards common occupational standards** in the piloting of the APEC project: 'APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry'.
- 3 The need for **further research** to be shared across APEC economies:
 - a. **Partner with universities and industry associations** to monitor trends such as digitisation of the workforce, career paths and entrepreneur support programs; and
 - b. Highlight the benefits of **SME funding programs, seasonal worker programs and labour migration programs** that include women and provide pathways for youth.



Introduction

i. Aim

The purpose of this report is to present information on the current state of skill shortages faced by the Asia-Pacific Economic Cooperation (APEC) tourism sector and identify the leading practices that can be adopted by key stakeholders to overcome these skills shortages. The key stakeholders in question include businesses, government, industry bodies, educators and non-government organisations (NGOs) in the twenty-one APEC economies:

Australia	New Zealand
Brunei Darussalam	Papua New Guinea
Canada	Peru
Chile	The Republic of the Philippines
People's Republic of China	Russia
Hong Kong, China	Singapore
Indonesia	Chinese Taipei
Japan	Thailand
Republic of Korea	United States
Malaysia	Viet Nam
Mexico	

ii. Background

APEC leaders recently renewed their commitment to develop the services sector in the region, to support economic growth and inclusion (APEC 2015a). They also agreed to redouble their efforts to empower people in the APEC region by investing in human capital and development to expand the skills essential for securing future economic growth. This project has the potential to make an important strategic contribution to the identification and implementation of solutions that will help:

- Foster greater regional integration;
- Promote the regional growth of services; and
- Invest in human capital development (HCD) in a socially inclusive manner.

This report also builds on the APEC Leaders' Action Plan for Promoting Quality Employment and the APEC Tourism Ministers' 2014 commitment to discuss and enhance tourism coordination mechanisms in the Asia-Pacific (APEC 2014), including in personnel education and training, and job creation through tourism. Moreover, a key goal of the APEC Tourism Working Group (TWG) is to promote sustainable and inclusive tourism development in the APEC region that will enable member economies to increase their competitiveness.

This goal will be achieved by:

- Assisting small and medium size enterprises (SMEs), including women, youth and local entrepreneurs, to gain better access to global markets;
- Facilitating worker retraining, skills upgrading, career path direction and skills recognition to promote labour mobility in the travel and tourism industry; and
- Continuing to develop occupational standards, certification programs, and capacity building for the tourism workforce.

United Nations Sustainable Development Goals (SDGs)

Reference is made to the Sustainable Development Goals (SDGs) (UN 2015) (see Table 1) announced by the United Nations in September 2015 to support sustainable development through to 2030. The seventeen goals represent targets for all economies and broadly aim to assist in ending poverty, protecting the planet, and delivering prosperity for all.

Table 1: United Nations Sustainable Development Goals

Goal No.	Goal	Goal No.	Goal
1	No poverty	10	Reduced inequalities
2	Zero hunger	11	Sustainable cities and communities
3	Good health and well-being	12	Responsible consumption and production
4	Quality education	13	Climate action
5	Gender equality	14	Life below water
6	Clean water and sanitation	15	Life on land
7	Affordable and clean energy	16	Peace, justice, and strong institutions
8	Decent work and economic growth	17	Partnerships for the goals
9	Industry, innovation, and infrastructure		

Source: United Nations 2015

Many of the SDGs have application to the tourism industry (UNWTO 2015). Particularly relevant to labour and workforce development are goals three, four, eight and nine; however, goals five, ten, twelve and seventeen also have relevance to the industry, and to the aim of this study.

With the United Nations (UN) General Assembly adopting 2017 as the International Year of Sustainable Tourism for Development, the timing of this study is particularly relevant and supports both APEC and UN objectives to encourage sustainable economic growth, through employment opportunities to assist in reducing poverty while seeking to provide a better quality of living.

iii. Scope of this report

Specifically, this report will provide an in-depth analysis of the following topic areas within APEC economies:

- Key trends in the APEC Tourism Labour Force;
- Workforce planning;
- Training; and
- Labour mobility.

This report identifies challenges in each of the above areas. Policies and practices adopted within the industry are presented. Case studies of practices in the three key areas of workforce planning, training and labour mobility are presented from responding economies. Issues facing SMEs are identified throughout the report, with women and youth presented in their own respective chapters. Recommendations to address the areas presented are drawn from the desktop audit, the workshop and survey findings, as well as the findings from the case studies. It is envisaged these recommended solutions could assist in the development of practical measures that facilitate workforce planning, career pathways, skills development, staff retention, training, and labour mobility in the tourism industry. They could be adopted by businesses, the VET sector and government, or others. The report recognises that the recommendations made offer greater application in some economies than in others.

iv. Methodology

This report reflects the work undertaken by the Project Team between March and November 2016, incorporating several methods of data collection. In order, these are:

1. Desktop audit;
2. Stakeholder survey;
3. Stakeholder workshop; and
4. Case study development.

Through the desktop audit, many sources from across the APEC economies and beyond were identified. Economies were invited to contribute relevant source documents, some of which were provided. Sources were also revealed through a review of primary and secondary data using internet searches which included academic literature, relevant agency published reports and supporting documents, and through current industry sites where local experience was presented. The desktop audit assisted in developing the stakeholder survey.

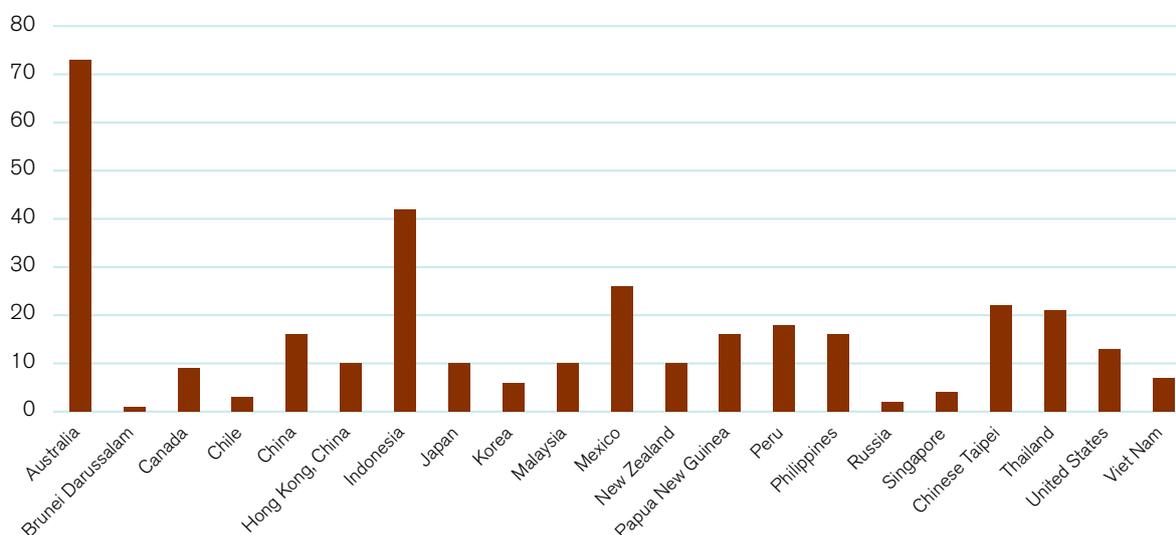
The stakeholder survey was developed and released to several stakeholder groups on 1 July 2016 and remained open until 3 October 2016 (see Appendix A). The stakeholder groups directly invited to participate included the TWG and its membership, identified by the APEC Secretariat from whom their invitation was sent. Participation by key industry representatives was invited via the Project Overseer, and via EarthCheck whose partners are located across the region. Methods used to contact these stakeholders included direct email, website postings and the use of the social media platform, Facebook. A total of 335 qualified responses¹

¹ Qualified responses are those who responded to at least 30% of questions in the survey, including the economy represented.

across the economies were received (see Figure 1) from a direct mailout of over 5,000 contacts, as well as the survey links uploaded to at least six other membership - driven websites.

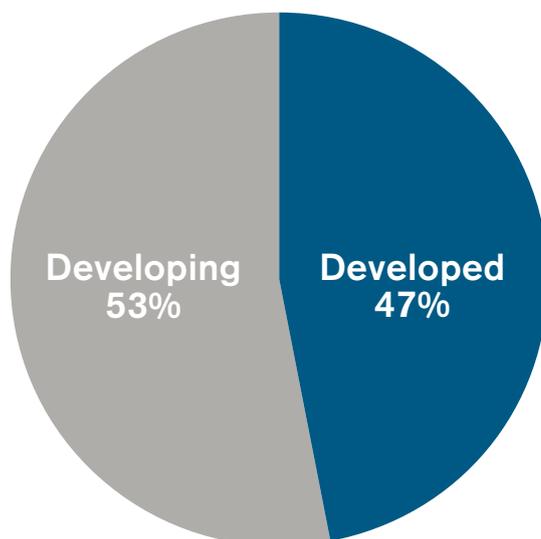
The highest responding economy was Australia, followed by Indonesia. The highest respondent type was 'business manager' followed by 'government respondents'. The respondents to the question regarding gender indicated almost parity, with 48% female and 52% male. However, of the 335 respondents, only 154 responded to this question. Regarding age, the greatest number of respondents to this question identified themselves as between 40 and 44 years, reflecting 19% of the responses. See Appendix B for a more detailed breakdown of respondents by economy and respondent type, followed by selected business respondent analysis.

Figure 1: Responses across all economies



The survey was translated into nine languages: Simplified Chinese, Bahasa Indonesia, Japanese, Korean, Bahasa Malaysia, Russian, Spanish, Thai and Vietnamese. The English version of the survey is available in Appendix A. From the 335 responses, 194 (58%) were from non-English speaking economies, which highlights the benefit of translating the survey. Approximately 47% of responses were collected from developed economies, with 53% from developing economies (See Figure 2). A draft analysis of the survey was presented in a discussion paper made available to the TWG members in preparation for the stakeholder workshop.

Figure 2: Number of responses to the survey by economy



On 30 August 2016, the project's stakeholder workshop was held in Kokopo, Papua New Guinea as a side event to the TWG49 meeting. Invitations to the workshop were distributed to all economies via the APEC Secretariat and the Project Overseer. Several industry representatives were also invited from groups such as the Pacific Asia Travel Association (PATA), the World Travel and Tourism Council (WTTC), and the APEC International Centre for Sustainable Tourism (AICST). Presenters included representatives from the WTTC, the education sector in Papua New Guinea, members of the Project Team including representatives from EarthCheck and Griffith University, SkillsIQ Australia, and several TWG representatives. A full list of attendees is available in Appendix C. The summary findings from the workshop were sent to TWG members via the APEC Secretariat and are available in Appendix D. The workshop findings contribute to both the survey and the desktop audit to provide data for the final report.

This final report represents the review of all data collected through the project with an additional dataset sourced from economy case studies. Economies invited to participate in the case studies were: 1) Australia, 2) the People's Republic of China, 3) Hong Kong, China, 4) Indonesia, 5) Mexico, 6) Papua New Guinea, 7) Peru, 8) the Philippines, 9) Chinese Taipei, and 10) Thailand. These economies were selected based on the findings of the desktop audit and the responses received from the survey. Those economies able to contribute are reflected in this report. To assist in developing the case studies, economies were sent a list of questions to review and provide responses in six topic areas (see Appendix E).

These topic areas, presented below, were developed based on the findings from the desktop audit and the survey:

1. Evolving skills challenges for the tourism workforce;
2. Industry perceptions among employees and career pathways;
3. Encouraging tourism SMEs to invest in training;
4. Strengthening links between education and the tourism industry;
5. Migration and skills recognition; and
6. Issues for women and youth in tourism.

Economies that provided responses to the questions were then followed up with short interviews between economy representatives and the project manager to provide deeper analysis on specific issues. Respondents to the survey also indicated their interest in contributing to the development of the case studies.

All economies were invited to contribute to the project through the provision of documents for the desktop audit, participation in the stakeholder survey and attendance at the workshop. Selected economies were identified for the case studies. Contributions were invited voluntarily, without coercion or incentive. The resulting data presented in this report reflects the information made available to the project team and revealed through the project team's own research.

v. Report structure

This report is presented in seven chapters and ten appendices. Chapter 1 presents the key trends affecting tourism labour forces throughout the APEC region including reference to a benchmark performance table of key indicators. Chapter 2 presents a review of workforce planning including reference to skills shortages, industry perception, career planning and staff recruitment and retention. Chapter 3 presents an analysis of training and education and the development of skills, with a strong focus on strengthening the links between education and industry to deliver job-ready graduates. This chapter also refers to the opportunities which exist specifically for SME investment in training. Chapter 4 focuses on labour mobility, outlining challenges with domestic and international workers and the issues of cross-border skills recognition. Chapter 5 presents issues for women in the tourism workforce, while Chapter 6 presents issues for youth. In closing, Chapter 7 presents a summary of recommendations and next steps.

Appendix A presents the Tourism Workforce Development Survey which was circulated to private and public sector industry stakeholders; the findings of the survey are presented visually and referred to in relevant chapters. Appendix B provides the respondent overview for the survey questions. Appendix C lists the workshop participants. Appendix D presents the summary from the workshop. Appendix E presents the case study questions, reviewed by invited economies. Appendix F presents the Benchmarking Performance Table. Appendix G presents the methodological notes used to determine best practice. Appendix H provides an overview of best practice in Vocational Education and Training within APEC economies. Appendices I and J identify best practice from global examples for training and skilled migration respectively.



1 Key Trends in the APEC Tourism Labour Force

Key Findings

Unequal growth in population (numbers and demographic profile), visitation and skills across the APEC economies will create an increased need for information sharing and workforce planning across the economies. The lack of comparable data sets for workforce participation, skilled migration, and labour and skills needs is an area requiring immediate action. A shared focus on the engagement of women and youth across the economies is an emerging priority.

1.1 Introduction

Tourism is a labour intensive, seven-day-a-week industry, which depends on an adequately supplied and skilled workforce to service its global customer base (TRA 2015). Due to rising household income and growing efforts to facilitate international visitor flows, the tourism industry is set to grow rapidly in coming decades with the numbers of visitors to the APEC region predicted to reach close to 700 million by 2030 (WTTC 2016a) (see Figure 3).

Figure 3: Overnight Visitor Arrivals in the APEC Region



Source: WTTC (2016a)

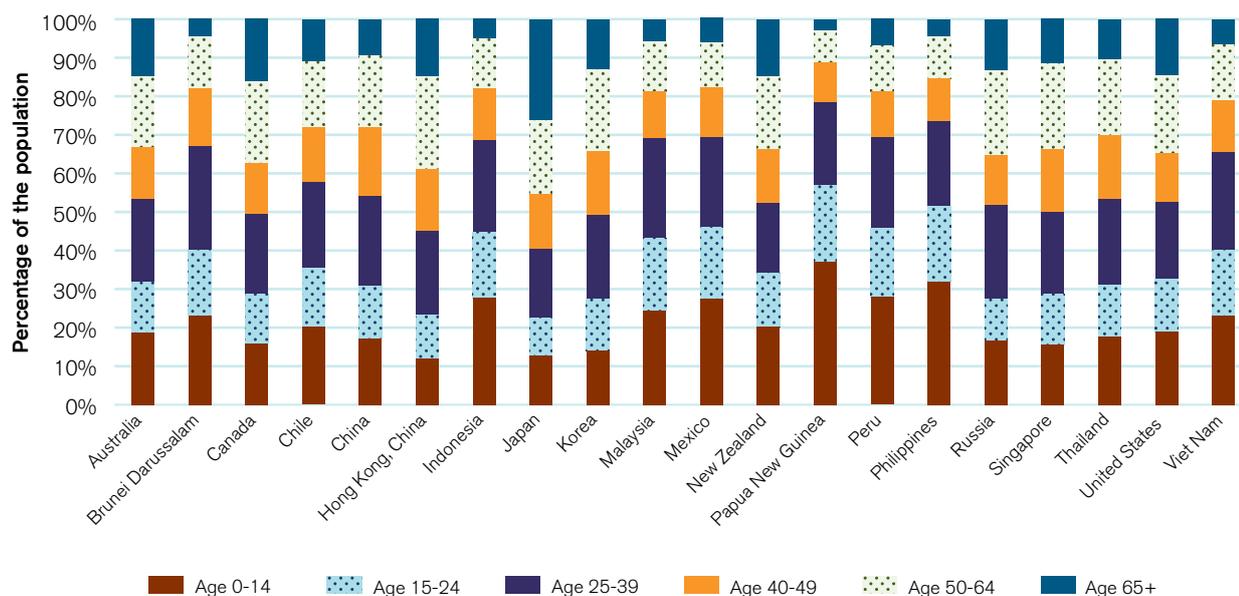
Much of this industry is geared towards the delivery of high quality experiences for which skilled employees are essential. Its future growth represents both a challenge and an opportunity for the APEC region as the industry must grow its human resource base sufficiently to support predicted increases in visitor numbers. This represents an opportunity to empower the workforce by creating career pathways and the chance to work in higher earning positions.

This chapter provides an overview of key trends in the tourism industry in the APEC region and the type of skills that will be in demand as the industry continues to grow. Connections to technological trends, labour markets and international demand will be discussed.

1.2 Demographic trends

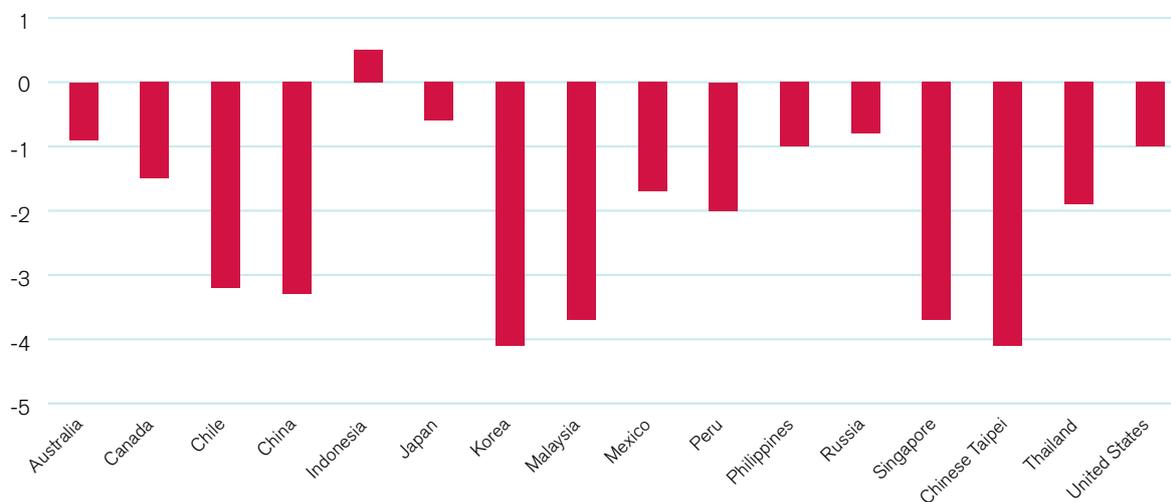
The demographic profile of several APEC economies is changing rapidly. These economies are experiencing ageing populations that pose a long-term challenge for the industry to attract young workers. For example, currently, the 50 - 64 age cohort represents 24% of the total population in Hong Kong, China and 22% in both Russia and in Singapore, while in Japan the over 65 age bracket represents 26% of the population (see Figure 4). In terms of future trends, the UN predicts that the greatest declines in youth between 2014 to 2024 are projected to occur in the Republic of Korea and Chinese Taipei, where the 15 - 24 cohort is projected to decline by over 4% and in Malaysia and Singapore (3.5% each), as well as Chile and the People's Republic of China (3% each) (see Figure 5). These trends suggest that the tourism industries in these economies could face growing difficulties in sourcing a labour supply, despite efforts to improve the relative attractiveness of wage and working conditions for young workers and/or encouraging greater international skilled migration.

Figure 4: Demographic profile of the APEC economies (2015)



Source: United Nations, Department of Economic and Social Affairs (UNDESA), Population Division (2015a). (No data available for Chinese Taipei)

Figure 5: 15-24 years as a percentage of total population: change in share 2014-2024



Source: United Nations (Data is not available for Brunei Darussalam; Hong Kong, China; New Zealand; Papua New Guinea; and Viet Nam).

Ageing populations and population growth through birth or migration has meant that the current global workforce has much greater generational diversity than has been previously witnessed in organisations. Organisations will need to increasingly develop strategies to maximise the inter-generational workforce and the competencies available to their workplaces, including maintaining and upgrading the skills of a maturing and ageing workforce (ILO 2010).

1.2.1 Women in the workforce

Women represent an average of 60% of the tourism workforce (Ladkin 2011, cited in Alonso – Almeida 2012), with some economies, such as Russia, identifying as high as 79% of the tourism workforce (Baum 2013) as women. Women’s roles tend to be centred on traditional societal roles such as food preparation, cleaning and serving which tend to represent low pay rates and provide poor working conditions. Socio-cultural factors can contribute to the gendered division of work, resulting in limited promotion of women into senior roles compared to their male counterparts (Baum 2013). This is reflective of gender segregation of work in the industry, and can be addressed under SDG Five “Gender Equality”. Indeed, the harmonisation of work and family life continues to be a conditioning factor that distinguishes women from men on the labour market (Santero-Sanchez et al. 2015), where women may have difficulty balancing their own family responsibilities with paid work. Moreover, women may suffer discrimination at work and women are over-represented amongst those who suffer from violence and harassment at work. Other challenges which face women in the workforce include:

- Unregulated working hours;
- High degree of employment sourced from the informal sector;
- Gender-based violence;
- The prevalence of part-time and temporary roles;
- Issues of class and gender inequalities relevant to wages and working conditions; and

- Limited opportunities for self-employment.

Chapter 5 of this report discusses women in the tourism workforce in greater depth. Further work regarding women in the tourism workforce is planned for March 2017, when the Australian Government Department of Employment will host an APEC workshop to discuss strategies and share best practices aimed at improving quality employment opportunities for women.

1.2.2 Youth in the workforce

The tourism industry provides a valuable source of employment for young people in many developed and developing economies. This is particularly true in areas which may have large numbers of students who are often keen to undertake part-time work in the industry while studying. A study by the United Nations World Tourism Organization (UNWTO) (2009) reflects as much as 39% of all tourism related jobs are filled by youth employees between 15 and 24 years, with most economies ranging between 15-30%. The WTTC (n.d.) predicts a future decline in youth employment as the industry seeks out a more experienced, aging population which can be retained based on experience, rather than a focus on recruitment of young people with high turnover. With such a high prevalence of young employed in the industry, such a decline is concerning. Chapter 6 of this document explores the challenges of retaining young people in the tourism workforce in greater depth.

1.2.3 SMEs in the tourism workforce

SMEs are vital to the tourism economy and workforce employment. The industry is characterised by a high share of micro, small, and medium enterprises (MSMEs) (see Table 2). MSMEs typically produce retail-level food and beverage services, accommodation and cultural or sporting activities. This contrasts with large enterprises that are typically represented by travel agencies and tour operator business, as well as global brands (e.g. hotel chains, events and meetings management, and food and beverage services) (Stacey 2015).

Table 2: Tourism enterprise size as defined by number of employees

Tourism Enterprises	Number of employees
Micro	1-4
Small	5 – 19
Medium	20 – 100
Large	101+

Source: Tarmidi (2005)

SMEs are a key source of employment and job creation in tourism destinations.

The contribution of SMEs to tourism workforce employment includes:

- Approximately 80% of the tourism workforce is located in SMEs globally;
- Almost half (47.5%) of people employed in hotels and restaurants work in enterprises with fewer than 10 people (compared with 31.2% in the economy as a whole);
- Nearly three quarters of employees (72.6%) work in enterprises of less than 50 people (compared with 50.9% in the economy as a whole) (Stacey 2015).

Given the high contribution of SMEs to employment and the tourism economy, workforce development in these enterprises is a key priority for the industry

1.3 Benchmark Performance Table

The current tourism workforce profile of the region is represented by the following indicators:

- Gender inequality;
- Wage conditions;
- Working conditions; and
- Skill level and training.

Data reflecting the findings from research for this report are represented in Appendix F, identified from a number of sources. What these data represent is the diversity of each economy's position relevant to its workforce. For example, the level of employment for females in the industry ranges from 48.3% of the tourism workforce to 79.1% of the workforce. In other areas, there is consistency among most economies, such as the wage conditions for employees being lower than the average wage, with only Chile representing almost parity to average wages at 91%.

It must be recognised that each economy presents a different context of workforce profile due to economic, social and environmental factors. These contexts need to be considered while setting future targets for the industry to support the planned growth. Furthermore, ongoing data collection and analysis of these data will contribute to the planning of future workforce requirements.

From the desktop audit, and from workshop feedback, monitoring and evaluation for policymakers were highlighted as critical for understanding the current state of play and developing future strategies (discussed below). There is a need to continually monitor the labour market regularly in each economy as the market situation changes quickly every year and the skills required change within each market.

It has been suggested that the Human Resource Development Working Group (HRDWG), in partnership with International Labour Organization (ILO), the International Organization for Migration (IOM), and the Organisation for Economic Co-operation and Development (OECD), form an APEC-wide monitoring mechanism for tracking skill gaps and labour imbalances in the APEC region (APEC 2014). Specific contributions by the TWG and the ministerial representatives of the region would be a valuable addition to such a mechanism, given the low availability of tourism specific workforce related data, the basis of which could be the benchmark indicators presented in this report.

1.4 Recent growth trends in tourism

The tourism industry is growing in a robust fashion, due to the increasing number of international tourist visitors into the APEC region. According to the WTTC (2016b), the estimated number of visitors to the region in 2016 is 412.1million. By 2026 this number is predicted to increase to 671.8million (WTTC 2016b). Money spent by foreign visitors (visitor exports) in the APEC region is expected to grow by 4.6% pa to USD884.4bn in 2026 (WTTC 2016b). In 2015, Travel and Tourism directly supported 47.9million jobs in the APEC region (2.8% of total employment). This is expected to rise by 1.7% in 2016 and by a further 2.0% per annum to 59.3million jobs by 2026 (or 2.9% of total employment). Similar growth trends have been projected by the UNWTO, which forecasts a 5% growth rate for tourism in the Asia Pacific region (2009). North America and Oceania are expected to have lower growth, being more mature tourism markets and long-haul destinations from key source countries.

These estimates of growth in the APEC region compare favourably with the global average growth rate, estimated at 3.3% until 2030. The tables below provide the WTTC projections for each APEC economy in terms of the tourism industry's contribution to GDP (Table 3) and employment (Table 4).

In terms of contribution to GDP (Table 3), tourism is expected to grow relatively quickly between 2011 and 2021 in Thailand (4.37%), Viet Nam (2.28%) and Hong Kong, China (1.44%). These exceptional growth rates are likely due to their close geographical proximity to the Chinese overseas tourism market. The WTTC estimates that outbound Chinese tourism expenditure will grow from about USD60billion in 2011 to USD338 billion in 2021 (WTTC 2016a). This represents over a five-fold increase in spending that is by far the greatest in the APEC region. In contrast, the US outbound spending is projected to grow by a factor of 1.5 in the same period. Economies where the tourism industry is projected to shrink include Malaysia; Papua New Guinea; and Chinese Taipei (WTTC 2016a).

Table 3: Direct contribution to GDP, share of GDP (%)

APEC member	2011	2016	Change 2011-16	2021	Change 2011-21
Australia	2.65	2.88	0.24	3.01	0.36
Brunei Darussalam	1.42	1.52	0.09	1.83	0.41
Canada	1.72	1.87	0.15	2.01	0.29
Chile	2.84	3.38	0.54	3.40	0.56
China	1.99	2.07	0.08	2.25	0.26
Hong Kong, China	7.73	8.02	0.29	9.17	1.44
Indonesia	2.91	3.30	0.40	3.42	0.52
Korea	1.76	1.77	0.01	1.92	0.16
Japan	2.29	2.63	0.34	2.83	0.53
Malaysia	5.10	4.56	-0.54	4.58	-0.52
Mexico	6.46	7.03	0.57	7.34	0.88
New Zealand	4.86	5.29	0.43	5.01	0.15
Papua New Guinea	0.89	0.55	-0.34	0.59	-0.30
Peru	3.26	3.78	0.52	3.94	0.68
Philippines	3.90	4.20	0.30	4.16	0.26
Russia	1.33	1.48	0.15	1.62	0.30
Singapore	4.79	4.91	0.12	5.04	0.25
Chinese Taipei	1.91	1.83	-0.08	1.84	-0.06
Thailand	6.86	9.40	2.55	11.22	4.37
United States	2.56	2.72	0.16	2.89	0.33
Viet Nam	4.73	6.56	1.83	7.01	2.28
APEC	2.54	2.74	0.20	2.91	0.37

Source: WTTC (2016a)²

To support the predicted increases in tourism arrivals and spend, employment opportunities in the industry across APEC need to increase correspondingly. Table 3 reflects contributions to employment provided by the industry across APEC since 2011. Chile; Hong Kong, China; New Zealand; Thailand; and Viet Nam have the greatest projected employment growth in tourism until the end of 2016. Some economies in which the tourism industry is projected to grow will experience a decline in terms of the tourism industry's share of total employment, for example Canada and Australia, as reflected in Table 4 below. The tourism industry's share of total employment in Australia is projected to shrink by 0.54 per cent between 2011 and 2021. These projections are likely due to the recent growth in the export-orientated primary resources sector that has attracted workers from other sectors, such as tourism.

² Direct contribution to GDP – GDP generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services, as well as the activities of restaurant and leisure industries that deal directly with tourists. It is equivalent to total internal Travel & Tourism spending (see below) within an economy less the purchases made by those industries (including imports). In terms of the UN's Tourism Satellite Account methodology it is consistent with total GDP calculated in table 6 of the TSA: RMF 2008.

However, in 2016, these economies (Canada and Australia) are re-adjusting to post mining boom conditions and it is therefore likely that these declines in tourism's share of total employment will not be realised.

Table 4: Direct contribution to employment as share of total employment (%)

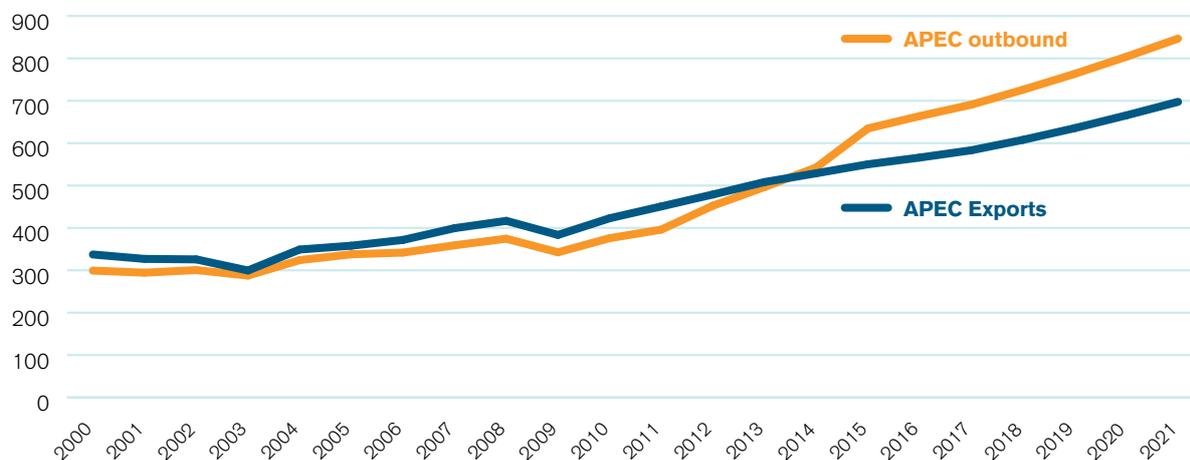
APEC member	2011	2016	2011-16	2021	2011-21
Australia	4.47	4.29	-0.18	3.93	-0.54
Brunei Darussalam	2.38	2.44	0.06	2.59	0.21
Canada	3.82	3.75	-0.07	3.60	-0.22
Chile	2.81	3.39	0.58	3.49	0.69
China	2.84	2.93	0.10	3.07	0.24
Hong Kong, China	7.77	8.71	0.94	10.06	2.29
Indonesia	2.48	2.94	0.45	3.05	0.57
Japan	1.80	1.96	0.16	2.11	0.31
Korea	2.09	2.29	0.20	2.51	0.42
Malaysia	4.90	4.34	-0.56	4.47	-0.43
Mexico	7.31	7.55	0.24	7.85	0.54
New Zealand	8.01	9.08	1.07	8.78	0.77
Papua New Guinea	0.72	0.44	-0.29	0.47	-0.25
Peru	2.09	2.43	0.34	2.57	0.14
Philippines	3.06	3.25	0.19	3.19	-0.06
Russia	1.29	1.43	0.14	1.69	0.40
Singapore	3.97	4.40	0.43	4.36	0.39
Chinese Taipei	2.30	2.41	0.11	2.78	0.48
Thailand	4.83	6.27	1.44	7.35	2.53
United States	3.61	3.77	0.16	4.00	0.39
Viet Nam	3.74	5.12	1.38	5.52	1.78
APEC total	3.04	3.28	0.24	3.48	0.45

Source: WTTC (2016a)

In addition to the rapid growth in the tourism industry by the end of 2016, it should be noted that APEC outbound tourism spending is expected to grow at an even faster pace by 2021, particularly compared to growth experienced in the early 2000s (see Figure 6).

For example, according to data from the Australian Government's Tourism Satellite Accounts, since 2014 the growth in spending within the APEC region by international tourists for both business and leisure travel (visitor exports) is being outpaced by APEC outbound spending (spending outside the economy by residents on all travel abroad).

Figure 6: APEC visitor exports versus APEC outbound expenditure



Source: WTTC (2016a)³

There is the opportunity for APEC economy tourism partners to capture a larger share of the growing international market within APEC economies. Currently, the tourism industries in APEC economies are still dominated by the domestic market, which represent on average 78% of all tourism spending in the APEC region (see Table 5). The People's Republic of China is one of the most domestically dominated tourism economies where domestic tourism expenditure represents 89% of total spending by both domestic and foreign (international) arrivals. Similarly, domestic tourism ranks high in Japan (87%), Mexico (86%) and the United States (82%).

Among the most internationally-orientated tourism industries in the APEC region is Hong Kong, China, where domestic spending represents only 20% of all tourism spending, as well as Malaysia; New Zealand; Singapore; and Thailand. Having a comparatively higher share of international visitors these economies can be thought of as enjoying a 'first mover' advantage as they have had an earlier start in implementing the appropriate infrastructure, and to develop the skills base, to cope with the increasingly international character of tourism.

³ Visitor exports – spending within the economy by international tourists for both business and leisure trips, including spending on transport, but excluding international spending on education. This is consistent with total inbound tourism expenditure in table 1 of the TSA: RMF 2008. Outbound expenditure – spending outside the economy by residents on all trips abroad. This is fully aligned with total outbound tourism expenditure in table 3 of the TSA: RMF 2008

Table 5: Domestic versus foreign spending in APEC economies (2016 projected; USDbn)

APEC member	Domestic spending	Foreign Spending	Total Spending	share domestic
Australia	70	20	91	78%
Canada	56	16	71	78%
Chile	13	3	17	80%
China	490	62	553	89%
Hong Kong, China	11	45	56	20%
Indonesia	38	12	50	76%
Japan	187	29	216	87%
Korea	45	20	65	69%
Malaysia	14	17	32	45%
Mexico	115	19	134	86%
New Zealand	12	11	23	52%
Russia	33	14	48	70%
Singapore	10	17	26	36%
Chinese Taipei	14	17	32	46%
Thailand	16	51	68	24%
United States	846	190	1036	82%
Viet Nam	8	10	18	45%
APEC	2011	566	2577	78%

Source: WTTC, (2016a)⁴⁵ (Data is not available for Brunei Darussalam, Papua New Guinea, Peru, and the Philippines)

1.5 Tourism relevant skills

The level and depth of skills required in the tourism industry varies greatly by the type of employment sought. There is a considerable amount of employment in the industry where applicants are not required to show prior acquired skills (WTTC 2015). In these instances, the ability to do the work is ascertained by on-the-job training (Stacey 2015, p.44).

Tourism industry skills can be categorised into four main categories, including those that are related to specific technical competencies. These categories are identified as: hard skills, digital skills, soft skills and general business skills (Table 6). Many tourism hard skills are not easily transferable to other industries as they are very industry specific, for example culinary skills needed by chefs. Formal training and education programs tend put a strong emphasis on hard skills, where a particular industry relevant skill is taught.

⁴ Foreign spending – monies spent by foreigners within the destination economy.

⁵ Visitor exports – spending within the economy by international tourists for both business and leisure trips, including spending on transport, but excluding international spending on education. This is consistent with total inbound tourism expenditure in table 1 of the TSA: RMF 2008. Outbound expenditure – spending outside the economy by residents on all trips abroad. This is fully aligned with total outbound tourism expenditure in table 3 of the TSA: RMF 2008. Data is not available for Brunei Darussalam; Papua New Guinea; Peru; and the Philippines.

Table 6: Categories of skills for the tourism industry

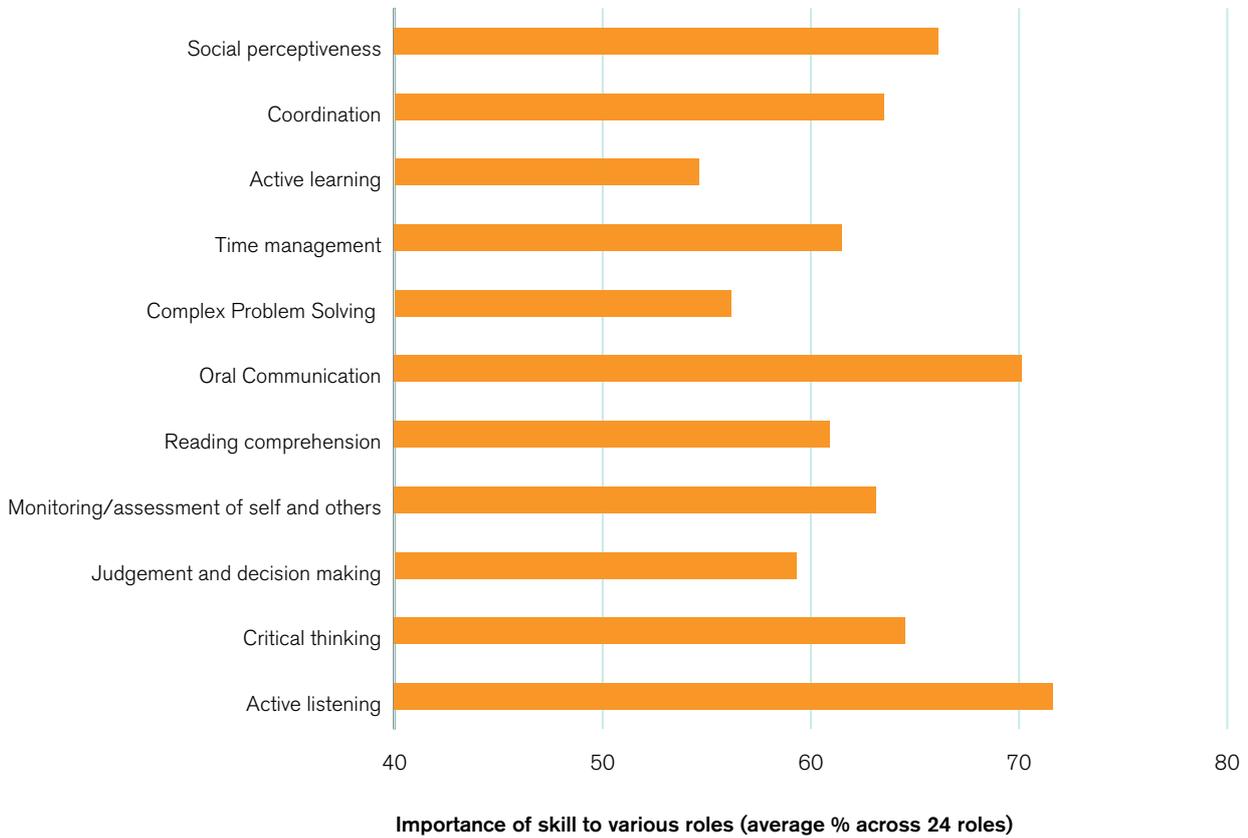
Hard Skills	Digital Skills	Soft Skills	Business skills
<ul style="list-style-type: none"> ▪ Chef: Culinary technical skills ▪ Sommelier: Wine skills and tasting ▪ Airline Pilot: aviation skills ▪ Beauty therapist: Performing different types of treatments 	<ul style="list-style-type: none"> ▪ Accounts clerks: Knowledge of accounting software ▪ Passenger check-in staff: Knowledge of airport/ airline software systems ▪ Systems administrator: System and software knowledge ▪ Marketing executive: Social media knowledge and skills 	<ul style="list-style-type: none"> ▪ Language (incl. foreign language), literacy and numeracy skills ▪ Customer service skills ▪ Personal hygiene and personal presentation 	<ul style="list-style-type: none"> ▪ Managerial skills ▪ Planning and organising skills ▪ Financial management ▪ Problem solving and decisions making skills ▪ Ability to work individually and in a team ▪ Networking

Digital skills are becoming more and more prevalent in the industry, with the digitisation of tourism a key driver for skilled labour in the industry. The impact of digitisation is analysed further in Section 1.6.

Soft skills refer to the generic skills required in workplaces across industries (ServiceSkills Australia n.d.). These types of skills receive less emphasis in most training and education programs. However, a recent Australian report on career pathways in the tourism industry noted that soft skills are generally considered a 'must have' for the industry irrespective of the job role or level (Colmar Brunton 2016). It notes that many employers consider employee work attitudes to be a type of skill. For many tourism employers, soft skills relate to personality, friendliness, willingness to help others and working as a team, enthusiasm, a willingness to learn and cultural awareness – including languages. George Washington University (2008) identifies that many tourism skills are ostensibly consistent worldwide: customer-focused approach, listening skills and problem-solving skills, among others. It should be noted, however, that the role of culture plays a role in how customer service in tourism is provided and experienced. For example, visitors from the People's Republic of China, see hotel employees in a less-powerful position, with employees expected to extend a high level of respect to guests (Wang, Royo Vela and Tyler 2008).

In the Job Outlook from Australia (2012), other soft skills are ranked by importance to the role (see Figure 7). Oral communication and active listening, both necessary in the delivery of quality customer service, are strongly represented as important to the skillset of the industry.

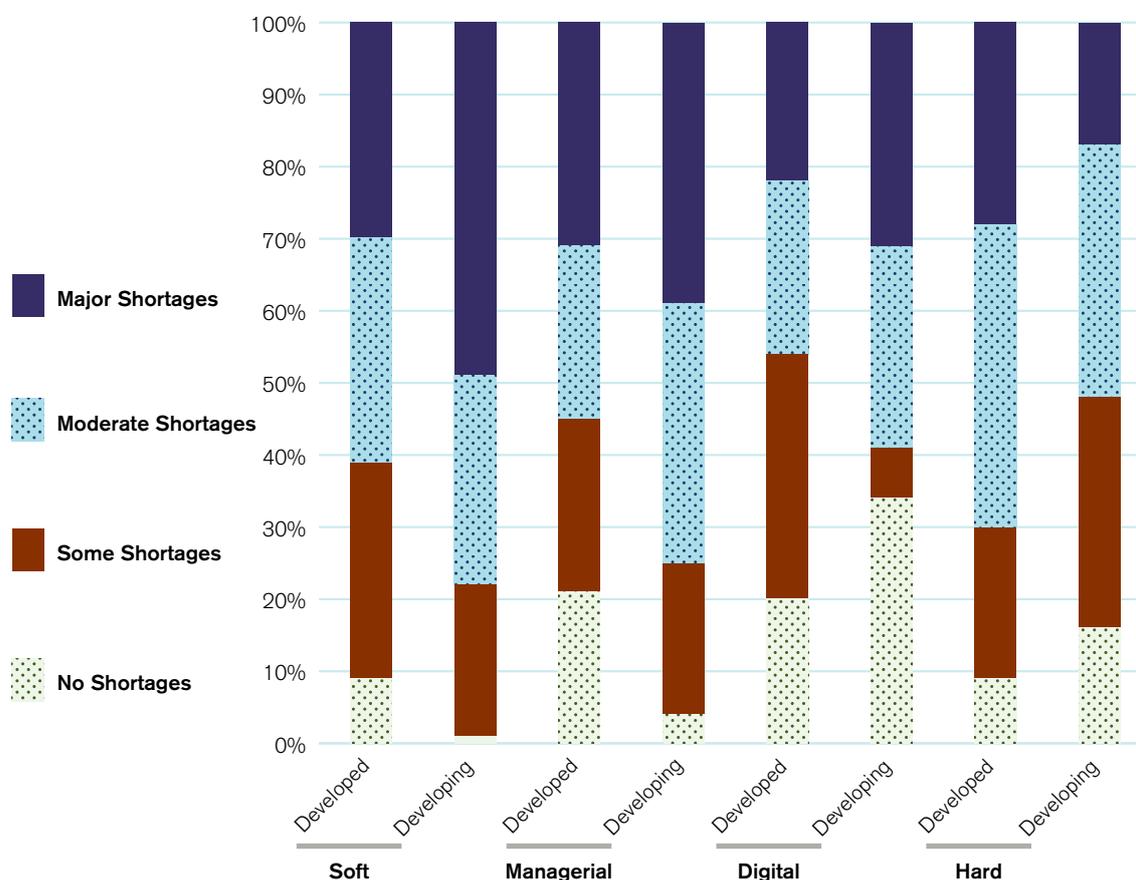
Figure 7: Importance of soft skills to various roles (average % across 24 tourism related roles)



Source: Job Outlook, Australian Government (2012)

Despite the industry identifying soft skills as important, it is the level of these skills held by employees which was identified by stakeholders in the survey and the workshop as one area of concern. Survey respondents indicate there is a major shortage of soft skills when recruiting for staff, potentially impacting upon the level and quality of service experienced by customers (see Figure 8). The quality of customer service was raised as an area of concern by workshop participants, with one participant identifying workers “need to be able to meet international standards to meet international tourists; quality is a big issue”. Another workshop participant recognised service as a “universal language” suggesting a set of consistent service standards be developed across the region as one opportunity.

Figure 8: Perceived shortages across the four core skill areas when recruiting



The challenge for graduates is to have access to opportunities to develop soft skills through work placements or internship programs. Such opportunities need to be developed collaboratively between industry, education and training providers, and government. This would help to ensure there is agreement on the capacity for employers to provide such training, for education providers to recognise the skills, and for government to approve schemes and support through funding or other policies. Survey respondents identified limited soft skills in university graduates particularly in developing economies where of the three types of graduates (university, VET and apprentices), 60% of respondents indicated a lack of soft skills in university graduates. The difference was not as marked in developed economies, with 35% identifying university graduates as lacking in soft skills.

Business skills are those which include time management, basic accounting, networking, and planning and organising. Business skills also include managerial skills such as a high level of customer service through the ability to effectively market and promote business products (Queensland Government 2016). Business skills are perhaps the most challenging, yet can lead to obtaining the most rewarding positions in the industry (e.g. destination managers, hotel operators, restaurant managers and travel agency executives).

Another important analytical dimension relates to skills required by management versus those that are required by rank and file workers. The higher the level of management position, the more

transferable and generic the required skills are across other industries (Jonckers 2005 cited in Strietska-Illina & Tessaring 2005). There is strong demand from companies seeking qualified and skilled managers, which are still scarce commodities in many developing APEC economies. In a recent survey of WTTC members (2015), over half of the travel and tourism companies responding described their experience of hiring staff as difficult, with the challenge greatest for higher skilled and more professional roles. Whereas in the stakeholder survey of this report 26% of respondents indicated challenges with locating mid-management skillsets.

From the stakeholder survey, skilled operational/technical staff reflected the greatest employment challenge for business, with 32% of respondents identifying challenges with this skillset. The WTTC report concurs, with engineers, chefs and other technical roles identified as challenging to recruit for, with roles such as accountants and food and beverage managers particularly difficult. Nearly 67% of the companies also reported that recruiting staff has become more difficult in the past two years.

There is scope to add an additional skills category for tourism defined as entrepreneurial skills. In this category, skills in pitching and negotiating for funding (including investment funds), research and feasibility testing skills, the identification of key opportunities and methods of taking the business to market, are important entrepreneurial skills to learn and possess. These skills are particularly important in the tourism industry as many businesses tend to be small to medium enterprises (SMEs) (UNWTO 2009). Especially in Asia, where cultures and beliefs are family-centric, tourism businesses tend to be family-owned and managed by different generations of family members (Chang 2011). Managing SMEs in tourism requires entrepreneurial skills, represented as an amalgamation of soft and hard skills, with additional SME specific knowledge. Feedback from the workshop participants supports the use of induction and mentoring within SMEs, enabling entrepreneurs to guide staff in the use of their skills to the business owner's requirements.

Recommendations

- *Continue to develop occupational standards which support the development of soft skills*
- *Industry, education and training providers and government to collaborate to provide soft skill learning opportunities*
- *Provide greater focus on the development of entrepreneurial skills relevant to the tourism industry.*

1.6 The digitisation of tourism

The emergence of new online platforms and digital technologies are fundamentally reshaping the organisation and the nature of competition within the tourism industry (Estêvão et al. 2014). This creates both threats and opportunities for the tourism workforce. This section will discuss three major issues that the tourism industry must confront when managing its workforce in the face of rapidly changing technologies and market environments.

1.6.1 Growing demand for digital media skills

The internet is the top source for both leisure and business travel planning (Buhalis and Law 2008), which suggests there will be a growing demand for e-marketing skills, web and animation design and information technology (IT) support within the industry. Tourism businesses will need to develop an engaging online presence to remain viable in a highly competitive international tourism industry. Of particular importance will be the digitisation of local culture in a way that highlights the unique features of a travel destination to visitors using geolocation technology on portable devices, such as smartphones. The European Union has developed initiatives and guidelines for digitising European culture to make their cultural heritage more widely available. This includes putting important cultural artefacts and museum catalogues online and linking them together via online platforms that allow users to explore widely and gain an appreciation of local culture (CSES 2016). It is particularly important for the tourism industry to ensure it can train and attract workers with digital skills that will help the industry adapt to these new technologies.

Technological trends such as digitisation are important forces driving the demand for skilled labour in tourism (Haven and Jones 2004; Munar et al. 2013; Baggio 2014). The speed and intensity of recently emerged disruptive technologies are having a profound impact on the global economy and employment. These technological forces include: cloud services, 'big data' artificial intelligence, robotics, 3D printing and crowdsourcing.

In tourism, the trend toward digitisation has important ramifications for the industry. The internet is the top source for both leisure and business travel planning, as 78% and 57% respectively commence their travel booking process with online searches. The opportunities from a destination perspective are large, with 65% of leisure travellers researching online before they have even decided where to holiday (Thinkwithgoogle 2014).

This suggests a growing demand for e-marketing skills and IT support within the industry. Almost 50% of consumers now access social media every day (and up to 79% for the 18 – 29 age group), yet only 31% of SME businesses surveyed in an Australian study actively operate a social media engagement strategy (Sensis 2015). With only one third of SMEs actively operating a social media strategy, the results from the stakeholder survey of this report are not surprising. In the survey for this report, 16% of businesses reflected their use of social media to recruit staff, 8% used a company website, and 10% used online recruitment agencies. Being active on social media is becoming more and more critical as the visitor economy grows as well as creating an employer brand to attract new talent. Both for the use of promotion of a business and the promotion of available employment opportunities, tourism businesses need to develop (and maintain) an online presence in what is a highly competitive international market for tourist experiences.

Connective ICTs play a crucial role in connecting consumers to the fine-grained, personalised and social information they need to purchase individually meaningful experiences. This is compelling travel and tourism providers to place greater emphasis on consumer experience and how this is shared (Mitas et al. 2015). As a result, there is an increasing demand for e-marketing specialists familiar with various social media platform used in source economies.

Recommendations

- *Undertake a study with a noted university to test the assumptions in existing research on the effects on the tourism sector of the digitisation of the workforce to publish a definitive guide to the impacts on future roles in the sector.*

1.6.2 Automation and widening wage inequality

The replacement of workers with machines is a process that has been occurring for several centuries. It is likely to accelerate in the next few decades as routine tasks are more susceptible to automation due to improvements in robotics and Artificial Intelligence (Bostrom 2014). These tasks are generally characteristic of low and middle-skilled jobs or activities. Modern examples of automation include electronic road toll collection, robot welders and software programs such as MYOB, which have replaced manual bookkeeping tasks.

In the case of the tourism industry composed of retail, transport and accommodation workers, there exists several prominent examples. For example, the role of travel intermediaries has changed as new online search technologies have enabled customers to search and organise their own flights more efficiently (Haven and Jones 2004). Likewise, online search platforms have fundamentally affected the retail industry. Self-driving cars may impact the role of taxi drivers and chauffeurs. This implies that unemployment in low-skilled job occupations could rise across the economy, which could benefit the labour-intensive tourism industry by reducing labour shortages and slow down the pace of wage rises in the industry (Autor 2015).

At the same time, automation creates new opportunities as high-skilled jobs have also tended to be complementary to new technology productivity and the demand for suitably skilled workers (Autor 2015; Coelli and Borland 2015). Advanced machinery and software programs require supervision and maintenance. This implies that the type of skills required by the industry will change. A greater share of skilled workers with backgrounds in Science, Technology, Engineering and Maths (STEM) will be required to further grow the industry (PWC 2015). Wages and skills shortages in these skilled occupations are likely to increase in the future.

These structural changes create both risks and opportunities for the industry. Growing demand for high skilled workers due to automation could lead to rising labour costs for the industry. At the same time, the declining wage attractiveness of low-skilled jobs may provide a solution for the industry as more low skill workers will likely seek career progression and pathways to better paid jobs. To properly manage these two counteracting forces, the industry needs to ensure that viable career pathways exist between skilled and non-skilled occupations within the industry (see Chapter 2). This can be done by providing more information about job opportunities and career pathways and working with key stakeholders in the secondary and tertiary education sectors, including schools and career counsellors, to raise the profile of the tourism industry amongst potential workers.

1.6.3 The rise of 'gig' workers

New technologies have also introduced a new cohort of 'gig' workers to the tourism industry⁶. Understanding the characteristics and motivators of this new worker is key to ensuring that they are integrated efficiently into the industry. This effectively represents an increase in the number of casual independent subcontractors in the industry who bear additional risks which would typically be borne by business.

Data obtained from Uber, Airbnb and a report on Crowdworkers suggests that average gig workers are not young millennials but prime age workers (25-55 years old) and women who are more willing to enter traditional male-dominated industries via the gig economy (Uber Global, 2015). Studies suggest that many of these workers represent 'new workers' in the sense that they were not previously employed by other firms in the tourism industry, but rather entered the workforce thanks to these new technologies (Di Tella & MacCulloch 2005). Others were working to complement their income from existing jobs. Although the worker has more flexibility, they must also consider the risk of unsteady pay cheques with no paid sick or annual leave. The employee needs to be more dedicated and plan for unforeseeable risks such as injuries or health issues. It is recommended that the industry provides education on issues such as superannuation and insurance as the worker is personally liable for these matters (Loosemore and Andonankis 2007).

1.6.4 Monitoring labour force trends

Beyond improving destination attractiveness, big-data technology also provides new opportunities to collect and analyse customer and labour data. To take advantage of this, businesses need to possess specialists in (online) data analysis. Respondents to the stakeholder survey indicate limited shortages of digital skills in tourism employees in both developed and developing economies. This represents an opportunity to capitalise on the presence of digital skills held by employees to extract all relevant opportunities related to online data.

Profiting from data analytics requires sensitivity to privacy concerns and the optimal content and degree of customisation is also crucial. Cultural norms of privacy are changing and developing, so there is no hard-and-fast standard that SMEs can expect to carry decades into the future. They must be aware of both laws and customers' evolving expectations as far as data privacy is concerned.

⁶ 'gig' workers are defined by Lobel (2016) as "people who provide contracted, freelance work on a short-term basis via digital platform technologies" (p.1).

The need to monitor and evaluate labour force trends is critical for policymakers to comprehend the current market and to assist in developing future strategies. Monitoring the labour market regularly allows employers to adapt to the rapid changes in the market situation, at least annually, including any changes to required skills, with the increase of digital technology as the current case in point. The suggested monitoring mechanism developed through a partnership with the Human Resource Development Working Group (HRDWG), the ILO, the IOM, and the OECD, could provide key datasets (APEC 2014). There is a place for the TWG to contribute to this mechanism to fill the current gaps in tourism-specific labour data.

Recommendations

- *Develop an APEC Framework for Labour and Skills Needs Analysis to allow comparable data to be shared across the APEC economies.*
- *Undertake a pilot program in four APEC economies to share information on current labour and skills supply and demand based on common data sets.*

1.7 Summary of chapter recommendations

- *Develop a Women and Youth Advisory Group of the APEC Human Resource Development Working Group to identify and progress priority projects identified through this study.*
- *Continue to develop occupational standards which support the development of soft skills.*
- *Industry, education and training providers and government to collaborate to provide soft skill learning opportunities.*
- *Provide greater focus on the development of entrepreneurial skills relevant to the tourism industry.*
- *Undertake a study with a noted university to test the assumptions in existing research on the effects on the tourism sector of the digitisation of the workforce to publish a definitive guide to the impacts on future roles in the sector.*
- *Develop an APEC Framework for Labour and Skills Needs Analysis to allow comparable data to be shared across the APEC economies.*
- *Undertake a pilot program in four APEC economies to share information on current tourism labour and skills supply and demand based on common data sets.*



2 Planning the Tourism Workforce

Key Findings

For the sector to reach its growth potential, it needs to access the broadest range of workforce participants including women, youth, disadvantaged groups and older workers (in an ageing population) from across the APEC economies. While the gender divide is slowly disappearing, it remains an obvious element of the tourism sector in many parts of the APEC region. Wage inequality and lower rates of participation in management positions and in the boardroom continue to exist in the tourism sector, particularly for women. The tourism sector will need to become an employer of choice, a sector known for innovation and entrepreneurship and a career accelerator.

Workforce planning recognises the capability of an economy to meet the existing and emerging needs of the industry and the level of resilience to adapt to shocks. Workforce planning requires a thorough understanding of the economy's social, economic, and environmental context while also understanding the capability and capacity of workers to achieve domestic industry objectives (CoA 2013). However, workforce planning is not purely for domestic level reviews; it is a useful tool for employers, both large and small, to manage and to develop their workforce.

The capacity of the tourism industry to attract, maintain and grow a skilled labour force intrinsically depends on its capacity to manage its general workforce, provide career pathways, and appropriate working conditions, that motivate workers to pursue long-term careers in the industry. Improving the relative attractiveness of the tourism industry to potential and existing workers is, therefore, a primary mechanism for combating future skill shortages. This can be achieved by providing more information about job opportunities and career pathways, upgrading wage and working conditions, and working with key stakeholders in the secondary and tertiary education sectors, including schools and career counsellors, to raise the profile of the tourism industry amongst potential workers. Such actions would positively align to the SDG Three - "Health and Well Being".

Commencing with the issue of skills shortage, this chapter also discusses the perception of the industry and its impacts on career pathways. Recruitment and retention are also presented. An outline of the workforce planning practices implemented by case study economy, Australia, follows.

"Our latest research indicates that the growth of Canada's tourism industry will be restricted by labour challenges. Projections suggest the demand for labour (based on potential spending in tourism industries) will exceed labour supply by a total of 240,000 jobs over the 2010 to 2035 period." – Canadian survey respondent.

2.1 Challenges

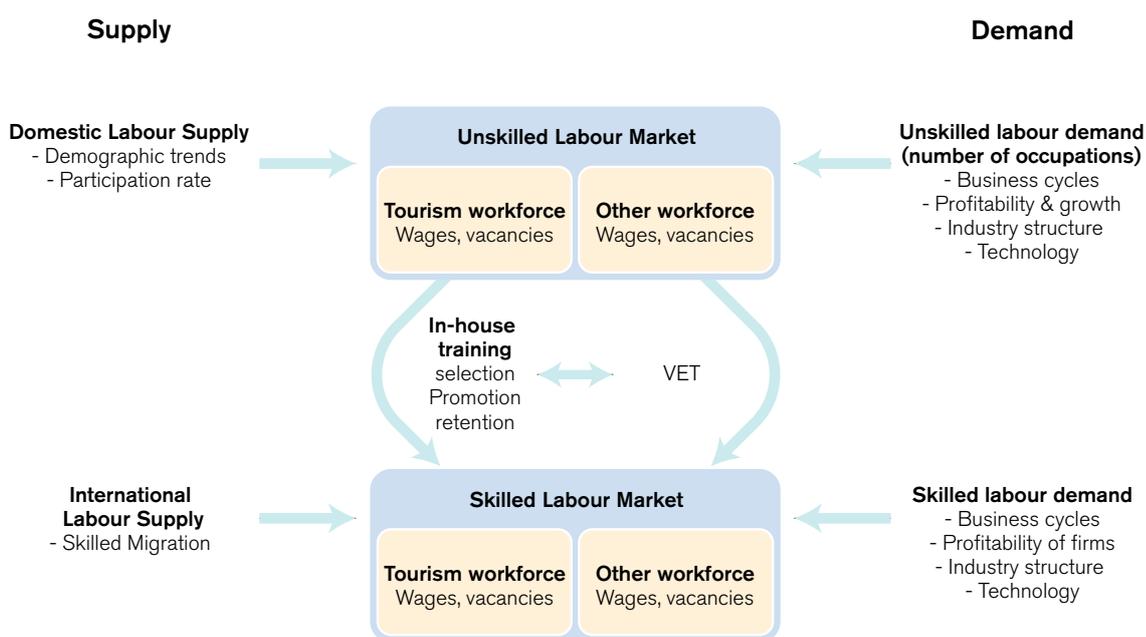
Solnet et al. (2014) refer to wide-ranging research that suggests that tourism faces systemic and intractable workforce challenges. These include the industry's status as an employer, the impact of variable demand on career opportunities, remuneration, workplace conditions, employee participation, problems in recruitment, and failure to retain good employees. While they note that in developing economies tourism can offer employment opportunities and a means out of poverty, it also results in work that is generally low skilled, service work that contrasts with contemporary high skills/knowledge-aspirant work in post-industrial economies (Solnet et al. 2014).

2.1.1 Skills shortages

Skills shortages are a major factor inhibiting investment and economic development across APEC (Iredale et al. 2014). They emerge when employers are unable to fill or have considerable difficulty filling vacancies for an occupation, or significant specialised skill needs within that occupation, at current levels of remuneration and conditions of employment, and in reasonably accessible locations.

These shortages are the result of market disequilibrium where there is an undersupply of skills relative to a given level of demand, and where wages and working conditions are held at a constant level (Iredale et al. 2014). Such disequilibrium can be caused by supply factors (i.e. factors that influence the number of skilled workers available) and demand factors (i.e. factors that relate to employer demand for a skilled labour market). Figure 9 summarises the links between some of these supply and demand factors. This figure shows that there are a number of different supply and demand side factors that can potentially contribute towards the emergence of skills shortages.

Figure 9: Supply and demand factors affecting the skilled labour market



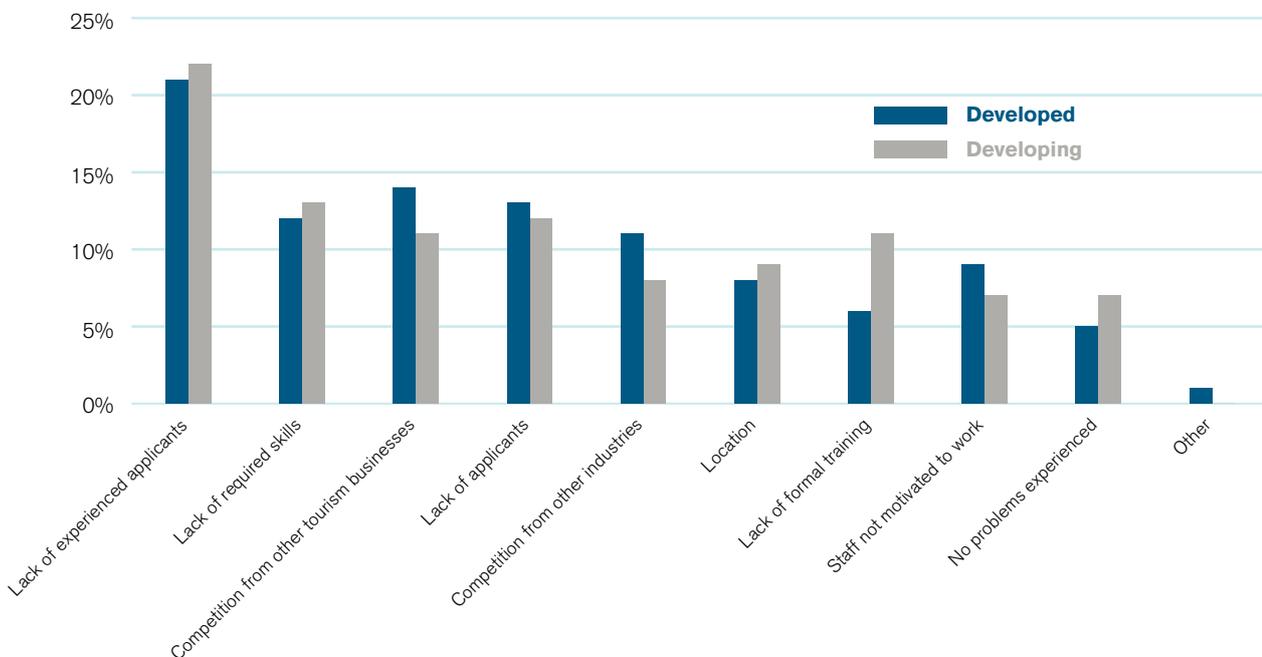
Source: Author (Chai, A)

In terms of the supply of skilled workers, there are two major sources: domestic and international workers. Domestic workers graduate from the unskilled labour market to the skilled labour market by either attaining the necessary skills and experience while working (in-house training) or via vocational education and training (VET) (see Chapter 3). Through training, unskilled workers can access selection for promotion, increasing possibilities of retention for the employer. International workers in the tourism workforce are sourced through skilled (and some unskilled) labour migration programs (see Chapter 4).

On the demand side, it is necessary to consider how industry needs for skilled workers are changing and how labour demand from other industries and occupations may also impact the availability of skilled workers in the future; for example, the digitisation of roles. The demand for workers depends on a number of factors, including: business cycles; industry structure and planning; technology; and, importantly, the domestic workforce participation rate; the demand for workers in other non-tourism industries; and the barriers to migration faced by international workers.

Findings from the stakeholder survey indicate several business challenges with staff supply for APEC businesses during the 12 months up to September 2016. Figure 10 presents the responses from businesses to a number of identified challenges which include competition from other businesses and other industries and limited motivation from staff when recruiting staff.

Figure 10: Barriers to recruitment (Developed vs developing)



There appears to be a greater issue with finding experienced and skilled staff with formal training in developing economies than in developed economies. In developing economies, the challenges of competition from other tourism businesses, lack of applicants, unmotivated applicants and competition from other sectors are slightly more prevalent than in developed economies. Notable in developing economies, and in some roles in developed economies, there are a large number of

jobs suitable to workers who do not have experience (or formal qualifications). These workers may display other values, qualities and attributes which can be considered by potential employers as of value for entry level jobs.

Recommendations

- *Through research and consultation, design a common approach for the collection and sharing of workforce planning data across the APEC economies to allow sharing of information on workforce participation, skilled migration, and labour and skills.*

2.1.2 Industry perception

“Many jobs in tourism seen as “unimportant” ie anyone can do it, no training required except learning on the job.”

– Australian survey respondent.

There is a widely-held perception that tourism employment is generally characterised by jobs that are not ‘real’ careers. This creates an overall lack of appeal for the industry and restricts the potential candidate pool for prospective employers (Queensland Tourism Industry Council 2013). The tourism industry is seen to offer unstable and irregular work associated with poor working conditions and limited career development prospects. Furthermore, as indicated by workshop participants, the industry in some economies is perceived to be a women’s only domain, where opportunities

for male employment are limited (except for management, where roles are held more predominantly by men). These perceptions make it difficult for employers to attract, recruit and retain employees within the industry.

Some of the common challenges identified as barrier to Workforce Planning include:

1. Poor wages and working conditions;
2. Additional challenges recruiting in rural or remote areas;
3. Lack of recognition of the strategic priority of the industry by government; and
4. Limited career pathways and opportunities.

Issues including training and development and labour mobility are covered in Chapters 3 and 4 respectively of this report.

2.1.2.1. Poor wages and working conditions

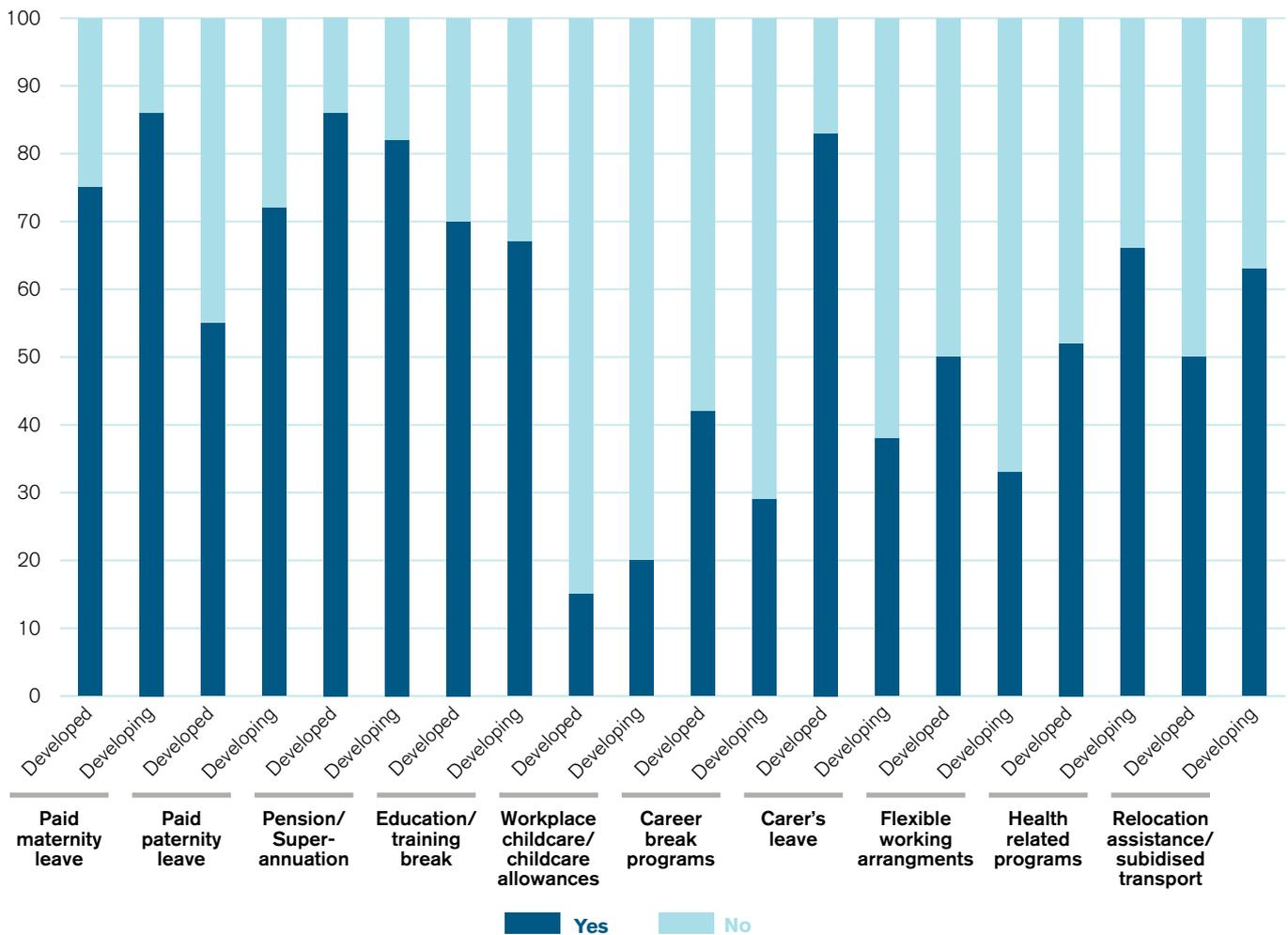
According to the ILO (ILO n.d.), the wages are low and working conditions are very often precarious in the tourism industry. In a study undertaken by the ILO, workers in hotels and restaurants tended to work longer hours and receive a lower hourly pay. Hotel and restaurant workers in Indonesia, for example, worked 17% more hours than the domestic average but received wages that were also 17% lower than the average domestic wage. In the Philippines, employees worked 19.5% longer hours and received an hourly wage that was 41.8% lower than the domestic average (ILO n.d.). Such low wages and long working hours are likely to be a core factor driving high turnover and poor industry image.

In the unskilled labour market, poor relative wage growth and working conditions have been widely reported in the tourism industry (UNWTO 2009). This is supported by research for the Benchmark Performance Table of this report (see Appendix F). Economic theory suggests that shortages result when current wages of an occupation/industry are relatively low compared to those offered in other industries or occupations, including unskilled occupations.

Worker entitlements

Workplace policies and programs reported by businesses as accessible and available to staff also vary. From the stakeholder survey, business respondents indicate a range of employee support mechanisms (see Figure 11). Most prevalent are paid maternity and some form of superannuation or pension savings in both developed and developing economies. In contrast, the difference between the two for carer's leave is quite marked. Such support mechanisms would be more challenged in developing economies, particularly as there is a high prevalence of SMEs.

Figure 11: Programs accessible within businesses (all economies)



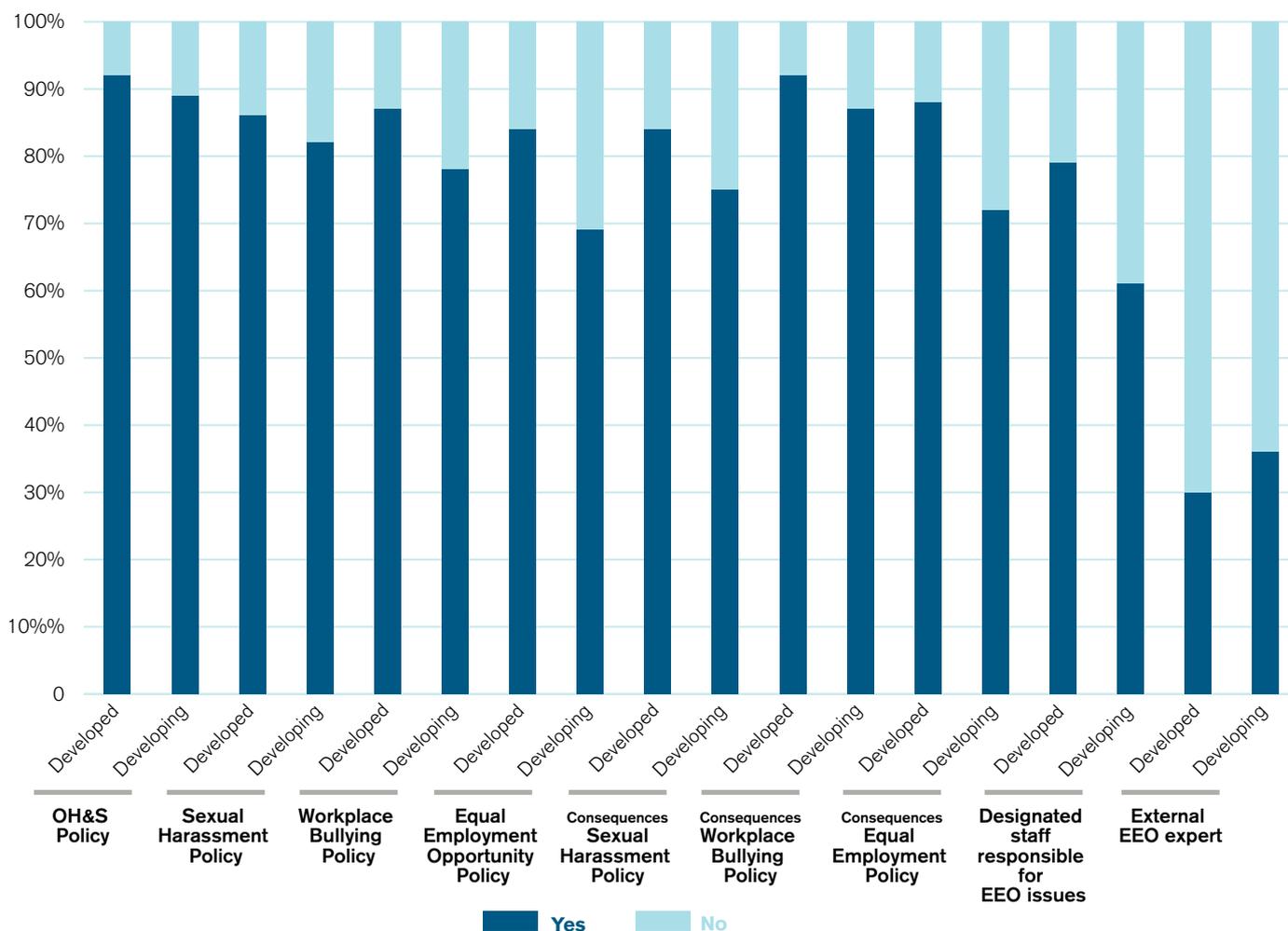
Workshop participants confirm this experience, identifying high turnover with commonly reported long hours and correspondingly unattractive remuneration, particularly in a developing economy context. Yet, on the other hand, based on the survey results, 63% of respondents from developed economies and 65% of respondents from developing economies agree that employees are paid above the award wage rate reflecting an inconsistency with the experience of workshop participants.

Worker protection

Policies that protect the worker, such as occupational health and safety (OH&S), sexual harassment, equal employment opportunity (EEO) and workplace bullying, were also represented in the stakeholder survey, with most business respondents indicating the presence of several policies (see Figure 12).

Workshop participants highlighted the challenges for women and youth (aged between 15 and 24) particularly as being over-represented in lower paid positions and positions with poorer working conditions. Furthermore, women were highlighted as being over-represented amongst those workers who suffer most from harassment and violence, whereas youth are over-represented in work with long hours, split shifts, and seasonal roles. Women and youth employment is discussed further in Chapters 5 and 6 respectively.

Figure 12: Presence of workplace policies (business respondents, all economies)



Recommendations

- *Through the APEC Tourism Working Group, develop an Industry of Choice Charter, aligned to the Sustainable Development Goals, to highlight the importance and economic value of healthy, safe and diverse workplaces and encourage economies to adopt programs to reduce unsafe and discriminatory practices from the tourism sector, rebranding tourism as an employer of choice and reducing references to 'low-skill/low pay jobs'.*
- *Recognising the importance of mental health of employees as part of workplace health and safety, further exploration of mental health support services is suggested as part of an overall strategy for supporting workforce development, productivity and retention in the industry.*

2.1.2.2. Rural or remote areas

Location of tourism jobs can often be an influencing factor in obtaining skilled staff. Many skilled employees are not willing to relocate or commute to work in regional and remote areas. Part of the issue with working in remote areas, predominantly for those relying upon public transport, is the availability of reasonably scheduled transportation services, particularly given the 24/7 hours of the industry. Due to the structure and nature of work available in tourism, the industry attracts people who may be more mobile, in addition to those who are more prepared to have a boundary-less career which transcends geographic and organisational restrictions. Remote or rural work typically appeals to young people, so tourism is a valuable source of often transient or short-term employment for youth.

2.1.2.3. Lack of strategic priority

Workshop participants highlighted the lack of strategic priority allocated to the tourism industry by government in some economies. Participants noted the somewhat recent development of tourism as a major economic contributor to some economies, in comparison to more traditional sectors such as agriculture, particularly in developing economies. Opportunities for strategic planning by government were identified given the rise in tourism's contribution to domestic economic targets.

Workshop participants also recognised the difficulty government has had traditionally in responding quickly to labour shortages. This could be assisted through an improved perception of value of the industry and through strategic alignment to private sector workforce planning. Such lack of priority for the industry could be the result of limited ability of governments to generate data to inform workforce planning (UNWTO & ILO 2014).

2.1.2.4. Limited career pathways

As the industry suffers from perceptions that it offers limited career progression, workers, particularly well-educated youth, often seek work in other sectors, which are seen to offer better pay, security and tenure. For example, Wu (2013), considering Chinese college and university students, found that few had a preference for working in tourism and most held a negative image of the industry, considering it to have limited career opportunities. This is despite a large increase in the number of people enrolling in tourism courses.

As a basic pathway for a variety of roles within the industry, Table 7 offers guidance for where employees can begin their career in a number of industry relevant roles (Tourism Training Australia 2008). It is important to recognise that progression through these careers can be horizontal as well as vertical. This figure provides a narrative of the roles required to move up the ranks in a particular sector; however, lacks a suggested timeframe or list of milestones which workers can reach in training and development. Such additions would be useful to understand the amount of investment needed by a potential industry worker for study to progress their career.

Career pathways in tourism for young people (15–24), are little known. Rather, the industry is seen to provide jobs that are often seen as 'fun', 'dynamic' and 'sociable' (Colmar Brunton 2016). In early careers, workers are provided with experiences of what the industry offers either through work placements or internships, or in more structured approaches through apprenticeships and other certified training (Walmsley 2012). In Australia, commencing vocational training courses while at school is one opportunity for a longer-term vision of careers within the industry (Smith & Green 2005). Roles which require a much more technically focused training, such as chefs, are seen as longer-term careers (Colmar Brunton 2016).

Table 7: Pathways to careers in the tourism and hospitality industry

Tourist Attractions	Tour Guiding	Wholesale Tour Operators	Retail Travel	Tourist Information Services	Meetings, Events, Conferences	Policy Planning Development
Senior manager	<ul style="list-style-type: none"> Tour guides Owner/operator 	Senior manager	Senior manager	Regional/area tourism manager	Project manager	Executive director/Senior partner
Manager of operations, sales, marketing or public relations	<ul style="list-style-type: none"> Tour manager Lead guide Group coordinator Specialist guides (ecotourism/cultural) 	<ul style="list-style-type: none"> Manager of product, sales, marketing or public relations Reservations Operations 	<ul style="list-style-type: none"> Manager of small travel agency/branch Travel administration Marketing 	Manager of information centre sales, marketing, public relations or strategic planning	Conference manager	Director/Senior manager
Supervisor in operations, marketing or public relations	<ul style="list-style-type: none"> Specialist site guide Tour guide Driver guide 	<ul style="list-style-type: none"> Supervisor in product, sales, marketing or public relations Operations 	Supervisor – retail travel and/or corporate international and/or domestic	Supervisor in tourism information research, sales, marketing, public relations or strategic planning	Conference coordinator	Principal advisor
Group coordinator	<ul style="list-style-type: none"> Site guide Meet and greet guide 	Group tour coordinator	Senior travel consultant international and/or domestic	Senior tourism information officer	Conference assistant	<ul style="list-style-type: none"> Senior advisor Market analyst Senior consultant
Sales reservation agent Guest service coordinator		Sales or reservation agent	International travel consultant	Travel advisor	Hospitality and travel operation (e.g. functions, reservations and group travel)	Advisor Research officer
Attractions attendant Ticket sales officer		Domestic travel consultant				Administrative assistant
		Travel sales assistant/clerk				

Adapted from: Tourism Training Australia (2008)

For those who have chosen tourism as a higher education focus, graduation does not always lead to continued employment in the industry (Richardson 2008 cited in Lyons 2010). Graduates speak of negative experiences working in the industry, in casual roles working long hours, and with limited promotion opportunities presented during their studies. For career pathways to be recognised for potential workers in the 20–35-year age bracket, more opportunities for a more integrated approach to career visioning are required (Lyons 2010). In a study from Chinese Taipei, career pathways were recognised by international hotel chains, which were seen to be of benefit for the employer and not for the employee (Yang et al 2012). To gain access to career planning in these instances, employees needed to receive approval from top executives who identified employees with specific growth potential. For new employees, perhaps not engaged within such hotel chains, lack of knowledge of opportunities, working benefits, and conditions often prevents workers from staying in the industry. Greater explanation by employers of the tasks and duties required of roles to progress as well as the benefits and working conditions are necessary to retain staff (Yang et al 2012).

Mature workers (45+ years) are observers of a high staff turnover, particularly in the younger workforce, often because of the shift work, long hours, and generally low pay of the industry (Colmar Brunton 2016). Although some mature workers have been in the industry for many years, their training was completed early in their employment, and they do not necessarily see themselves as undertaking further training at this point. Mature workers see themselves as grateful to have the role they hold, and instead of viewing the industry as a career, they often live in fear that with a younger 'up and coming' worker cohort, the continuation of their jobs may be limited (Colmar Brunton 2016). Moreover, mature workers may not be so flexible in their availability and mobility, further exacerbating their concerns of stable working environments. A new project being implemented by the HRDWG to share best practice in working with mature age workers (HRDWG 2016), could consider tourism as one industry which would benefit from the design and adoption of mature-age specific approaches for the management of this cohort of workers.

Recommendations

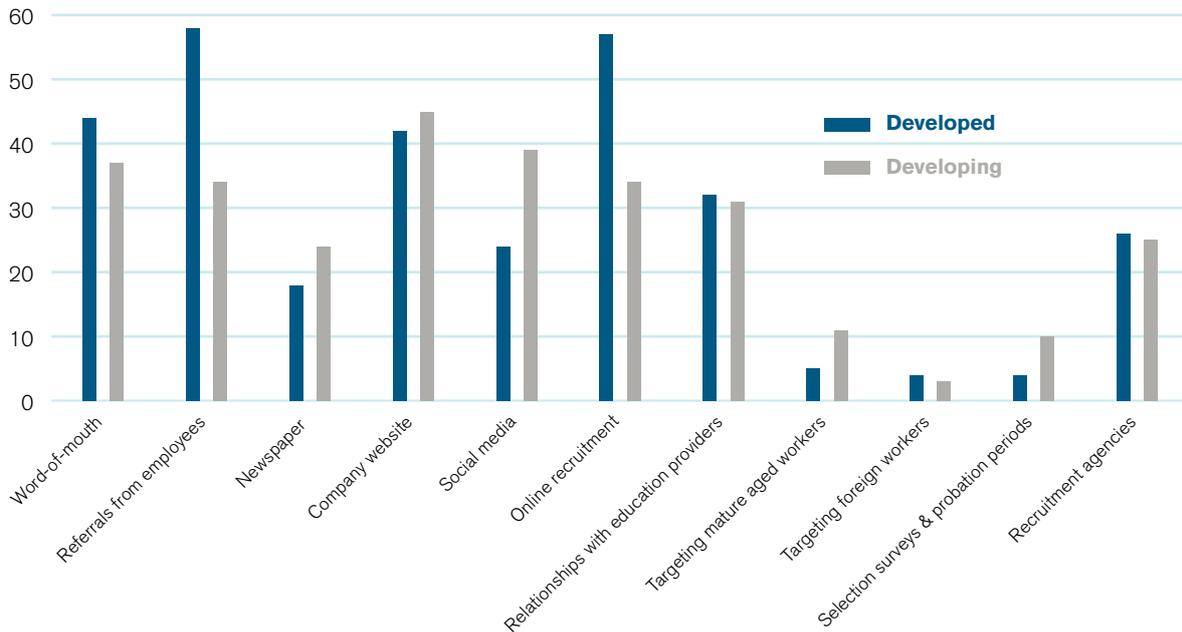
- *Develop a research project and follow-up career campaign with a business and employment-oriented social networking service to showcase career paths of those in senior positions in the tourism sector and explore the career progression rates in tourism compared to other sectors.*
- *Build on the HRDWG project focused on mature workers to include specific reference to the opportunities which exist for the tourism industry from this worker cohort.*

2.1.3 Staff recruitment

As a workforce planning tool, staff recruitment is an increasingly competitive aspect of the industry. Recruitment sees investment of time and energy by industry to attract employees for various roles, while also developing and promoting an attractive package to secure the 'right' worker. In today's recruitment market, identifying not only the job description, but the staff benefits 'package' (including training and career development opportunities, flexible working arrangements, and a range of workforce policies, while also stating the company brand statement and industry partners) are sought-after information for employees to make employment decisions (Service Skills Australia n.d.; Deloitte Development 2016).

Business respondents to the stakeholder survey indicate the use of both traditional and modern approaches to recruitment, with personal and web methods ranking highly (see Figure 13). For developed economies, referrals from current employees represented most frequently with 58 respondents, followed by online recruitment with 57 respondents, and the use of company websites with 42 respondents. Developing economies ranked the use of a company website and word of mouth as most popular methods to recruit new workers.

Figure 13: Methods of recruitment used by businesses (number of respondents)



The high response to the use of internet based approaches to recruitment is reflective of the industry's major workforce demographic - youth. Particularly for what is known as 'Generation Y' (those individuals born between 1981 and 1994), the need to establish and promote the values of an organisation through its reputation and/or brand contributes largely to an individual's decision to apply for and work with a company (Cairncross & Buultjens 2007). Furthermore, individuals in this age bracket are more inclined to be attracted to social and community-based activities. Such requirements can be part of an attractive recruitment package, to which organisations such as Harvey World Travel in Australia have adapted (Cairncross & Buultjens 2007). For this generation, recruitment using various internet-based tools appears to be the best method; however, this is not the case for all age groups.

Recruiting the more mature worker (45+ years) can make use of more traditional recruitment approaches such as word of mouth, referrals from current employees, and trade advertising. The use of employment websites, recruitment agencies and other voluntary recruitment support organisations are also appropriate (DoE Australia 2012). Mature age workers can be recruited for both trainee and more experienced roles, with the greatest contribution to be made to the organisation from the life experience of the individual providing a range of talent, knowledge and skills (DoE Australia 2012). Furthermore, the tourism industry can provide options for those individuals seeking to apply their experience to casual roles as they lead into the closing years of their working lives and retirement.

Recommendations

- *Promote and highlight the results of domestic recruitment and tourism career campaigns to improve the general capacity of tourism businesses to recruit - economies can consider adopting the approach of funding tourism awareness campaigns, including media and marketing blitzes and school-to-career programs.*
- *Encourage further exploration of the capabilities of employment services and recruitment agencies for activating jobseeking and responding to the workforce demands of the tourism sector, including the impending shortages facing the sector in many APEC economies.*
- *Encourage businesses to consider the recruitment of mature-age workers, able to apply their experience to selected casual roles as they lead towards retirement.*

2.1.4 Staff retention

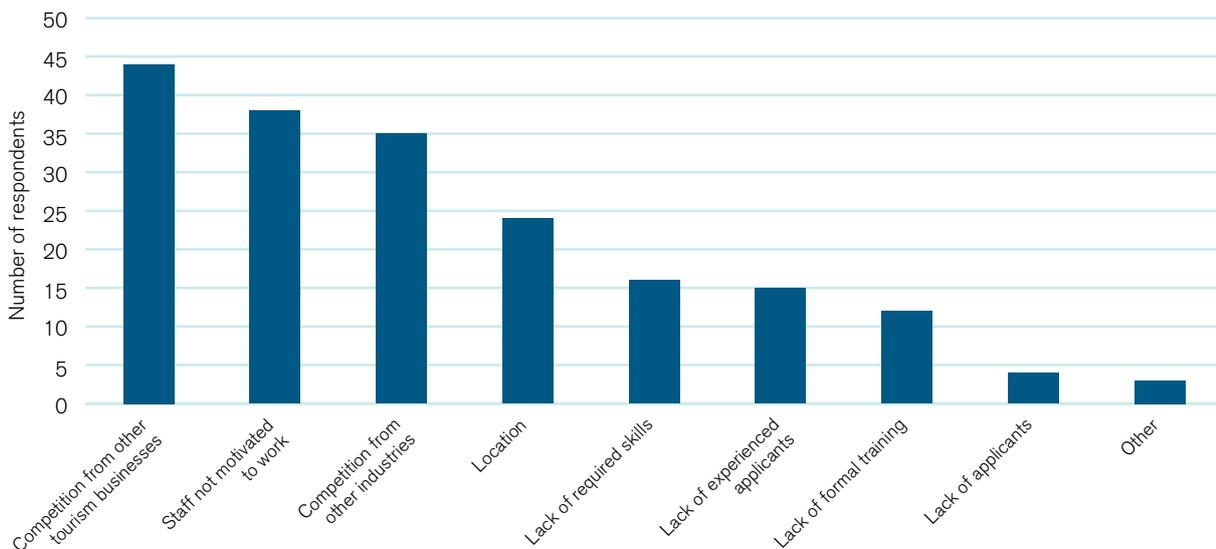
Retaining staff is essential, not only for creating strong organisational cultures and team work, but also for reducing costs associated with recruitment and selection, and training. As reported by the Department of Employment in Australia (2012), the cost to replace an existing employee is between 75% and 150% of the individual's annual salary, taking into account recruitment costs, as well as training, productivity and specialist knowledge. Based on cost alone, staff retention is preferred; however, there are challenges implementing retention strategies such as training, adjustment to working conditions and mentoring, particularly for SMEs.

With a domination of SMEs in the industry, these organisations often lack the resources to invest in best practices for hiring, training and retaining their workforce. Such practices tend to require good profit margins and long-term business planning. They require organisations to align their human resource management (HRM) policies and practices with a clearly - developed organisational strategy. Consequently, when SMEs struggle to find the right staff, they often re-double their search effort, rather than implement long-term measures to train, develop and retain existing staff (Deloitte 2015). To ensure businesses can effectively implement best practice HRM, there is a critical requirement for managers to upskill in understanding the HR practices that result in talent maximisation.

A positive workplace culture is highly valued by employees, with many valuing being a part of something that is 'making a difference' (QTIC 2013). However, some employers do not recognise the importance of a good workplace culture and others lack people management skills. Thus, a central part of the role of HRM in large organisations and government is not only to develop policy and practice, but also to work with business owners, managers and employees to reconcile competing views about what is valued in organisations and what assists in creating workplace harmony. Small business owners, generally being more closely connected to their staff, can also work with employees to understand how their workplace culture can be improved, within the capacity of the organisation to deliver.

From the stakeholder survey, competition from other tourism businesses was recognised as the greatest challenge affecting staff retention in businesses. As Figure 14 indicates, respondents see the competition from other industries as another area of concern.

Figure 14: Challenges for businesses in retaining staff (all economies)



In summary, factors contributing to the demand and supply of labour include:

- Rapid technological change: new technological trends including cloud services, big-data, artificial intelligence, robotics, 3D printing and crowdsourcing have the potential to revolutionise the tourism workforce.
- Limited investment in retention: the tourism industry tends to be dominated by SMEs that do not have the resources to invest in best practices for hiring, training and retaining their workforce.
- Training: there is a lack of coordination between the tourism industry and the formal education sector, which hampers the ability to deliver mutually beneficial training opportunities to provide a steady flow of trained workers. This is explored further in Chapter 3 of this report.

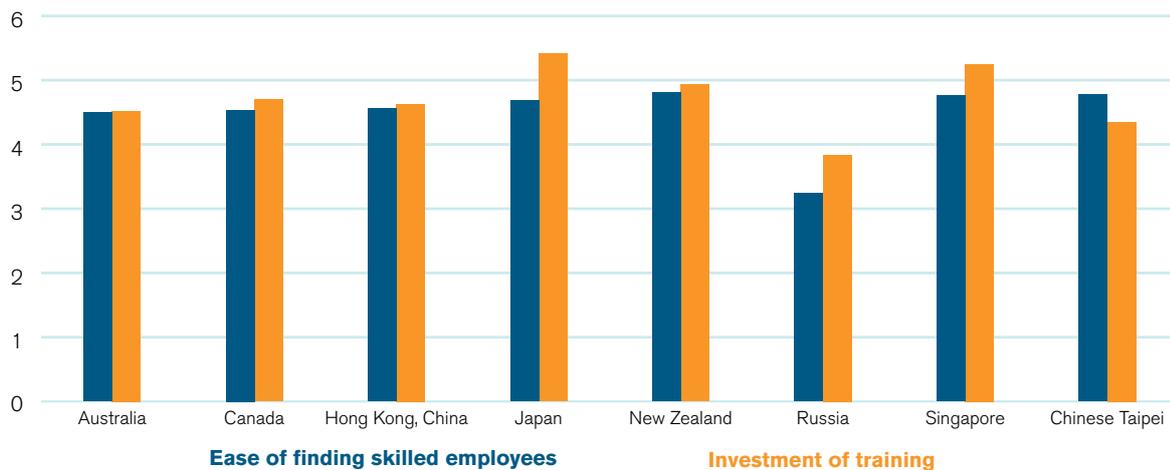
Additional issues raised by stakeholders

- Tourism is perceived as a women's only domain in some economies, with limited opportunities for male employment as identified by workshop participants.
- From the workshops, women and youth were identified as over-represented in lower paid positions and positions with poorer working conditions, with women more likely to suffer harassment and violence and youth more likely to work long hours, split shifts, and in seasonal work roles.
- Workshop participants suggested that training at a university level is not designed to make students specifically 'job ready' and questioned whether that is the role of the industry.
- Larger tourism businesses were identified by workshop participants as potentially assisting to build capacity of SMEs.
- Formalised induction programs were recommended by workshop participants.

2.2 Policies and practices

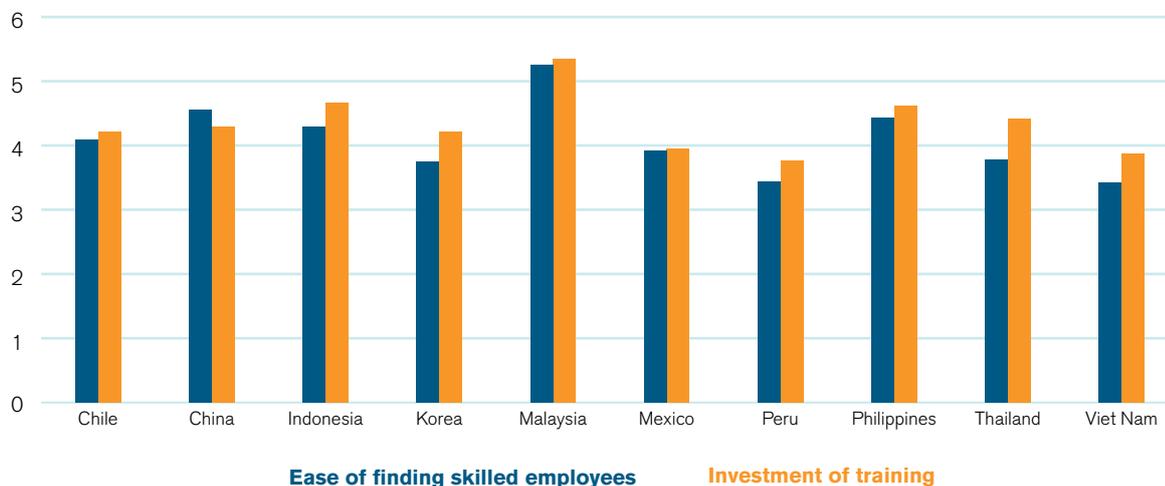
Government tourism labour policy in the APEC economies is shifting. For example, in the People's Republic of China, the focus has shifted from the development of tourism infrastructure to investment in tourism education to fill critical labour gaps (The Hospitality Talent Gap, China, Business Review, cited in WTTC (2015)). Figures 15 and 16 show that in the economies where there is a greater effort by businesses to invest in workforce training, it is relatively easier to find skilled workers. This appears to be the case across developed and developing economies.

Figure 15: Skill shortages versus investment in training (Developed economies)



Source: World Economic Forum (2015)

Figure 16: Skill shortages versus investment in training (Developing economies)



Source: World Economic Forum (2015)

The availability of the 'APEC Labour Market Portal' (APEC 2016) provides an excellent resource for economies to plan their workforce. Although tourism is included in the online templates via categories of accommodation/food services, arts and entertainment, and perhaps transport and storage, there is an opportunity to customise this tool to encompass those industries and occupations which are identified within the broader tourism industry. As a subset of an economy-wide workforce planning strategy, a tourism specific interpretation of the data would be a very useful tool for tourism employment planners across the region.

Key to the use of tools such as the APEC Labour Market Portal is the engagement of industry stakeholders through people-centred approaches to workforce planning. Such engagement seeks to provide workforce planning which meets both current and future business needs, and assists greatly in generating industry ownership of the plan. Examples of such approaches are presented here.

Australia: The development of 'Tourism 2020', a framework for growth for the Australian tourism industry, was a consultative planning process which included the contributions of industry leaders, state and territory governments along with federal government representatives. Tourism 2020 has an implementation phase of five years between 2015 and 2020 and includes a target of an additional 152,000 persons to be employed to meet the predicted visitor expenditure increases during this period. The actions to address the challenge (and opportunity) of providing these additional workers are:

1. Improving recruitment and retention for the industry;
2. Enhancing regional workforce planning and development;
3. Identifying education and training gaps and potential mechanisms to address them; and
4. Facilitating workforce mobility and expanding the traditional workforce.

To ensure alignment to industry, Austrade has established six working groups formed of Australian Government, state and territory governments, state tourism organisations and industry representatives currently operating within a roundtable. The goal of this roundtable process is to

develop short term practical and longer term strategic recommendations which are adopted by all stakeholders to ultimately achieve the 2020 targets.

Singapore: Generally regarded as an exemplar for its talent policies, the government undertakes forward-looking workforce planning and industry talent research, for example the Tourism Talent Plan. The Plan aims to prepare the workforce to meet a projected spike in manpower demand, driven by new tourism investments. The holistic three-pronged approach comprises continuing education and training for adult workers, pre-employment training for students, and industry development to attract more workers to join the tourism industry. The government also aims to eliminate information asymmetries by launching the Singapore Workforce Skills Qualification (MOM SG 2016) and the SkillsFuture SG website (SkillsFuture SG 2016). These allow job-seekers to undertake informed career planning and resources for training, and businesses to identify where they can meet their immediate and near-term labour force needs.

Canada: The British Columbia Tourism Labour Market Strategy (2012 – 2016) identifies best practices meant to help the tourism industry attract, train and retain quality workers. This includes promotion of retention tools, a “For Employers” section of the GO2HR website and the “Employees First” guide for tourism operators. The strategy was developed in consultation with approximately 1,000 industry stakeholders through discussions, working groups, surveys and regional consultations sessions. The plan complements provincial and federal priorities and reflects several important federal initiatives (go2hr 2012).

Various economies: Examples of domestic career guidance associations from New Zealand, Korea, Canada, and independent regional bodies provide illustrations of how to actively engage with young workers. By engaging with these associations to provide information, the tourism industry can ensure the development of career pathway materials to suit employers and trainers alike. Examples of such organisations include:

- Career Development Association of New Zealand;
- Korea Research Institute for Vocational Education and Training;
- Asia Pacific Career Development Association;
- Canadian Career Development Foundation; and
- International Association for Career Vocation and Guidance.

Career guidance refers to services and activities intended to assist individuals to make educational, training and occupational choices. Such services are found in schools, universities, workplaces or in voluntary community organisations. Career guidance counselling includes career information provision (delivered face-to-face, in-print, via the internet or in other forms), assessment and self-assessment tools, counselling interviews, career education programs, work search programs and transition programs (OECD 2004). To align with the tourism industry, specific tourism online portals would further support industry workers by supporting career professionals whose interest lies in tourism, in addition to developing the worker’s career path more broadly.

Recommendations

- *Customise the APEC Labour Market Portal to encompass those industries and occupations which are identified within the broader tourism industry to assist in workforce planning.*
- *Encourage APEC economies to increase or continue to support SMEs to invest in workforce planning either through tax relief or subsidies to contribute to improve staff retention; to develop and introduce induction programs; and provide specific HR skills in SMEs through regional-specific approaches such as Tourism Employment Plans.*
- *Enhance online career guidance portals to filter by career professionals specifically interested and able to support workers within the tourism industry specifically.*

2.2.1 Lack of reliable data for workforce planning

A key finding through the preparation of this report was the lack of reliable and comparable data across the APEC economies for monitoring trends in the tourism workforce. A common set of workforce planning and retention 'factors' have been identified throughout the research, these are presented in Table 8.

Table 8: Tourism workforce factors that can be monitored and evaluated

Quantitative
▪ Gender equality
▪ Wage conditions
▪ Working conditions
▪ Skill level
▪ Female representation in management roles
▪ Annual internal training and formation expenditure
▪ Migration
▪ Participation-in-learning programs
▪ Annual workforce development expenditure
▪ Number of trainees / apprentices
▪ External or corporate connectedness (number of connections from firm to industry and firm to training provider)

Qualitative

- Workforce development plans
- Integrated performance system
- Training effectiveness strategy
- Information exchange at domestic and regional level

Recommendations

- *Using a standardised set of workforce planning measures and labour and skills needs analysis tools (developed by APEC), encourage each APEC economy to measure and report on workforce planning indicators. Partner agencies identified to assist the TWG in reporting and monitoring include the Human Resource Development Working Group (HRDWG), the International Labour Organization (ILO), the International Organization for Migration (IOM), and the Organisation for Economic Co-operation and Development (OECD).*

2.3 Case Study — Australia

Tourism employment plans: responding to regional labour and skills issues

Australia's tourism industry employs 929,000 people directly and indirectly. Tourism generated \$116.6 billion in visitor expenditure in the year ending 30 June 2016 and contributed \$47.5 billion to Australia's GDP (3.0 per cent of total GDP). The tourism industry is currently growing three times as fast as the rest of the Australian economy and is central to Australia's economic transition.

Australia's national tourism strategy, *Tourism 2020* brings together governments and industry to put in place reforms to make the industry more competitive. Reducing labour and skills pressures is a whole-of-government priority.

The 2015 Deloitte Access Economics Labour Force Report, an update of the 2011 report, found the tourism sector currently has an estimated 38,000 unfilled vacancies. By 2020 the industry is forecast to need an additional 123,000 new workers including 60,000 skilled workers driven by strong international visitor growth.

Program features

Following from the findings of a report prepared for Austrade by Deloitte Access Economics in 2011—the 2011 Tourism Labour Force Report—and under *Tourism 2020*⁷, eight employment 'hotspots' were identified to pilot regionally focused Tourism Employment Plans (TEPs) to respond to one of the key recommendations of the 2011 report. The TEPs were the first of their kind in Australia – a locally-led plan to respond to a region's labour and skills issues.

TEPs aimed to deliver targeted and practical measures to address recruitment, retention and skills development and to build capacity in the region, by bringing together key partners.

- For a business, TEPs offered to provide solutions to attract and keep workers and to provide new ideas and tools to undertake more effective workforce planning, which would help businesses meet future recruitment needs more easily.
- For the industry, TEPs were a means for greater collaboration between businesses, industry bodies, the education/training sector and government; and of ensuring efforts were concentrated in working towards a common goal.
- For the region, TEPs were designed to lead to improved training and employment opportunities, meaning a better skilled workforce, enhanced service quality and better tourism experiences. TEPs were to make the region more internationally competitive; and a region where people want to holiday, live and work⁸.

Funding and governance structure

Co-contribution seed funding of around AUD 1.1 million from the Australian, State and Territory Governments was provided to implement eight TEPs under the *Tourism 2020* program. Expert consultants were put in place for up to 12 months to deliver a three-year plan for each region. The consultant working with the TEP Regional Committee was required to identify a funding source for any funding required over and above the seed funding, or alternatively deliver a TEP that was cost neutral. This resulted in some TEPs being delivered with in-kind support and others where funding for specific initiatives was found locally.

The TEPs were supported by a strong governance structure to ensure sustainability and industry ownership. Australian, State and Territory Governments provided oversight through a formal

⁷ <https://www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/tourism-2020>

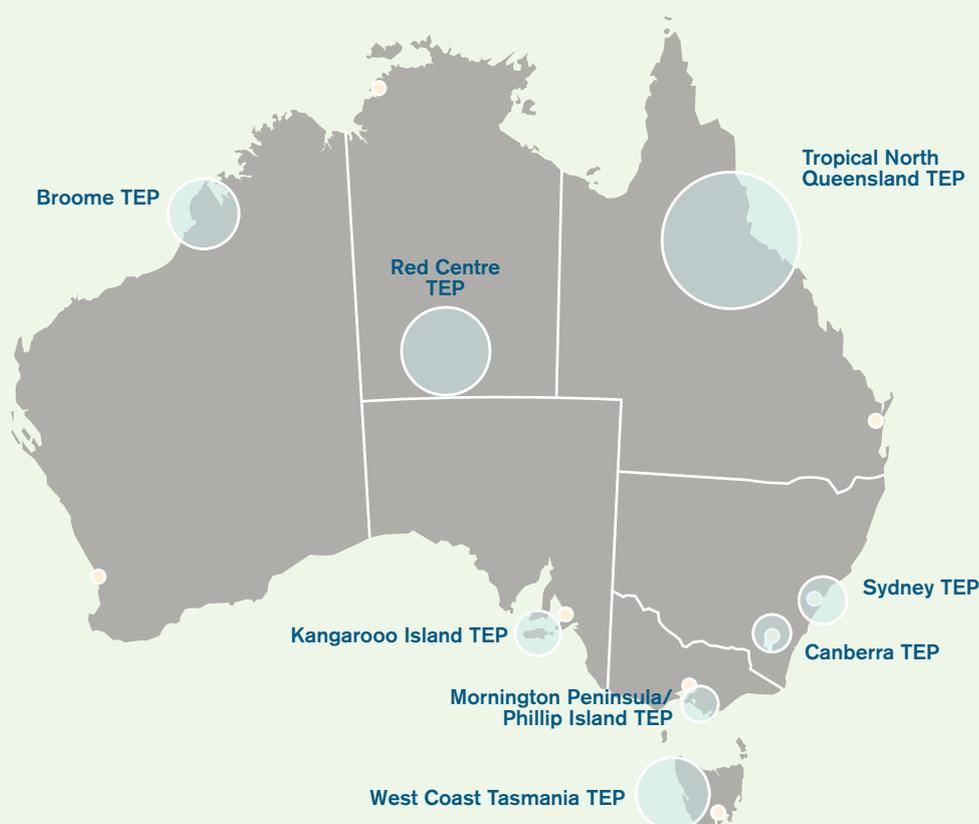
⁸ More information can be found at <https://www.austrade.gov.au/Australian/Tourism/policy-and-strategy/Labour-and-skills/tourism-employment-plans>

committee designed to share lessons learnt and links across regions. Each TEP had a regional committee which met regularly to guide the TEP. Stakeholders represented a variety of areas, including: tourism, education, employment and immigration government agencies; chambers of commerce; training providers; skills councils; and tourism and hospitality businesses. These partners provided the TEPs with regional and workforce expertise and drove the delivery of practical strategies. Under the State Oversight Committee process, lessons from each of the TEPs were reported back and applied to the rollout of the program.

Operation

Pilot TEPs were rolled-out in a variety of areas across Australia to provide a series of 'models' that could be adapted for other regions. See Figure below.

Figure 17: Pilot regions within Australia for Tourism Employment Plans (TEPs)



These models are:

- **Remote Area (Red Centre and Broome):** Remote area TEPs were designed to respond to labour supply and skills issues particularly where there is competition from other higher paying industries, impacts of seasonality and labour mobility. Solutions included boosting the region's employment profile and engaging specific untapped labour sources such as youth and Indigenous workers and best utilising appropriate migration streams.
- **Regional Area (Kangaroo Island, Tropical North Queensland and regional Tasmania):** TEPs in regional areas responded to labour supply pressures, impacts of seasonality and labour mobility, workforce development and up-skilling. Possible solutions included better regional co-ordination between agencies, increased use of under-represented labour sources (such as Indigenous, youth, mature-aged and longterm unemployed people) and adopting appropriate migration options.

- **City-Fringe (Mornington Peninsula/Phillip Island):** City-fringe TEPs responded to the supply of, and improving the skills of workers in regions that sit on the fringe of larger cities by engaging under-represented labour sources, improving collaboration with training providers, responding to impacts of seasonality and labour mobility, and accessing appropriate migration channels to supplement the local labour force where this was needed.
- **Capital City (Sydney and Canberra):** The capital city TEPs considered how to effectively meet capital city labour and skills needs particularly where the city was experiencing shortages. This was achieved through better use of local labour (including Indigenous workers), under-represented groups, up-skilling the existing workforce through better links with training providers, improving coordination with stakeholders and utilising appropriate migration streams to fill skill gaps.

In addition, evidence gathered through consultations with more than 1,250 stakeholders during the delivery process provided valuable lessons on possible solutions to ease labour and skills pressures at the national level, and identified common policy issues that have assisted decision makers.

Approximately 150 strategies were identified across the four areas below:

i. **Business awareness and uptake of government and industry programs**

Consultants across all TEPs developed regional specific program guides, factsheets, best practice case studies and human resource tools to distribute to local businesses. These were complemented by close to 50 targeted workshops which brought in experts to highlight the most important programs for a region. This strategy was important as there were a lot of support options available to assist businesses with recruitment, retention and training and this approach sought to increase uptake of the most useful programs for a region.

ii. **Embedded programs**

The TEPs were able to embed key programs and trials into TEP regions to actively encourage uptake. For example, the TEP regions were selected to receive specific funding to support businesses with workforce planning advice and training by the Australian Government and implemented by the industry's skills council working with industry. Over 900 businesses in TEP regions participated, with the aim of supporting workforce planning, training employees and providing a more highly skilled workforce.

iii. **Inclusion of the accommodation sector**

The accommodation sector was included in a Seasonal Worker Programme pilot trialled in four TEP regions across Australia⁹. This pilot provided accommodation businesses with access to low skilled labour during peak seasons from Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu. Sixty-one seasonal workers were initially employed in the accommodation sector, with a significant intake in Broome from Timor-Leste workers to support this region to respond to seasonality issues and allow seasonal workers to build capacity and remittance.

New and innovative strategies designed to meet regional issues were developed to support recruitment, retention and skills development in specific regions. For example, a campaign to attract and retain people in the Red Centre, included innovative orientation and induction programs for new staff to improve retention.

Three regions developed online training programs to lift customer service levels in Tropical North Queensland, Kangaroo Island and Canberra. TEPs also worked to make formal training more relevant to industry through proposing amendments to training programs; directly

⁹ www.employment.gov.au/seasonal-worker-programme

connecting Indigenous workers to tourism vacancies and training; and supporting Indigenous businesses in workforce planning and managing their workforce.

The Australian Government also provided seed funding for the development of a sustainable career campaign which became industry-owned and operated by the National Tourism Alliance. Importantly, the campaign sought to change perceptions about careers in tourism and hospitality by targeting high school children, mature aged workers, Indigenous workers, current workers and people from non-English speaking backgrounds. This initiative assisted the TEP regions to highlight their location as a desirable place to work in tourism.¹⁰

iv. **Build a better understanding for government and industry of cross-regional issues impacting the supply of labour and skills**

Austrade is the Australian Government agency responsible for tourism policy but does not control many of the direct policy levers for reforms to labour and skills issues.

However, Austrade has used evidence from the pilot TEP program to make submissions and representations to other agencies to influence recommendations to address issues such as improving labour mobility, housing affordability, transportation of workers, migration, cross-jurisdictional recognition of occupational certificates and relevance of the job services system to the tourism industry.

Evidence gained from the TEPs has also been used to influence change in migration programs, including having chefs on the general skilled migration specified list, the Skilled Occupation List in 2014.

The Government's broader Tourism 2020 strategy also looks to address key 'game changing' reforms, including some strategies that have been identified in TEP regions.

Concluding comments¹¹

This case study was based on research by Austrade's Labour and Skills Policy Section done in November 2016 and drew on an earlier case study which was published by the OECD in 2014.¹²

The pilot TEP programme is considered to have been highly successful and continues to deliver innovative results for industry. Austrade is currently reviewing the programme to test the key lessons and recommendations perceived to have been crucial in the development of the TEPs:

- A staggered approach to the rollout of each TEP to ensure best practice learning, to acknowledge that each region is different and to ensure that plans were developed accordingly
- Early engagement of industry through a range of partners and project champions to gain support and ownership of the TEP and its strategies was seen as the foundation for a successful TEP

10 A TEP Tools webpage identifying other TEP strategies for regions can be found at <https://www.austrade.gov.au/Australian/Tourism/policy-and-strategy/Labour-and-Skills/tourism-employment-plans>

11 For more information on Australia's labour and skills initiatives please visit <http://www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/labour-and-skills>

12 CFE/TOU(2014) 3/REV3 Organisation de Coopération et de Développement Économiques Organisation for Economic Co-operation and Development 16-Dec-2014 ANNEX 1: AUSTRALIA – TOURISM EMPLOYMENT PLANS pps 70 - 73

- Realistic expectations on what can be achieved with the funding available, and adapting to change Utilisation of existing resources, tools and support programmes to assist businesses make the right connections – noting SMEs can find it difficult to be fully aware of the all programmes that exist
- Maintenance of an organised governance structure and establishing key performance indicators.

To ensure broader benefits to other regions, Austrade developed a *Guide to Developing a TEP*¹³ ('the Guide') and implemented a *TEP Advisory Service*. These tools support regions to move from thinking about a regional workforce plan to actually delivering one.

Both tools attracted strong interest and were used in the development of the latter TEPs.

The Guide includes detailed information on the five essential processes and considerations in setting up a TEP:



The Guide also complements a range of other initiatives being delivered through Tourism 2020 to increase the supply of labour, skills and Indigenous participation across Australia — some of which are also highlighted within the text.¹⁴

A complementary Workforce Development Guide was also developed by the industry's skills council.¹⁵

This outlines a simple set of steps on how to build a workforce plan for a business. It includes leading practice techniques, tools and case studies to support businesses in workforce planning and ensure they have the right workers and skills to meet their needs.

Postscript

An update of the Tourism Labour Force Report was released in September (Part 1) and October 2015 (Part 2), which found that the shortages forecast in 2011 had not eventuated in their entirety.

The report noted 38,000 unskilled vacancies in the tourism industry (with a vacancy rate of 7 per cent); and stated that improvements in labour availability on the back of the mining boom moving from the investment to the production phase may have contributed to this improvement. (The 2011 survey had estimated that an additional 56,000 workers would be needed in 2015.)

In the absence of any intervention, this figure of 38,000 vacancies was expected to grow to around 123,000 workers by 2020, which includes a shortage of around 60,000 skilled workers.

¹³ www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Labour-and-Skills/Tourism-Employment-Plans/tourism-employment-plan-advisory-service

¹⁴ See: 'Tips' and Case Studies on aspects of developing a TEP; a detailed matrix of suggested solutions to issues identified – Appendix 1, pps 45 – 67; and a 'skeleton' Tourism Employment Plan structure – Appendix 2, page 68.

¹⁵ Workforce Planning Guide for the Tourism and Hospitality Industry: Skills Development Programs for Tourism and Hospitality, April 2015 (Austrade)

These findings were in the context of relatively favourable economic conditions for the tourism industry contributing to higher international visitor numbers. (Recruitment and retention difficulties eased slightly between 2011 and 2015 due to the vacancy rate declining by two percentage points.)

While businesses reported having slightly less difficulties in employing and retaining staff in 2015, they overwhelmingly reported that these staff are not appropriately skilled for the position to which they were recruited. This was evidenced across most jurisdictions and most tourism industry sectors. Business responses to these skills/experience gaps range from moving to more flexible work arrangements to formal training and sourcing alternative sources of labour.

Businesses looking to alternative sources of labour to fill vacancies most commonly looked to mature age workers, which ranked highest across all jurisdictions except Western Australia. Businesses in Western Australia identified overseas workers as the most important source of alternative labour.

Overall, under a business as usual scenario, the 2015 Tourism Labour Force report¹⁶ found that the tourism industry is expected to need an additional 123,000 workers, which includes 30,000 skilled workers, by 2020.

2.4 Summary of chapter recommendations

- *Promote and highlight the results of domestic recruitment and tourism career campaigns to improve the general capacity of tourism businesses to recruit, economies can consider adopting the approach of funding tourism awareness campaigns, including media and marketing blitzes and school-to-career programs.*
- *Encourage businesses to consider the recruitment of mature-age workers, able to apply their experience to selected casual roles as they lead towards retirement.*
- *Through research and consultation, design a common approach for the collection and sharing of workforce planning data across the APEC economies to allow sharing of information on workforce participation, skilled migration, and labour and skills.*
- *Through the APEC Tourism Working Group, develop an Industry of Choice Charter, aligned to the Sustainable Development Goals, to highlight the importance and economic value of healthy, safe and diverse workplaces and encourage economies to adopt programs to reduce unsafe and discriminatory practices from the tourism sector as an employer of choice and reduce references to 'low-skill – low pay jobs'.*

¹⁶ www.tra.gov.au/research/Australian-Tourism-Labour-Force-Report-2015-2020.html

- *Develop a research project and follow-up career campaign with a business and employment-oriented social networking service to showcase career paths of those in senior positions in the tourism sector and explore the career progression rates in tourism compared to other sectors.*
- *Build on the HRDWG project focused on mature workers to include specific reference to the opportunities which exist for the tourism industry from this worker cohort.*
- *Customise the APEC Labour Market Portal to encompass those industries and occupations which are identified within the broader tourism industry to assist in workforce planning.*
- *Encourage APEC economies to increase or continue to support SMEs to invest in workforce planning either through tax relief or subsidies to contribute to improve staff retention; to develop and introduce induction programs; and provide specific HR skills in SMEs through regional-specific approaches such as Tourism Employment Plans.*
- *Enhance online career guidance portals to filter by career professionals specifically interested and able to support workers within the tourism industry.*
- *Using a standardised set of workforce planning measures and labour and skills needs analysis tools (developed by APEC), encourage each APEC economy to measure and report on workforce planning indicators. Partner agencies identified to assist the TWG in reporting and monitoring include the Human Resource Development Working Group (HRDWG), the International Labour Organization (ILO), the International Organization for Migration (IOM), and the OECD.*



3 Building Training Capacity

Key Findings

The link between industry, government and educators needs to improve as the skills and labour shortages challenge grows. Issues of transferability of skills and the limitations SMEs face in providing training can be addressed through government support programs and better use of the existing commercial and government-led programs.

Beyond the body of workers employed in the tourism industry, another key component essential to long-term growth of the tourism workforce is the education sector and the numerous forms of internal and external training programs that are designed to train and equip workers with the skills needed to succeed in the industry. This chapter summarises the main forms of training and education relevant to the industry, discusses some strategies to build capacity and ensure education and training programs meet industry needs.

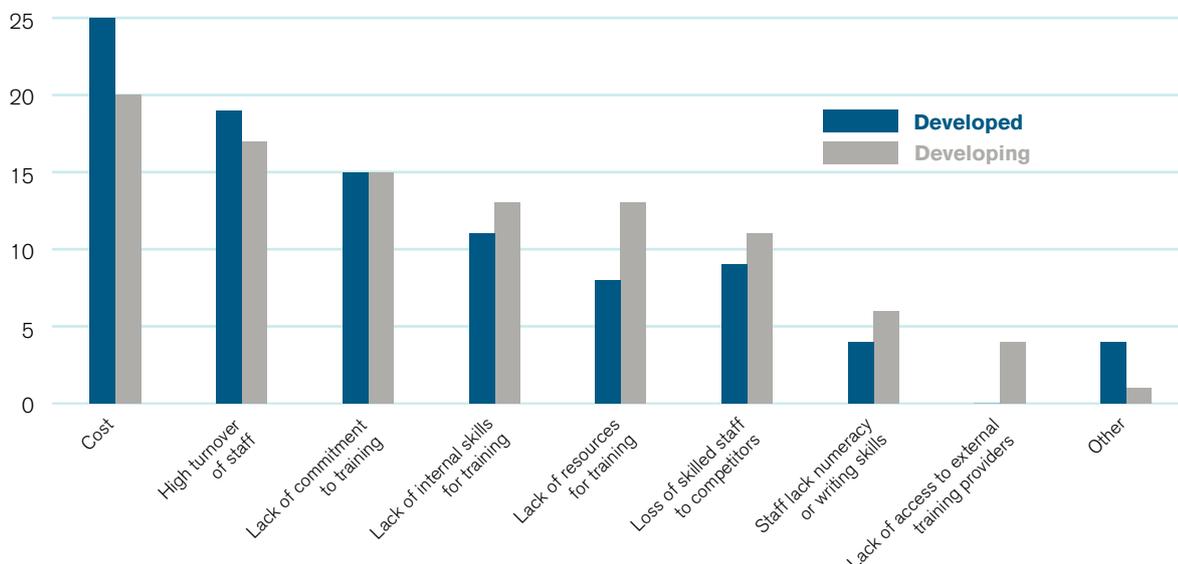
3.1 Challenges

3.1.1 In-house training by business

As highlighted in Chapter 2, a key challenge to workforce planning in tourism is a perceived lack of training and education options in the industry. In the stakeholder survey, 22% of overall respondents identified cost as the main barrier to inhibiting greater investment in training and development (see Figure 18). With more than half of the respondents to the survey representing SMEs, this result is not unexpected. Generally, the results were not dissimilar across developed and developing economies, however, there was one response that reflected a differing experience.

In developing economies, 13% of respondents indicated a lack of resources for training as opposed to 8% for developed economies. These findings may indicate an opportunity for greater alignment between government and industry to provide (or promote the availability of) resources, or between industry – large and small – to collaborate on sharing resources where appropriate. Other challenges with training are presented next.

Figure 18: Main barriers inhibiting tourism organisations from investing in staff training and development (all economies)



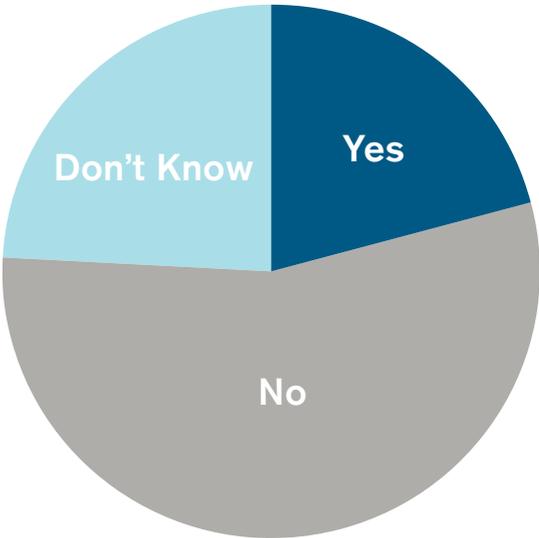
Certain inherent characteristics of the tourism industry constrain the capacity for tourism businesses to provide training for their staff. Revenue flows tend to be highly seasonal; which partially accounts for the high turnover rate in the industry leading to a transient workforce (Service Skills Australia 2013; WTTC 2015; Deloitte 2015). Especially among SMEs, the business case for training and retaining staff is highly dependent on the ability to retain and finance staff in off-peak seasons. Furthermore, there may be concerns about investing in staff who then move to competitor organisations after the training expense is invested.

In-house and Vocational Education and Training (VET) opportunities represent the main pathways through which workers can access the skilled labour market more broadly. Types of VET offered include traineeships and apprenticeships, requiring the employee to undertake a combination of on-the-job and in-classroom curricula (Business Europe 2015; G20 Task Force 2012). In terms of in-house training, the high number of SMEs and seasonal revenue flows in tourism represent a serious constraint on the capacity of businesses to finance and offer extensive training and development opportunities for their employees. SMEs may lack the in-house skills and expertise to effectively support this type of training. Much on-the-job training is ad hoc and informal in nature and may be delivered by people who themselves “learnt by doing” or received similarly unstructured training. This is likely to be particularly true in small and micro-enterprises (Stacey 2015).

Concerning VET training, a key issue for training raised through the industry consultation is the poor industry uptake of government training schemes, the regulatory burdens associated with training and how ties between industry and educators could be strengthened (e.g. through advisory boards, scholarships, etc.). Workshop participants suggested a lack of scholarships and training funds is a challenge to business, particularly to SMEs. On the other hand, the availability of programs is often not communicated through channels where the greatest uptake can be achieved.

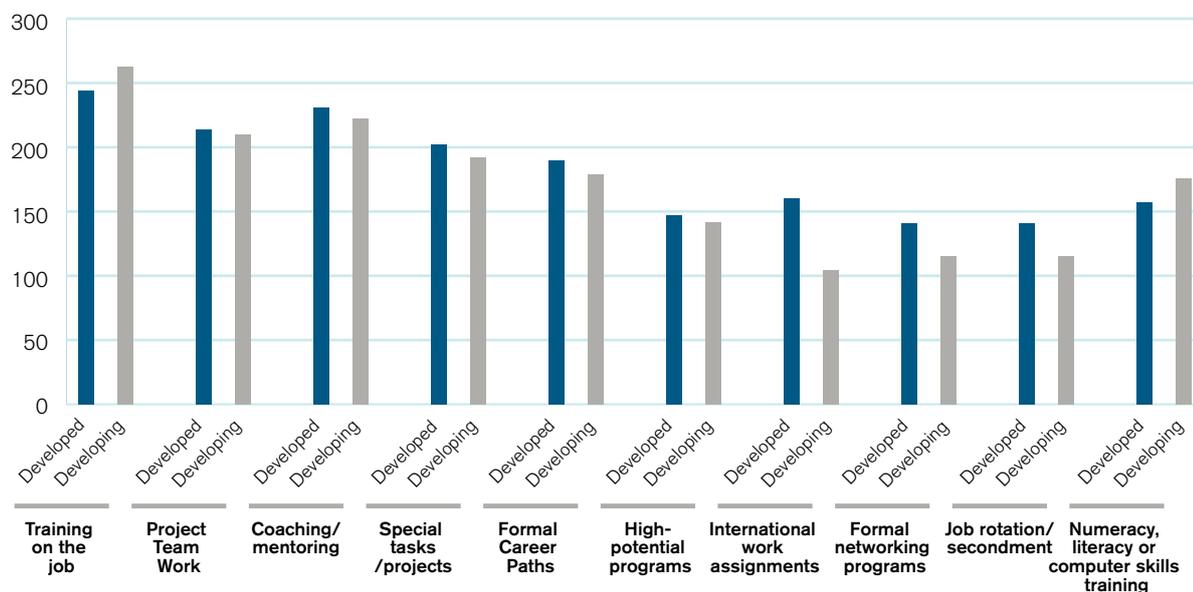
Evidence of a limited uptake of VET training was reflected in the survey results. Only 21% of the businesses reported to have access to specific government funded education, training, scholarship or apprenticeship programs available in the economy. In terms of why they did not access these schemes, the survey distinguished whether businesses were aware of such government programs (see Figure 19). In this regard, all businesses that did not engage in government schemes did indicate awareness of the existence of such programs. This suggests that while businesses may be aware of government schemes, other factors may be inhibiting their engagement, such as lack of time or lack of training capacity.

Figure 19: Access of government funded education, training, scholarship, or apprenticeship programs or schemes



Data from the survey represents a greater extent of on the job training offered to staff than formal career pathways in both developed and developing economies. Notable differences in career development tools are the offering of international work programs and formal networking programs, both of which saw a higher number of responses in developed economies (see Figure 20).

Figure 20: Methods of career development offered to staff (the extent to which methods are offered)



3.1.1.1. The challenge of an SME-dominated industry

With many businesses within the industry operating as SMEs (up to 80%) that are often challenged by limited resources to invest in training and development, the perception of a lack of training and development is in many instances the reality (Stacey 2015). SMEs are the largest employers in the industry and were identified by workshop participants as not having the support programs in place to provide valuable on-the-job training opportunities. In larger centres where there are greater numbers of tourism providers, opportunities for both in-house and external training are increased, in some cases providing an oversupply of trained workers (NCVER 2011). Workshop participants identified larger tourism businesses as a potential for helping to build capacity, yet these businesses have limited engagement with SMEs to share and provide training support. Training and development, particularly for SMEs, is discussed in further detail in Chapter 3.2.2.

In contrast, career progression of tourism employees in some developing economies has been affected by a shortage of trained local employees. This has meant that managerial and other senior positions have been filled by expatriates, with the lower skilled, lower paid positions being left for locals (Liu & Wall 2005; cited in Shakeela 2009, Dwyer 2015). Indeed, in some countries (e.g. the Maldives), even the lower-level positions are taken by expatriates from other developing economies (Shakeela 2009).

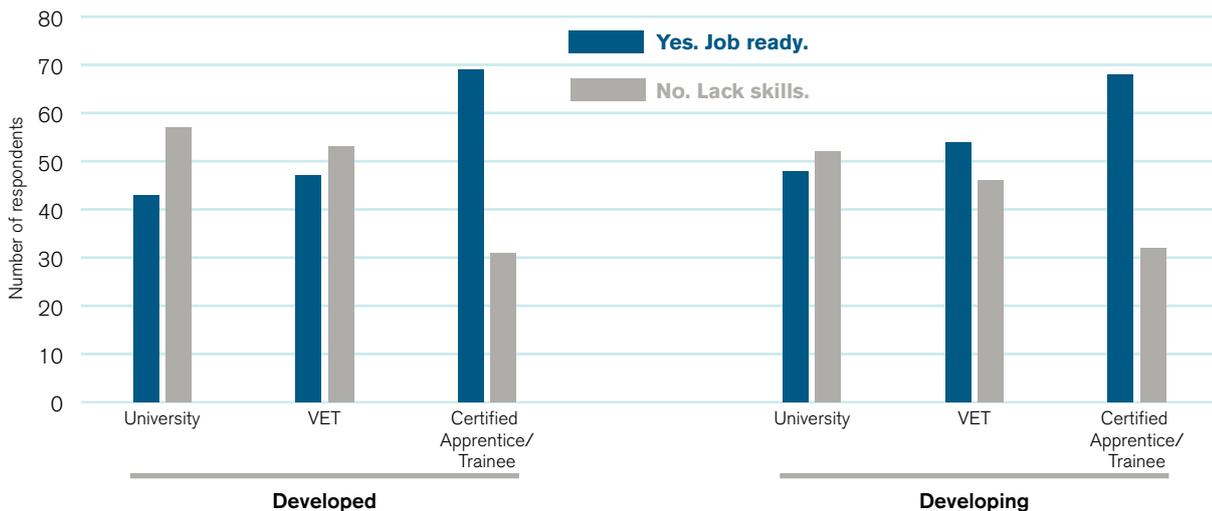
3.1.2 Strengthening the links between education and tourism

A recent report on Global Talent Trends and Issues for the Travel & Tourism Sector (WTTC 2015) concluded that tourism education needs to be more responsive and better aligned to the industry's need. In general, courses can be outdated and lack an appropriate balance between theory and practice, or fail to respond to modernised, international, innovative, and interactive teaching modes. In some economies tourism education may be lacking due to a lack of qualified educators and, although VET options are growing in number, this typically falls short of demand (Oxford Economics 2015).

Workshop participants identified the perception that training at a university level for tourism is not delivering alignment to job requirements nor to student expectations, resulting in limited graduates being 'job-ready'. The group recognised the challenge for colleges and universities where there are limits to what can be taught in a classroom setting, with many skills in employment requiring highly customised training. For example, core skills might be similar, however, the way in which they are delivered and/or need to be applied in the workplace will be contextualised to the organisation.

Business respondents to the stakeholder survey supported the perception of the workshop participants identifying a greater 'job-ready' skillset available from graduates of Certified apprenticeship programs (see Figure 21). The inclusion of on-the-job training is likely to contribute to this readiness, with close to 70% of apprentice graduates being recognised as job ready, whereas 40% of university graduates were found to be job ready. These results were almost mirrored in both developed and developing economies.

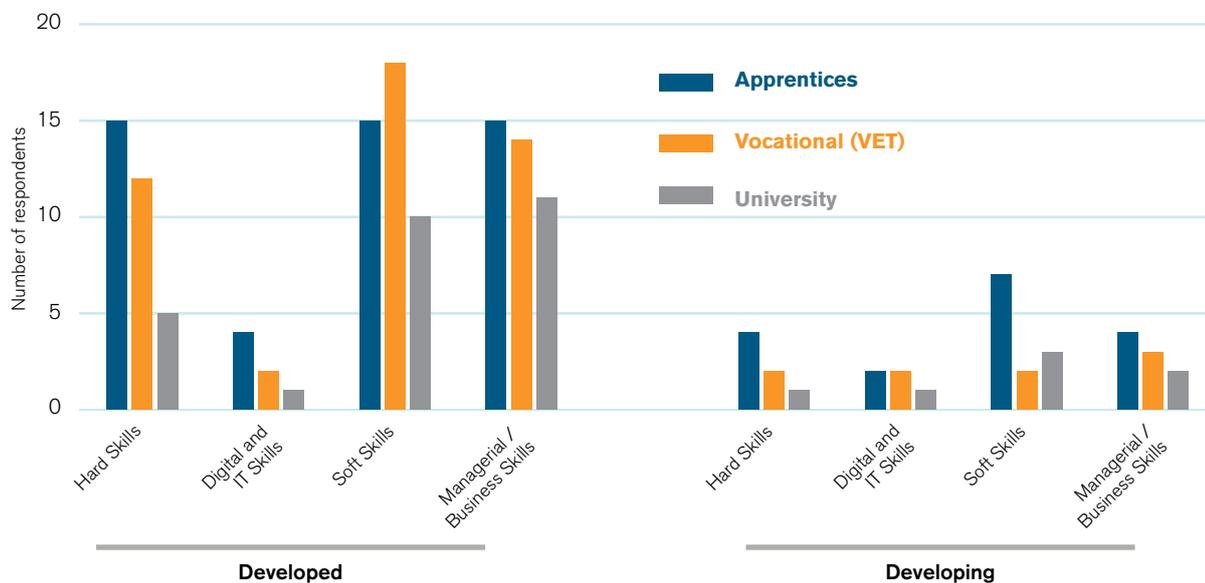
Figure 21: Are graduates entering employment job-ready?



Specifically, graduates are identified as lacking in soft skills, with both developed and developing economies recognising this talent deficit¹⁷. Figure 22 represents responses to the survey question asking respondents what skills a specific type of graduate is lacking that businesses need. Interestingly in both developed and developing economies, digital skills were least lacking, while the gradient between the different types of graduates relevant to hard skills was similar for both developed and developing economies, both reflecting university graduates as those with the greatest lack of hard skills.

¹⁷ For a refresher on the types of skills identified under the four categories, the reader is directed to Chapter 1.5 of this report.

Figure 22: What skills are graduates lacking that your business needs?



In the face of such concerns, a key challenge for the VET sector is to get tourism businesses engaged and contribute to the development of regional occupational standards or curricula specific to their industry, or in the case of large employers, to their organisation (Business Europe 2015; Smith & Brennan Kimmis 2013). From the inception of learning program development, and through timely review of curricula, employers are able to contribute the state-of-the-art in their industry to the learning developed both in the classroom and on-the job. The ability for industry to contribute to the design of programs also provides greater connection to labour market demand (Business Europe 2015; ILO 2012). Furthermore, encouraging educators to spend time in the industry could assist in developing a cadre of industry trained educators, able to contribute to the development of graduates who may be more ‘job-ready’.

The design of training programs directly linked to agreed career pathways is critical in ensuring the relevance of training to both industry needs and ensuring that the programs support specific cohorts of students. For example, an assumption made by an employer that training programs provided by educators are aligned to the needs of young people and their career paths could be misinformed when young people are asked of their comprehension of the program. Should young people lack understanding of how such training could direct them along a specific career path, it is most likely either the employers lack understanding of the relevance of the training to young people, or that the expectations of the employer are not being delivered by the educator (Bonifaz et al. 2010). There is the opportunity, in this instance, for a connection to a third party, such as career guidance counsellors or other human resource agencies to assist in mapping of training against career pathways, particularly for young people.

3.1.3 Developing training standards or benchmarks

A recent report on Tourism Careers in Australia (Colmar Brunton 2016) noted there exists widespread concern among tourism employers about the current quality of tourism and hospitality training programs:

- Courses that are not necessarily based on specific workplace needs;
- Trainers who lack practical industry experience;
- Training being too theoretical and not equipping people with key practical skills;
- Hospitality courses that do not dedicate sufficient time to industry placements;
- Insufficient focus on computer/IT skills; and
- A perception of students in VET that you need to attend but not necessarily learn.

Feedback from workshop participants supports the call for the development of domestic standards of training to assist in improving the quality of graduates and in turn, the quality of customer service experienced from within the industry. This is particularly the case for SMEs, where often the training provided to employees is without formal qualification, and although some skills may be transferable, the standard of training provided is not an industry recognised qualification which may be problematic for the employee in future domestic, or even international, roles (Colmar Brunton 2016).

The development of agreed regional occupational standards could be seen as an extension of economy developed standards. In the HRDWG's 'APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry' project, there is an opportunity to define the skills required of employees (rather than qualifications) in five occupations in the travel, tourism, and hospitality industries.

The intent of this project is to inform distinct training standards and/or curriculum within each economy's technical vocational education and training (TVET) system. In turn, the project seeks to provide a benchmark for developing consistent training that meets industry needs across the region and will in turn support mobility, whether through a recognised qualification or ability to assess against a standard (where a qualification is not available). Involving employers, trade unions and other stakeholders in the development of the standards would encourage individual economy uptake of the standards.

From the perspective of skills recognition, one challenge will be the agreed standardisation of how soft skills are recognised. The development of an agreed set of criteria used in an assessment style approach where the employee receives formal acknowledgements could be one solution.

Summary from the stakeholders

Training and education

- *The strongest barrier to investing in training and development of staff, as indicated by the survey, is cost*
- *Workshop participants suggest a lack of scholarships and training funds are a challenge to business, particularly to SMEs, and SMEs do not have the support programs in place to provide in-house training.*
- *55% of business survey respondents stated they did not access any government funding for training, indicating a greater need for access or communication of program availability.*
- *Business survey respondents indicated that graduates of apprenticeship programs have a greater 'job-ready' skillset than those with higher or lesser education levels.*
- *Development of economy-specific standards of training will assist in improving the quality of graduates.*

Recommendations

- *Encourage each APEC economy to establish an economy-appropriate process of improving the collaboration between government, industry and training providers aimed at delivering more industry relevant and job-ready graduates, more industry-experienced teachers, and more well-equipped businesses to provide training and inductions to their staff.*

3.2 Policies and practices

3.2.1 Apprenticeships

One of the more commonly considered policies for training is apprenticeship. The definition of apprenticeships has changed over time, with more recent definitions recognising the more modern use of apprenticeships to maintain or update skills for adult workers (Smith & Brennan Kemmis 2013). To define apprenticeships across APEC borders is challenging (Union Learn n.d.); however, a useful broad definition is:

A training program that combines vocational education with work-based learning for an immediate increase in occupational skills (i.e., more than routinized job training) and that are subject to externally imposed training standards particularly for their workplace component (Ryan, Wagner, Teuber, Backes-Gellner, 2010, cited in ILO 2012).

Broadly there are two types of apprenticeships – informal and formal. The characteristics are explained below, with specific characteristics identified in Table 9.

Informal apprenticeships: Employees are brought into the role through what is often a verbal agreement where, particularly in lower economic status societies, the skills learned are often passed from one generation to the next through familial connections. In these arrangements, employees are given purely a workplace-based learning environment, with often a minimum wage, perhaps unsafe working conditions, extended working hours, and little protection in the case of injury or illness (ILO 2012). It is this image of apprenticeships in informal economies which many recognise as the unregulated system where employees are disadvantaged and exploited through employer disregard for regulations (ILO 2012).

Formal apprenticeships: Employees are brought into the company under a regulated system of learning, where minimum wages are provided under a contractual agreement, where legalised working conditions identify the responsibilities of the employee, the employer, and a third-party training provider (where appropriate) (NCVER 2011). In some economies, the employee becomes such from the start of the apprenticeship period, whereas in others the employee is brought into the firm on a provisional basis for a trial period.

Table 9: Characteristics of formal apprenticeships compared with other workplace-based learning programs

	Traineeship	Internship	Informal Apprenticeship	Work-place learning	Formal Apprenticeship
Wage	Maybe	No	Pocket money or in kind	Yes	Yes
Legislative framework	No	No	No	No	Yes
Work-place based	Yes	Yes	Yes	Yes	Yes
Program of learning	No	No	No	No	Yes
On-the-job training	Maybe	Maybe	Maybe	Maybe	Yes
Off-the job-training	No	No	No	No	Yes
Formal assessment	No	No	No	No	Yes
Recognised certificate	No	No	No	No	Yes
Duration	Variable	Variable	Variable	Variable	Fixed

Source: ILO (2012), p.3

There are, however, exploitation concerns for young people undertaking apprenticeships. Both in informal and formal arrangements, young people engaged as apprentices may be unprotected by employers who choose not to abide by any rules or where conditions of employment are not enforced in countries that lack the quality standards called for by many proponents of the system (ILO 2012). Young people can find themselves without payment, without acceptable working conditions, and without a voice, particularly in the absence of a social enterprise such as an employee union (ILO & World Bank 2013).

An example from Canada is worth considering for other economies that may seek to financially support their apprentices. Several financial mechanisms are put in place to provide support at different stages of an apprenticeship. These include the Canada Apprentice Loan, Employment Insurance while apprentices attend technical training, and Apprenticeship grants. Apprenticeship grants provide up to CAD4,000 that can be used towards expenses such as tuition, travel, tools and other expenses (Red Seal 2016). Trades eligible for the grants are those that are designated “Red Seal”, which means that in addition to a provincial certificate of qualification, an interprovincial endorsement (called a Red Seal) can be issued, meaning that the tradesperson has qualified to a national standard. There are 56 trades designated in the Red Seal program, which touch a number of sectors including construction, automobile repair, manufacturing, resource-based industries, as well as tourism-related trades, such as cooks and bakers.

¹⁸ In some economies, such as Australia, the duration of formal apprenticeships is not always ‘fixed’. Some schemes permit the approval of an apprentice as ‘competent’ ahead of the structured timeline, if competence is identified earlier.

When designing apprenticeship programs there are a number of success factors which can be considered. Table 10 provides a list of these according to a review of the key apprenticeship programs in the European Union (EU 2015).

Table 10: Success factors of apprenticeship schemes from the European Commission

- | |
|--|
| ▪ Robust institutional and regulatory framework |
| ▪ Active social partner involvement |
| ▪ Strong employer involvement |
| ▪ Close partnerships between employers and educational institutions |
| ▪ Funding including employer subsidies and other incentives |
| ▪ Close alignment with the labour market needs |
| ▪ Robust quality assurance |
| ▪ High-quality guidance, support and mentoring of apprentices |
| ▪ Appropriate matching of apprentice to host organisation (company) |
| ▪ Combination of theoretical, school-based training with practical work-related experience |
| ▪ Existence of an apprenticeship agreement |
| ▪ Certification of acquired knowledge, skills and competences |
| ▪ Tailored and flexible approaches to the needs of vulnerable young people |

Source: EU (2015)

This list is instructive in the development of future apprenticeship programs in the APEC economies. Importantly, the availability of government funding for subsidies either for employers and/or educational institutions can assist in maintaining the number of graduates and the quality of the programming delivered.

Recommendations

- *Through APEC, encourage the consideration of the EU findings on successful apprenticeship programs (and others where appropriate) for application to suitable programs in APEC economies.*
- *Through the connection between the APEC TWG and the HRDWG, establish and maintain stronger connections to internationally recognised educators and industry associations.*

3.2.2 SMEs and training

Typically, tourism is dominated by SMEs that do not have the resources to invest in best practices for hiring, training and retaining their workforce. Such practices tend to require good profit margins and long-term business planning. They require organisations to align their HRM policies and practices with clearly-developed organisational strategy. Consequently, when SMEs struggle to find the right staff, they often re-double their search effort, rather than implement long-term measures to train, develop and retain existing staff (Deloitte 2015).

From an SME perspective, challenges are identified as (EuroChambres 2014):

- High investment of time and financial resources into training activities including wages, working through laborious administration procedures, etc.;
- Lack of time for training, particularly from the perspective of SMES, where resources are often limited;
- Limited promotion of the existence of apprenticeship programs and the processes required to benefit from participation;
- Limited in-house training facilities and resources to dedicate to the training of the individual/s; and
- Low quality of skills/education of school leavers perceived by business to fully address the basic skill requirements.

To ensure businesses can effectively implement best practice HRM, there is a critical requirement for managers to upskill in understanding the HR practices that result in talent maximisation and retention. Businesses are gradually beginning to consider what they offer in terms of their employment arrangements, their career and development opportunities, their management and leadership style and ultimately, their organisational culture.

For SMEs, informal training is often the only and most cost-effective option. For example, for small-scale traders in Indonesia, many learn their trade in Bali, but then open businesses on other islands (Hitchcock 2000). Though many of these are mostly young single males with limited education, their ability to speak their own local language, the Indonesian Bahasa, and at least one foreign language, which is often English (Cukier 1996; cited in Hitchcock 2000) provides them with the requisite skills to grow their businesses. Such language competencies may often be reflected amongst those who succeed as self-employed vendors in the tourism industry throughout developing economies.

Recommendations

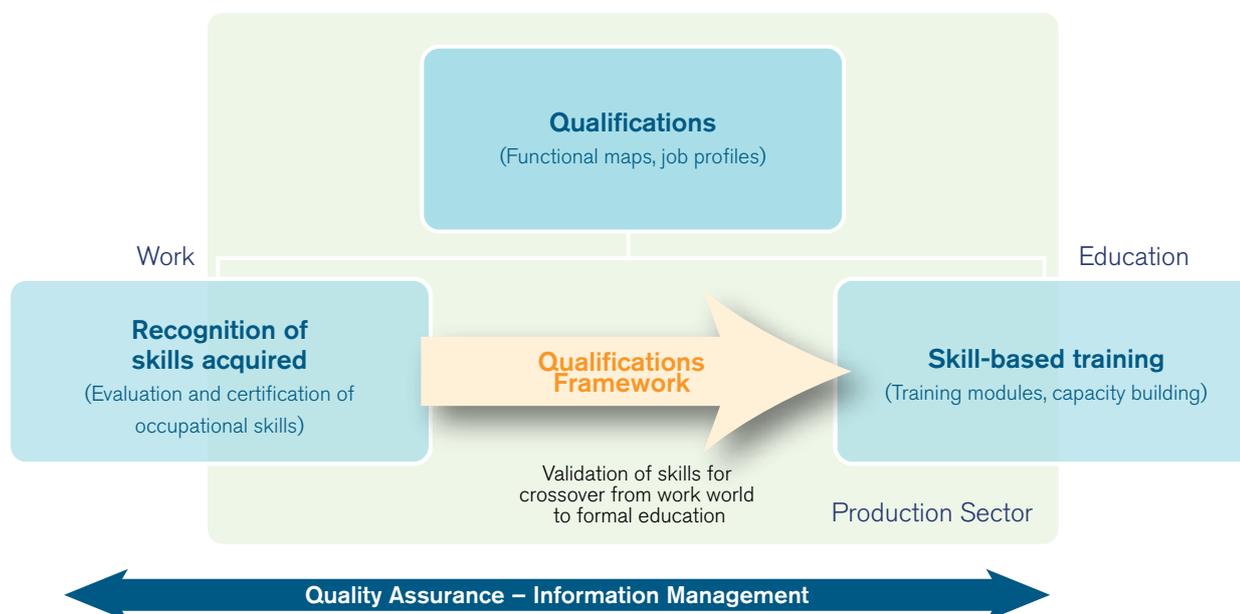
- *Government funding is essential to maintain sufficient volume and quality of travel and tourism related vocational training – including accredited apprenticeships. Funding can be paid directly to tourism educators or via industry as an incentive to accept a greater number of trainees for placement or provide on-the-job training opportunities.*
- *Explore further opportunities for larger employers to assist with SME training utilising the structures larger employers have in place to assist SMEs or for SMEs to send their staff to undertake co-training with larger organisations*
- *Monitor the effectiveness of SME support programs across APEC economies and encourage economies to share lessons from grant funding and support programs at APEC Tourism Working Group meetings.*

3.2.3 Strengthening links between education and tourism

To assist in addressing the lack of job-readiness of university graduates, as identified from the stakeholder survey, a more practical approach to teaching tourism and hospitality management is required. Lecturers, working closely with industry representatives, can organise mandatory industry placements or shadowing programs, and supplement with field trips or case study work where possible.

An APEC example of how the links between education and tourism can be strengthened is the work that the Centro de Formación en Turismo (CENFOTUR) – part of the Ministry of Foreign Trade and Tourism (MINCETUR) - has completed in Peru to develop job profiles and functional maps of different tourism subsectors (see Figure 23). CENFOTUR has prepared and updated occupational profiles for a range of jobs, including housekeeping staff, cooks, customer service staff, rural tourism services, food and beverage staff. These profiles feed into larger 'functioning' maps describing the workflows and tasks that take place within the subsector. CENFOTUR has developed functioning maps for the food and beverage subsector, accommodation subsector, tour sales and operation subsector, and casino and entertainment subsector, among others.

Figure 23: Job profile mapping of tourism subsectors (Burns 2016)



As was presented at the project workshop, these profiles and maps help enable the standardisation of skills across the sectors and enable the development of appropriate training modules in the education sector. New training modules have been developed that match these job profiles and are made available through high schools, VET colleges as well as on-the-job modules. In this way, workers have the opportunity to access ongoing learning programs throughout their career and have the ability to certify and gain accreditation for newly acquired skills. The expected benefits of this scheme include improving the employability of workers, improving the transferability of skills across jobs, closing the wage gap between men and women in tourism activities, increasing the productivity of workers, and enhancing the quality of tourism services provided.

Australia is making in-roads to improve the alignment between industry, government, and education providers. Through the development of their four-year workplan, submitted for approval in September 2016, the Tourism, Travel and Hospitality Industry Reference Committee (IRC) seeks to undertake a review of the thirty-three qualifications which support five subsectors of the tourism industry including exhibitions and events, hospitality and holiday parks and resorts. The review will inform the development of the national review schedule, which is a four-year rolling program. It is envisaged that such an initiative will assist in maintaining currency and relevance in curriculum delivery by training providers nationally, and will be aimed at supporting the new and emerging workforce skills needs (SkillsIQ 2016).

Recommendations

- *Involve employers, trade unions, and other key stakeholders in the development of occupational standards frameworks to assist in generating greater uptake in implementation.*

3.3 Case Study — Peru

Peru is an economy recognised worldwide for its authenticity, biodiversity, historical legacy and for being the birthplace of one of the oldest civilisations on the planet. Recognising tourism as a key engine of economic growth, the National Tourism Strategic Plan (PENTUR) 2016-2025 has been updated and sets objectives via three strategic pillars. One pillar, Pillar Two, “Diversification and Consolidation of the Tourism Offer”, refers to the component of the “Development of Human Capital”. In this pillar Peru will promote the strengthening at national level of a quality educational offer for the training of human resources of the tourism industry, with a clear focus on the competencies demanded by the labour market. The pillar identifies gaps between the supply of education and the industry demand for human resources and their respective articulation while recognising labour competencies.

According to the Ministry of Foreign Trade and Tourism (MINCETUR), the tourism industry’s economic contribution to national GDP was almost 5%. Accordingly, a key target for the Strategic Plan is to transform the industry into the second largest contributor to the economy. Nonetheless, challenges remain in the industry, with 87.6% of the tourism workforce having completed only secondary education. This limited education has led to training being more focused on operational practices which in turn has less impact on long-term worker productivity and has no influence on the professionalisation of the industry.

To address this workforce skill gap, the Strategic Plan includes key actions such as: raising competitiveness in the sector, strengthening human capital and workforce skills and harmonising cross-institutional visions. Development of human capital and workforce skills is being delivered through a series of coordinated programs and actions including:

- **Inter-ministerial coordination:**

Greater coordination and cooperation between the Ministry of Labour and Employment Promotion and the Ministry of Education has allowed for effective recognition and assessment of professional experience. In turn, this has enabled accreditation of professional competencies and promotes ongoing workforce development.

The Ministry of Labour and Employment Promotion (MTPE) in conjunction with MINCETUR, the Centre for Tourism Training (CENFOTUR) and the private sector, industry workers, academia and other government agencies have created the Labour Skills Committee for the Tourism Sector. The Committee has the responsibility of improving the processes of standardisation and certification of skill-competencies, as well as specific vocational training and job training programs, aimed at enhancing employability, competitiveness and labour productivity.

The objective is to identify and prioritise the needs in terms of competencies in the tourism sector and to understand current and future functional (role) maps and occupational profiles, relative to labour competency standards for the successful performance of current and future occupations. Likewise, it is the benchmark to develop education and job training requirements, establish management criteria for human resources at the enterprise level, as well as to boost the processes of evaluation and certification of labour competencies in a stepped approach, gaining recognition within the labour market of the tourism industry.

- **A National Framework for skills and work experience recognition:**

The creation of a 'National System of Qualifications' will create a framework to continuously update and improve workforce skills and training programs to meet market requirements.

Aimed at generating an accelerated social inclusion of low-income workers, the National System intends to develop human capital, and enhance capabilities and skills that allow workers to access jobs and develop career paths through ongoing training.

The National System of Qualifications is based on the recognition that competencies encompass knowledge, skills, attitudes and values that people develop to meet the activities that make up a work function. Therefore, the qualifications system will regulate and promote the ongoing training of workers so that they are capable of responding effectively to changes in market demands.

Assessment and certification of labour competencies facilitates the formal recognition of the competencies held by an individual, regardless of how they have acquired them (i.e, through formal education or by experience), promoting mobility and employability in the labour market of workers with certified competencies.

- **National Plan for Tourism Quality:**

The National Tourism Quality Plan is one of the key instruments of the National Strategic Tourism Plan. The objective of the Plan is to increase the quality of the products and services across the industry and implement good tourism management practices (health, safety, environmental) for operators and destinations. To deliver on these outcomes, the MINCETUR provides:

- Recognition of the providers of tourism that successfully implement each phase of best practice from the MINCETUR best practice manuals (MBP);
- Marketing support to the providers of tourist services recognised as applying the system of best practices, showcasing them in a directory;
- Training in the use of the MBP for operators and service providers (accommodation, restaurant, travel agencies and tourism, tourist transport aquatic and terrestrial);
- Business training to support operators and SMEs to improve their management systems and providing them with information, knowledge, tools and strategies appropriate and relevant to the situation of the company through the Management Systems Improvement Program for Tourism Services Companies; and
- Certification of quality in tourism: applied by the Peru tourism quality seal, based on compliance with the standards established by the Peruvian Technical Standards in tourism (NTP). These NTP are approved by the Technical Committee for standardization in tourism, which depends on the National Institute of quality.

- **International Occupational Standard Linkages and Mobility:**

In the framework of the APEC Tourism Working Group, Peru is leading the creation of an occupational standards framework. The pilot project seeks to develop occupational standards for five key occupations in the sector which will be validated and recognised by the economies of Asia and Latin America to enable effective mobility of the tourism labour force among the APEC economies and the improvement of the academic curricula.

- **Programa Beca 18:**

The Centre for Tourism Training (CENFOTUR) has provided 5,000 annual scholarships to high school students from low income areas of the economy who have demonstrated academic excellence. Scholarships are available for tourism and hotel administration, tour guide and chef.

- **Ponte en Carrera:**

An online portal which enables people to visualise return on investment of particular career paths, including those in the tourism and hospitality sector. This initiative has led to a dramatic increase in the uptake of tourism courses and contributed to the formalisation of the sector.

- **Lack of investment in human capital**

Human capital is responsible for the quality of the service and hence the satisfaction of tourists visiting Peru. Without suitable training, workers in the sector do not receive information and do not develop the skills needed to improve their productivity. Without adequate training, companies may lose employees, emphasising the scarcity of workers and staff turnover.

- **SMEs**

The perceived barriers that inhibit Peruvian SMEs to invest in training and development of staff include:

- SMEs find it hard to address ad-hoc training needs;
- Where there are a smaller number of workers, the cost of training workers rises;
- In the presence of high staff turnover, there is a fear of investing in training workers who may then leave with what you have invested and what they have learned.

Principally managed by lower skilled workers, many new micro enterprises are much less likely to innovate, and therefore have lower quality and value products. Larger enterprises are more likely to be integrated into global value chains and are quicker to adopt new technologies and practices. SMEs tend to spend less on innovation activities and there seems to be limited spill-overs to these firms from larger enterprises in Peru (OECD, 2011).

3.4 Case Study — People's Republic of China

The public perception of tourism in the People's Republic of China (hereafter referred to as 'China') identifies the industry as one which is emerging and one which can potentially play a much greater role in driving China's economic growth. In what is China's modern society, tourism is becoming deeply rooted in the minds of many as a new form of leisure activity. The adoption of mass tourism has helped to reveal new opportunities for many domestic travellers, reflected in the high domestic visitor spending ratio to international visitor spending (WTTC 2016a). All in all, the people in China think very highly about the long-term prospects of the tourism sector.

Yet, with this rapid interest in tourism within the economy, skills shortages have been recognised as a structural problem; one that could potentially stay for a long time to come. Several of these challenges have been identified as:

- Lack of operational skills: Some university graduates, although solid in professional theories, lack operational skills and practical experience.
- Limited levels of education: Some tourism and hospitality service employees are experienced and capable, but not highly educated, especially in cultural and professional knowledge.
- Lack of domestically available senior managers: Senior management professionals are in short supply within China, requiring employers to source professionals outside the economy, especially in the field of hotel management.

Other challenges recognised to affect the industry's ability to retain its staff in China include:

- Growing competition among different industries
- An ageing population, resulting in the shrink of labour forces and rise in labour costs
- Industry characteristics make it prone to the loss of employees. Characteristics include long working hours, and low salaries.

Technology is another area which is challenging the way the tourism product is offered. Technological innovation has changed the ways, means and methods for combining production tools, and labour forces in labour activities. On the one hand, technology has enabled the labour market to integrate resources and factors more efficiently with the application of digital technologies. On the other hand, some of the traditional models are no longer fit for the digital age. Tourism professionals are therefore required to update their knowledge about information technologies, resulting in a demand for high-quality professionals with a much broader knowledge, including for example tourism information software development and tourism network management.

China's tourism industry is also dealing with competition from other industries for its management professionals. Many are originally educated for other tourism disciplines and even other industries. On the one hand, this is beneficial to the industry to have workers able to apply a range of skills. On the other hand, overall salaries in the tourism sector are lower than that of other emerging industries (e.g. internet, securities, finance, etc.) and competitive traditional industries (etc. real estate, construction, transportation, etc.). To encourage more professionals to the industry, the salary range needs to be competitive. Further career opportunities are also necessary to make the industry more attractive, which for many currently remain to be seen, making it difficult to retain employees in the tourism sector.

To address these challenges, the various levels of Government within China are rolling out policies and strategic measures. Some of these strategies include:

1. Raising the overall quality of tourism professionals: Tourism is a main pillar of the tertiary industry in China. In recent years, China has pushed for the integration of tourism education resources to assist in strengthening academic disciplines. There has been a focus on improving the design of tourism curricula and a deep reform of tourism teaching.

Professional and vocational education in tourism management has been a focus, resulting in the initiation of a sound professional qualifications system for the sector. This has included a strengthening of the skills verification system to assist in cultivating the market of senior managers and professionals available domestically. The re-employment of retired industry experts and teachers to mentor and train is helping to enhance the capacity of tourism professionals through more industry relevant training, including 'village' tourism, and cultural and heritage tourism training programs.

2. Financial support to students: Small loans are offered to university graduates to assist with their studies. The process to apply for the loans has also been streamlined for students.
3. Financial support for new businesses: Tax breaks are available to those who set up new ventures in the tourism industry. Training and evaluation for employees of newly established businesses are also available from the government.
4. Age related workforce planning: In response to the changing age profile in the workforce, tourism organisations in China are taking efforts to create a suitable working environment for different age groups while they engage in collaboration. Career plans that try to balance life and work are established for different age groups. Exchanges and communication are encouraged between different age groups to foster a stronger sense of team spirit.

To further improve the industry, a survey of the education and tourism sectors has been organised, helping to develop a fuller understanding of the college and vocational tourism education offerings in China. The survey includes questions related to the scale, structure and effect of specific programs while also analyzing the situation of human resources development and management within the sector.

It is hoped the use of the survey will help to accelerate the achievement of the strategy to "energize the tourism sector with science and education and strengthening the tourism sector with talents," thereby delivering a team of highly competent tourism professionals.

Linking businesses and educational providers

Several actions have been implemented to assist the links between tourism businesses and educational providers. These include:

- In-industry teacher training: Education providers sending their teachers to tourism businesses for internship programs to strengthen their practical experience;
- In-industry student experience: Education providers and tourism businesses are collaborating, following a model of 'ordered training', providing students with practical experience while meeting the demands of tourism businesses relevant to access, training and retaining employees; and
- Training for management: Tourism businesses are encouraged to send their management staff and business operators to the education providers for student training, helping to raise the competence and practical experience of professionals in the fields of tourism management, tourist site management, hotel operations and tour guiding services.

SMEs in the tourism industry

From the perspective of the government, tourism SMEs in China are not making enough investment in employee training, which is mainly due to the following reasons:

1. SMEs do not recognize the importance of employee training, thus they lack effective training plans and the necessary investment, particularly for senior positions;
2. In what training exists, the contents and methods of training are simplistic and considered unexciting;
3. There is a lack of an effective examination and evaluation system;
4. A lack of venues to offer training;
5. Lack of professional training institutions; and
6. A focus on the formalised structure of training, rather than the practical application of the contents.

This said, some tourism businesses are working with tourism associations and other stakeholders to develop training programs for employees mainly in the following ways:

1. When available, sending employees to work in tourism organisations of a higher level for practical career experience;
2. Working with universities and colleges to enhance the theoretical background of employees while asking them to gather practical experience from their work;
3. Utilising the training courses and lectures hosted by government agencies, tourism associations and other stakeholders;
4. Arranging study tours in collaboration with tourism organisations; and
5. Participating in multi-party training programs.

Women and Youth

China has protected women and youth from discrimination in tourism employment through the implementation of new economic policies and labour law reform. Several key aspects of these policies include

1. Fostering a sound external environment for women and youth in tourism employment;
2. Improving training for women and youth in tourism employment to help prepare them for employment and re-employment;
3. Promoting the professional qualifications system and employment access system to help workers gain more skills, potentially accessing higher incomes;
4. Setting up a special development fund and loan guarantee facility for women and youth to start their own business while improving the administration of the facility to provide necessary financial support for women and youth;
5. Broadening the channels of employment and creating more jobs in the tourism sector; and
6. Establishing an effective supervision system for the labour market and strengthening the protection of women and youth in employment.

In summary, the People's Republic of China is investing in the development of its tourism industry, through improvements to policy, education, and implementation of monitoring tools to address industry workforce needs. A shift in China's growth model sees China focused on several key objectives which include boosting domestic demand, encouraging consumption, increasing jobs, promoting industrial transformation and upgrading, and facilitating coordinated and sustainable regional development. The ultimate goal is to drive economic growth in the industry, and for the economy.

3.5 Summary of chapter recommendations

- *Encourage each APEC economy to establish an economy-appropriate process of improving the collaboration between government, industry and training providers aimed at delivering more industry relevant and job-ready graduates, more industry-experienced teachers, and more well-equipped businesses to provide training and inductions to their staff.*
- *Involve employers, trade unions, and other key stakeholders in the development of occupational standards frameworks to assist in generating greater uptake in implementation.*
- *Through APEC, encourage the consideration of the EU findings on successful apprenticeship programs (and others where appropriate) for application to suitable programs in APEC economies.*
- *Through the connection between the APEC TWG and the HRDWG, establish and maintain stronger connections to internationally recognised educators and industry associations.*
- *Government funding is essential to maintain sufficient volume and quality of travel and tourism related vocational training – including accredited apprenticeships. Funding can be paid directly to tourism educators or via industry as an incentive to accept a greater number of trainees for placement or provide on-the-job training opportunities.*
- *Monitor the effectiveness of SME support programs across APEC economies and encourage economies to share lessons from grant funding and support programs at APEC Tourism Working Group meetings.*



4 Labour Mobility

Key Findings

Differences exist across the APEC economies in the availability of labour (skilled and unskilled) to meet the future demands of the tourism sector. As shortages of labour become more prevalent, improved arrangements to facilitate labour mobility will be needed across the economies. This starts with a common approach to monitoring labour and skills needs, and could be enhanced by a shared approach to labour force migration through programs such as an extension of the APEC Business Travel Card or the introduction of an 'APEC Worker' visa.

Labour mobility refers to changes of location of workers both in geography and across sectors. For the purposes of this report, labour mobility refers to the change of location across geography, being either domestic or international changes. With the tourism industry having such broad parameters or choice of roles, mobility across the industry is considered within sector.

This chapter examines labour mobility in APEC economies, including trends and challenges to mobility, current policies and practices to facilitate labour mobility across geography and relevant findings from select case studies.

4.1 Challenges

4.1.1 Migration

Skilled migration is often the solution when there are skilled labour shortages in an economy (ILO & ADB 2014). While migration can support skilled labour shortages, there is also a need to consider the long-term employability of migrants in the receiving economy, as short – term admission policies can negatively impact the worker and receiving economy (ICMPD 2005).

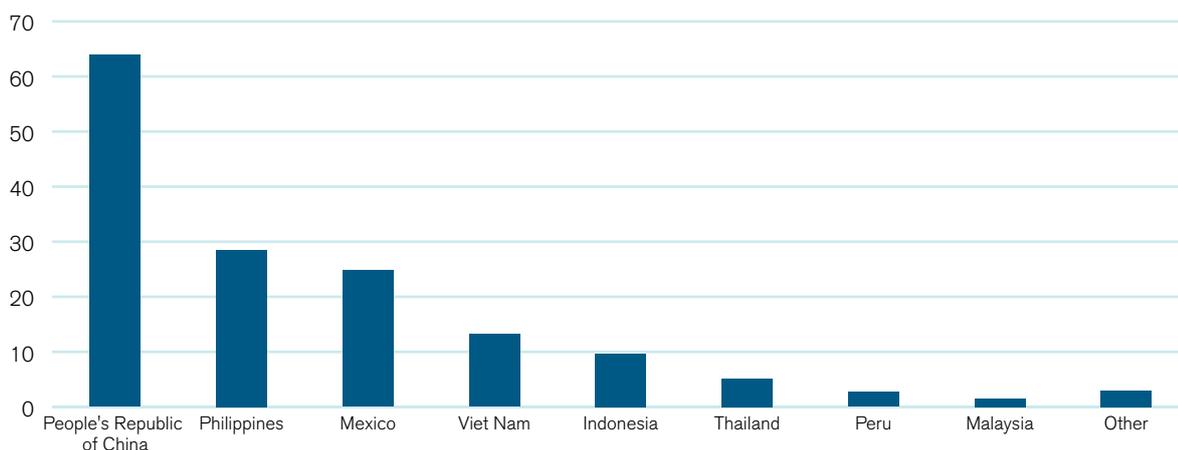
Migrant workers are propelled to migrate by both 'push' and 'pull' factors that influence their decision to relocate for work. These factors include cultural, lifestyle choices, more lucrative pay offers, availability of health care, stability of political climate in sending and/or receiving countries, and access to educational opportunities (Brooks, Posso & Adbullaev 2015; ILO & ADB, 2014).

Between 2000 and 2015, Asia received 26 million international migrants; the largest influx of migrants in the world (UNDESA 2015b). This was followed by Europe with 20 million, Northern America with 14 million, and Latin America and the Caribbean and Oceania with 3 million migrants each (UNDESA 2015b). Eight of the ten most common migration corridors globally include APEC economies: Mexico–the United States; the Russian Federation–Ukraine; Ukraine–Russian Federation; Kazakhstan–the Russian Federation; the Russian Federation–Kazakhstan; the People's Republic of China–Hong Kong, China; the People's Republic of China–the United States; and the Philippines–the United States (World Bank 2011).

With migration comes the circulation of economic benefit through remittances. Migrant workers in developing economies circulate an estimate USD432billion globally (World Bank 2016). Of this figure, the People's Republic of China received USD64billion, the Philippines USD28.5billion, and Mexico USD24.8billion (see Figure 24). In fact, remittances sent by migrant workers represent

a greater financial investment in developing economies than official development aid (ODA) assistance.

Figure 24: USD billions in remittances (2015)



Source: World Bank 2016 (data available for selected economies as represented).

The cost to workers to send money home varies, however, the cost to send USD200 used as a guide, ranges from between 6% of the total to 8%. This information is useful to keep in mind, as for many migrants, a key driver in undertaking work outside of their home economy is to generate funds to benefit their family and community. Identifying methods to improve the process and reduce the cost of remittances for tourism migrant workers are two areas for future research, while also recognising the sending and receiving economy challenges and opportunities.

Of those workers participating in global migration programs, 73% are low-skilled or unskilled workers (Orbeta 2012). In the Association of South-East Asian Nations (ASEAN) region (see Glossary), unskilled workers comprise 87% of the migratory workforce, with intra-regional migration most prevalent (ILO & ADB, 2014; Orbeta 2012). The majority of the tourism industry is supported by low-skilled workers, which is traditionally the level of worker sourced through migration (Cerna 2010). In recent years, however, the focus for global migration has switched to migrants who represent the highly skilled workforce. Reference is made to the fast-paced growth in globalisation and technology, which offers highly skilled migrant workers from developed economies opportunities to support the change in skill demand in developing economies (Cerna 2010; Sumption et al. 2013). For skilled workers, the challenge of obtaining mutual recognition of qualifications and experience prompts a much greater discussion, which requires intra-regional and international attention (Sugiyarto & Agunias 2014).

There are several issues restricting Asia-Pacific economies' abilities to introduce best practice systems (Brooks, Posso & Adbullaev 2015, Hugo 2009, Orbeta 2012) in respect to labour mobility, including:

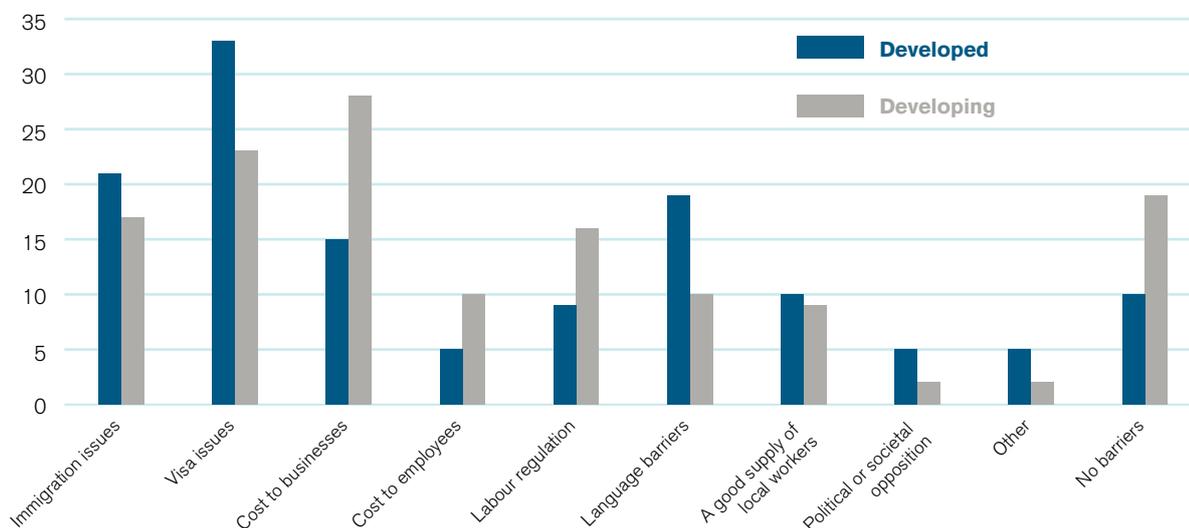
1. Migration policies which restrict migration via administration costs such as work permit levies, regulatory requirements and qualification recognition, and are influenced by labour market conditions;
2. Visa restrictions and requirements for unskilled and skilled workers including the requirement for sponsorship or the use of recruitment agencies;
3. Lack of recognition of skills and qualifications in receiving economies;
4. Social conditions in receiving economies including cultural, religious, ethnicity, demographics, and language and the existence of employment protections for workers in receiving economies;
5. A lack of capacity in development and operationalisation of labour migration policy in some Asia-Pacific nations;
6. Cooperation between authorities for effective governance in sending and receiving economies; and
7. Information and data collection on migration.

A major barrier to migration that affects the support of poverty reduction objectives is the debt incurred by migrants and their families to meet the costs of migration. These costs are often increased due to fees charged by agents, sub-agents, middlemen, travel providers and officials that are involved in the recruitment and preparation processes (Brooks et al. 2015). In some economies, such as Indonesia, the transaction costs associated with migration are so high that many workers choose to migrate using irregular channels (Hugo, 2009). Agency costs also affect tourism operators, which are generally SMEs with limited budgets. In turn, these costs can reduce demand for migrants, with businesses only using this form of labour supply as a last resort (OTIC 2013). Developing economy business respondents to the stakeholder survey agreed that the issue of cost both to business and to employees was the major barrier for the recruitment of foreign workers (see Figure 21). While in developed economies, the issues relating to visas were most prominent (see 4.1.1.1).

4.1.1.1. Visa requirements and restrictions

Visa issues were identified as a major barrier by 21% of business respondents to the stakeholder survey representing both developing and developed economies (see Figure 25). Workshop participants identified that the process of improving visa facilitation currently lacks political will. This is supported by Hugo (2009), who identifies the need for political commitment and well-trained officials to improve international recruitment processes. Workshop participants also identified cultural differences including language skills, as issues affecting the development of policies, further challenging visa and migration issues. Participants suggested that workforce planning can assist in recognising the needs of the industry and the contribution which an imported workforce can provide to assist in the delivery of an economy's tourism product.

Figure 25: Major barriers for business to the employment of foreign workers



Source: World Bank 2016 (data available for selected economies as represented).

Visas for migrants are regulated on an economy by economy basis and are often dependent on current industry needs (Levush 2013). Visas can have restrictive employment conditions which make it difficult, costly and time-consuming to recruit foreign workers. This can reduce the adoption of foreign workers by some businesses. In addition, many visas are not conducive for tourism, either not accounting for tourism roles or setting high minimum wages and local workforce training requirements. Such requirements can prove to be a challenge for tourism SMEs to afford (QTIC 2013), meaning tourism businesses can struggle to comply with visa requirements. Other visa restrictions can include the level of skill of the migrant, the provision of medical reports, insurance coverage and payments for lodgement of visa applications (Brooks et al. 2015).

One of the policies that attempts to support migration within the region is the temporary worker scheme. These schemes are seen to be one opportunity which aligns well to the seasonal nature of the tourism industry. However, a challenge for temporary workers schemes is that, without careful design and management, they can contribute to labour shortages in the sending economies, potentially increasing the risk of exploitation of vulnerable inward migrants (Ball, Beacroft & Lindley 2011). There are cases of severe exploitation of inward migrant workers into the Pacific where, for example, in a 2006 Niue case, Indian migrant workers were deceived and forced to work for low wages for five years (Lindley & Beacroft 2011). Recognising the presence of cases where workers could be faced with “severe worker exploitation” (PoA 2016, Recommendation 22), the Australian Senate Standing Committee on Education and Employment identified the need to improve the approaches as to how these workers are supported by the Department of Immigration and Border Protection (PoA 2016). In other examples in the horticultural industry in Australia, the push-back from local communities to the employment of temporary foreign workers over local workers raises concerns for employers and for unions (CoA 2016). To assist in managing these potential concerns, there is a need for economies to properly manage labour demand and forecast likely supply deficits (Abella 2006).

Visas need to be adaptable and provide allowances for temporary workers who may eventually wish to apply for permanent residence. This is particularly relevant in circumstances concerning marriage to a local citizen or an application by an employer who wishes to continue to employ the migrant worker on a permanent basis (Junggeburst 2004; Strietska-Illina & Tessaring 2005). In addition, visa application processes, issuance and complexities need to be simplified and streamlined, as this is one of the key reasons why undocumented migration is prevalent (Hugo 2009).

4.1.1.2. Industry adaptation

Many of the examples of worker migration programs are not specifically designed for tourism. Yet for Northern Australia, the Australian Seasonal Worker Programme has been adapted to incorporate tourism workers in a pilot program announced in May 2016 (DoE 2016). Such programs could provide a cost-effective solution to the seasonal nature of tourism. However, when asked if businesses choose to adapt their employee numbers based on the season in line with customer demand, two-thirds of stakeholder survey respondents indicated they chose to maintain staffing levels throughout the year. The cost of continuing to employ workers outside of the peak seasons could be challenging for SMEs particularly; however, downtimes could provide opportunities for businesses to capitalise on through training and the use of other workforce development strategies being undertaken during slower periods.

With some migration programs—particularly short-term, seasonal programs—there is limited opportunity to deliver training, etc. One recommended piece of training is the use of formalised induction programs. Workshop participants suggest the use of induction provides not only a welcoming and informed commencement to a role for the worker, but also assists in the delivery of a structured representation of workplace policies and practices. Feedback from the workshop highly recommends the use of formalised induction programs for all workers, presenting a greater opportunity to ensure a standardised level of service delivery within business and within the industry.

Recommendations

- *Encourage APEC labour mobility through shared information on labour and skills needs and improved visa issuance and immigration control across the region.*
- *Identify methods to improve process and reduce costs of remittances for tourism workers and identify challenges and opportunities for sending and receiving economies through the appropriate APEC working groups.*

4.1.2 Skills recognition

The International Organization for Migration considers the issue of international recognition of qualifications as the greatest threat to labour mobility (Brooks, Posso & Adbullaev 2015). To assist in addressing the issue of recognition, the APEC Business Advisory Council (ABAC) has proposed the introduction of a new model of managing regional labour mobility. The proposed 'Earn, Learn, Return' initiative (APEC n.d.) suggests four steps:

1. An industry-based regulatory structure built around a new category called an “APEC Worker.” APEC members could identify or create the ideal multilateral or regional organisation that would provide the governance structure for each industry. For example, the International Maritime Organization governs worker standards in the shipping industry;
2. An APEC-wide regulatory convergence of training, assessment and certification of skills and qualifications for each position in each sector;
3. An APEC-wide transparent, regulated and standard process for the recruitment, job placement, and deployment of workers; and
4. A next generation of APEC-wide services catering exclusively for the needs of an APEC Worker.

Building on this work, the HRDWG has also completed a broader skills recognition initiative entitled the ‘APEC Integrated Referencing Framework for Skills Recognition and Mobility’ to compare relevance, level and quality of skills held by workers. It has drawn together the APEC Occupational Standards Framework, the East Asia Summit TVET Quality Assurance Framework and the ASEAN Qualifications Referencing Framework (AQRF) into a cohesive architecture. The final report (Bateman and Coles 2016) found that, within the APEC region, it is accepted that there needs to be improved structures to support and manage labour flows in the region to address skill shortages and/or mismatches. Among the problems to be solved are:

1. The diversity or absence of occupational standards;
2. Finding ways to adapt domestic and regional practices to increasing internationalisation;
3. Limited recognition of skills and qualifications as a result of inconsistency of processes and poor quality assurance;
4. Limited incentives for people to train in new areas where there is a lack of visibility of new and emerging skills in occupational standards and therefore in training programs; and
5. Low employer confidence of foreign workers being ‘qualified’ or ‘skilled’ in the areas that are needed.

More work needs to be done to ensure knowledge and skills in needed occupations are described consistently across the region by coordinating occupational standards. This is being addressed in part by the continuing work of the HRDWG (and the TWG) in the project ‘APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry’. The project is focused on developing occupational standards to support the industry-relevant training of workers across APEC. It is hoped that this will lead to greater transparency in recognition of the skills of these workers. By enabling government, education and industry collaboration, the project is more likely to produce outcomes that meet the needs of the tourism industry.

ASEAN is continuing its work in the development of mutual recognition arrangements (MRAs), which are recognised as a key tool to improve skilled labour mobility across the Asia-Pacific region (ILO & ADB 2014; APEC 2014). The development of tourism MRAs in the ASEAN group is designed to facilitate the mobility of certified ASEAN Tourism Professionals (ATPs) across the ASEAN Member States. The tourism MRA is the only industry included in the ASEAN MRAs that does not require workers to hold a minimum number of years’ experience (ILO & ADB 2014; Sugiyarto & Agunias 2014). There are, however, three key resources which underpin the MRA-TP

framework related to qualifications. One of these is the 'Common ASEAN Tourism Curriculum' (CATC) resource that recognises 52 qualifications across selected hotel and travel services (ASEAN 2016a). With much of the information available via the internet, workers have ready access to this information. ASEAN recognises there is still work to be done with the full adoption of the MRA-ATP; however, great progress is being made (ASEAN 2016b).

Bilateral MRAs have already been adopted within the Asia-Pacific region, but there has been no coordinated effort to implement these systematically throughout the APEC region. APEC region multi-lateral MRAs on tourism skills and worker classes would be an ideal solution for skills recognition (APEC 2014).

However, MRAs are not to be taken as a panacea for all skilled migration programs. As the Department of Education and Training in Australia argues, multi-lateral benchmarking of occupational standards is the alternative solution to build understanding of, and confidence in, the skills and knowledge of workers to do a specific job across borders or labour markets.

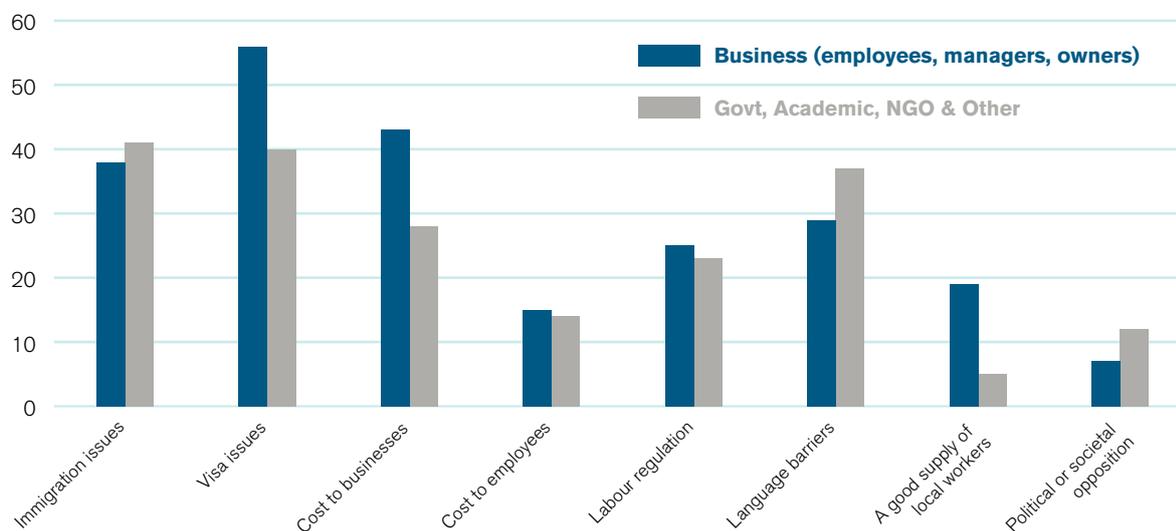
While skills recognition through multi-lateral MRAs or through benchmarking are two potential solutions, either presents an immense governance challenge. This is because economies often have a number of government bodies that oversee the approval of curriculum and the awarding of qualifications, as well as numerous private sector organisations that provide education, training, and employment (Sumption et al. 2013). Thus, coordination of all these players would be challenging.

Despite the governance challenges, there are examples of successful cross-border recognition of qualifications; for example, within the European Union, and between Australia and New Zealand, where 'automatic recognition' is granted for certain occupations (Sumption et al. 2013). In the Australia and New Zealand model, the only occupations eligible for such recognition which could be considered tourism related are gaming attendants and passenger vehicle drivers, as the agreement focuses on occupations where "legislation-based registration, certification, licensing, approval, admission or other form of authorisation is required" (CoA 2006. p.13). With limited registration or licencing required for many tourism occupations, the adoption of such arrangements may not be so appropriate for the broader industry.

4.1.3 Perceived barriers to labour mobility

In the stakeholder survey, comparing the responses of non-business respondents versus business respondents, specifically relating to international workers, the challenges associated with visa issues and the cost to the business of hiring foreign workers is more likely to be raised by businesses than government (see Figure 26). From a business owner's perspective, visa issues, the cost of hiring, and immigration issues more broadly are the three most prevalent barriers preventing foreign worker hire. From a government perspective, immigration and language are the two most prevalent perceived barriers.

Figure 26: Barriers preventing the hiring of foreign workers (all economies)



To supply a steady foreign worker stream, many factors need to be addressed, with immigration and visa strongly represented in the survey. Language and cultural awareness were also identified by workshop participants as limiting the opportunities to employ foreign workers, as was visa facilitation, which in some cases is seen to lack political will.

4.2 Policies and practices

4.2.1 Seasonal migration programs

The New Zealand Recognised Seasonal Employment (RSE) scheme and the Australian Seasonal Worker Programme (SWP) are considered leading practice in labour migration (Gibson 2008; Klapdor 2008; Ramasamy 2008; Gibbs 2008). There are many factors of these programs which are highly regarded. These include: a whole-of-government approach throughout all stages of the program; involvement of employers and employer organisations during all stages of the policy development and program operationalisation; fixing the minimum wage levels to the same level as local workers; minimum number of workdays each week; deductions for housing and other costs; training of migrant workers to prepare them for work; ad hoc auditing of employers to ensure compliance with policies; and evaluating the impact of the program in the sending and receiving economy.

The Australian SWP recently lifted the cap on the number of visas available under the program and instigated a Tourism Industry Trial in Northern Australia (DoE 2016). The New Zealand RSE scheme has a requirement that the sending economy (for example Vanuatu) controls the numbers of workers participating in the program to ensure the sustainability of local villages (NZDoL 2010, p. 48). Other aspects of this scheme include recruiting throughout a whole district, rather than just one village, and requiring migrant workers to plant crops prior to departure (NZDoL 2010, p. 53).

Another element of best practice in the development of migration policies is to involve employers and employer organisations at each stage of the development and operationalisation of migration policies and programs. For example, in New Zealand this has led to employers agreeing to pay part of the airfares to bring in workers and developing pastoral care programs to assist with worker adjustment.

4.2.2 Temporary Skilled Labour Migration Programs

Temporary Skilled Labour Migration Programs, such as the Australian 457 visa program, target skilled temporary workers. The 457 visa allows a skilled worker travel to Australia to work in their nominated occupation for their approved sponsor for up to four years. The Australian government states that only managerial, professional and semi-professional workers are eligible, with some specialist trade occupations being an exception to this rule. Minimum salaries apply and migrant workers must meet health, security and other standard requirements. However, there is no cap set on the number of admissions, which are generally facilitated through agents on behalf of employers. A fast-track system is available for employers with a good record (Khoo et al. 2007), which is subject to an assessment process to ensure that the skills cannot be sought locally, and to determine the balance between incoming and local workers ensuring local workers are not displaced.

This program is entirely non-discriminatory, does not have an industry focus, and does not favour applicants from particular source economies. Australia, as one example, does however have free trade agreements with several economies such as Japan where movement of workers is specifically facilitated, with an identified number of workers permitted in any one year (DFAT 2016). Regionally, visa applicants need to meet the prescribed eligibility criteria for the permanent or temporary migration visa for which they have applied, noting these criteria may include sponsorship, qualification, work experience, English language proficiency and/or age criteria. However, such requirements are not specific to the tourism industry.

Programs that are known to support the tourism industry are adaptations of the SWPs which operate in Australia; New Zealand; and Canada (Ball et al. 2011; Bailey 2013; Levush 2013). For example, Australia's working holiday visa provides short-term workers for tourism roles which may not have much appeal to local workers, often due to the seasonality of the industry, the hours, or low rates of pay. However, the appeal of recruiting workers using student and working holiday visas, can add administration and compliance costs for businesses for what is typically only short working periods (QTIC 2013). It is also argued that capping the number of visas issued for working holidaymakers, could help to support the development of young workers wishing to enter the workforce (Hunter 2015); however, there may be a limited resident citizen workforce available in some holiday locations to support seasonal visitor influx.

Once migrant workers are in the receiving economy, governments need to continue to provide protection for the migrant workers. One mechanism for the regulation of employers of migrants is to adopt a system of labour inspections that enable the government to then grant special status to employers with a history of abiding by regulations and dealing fairly with migrants. In addition, the government will also be able to ban employers who do not meet regulations. This is important for maintaining credibility and support for programs.

4.2.2.1. APEC-wide Tourism Worker Card

A key APEC achievement is the APEC Business Travel Card (ABTC), which facilitates highly skilled business people's frequent travel across borders by allowing visa-free entry for 19 APEC economies. The card enables cardholders access to fast-track immigration lanes at participating airports in all 21 APEC economies. The card targets business managers and entrepreneurs across all sectors.

Consideration of a similar initiative specifically for tourism industry workers could assist in mobilising these workers across the APEC region. Such an initiative would need the collaboration of the Business Mobility Group and others in a similar way to the development of the ABTC. The call for such an initiative was strongly supported by workshop participants who recognise the benefits to improving tourism workforce mobility across the region.

Recommendations

- *Consider the development and adoption of a similar program to the APEC Business Travel Card for use with tourism industry workers. Such a program could be developed through collaboration with the Business Mobility Group and others.*

4.2.3 Pre-migration training and preparation

Pre-departure training and preparation can improve the chances of workers, especially low – skilled workers, of being successfully integrated in the receiving economy. Such preparation is mandatory in some systems in the Asia-Pacific region (e.g. Indonesia), but the quality of the program is often questionable. Pre-departure training needs to be cost and time effective. It also needs to be tailored to the migrant workers' particular work and cultural situation, with elements of best practice including:

- Specific technical skills training e.g., machinery operation, pruning;
- Targeted cultural awareness training about the receiving economy (such as politics and the economy);
- Basic language skills training;
- Explanation of the rights and obligations of migrant workers and employers;
- Setting realistic expectations of workers about their jobs and the receiving economy;
- Organisational culture, strategy and structure; and
- Providing key information to migrant workers, such as employment laws, embassy contacts, use of mobile phones, emergency numbers, how to navigate the financial system in the receiving economy and how to cost-effectively and securely send money home (Terry & Wilson 2005; World Bank 2006).

Good practice in pre-departure preparation also includes the use of experience of returned migrants to educate new migrants, having a receiving economy mentor to provide advice, and also draws on the assistance of migration NGOs during the pre-departure preparation phase.

Transparency between workers and employers throughout the recruitment, selection and migration process is also considered best practice (Abella, 2006). Providing sufficient information to potential migrant workers, particularly regarding the costs involved with migration, is critical. Some sending economies (e.g., the Philippines) have implemented Migrant Resource Centres (MRCs), which have been effective in delivering information to migrants, empowering them to undertake the migration process and assisting them to adjust in their new economy (Hugo 2009).

Covering the costs of migration is another area of opportunity to improve migration experiences for workers. In some examples, employers are required to meet the costs of engaging the worker, which can be of benefit for the worker yet could be a barrier for the employer. For example, in the Philippines, the 'Sea-Based Migrant Worker Scheme' requires the employer to meet all the costs of recruitment (Hugo 2009). Similarly, in the New Zealand RSE, employers meet half the airfare costs of Pacific seasonal agricultural workers.

Lastly, sending and receiving economies can offer bridging courses that can address skill deficiencies to ensure the migrant workers training will allow them to perform their new roles.

Recommendations

- *Migration programs need to be supported by national programs of cultural adaptation, establishment and enforcement of legal frameworks for migrant worker protection, and SME support for training and induction.*
- *Domestic policies to manage and control private sector recruiters, agents and officials involved in skilled and seasonal migration should be encouraged in all APEC economies.*

4.2.4 Skills Recognition Frameworks

The ASEAN region has introduced the ASEAN Qualification Referencing Framework (AQRF), which measures levels of education or training achievement (ASEAN 2015; Sugiyarto & Agunias 2014). The AQRF establishes a relationship with the eight levels of reference on the AQRF with the levels of reference on national qualification systems (ASEAN 2015). The AQRF is based on the successful implementation of the European Qualifications Framework (EQF) established in 2008 (Sugiyarto & Agunias 2014). The Participation in the framework is voluntary. Tools which can be used within the AQRF are mutual recognition agreements (MRAs) that include recognition for tourism professionals (TPs), with a number of resources available on the ASEAN web-based platform, www.atprs.org. The platform provides a registration page for TPs, matching them with potential employers (ASEAN 2016a).

Memoranda of Understanding (MOUs) also appear to be effective for cross-border skills recognition. For example, the free trade agreement between Australia and Japan agrees to explore the formal recognition of qualifications gained in one economy, for use in the other economy (Brooks et al. 2015).

Recommendations

- *APEC and ASEAN economies should continue the implementation of referencing frameworks and recognition tools (such as those in European Union, Australia, Canada, and New Zealand) in accordance with domestic education systems and ensure the tourism industry is one of the recognised industries included in the program to establish an 'APEC Tourism Pathway'.*
- *Support the work of the HRDWG (and TWG) in the development of the APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry with a view to expand the number of occupations in the framework over time.*

4.3 Case Study – The Republic of the Philippines

The Republic of the Philippines (hereafter referred to as ‘the Philippines’) is known globally for its culture of hospitality and motivated staff with a proficiency in English. The National Tourism Development Plan identifies above global average growth in international visitors and growth of domestic tourism with new hotels planned to open. These will create a local demand for tourism workers, as well as demand from neighboring and partner countries for semi-skilled workers to meet future demand.

In response to these challenges, the Philippines Government has commissioned two projects to better understand where employers are experiencing difficulty in recruiting staff. The first is the Tourism Enterprise Skill Survey (August 2014) which included interviews with over 1,000 employers and staff involved in tourism enterprises with business operations in Cebu, Bohol, Davao, and Palawan, together with selected tourism education and training providers offering tourism related courses.

The second is the Philippines Tourism Human Resource Strategy and Action Plan 2015-2020, a partnership with the Asian Development Bank, the Government of Canada, and the Philippines Department of Tourism which highlights the strategic actions needed to upgrade the capacity of human resources to meet the projected employment needs of the sector to 2020.

These have supported some outstanding Philippines success stories:

- The Philippines Improving Competitiveness in Tourism Project, includes a raft of programs and priorities aimed at driving change in the labour and skills situation including:
 - Engagement of academia, industry and government through an advisory group;
 - Review of regulations pertaining to business operations,
 - Teacher development program where faculty members embark on an immersion program to gain the real-life skills from tourism establishments to deliver more practical and applicable learning outcomes for students;
 - Quality assurance and accreditation; and
 - Tourism skills development program with training grants available at a national level.
- “With this program, there will be clearer picture for the academe about the competencies and skills that are needed in the industry. This will enable the education sector to aptly prepare focused activities to serve the tourism requirements,”* Dr. Ignacio Cordova, Jr., Association of Administrators in the Hospitality, Hotel and Restaurant Management Educational Institutions.
- Starting with a good track record on gender equality (ranked ninth out of 142 countries on gender equality in the World Economic Forum Global Gender Gap Report 2014), tourism is increasingly seen as a career option for women and youth. Entry into the tourism workforce by women and youth is being encouraged by changes to labour laws and recruitment practices.
 - Reports and surveys indicated poor hosting skills and tourism knowledge of front-line staff at ports, transport providers, and other tourism services. This has been recognised by the Department of Tourism (DOT) who have been providing a range of training and development interventions to address the issue.

Despite these advances there are some challenges the Philippines still faces:

- The loss of skilled workers from the tourism workforce, affects service quality and the image of tourism in the Philippines. The Tourism Enterprise Skills Survey found that hard-to-fill jobs¹⁹ were not widespread, they were most commonly reported in food service occupations such as cooks and chefs and waiting staff.
- The Tourism Enterprise skills survey found only 36 per cent of enterprises were willing to contribute to the cost of training staff (accounting for just over half, or 53% of all persons employed in the sector) and few have a company policy outlining what training it will provide and to whom.
- Although the Higher Educational Institutes produced 52,118 graduates in 2013 and TESDA 331,615 in 2013²⁰, there is a leakage of graduates from the colleges and a loss of skilled workers to other sectors and internationally²¹. As the tourism industry grows, and as more accommodation is planned and built, there may be a continued shortage of skilled workers joining the industry. Other factors that affect tourism employment include poor wages and unsecured employment arrangements.
- Some issues are particularly challenging in the Philippines including:
 - Unregulated and unsocial hours, family unfriendly shift patterns (monitoring and evaluation reveals that 50, 60 and even 70 hour working weeks are common without any extra remuneration, particularly in the regions outside the main cities) and unregulated poor working conditions;
 - Those with English skills, particularly young people, are attracted to other sectors that pay much higher salaries such as call centers where the only skill required is good English language skills.
 - The 'brain drain' of trained tourism professionals overseas has become more critical since the ASEAN MRA came into force in 2015 and tourism professionals are able to apply for better paid work in other countries.
 - A large number of people employed in the sector are unskilled or semi-skilled with no real opportunity to improve their situation so for many employees in the sector, particularly in hospitality, they have a job not a career.
 - Internships or on-the-job training are often poorly managed by the institutions and the placement providers. There is often a lack of direction, vague outcomes, mundane manual work and inadequate training or mentoring from the company in which they undertake internship.
 - The opening of K-12 tourism courses in schools has led to closure of tourism and hospitality courses and a reduction in student numbers; and
 - The housing of tourism courses under home economics could render the courses as being perceived as "feminine".

19 The Department of Labor and Employment distinguishes 'hard-to-fill' occupations as job vacancies for which an establishment has encountered difficulties in the recruitment process. Reasons may include no applicants, applicant's lack of experience, skill or license, preference for working abroad, seeking higher salary or problem with location and other reasons.

20 Source: TESDA (2014) <http://tesdacourse.com/>

21 CHED (2014) Enrolment and graduation data for Higher Education Institutions: AY2003/04 – AY2012/13

A Leading Example – Training Grants Scheme

A key outcome of the ‘Philippines Improving Competitiveness in Tourism’ is the Training Grants Scheme operated under the Department of Tourism. It provides an industry responsive funding mechanism (based on turnover) to support the training and development needs of the existing tourism workforce. The Grant Scheme supported the up-skilling of the workforce based on industry needs and provided financial grants to allow employers to implement training best practices within their businesses. The grants were allocated on a competitive basis through an application process

Applications were reviewed against strict criteria at regional level and final assessment and grant awards were made at National Level through a Skills Committee made up of industry stakeholders under the chairmanship of DOT.

The Pilot Scheme was introduced in four regions (Cebu, Bohol, Davao and Palawan) over two and a half years. Forty-eight grantees were successful and received grants totaling \$1,243,000 Peso resulting in 7,550 trained personnel. Grants awarded ranged from a minimum of \$10,000 to a maximum of \$100,000. The nature of the training programs tended to be short on the job skills based training for current employees. Participation by students and teachers from local education institutes was a feature of the scheme.

A requirement of the Scheme was that training program should lead to certification.

The way forward – what we found from the Case Studies

The ability to attract skilled employees is critical to the industry’s growth. There is a need to promote the wide range of long-term career opportunities and prospects that tourism offers, particularly in the operation and management ranks, as well as general hospitality. It will become increasingly important to enhance the quality of jobs in the tourism industry and to facilitate the entry of those who are under-represented in the labor force.

There is a critical need to encourage increased participation of students in the tourism and hospitality industry by developing and implementing targeted marketing campaigns aimed at high-school students, their parents and teachers.

In addition to addressing any cultural stigma that may exist, the campaigns should also focus on:

The role of government: Policy conditions that lead to better perceptions of a career in the tourism industry:

- Established and enforced minimum wage conditions (at or above a ‘living wage’)
- Enforced Equal Opportunity Employment and anti-discrimination legislation;
- Monitoring and prosecution of sexual harassment and exploitation of workers rights;
- Enforcement of health and safety regulations; and
- Standardising the skills requirements of roles leads to improving the quality of their service including embracing the ASEAN MRA and offering mutually recognised qualifications.

The role of Industry: Employment conditions that lead to better careers in the tourism industry;

- Contributions to training and development of staff;
- Discussions about career paths and opportunities for advancement;
- Access to both professional development (academic qualifications and soft skills) and skill development (practical courses for core skills) for the tourism sector;

- Clear monetary benefits through competitive wages (recognising the cost of retraining), compensation for longer-hours, benefits and incentives.
- Non-monetary benefits such as varied work environments, opportunities to socialize and travel;
- Recognition of transferable skills that can be acquired through employment in the sector, for example, communication skills, customer service skills;
- A professional approach to human resource practices and recruitment;
- Work with training and academic institutions to ensure the curriculum meets your needs, but also recognise that training in specific skills is your responsibility.

4.4 Case Study — Chinese Taipei

Government Middle Management Training Initiative

The Tourism Bureau in Chinese Taipei has developed a senior management training course designed to upskill trainers in delivering courses to industry practitioners and third party training operators. Conducted annually since 2010, the Tourism Bureau targets middle to senior supervisors. Through a systematic training course, which includes an international exchange program, the aim is to deepen the expertise and management skills of industry professionals and apply the learnt management skills within their workplace.

The target group for this program is middle to senior executives within the hotel, travel and amusement recreation industries as they have the opportunity to connect from top management to bottom frontline staff. This group will also have the capacity to influence changes throughout the organisation. The training receives good subscriptions of participants, where for example, in 2015, the training program upskilled 1314 personnel from middle to senior management within the tourism industry. Of these, 69 personnel were selected to participate in further experience development abroad through an exchange opportunity with leading organisations in the industry. Participants are required to complete 200 hours of training to complete the course. The government is encouraging of a certification system which will assist in the gradual increase of the proportion of workers in the industry obtaining professional licenses through administrative measures.

The objectives of the senior management training program are:

- To stimulate a change in understanding of trainees in the broader concepts of tourism;
- To develop professional knowledge;
- To broaden the view on the industry's future globally; and
- To provide opportunities for professional training courses and experience exchange abroad.

The training has set the benchmark for customer service in the accommodation sector. There are ongoing training programs planned for 2015-2018 with specific themes for each year, targeting different groups of participants within the industry workforce. For example, the theme for 2015 was 'Quality of Service', followed by "Marketing Management" in 2016. For 2017, the theme changes to 'Human Resource Management' and 'Financial Management in 2018. There will be a selection process for professionals in related fields and occupations to participate in the training courses.

The benefits of operating the training, in both local and international settings, are realised both directly and indirectly:

- Direct benefits: The key direct benefit is the increase in the participant's professional ability and the quality of service which is delivered.
- Indirect benefits: Indirectly, the trained participant becomes a trainer/facilitator in improving the management concept in the industry. Participants may also enrich the teaching philosophy by contributing to an improvement in curriculum, in developing case studies, and in publishing training papers. Disseminating the knowledge through these channels enables more professionals and students to benefit from the program thus boosting the overall service standard in the tourism industry.

Industry workforce planning

To ensure its training is aligned to market needs, the Tourism Bureau in Chinese Taipei regularly takes inventory of current workforces, and submits the results to the Ministry of Education and the National Development Committee for reference. The inventory is conducted every two years using a survey to understand supply and demand of the tourism workforce. At present (2016), the supply and demand survey is being conducted to reflect the labour forecast for the next three years (2017-2019).

The inventory survey is designed in collaboration with leading tourism organisations the number of which is proportionate to the scale of the industry. The survey uses a PESTLE analysis to the survey design, to analyse tourism industry trends and initial analysis on the growth of inbound and outbound travel figures as a basis in designing the questionnaire. The PESTLE analysis uses a set of essential influential factors suggested by industry experts and scholars.

The questionnaire is distributed to all tourism operators for completion. Operators provide their perspective of tourism industry forecasts which may affect the travel trends for the following 3 years, including any potential new skillsets or positions. By using the PESTLE analysis in survey design, the industry is able to provide a balanced view on the future growth of visitor arrivals, while also indicating the proportion of each occupation and their turnover and recruitment rates. The demand for talented industry professionals is broken down by skill category (for example: maintenance and labour, customer service and sales,

The demand for talented industry professionals is broken down by skill category (for example: maintenance and labour, customer service and sales, business support, professional and technical, management and managerial staff, etc.). The survey asks respondents to indicate needs for professional development in addition to any required new jobs skills. This will inform the government's plan to provide tailored educational training courses for tourism in the future.

Evaluation of the survey results is completed at commencement, mid-term and end of the inventory period. All related information is then provided to the Ministry of Education and relevant industry groups for reference.

The Tourism Bureau does recognise, however, there are challenges in being able to adapt to rapid changes in the industry and that the survey, although useful, may not be able to cater efficiently enough. The Bureau sees the creation of higher paying job categories within the industry which recognises a broad range of transferable competencies could be helpful in attracting and retaining workers from other sectors.

The Bureau sees education as a major opportunity in improving the workforce for the future. One recognised barrier is the lack of practical training and experience in secondary school based learning, resulting in a skills shortage of young workers. The Bureau does acknowledge, however, the need for the education sector to communicate more with the industry to understand the practical needs and provide more appropriate courses to help deliver a trained workforce.

4.5 Summary of chapter recommendations

- *Encourage APEC labour mobility through shared information on labour and skills needs and improved visa issuance and processes and immigration control across the region.*
- *Work with the Business Mobility Group and the HRDWG to identify methods to improve process and reduce costs of remittances for tourism workers and identify challenges and opportunities for sending and receiving economies.*
- *Consider the development and adoption of a similar program to the APEC Business Travel Card for use with tourism industry workers. Such a program could be developed through collaboration with the Business Mobility Group and others.*
- *Migration programs need to be supported by domestic programs of cultural adaptation, establishment and enforcement of legal frameworks for migrant worker protection, and SME support for training and induction*
- *Domestic policies to manage and control private sector recruiters, agents and officials involved in skilled and seasonal migration should be encouraged in all APEC economies.*
- *APEC and ASEAN economies should continue the implementation of referencing frameworks and recognition tools (such as those in European Union, Australia, Canada, and New Zealand) in accordance with domestic education systems and ensure the tourism industry is one of the recognised industries included in the program to establish an 'APEC Tourism Pathway'.*
- *Support the work of the HRDWG (and TWG) in the development of the APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry to achieve effective and efficient labour mobility across the APEC economies*



5 Women

Key Findings

The role of women in the tourism workforce is identified as both a challenge and an opportunity across all of the themes of this report. Within tourism, a gender divide still exists in that in many economies women generally fill tourism jobs that are lower paid and have poorer working conditions. Personal, cultural and religious factors can influence women's participation in the tourism labour force and this can vary greatly across and within the developed and developing APEC economies. The opportunity is for the tourism sector to be a leader and innovator in providing flexibility for women with caring responsibilities, taking a proactive approach to women in leadership and offering a pathway to women entrepreneurs to operate their own businesses, helping to address SDG Five.

The UNWTO highlights that 'tourism can help poor women break the poverty cycle through formal and informal employment, entrepreneurship, training and community betterment' (cited in Baum 2013, p.32). Indeed, Gender pay gaps and women's promotion prospects have improved markedly in many economies. Particularly in developing economies, governments have placed concerted focus on investing in women's education and providing targeted development initiatives for women. However, some industries and sectors continue to have persistent and pervasive gender segregation. Tourism is one such industry.

Gender gaps are relevant across workforce planning (Chapter 2), training (Chapter 3) and labour mobility (Chapter 4). This chapter brings together the analysis of women in relation to the tourism workforce and concludes with recommendations to address gender gaps, working to address SDG Five.

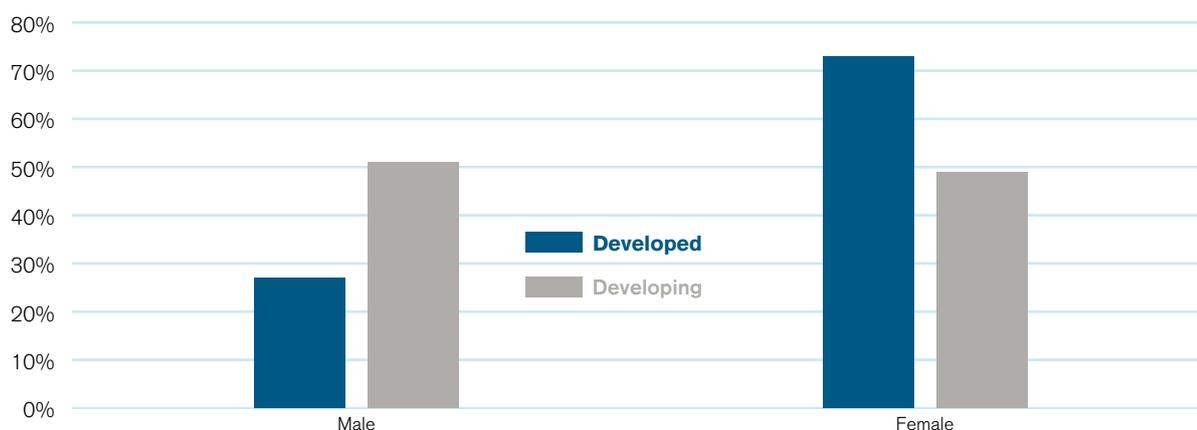
5.1 Challenges

5.1.1 Gender gap in employment

Tourism is a highly labour-intensive industry and offers a significant source of employment for women as well as youth and migrant workers (Baum 2013). The industry offers a range of positions requiring lower education levels than some other professional industries, providing ease of entry into the workforce. Women comprise up to 79% of the labour force in the tourism industry (Baum 2013; Ladkin 2011, cited in Alonso-Almeida 2013) (see also Appendix F for the Benchmark Performance Table), and are employed in a vast range of roles which run the spectrum from low-skilled cleaning staff, to middle-management supervisors, and senior executives in hotels and leisure/recreation organisations. However, women often work in low skilled, vulnerable jobs and are likely to experience poor working conditions, inequality of opportunity and underrepresentation in higher paid and managerial roles, with occupational violence and sexual harassment also affecting women in some areas (Baum 2013; see also Santero-Sanchez et al. 2015).

Evidenced from the stakeholder survey, the respondents from developed economies indicated the majority of the tourism workforce is female, whereas those respondents from developing economies indicated 51% of the tourism workforce is men (see Figure 27). Of those indicating the higher percentage of women, there were correspondingly low wages and difficult working conditions identified.

Figure 27: Percentage of tourism workforce by gender



The work that men and women do undertake is gender segregated. In a UNWTO study (2010), men were found to be more likely to attain professional-level employment than women in the hotel and restaurant sub-sectors; women were more likely to be found in clerical roles. Other roles where women are found to be employed in the broader industry include cleaners, servers, travel agency sales personnel and tour guides. Men are employed in roles such as bartenders, porters, gardeners, and maintenance and construction workers as well as in engineering and security work. In tourism work, “traditionally women are employed in roles that are considered representative of their domestic roles, using the same skills base” – which will also reflect cultural mores (Harris et al. cited in Baum, 2013, p.20). Even when doing jobs requiring similar skills, qualifications or experience, the jobs are poorly paid and undervalued when they are dominated by women rather than men (European Commission; cited in Baum 2013). Men tend to have better paid and hold more prestigious roles when they work in female-dominated industries (UNWTO 2010).

Where the gap between the participation of women and men is high in tourism employment, the reason is often cultural and religious factors (Baum 2013). Socio-cultural factors can also contribute to the gendered division of work, limited promotion of women into senior roles, and women’s overrepresentation in precarious work (such as part-time, temporary/seasonal and the informal economy) in the tourism industry. Even though the tourism industry encompasses a very globally-mobile workforce, socio-cultural factors may constrain the extent to which women are able to relocate internationally and this reinforces their overrepresentation in lower level positions in organisations.

In summary, several socio-cultural factors may impact on women's employment in the tourism industry, namely:

- Across many cultures internationally women's primary role is viewed as being to care for family with paid work seen as secondary. The often non-standard work hours of the industry conflict with women's commitments to family care, and cultural values may emphasise that women should not work at night.
- Women are over-represented in the informal sector, which may reflect limitations on opportunities that may be available in the formal sector, but also because the informal sector offers more capacity to balance work and family commitments.
- Women are over-represented in part-time and temporary/seasonal work, which generally offers fewer opportunities for career progression. This work may be viewed as most suitable for women whose work is seen as peripheral to their primary roles as wives/mothers/carers for other family members, with full-time/ permanent/stable work being offered to men whose work is seen as core to their identity and role as family breadwinners.
- Cultural values that women should not travel alone without a male escort lead to women not having the same flexibility as men to relocate to other economies to work. There are also perceptions that some overseas locations may be less safe for women and that by travelling women are seen as not maintaining responsibilities to family.
- The intersection of class and gender (and also ethnicity in some societies), particularly in some developing economies, can heavily determine women's educational opportunities. Moreover, many female workers have the burden of maintaining roles as employee/business owners and management of caring/household responsibilities.

APEC has developed a 'Women and the Economy Dashboard' (APEC 2015b), which includes 80 indicators of women's legal, political, educational, financial, and technology –access status with report cards for each individual economy and for the APEC region overall. The Dashboard highlights that advances have been made across the APEC economies. It also highlights the Philippines as the leader in closing the gender gap in Asia. However, it is noted that men and women generally do not have equal access to labour markets and the Dashboard is important for identifying specific inadequacies.

5.1.2 Gender gap in pay

Gender gap pay differentials result when women are paid less than men simply for being female (European Commission 2016). Importantly though, Sinclair (1997) highlighted that while in some developing economies women may suffer pay differentials, the earnings they do have allow them to assert their independence from men.

Santero-Sanchez et al. (2015) highlighted that there are several studies that confirm wage discrimination against women in tourism and that women are also under-represented in the type of tourist businesses where remuneration is highest. They further note that this is exacerbated by gender segregation which occurs both horizontally and vertically with horizontal segregation entailing work being divided into feminised or masculinised activities and vertical segregation being indicated by women's scant presence in higher-ranking positions.

The European Commission (2016), reporting on gender pay inequity, highlighted several factors which impact on women's lower pay relative to men, including:

- Direct discrimination;
- Undervaluing of women's work;
- Segregation in the labour market;
- Traditions and stereotypes; and
- The greater difficulties which confront women compared to men in balancing work and private life.

Such issues are strongly reflected in the experiences of women in the tourism industry.

5.1.3 Under-representation of women in management

The increasing number of women enrolling in higher education tourism courses (including significant numbers of women from developing economies studying in developed economy universities) has been said to enhance women's managerial positions in the tourism industry (see Alonso-Almeida 2013). Yet, they still remain underrepresented compared to their male counterparts. In some developed economies, while line managers are evenly split on gender lines, there is still wide disparity between women and men in managerial positions (Davidson et al., cited in Baum 2013).

Research suggests that in the hotel industry in particular, women are underrepresented in management partly because they are stereotyped as being less committed to the role, less focused on long-term careers and unable to fully commit to long work days, split shifts and weekend and evening work owing to commitments to child rearing. They may also be perceived as less capable of withstanding the pressures of leadership, less driven by extrinsic rewards, and less focused on organisational profitability (see Marco 2012).

The challenges of balancing family commitments with non-standard work hours often required in the industry may be better managed in developed economies where there is government-funded child care or organisationally-provided on-site care, or government financial assistance for caring for other family members. In some developing economies, low labour costs and class differentials (which may also intersect with ethnicity) mean that women in paid work (especially those who do progress through the glass ceiling to managerial roles) can employ nannies (who may be female migrant/temporary workers from other economies in the APEC region). While this improves prospects for some women, it may exacerbate class and gender divisions. Also, some women in developing economies may be assisted by extended family (particularly grandparents) support with child caring which is facilitated by earlier retirement ages in the economies.

The experience from the stakeholder survey respondents indicates it is more uncommon to find women in management, than in clerical/administration or customer service roles. In developed economies, 19% of the respondents (17% of those in developing economies) indicated it was uncommon to find women in management. On the other hand, only 1% of respondents indicated it was uncommon to find women in clerical/administration or customer service roles. These figures agree with Marco (2012), indicating an underrepresentation of women in the APEC region in management in the industry, and a greater representation in roles which could support women's more traditional roles, permitting greater flexibility in employment conditions.

5.1.4 Women entrepreneurs and self-employment

Women in developing economies may choose entrepreneurial and self-employment activities that are seen as an extension of their roles as wives, as this allows them to work while avoiding cultural perceptions of unsuitability of some types of paid, formal sector work (see Alonso-Almeida 2012). Such work might replicate work done in the homes and involve activities like making food and traditional handicrafts that are then sold to tourists e.g. in Pacific Island economies (see Andersen 2015).

This form of work is considered suitable work in economies where women have few employment options due to cultural beliefs which do not favour women working outside the home (Alonso-Almeida 2012). For instance, Sri Lankan women widowed during the civil war have sought self-employment that replicates work done at home (Hutchings et al. 2015). While these women contribute to domestic economic growth, they also require government and non-government agency support in order to develop their entrepreneurial capabilities and doing so has allowed them to also expand their businesses to provide employment and income for other women in their communities (Ayadurai 2006).

The experience of the respondents in the stakeholder survey highlights the strong presence of women in self-employment roles. Respondents identified it was more common (78% of respondents) to find women in self-employment roles in developing economies, than in developed economies (63% of respondents). Furthermore, a higher number of respondents from developing economies (73% of respondents) reported the availability of government grants for women entrepreneurs/ women in small business in developed economies (27% of respondents).

Women's self-employment can contribute to them being agents of change in their communities, where it is supported by changing social values, government, community representatives and international agencies (Alonso-Almeida 2012). Moreover, research in some Latin American economies has suggested that indigenous women have had prominent roles to play in tourism through advancing cultural pursuits (Babb 2012).

However, some self-employment falls into the informal sector which is unregulated. Much of the increase in women's participation in the labour force in developing economies has been in the informal sector (Moghadam 1999). This includes subcontracting through home-based work. Such work allows women to continue to undertake domestic responsibilities/child caring and meet cultural expectations of their gender role as being primarily a carer whilst gaining an income. However, it is poorly paid and insecure work with potential safety issues and less protection than organisational employment (Moghadam 1999; Rogerson 2014).

Another way to overcome women's access to entrepreneurial financing is by offering training programs to assist women to gain the skills required to better design and present their financing plans, and to improve their success in obtaining the funds required to grow their business. These training programs could be integrated into micro and small credit programs. In addition, governments can support the development of new screening tools and processes to assess loan applicants and to improve the design and coverage of public and private credit registries. Other key best practices include:

- Integrating the gender dimension into existing and proposed frameworks;
- Ensuring that gender bias is not introduced into entrepreneurial financing;

- Increasing the confidence of women entrepreneurs to seek financing; and
- Providing on-going financial development and support of private credit institutions and not-for-profit lending institutions in developing economies (OECD 2012).

Recommendations

- *The APEC Women and Youth Advisory Group to work with a leading education and training partner to review leading programs supporting women entrepreneurs and managers in the tourism sector.*

5.1.5 Women and international work

Women represent 42% of international migrants to Asia, and just over 52% in Europe. In North America, women represent 51% of international migrants, while in Oceania the number of male and female migrants are essentially equal (UNDESA 2015b). Women, however, remain very underrepresented amongst those relocating internationally for a fixed duration, with a large-scale survey in 2015 finding that women comprise only 19% of international assignees (BGRS, 2015).

Given the global employment mobility of the tourism industry, it is critical to understand not just what affects women's involvement in the tourism industry in their own economies but also the extent to which domestic socio-cultural factors may also facilitate or restrict their international employment.

A body of research since the early 1980s has examined organisational, government, foreign country, individual, and more recently, domestic cultural constraints on women's opportunities to relocate into international careers. This research has suggested that organisational support, spouse/family support, education and women's own interest may be drivers and facilitators of women's engagement with international work including long-term postings to other countries, short-term project work, or frequent flyer/commuter roles (see Salamin & Hanappi 2014; Shortland 2014).

However, the research also suggests that organisational reluctance to select women, organisational perceptions of prejudice expected to be experienced in foreign locations and women's own commitments to family and caring responsibilities are barriers to women's fixed term international work (Salamin & Hanappi 2014; Shortland 2014). Much of this research has focused on the experiences of women in/from developed economies and in professional/managerial roles and there has been limited discussion of the barriers for women in/from developing economies. The discourse on women in the developing world has tended to focus on their international relocation in unskilled/low skilled work in roles as household help (for a critical review of the literature on female expatriation, see Hutchings & Michailova 2016).

Socio-cultural factors in developing economies may also constrain women's opportunities to transfer for fixed periods for international work. This includes:

- Societal expectations of primary commitment as homemakers which may limit even domestic work opportunities (see Metcalfe 2008);

- Societal expectations of commitment not just to husbands/children but also care of elderly parents and other family members (Hutchings et al. 2015);
- Societal views that, for safety and moral protection, single women should not travel outside their own country (Hutchings et al. 2015);
- Women's own perceptions that they would be 'visible' outside of their own country due to ethnicity and negatively stereotyped as only being employable in low-skilled roles (Hutchings et al. 2015); and
- Domestic organisational gender discrimination which translates into lack of opportunities internationally (Hutchings, Metcalfe & Cooper 2010).

A study of work in the tourism industry in the Caribbean highlighted that migrants or temporary employees from North American and Northern/Southern European economies tend to have more of the 'front stage' jobs in reception/sales/waiting or tour roles, which offer more comfortable work conditions (Vandegrift 2008). This contrasts to Central American women whom are more likely to be in cooking and caring roles, and that foreign business owners in those states will not invest in training local workers (Vandegrift 2008). Other research found that in some contexts migrants generally earn less than local workers in tourism but that the difference is statistically significant only for women (Mon-z-Bullon, cited in Baum 2013).

Asia-Pacific sending economies have periodically applied bans on recruitment of women workers for deployment as migrant workers in other economies. Research has suggested that such bans should be avoided, rather that safe and fair channels for migration should be provided (Hugo 2009). With a high percentage of women migrant workers (around 80% of flows between 2006 and 2009), the Indonesian government has chosen to take a more formal role in the negotiation of worker rights. A moratorium was implemented in 2009 to prevent migrant workers from being sent abroad without a written contract in addition to other protective regulations (Hugo 2009).

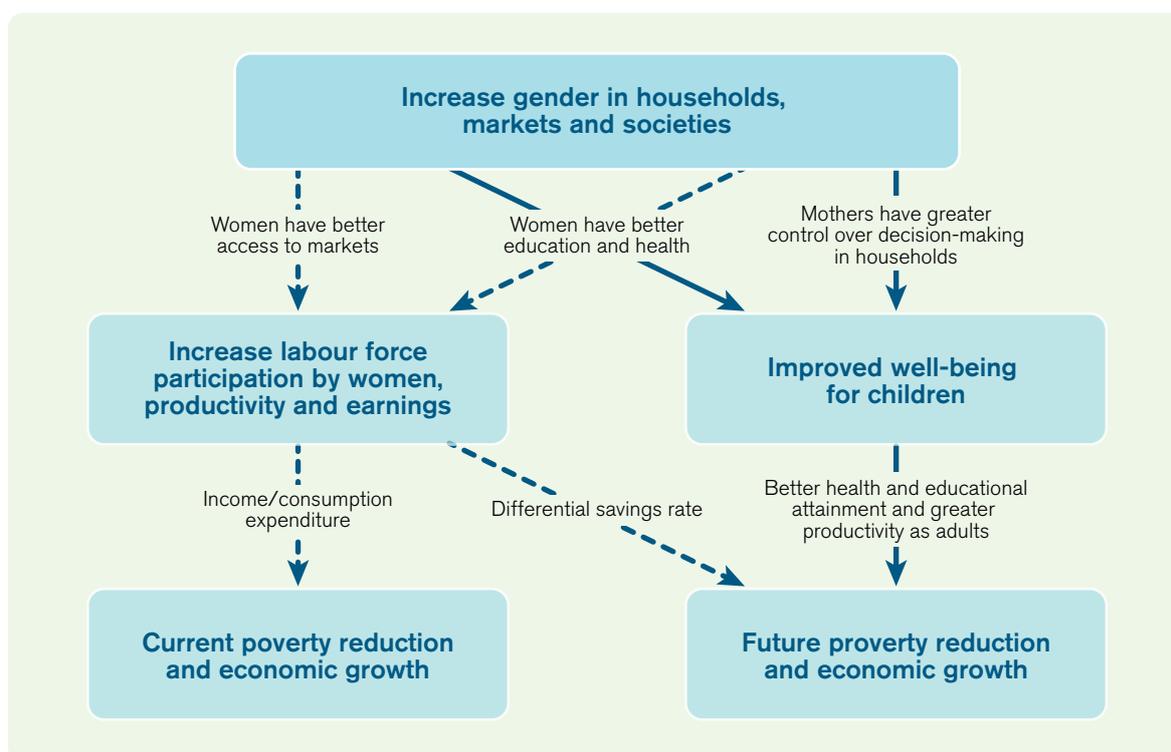
Recommendations

- *Undertake a comprehensive review of the benefits of labour migration programs that include women and share the information across all APEC economies.*

5.2 Employment Practices

Increasing employment opportunities and the conditions under which women work in the industry can have far reaching societal impacts. A figure adapted from the World Bank included in the UNWTO 2010 report (Figure 28) presents some of these societal benefits and their contribution to alleviating poverty through gender equality (UNWTO 2010, p.1).

Figure 28: The relationship between increased gender equality and poverty reduction



Source: UNWTO (2010)

To enhance opportunities for women in tourism in the APEC region several issues need to be addressed. One key issue is how to create long-term career pathways for women – either as employees or as entrepreneurs – to ensure sustainable and inclusive growth in the travel and tourism industry, by encouraging socially, culturally and responsible tourism. Table 11 presents some best practices from selected APEC economies in relation to women’s employment.

Table 11: Best practices relating to gender

Strategy	Examples
Labour Resources Guide	Singapore: The Manpower Resources Guide developed by the Ministry of Manpower highlights alternate viable sources of manpower (e.g., older workers and return-to-work women), which is especially important in Singapore's tight labour market.
The Consumer Financial Protection Agency (CFPA)	United States: The CFPA recently created in the United States is in charge of enforcing fair lending laws to ensure that credit is provided fairly to small business owners of different gender, race and ethnicity. The CFPA also collects data on small business credit availability by gender, race, and ethnicity. (OECD 2012)
Psychometric screening tools	United States: The Entrepreneurial Finance Lab (EFL) in Harvard is pioneering the use of psychometric screening tools of entrepreneurial ability and honesty to unlock large-scale bank finance for SMEs. The application of this tool is expected to improve the performance of credit institutions, as women and men will be both evaluated on the basis of their entrepreneurial talent. (OECD 2012)
Credit mediator schemes	OECD countries: Provides entrepreneurs access to credit at sustainable interest rates. Credit mediator schemes ease the flow of credit to SMEs or binding codes of conduct for SME lending (OECD, 2009). These policies are likely to have a relatively larger effect on small and credit-constrained women entrepreneurs. (OECD, 2012)

Feedback from the workshop participants identified further opportunities for women in the tourism industry through the use of the following:

- Develop education and training programs that empower women in the industry supported by mentoring programs offered by successful women;
- Workplace policies including organisation-funded maternity leave and supported job-sharing;
- Reducing wage gender gaps;
- Promotion of the value of women to tourism by raising awareness, including the use of occupational profiles; and
- Promotion of equal employment opportunities as not just a moral imperative for employers but also good for business profitability as an investment in workforce.

5.2.1 Gender Equality Seal Certification Program for Public and Private Enterprises

Recognising the prevalence of women in the tourism workforce and the call for a number of policies and programs, one mechanism to increase gender quality across a range of workplace systems could be the adoption of the United Nations Development Programme (UNDP) Gender Equality Seal (GES) Certification Programme (UNDP 2016a). Launched in Latin America in 2009, the programme has over 1400 participants in 11 countries, representing both public and private sector organisations (UNDP 2016a).

APEC economies included in the pilot program are Chile and Mexico. The establishment of the program in Mexico led to the passing of the Mexican standard 'The Mexican Norm on Gender Equality and Non-Discrimination' in 2015. The policy addresses gender

mainstreaming and non-discrimination in recruitment, selection, training, and mobility; equal pay; work-life balance; and addressing workplace violence (UNDP 2016a). Based on the success of the program to date, the UNDP intends to roll the initiative out internationally.

The design of the program is adapted to local contexts which commences with securing support from the highest levels of government. Once this is agreed upon, the relevant agencies complete an assessment of the local legal and social environments. With the assessment in hand, governments can then set about developing an appropriate national model in collaboration with private sector groups, civil society and unions. A framework is developed which identifies the criteria for certification, including the 10 steps to certification. Governments and private sector organisations are supported through the process by the UNDP which provides support in the form of tools and guidance (UNDP 2016b).

The program is not a 'quick-fix'. The experience of the development to date provides experience for economies wishing to pursue such an initiative. In those experiences, economies identify a process of some two years to establish the certification program. Once initiated, the expectation is for governments and private sector to commit to ongoing reviews and improvements of the program and its criteria.

There are opportunities for economies to explore the adoption of the GES to support the high percentage of women in the tourism workforce. Not only does the GES support the achievement of Goal 5 of the SDGs – Gender Equality – (among others), the implementation of the program also provides benefits in the generation of much needed data, required to assess certification. The GES also provides benefits for government in achieving their goals regarding gender equality and social benefits for organisations that choose to participate (UNDP 2016a).

5.3 Case Study — Papua New Guinea

Papua New Guinea (hereafter referred to as 'PNG'), located in the Pacific, draws most of its growing international visitor market from Australia (many of whom come to trek), with an emerging cruise sector. The tourism industry is developing in PNG with the planning and construction of new hotels, restaurants and attractions thus creating employment opportunities for Papua New Guineans.

The 2009 PNG Tourism Training Needs Analysis Report identified the key skills gaps in customer services skills, rural guesthouse management skills, attraction site development, first aid and safety management, information and computer skills, marketing and office procedures, chef and food preparation skills, tour guiding and leadership skills, communication skills and foreign language translation.

With improvements in education, coupled with population growth, there is a positive outlook for labour supply in lower-skilled roles such as drivers, security guards, housekeeping, waiters, kitchen work, and trekking assistants. The forecast of skill shortages identified in PNG are middle and senior management positions within tourism companies such as hotels, airlines, tour operators and so forth. This skills shortage experienced by Papua New Guineans has resulted in the majority of managerial positions being occupied by expatriates.

The success stories in PNG include:

- The Papua New Guinea Tourism Master Plan 2007–2017 identified Human Resource Development as one of its five key pillars, leading to:
 - The development of the PNG Tourism Training Needs Analysis Report (2009) and an ongoing labour survey to monitor employment in the sector;
 - Establishment of an Industry Advisory Committee to assist in curriculum and policy development; and
 - Design and implementation of short courses for those working in the industry including distance education.
- A key focus for PNG is the development of micro enterprises to support growing sector such as cruise, trekking and adventure tourism. To ensure this growth is both equitable and sustainable two initiatives are running concurrently:
 - The Divine Word University has a focus on preparing students to be entrepreneurial and ready to work in their own small enterprise as well as being job ready for corporate tourism enterprises; and
 - Grant funded programs such as the AusAid Market Development Fund have quotas that require at least 50% funding to projects that deliver employment for women entrepreneurs.

The areas still requiring work include:

- There is a shortage in qualified and experienced teachers and trainers in the tourism industry to conduct adequate training for the workforce to address the skills shortages and inadequate facilities and resources to conduct effective training.
- The university courses offer theoretical course work; many employers are seeking more practical skills. Most of the practical skills offered in technical institutions are focused on the existing tourism ventures such as hotels, restaurants and airlines. There is lack of new training

and courses such as diving and trekking skills, tour operating and cultural tourism trainings.

- There are shortages of available training opportunities for rural people who are optimistic about developing tourism in the local area and where most of PNG tourism products are located.
- A high turnover rate (around 20% in 2009) with low levels of new entrants into the workforce because of the lower pay rates and the perception that tourism is mostly 'women's work'. Almost 75% of the formal training enrolments are women, with an unequal gender balance in employment.
- There is no formal network linking training providers and the tourism industry; increasingly the technical institutions and universities have informal arrangements with the tourism businesses for students to conduct their practicum.

5.4 Summary of chapter recommendations

- *The APEC Women and Youth Advisory Group to work with a leading education and training partner to review leading programs supporting women entrepreneurs and managers in the tourism sector.*
- *Undertake a review of the benefits of labour migration programs that include women and share the information with all APEC economies.*
- *Increase women's career pathways and managerial prospects through gender awareness and advocating EEO, mentoring by other successful women.*



6 Youth

Key Findings

With the emergence of the 'millennial' generation seeking more flexible working arrangements, global travel, entrepreneurial opportunities and experiences, the tourism sector should be growing its share of youth employment globally. Greater use of the internet – both for recruitment and as a focus of training – will assist in providing employment opportunities for the youth sector. Development of APEC-wide career pathway frameworks will improve career perceptions of the industry by youth.

Youth provide a significant contribution to the tourism workforce and include significant numbers of employees that are not seeking full-time employment and who suit the industry's flexible and global nature. This chapter of the report presents an analysis of youth employment, working conditions, opportunities for entrepreneurship and labour mobility relevant to the APEC economies.

6.1 Challenges

6.1.1 Youth and tourism careers

As the 'frontline' or most visible element of the tourism workforce is relatively young, tourism is often viewed as a gap-filler role while studying or travelling prior to taking on a 'real' career. This underplays the important roles played by those younger employees working in SMEs and entrepreneurial tourism businesses, which account for up to 80% of the workforce, and those who seek to undertake long-term careers in the industry (see Chapter 2).

Due to the dispersed nature of employment, many employers in tourism do not take the opportunity to map or showcase the possible career paths available to employees within or across work locations, with some employees believing they need to leave the tourism industry in order to progress in pay or career. To retain staff, businesses need to provide staff with a sense of belonging, self-esteem and respect, and with learning and development opportunities. Managers and supervisors must be aware that, as the people closest to the staff, they are responsible for the implementation of best practice HRM and ultimately employee motivation and retention.

As highlighted by a recent report on Tourism Hospitality Career in Australia (Colmar Brunton 2016), young people do appear to have a reasonably positive attitude towards long-term careers in tourism, with words such as "dynamic", "fun", and "sociable" used to describe opportunities in the industry. At the same time, there are number of challenges facing youth in the tourism industry and reasons why young people do not consider entering into or staying to pursue a career in tourism. These include:

- Being over-represented amongst employees doing contingent work in the form of irregular and unpredictable hours, split-shifts, non-tenurable contract and seasonal roles, and work in remote locations (although often by choice in respect to sports/lifestyle areas of tourism);
- Being heavily involved in the informal sector (particularly in the developing economies) which has less protection against discrimination and sub-standard work conditions but which may also provide opportunities for engaging in self-employment/entrepreneurship;
- Perceived limited opportunities for career progression or entry to management roles – and

associated with this is that, as they age, family commitments may make continued work in contingent roles in the industry prohibitive, particularly in cultures in which work-life balance is highly valued and young women especially are encouraged to prioritise family over career. These factors result in youth needing to seek out work in other sectors for career advancement and long-term work stability; and

- Workplace violence, bullying, and harassment being more common for young people than for older colleagues, especially for young women of some ethnic groups, and in cultures in which age and authority is highly valued, young people may be reticent to complain about bullying or discrimination from management or customers.

Many young people see their work in the tourism industry as temporary until commencing other work, but even some of the graduates of education from the tourism and hospitality industry have no intention of entering the industry upon graduation (King, McKercher & Waryszak 2003 cited in Nzonso & Chipfuva 2013). Research has also found though that despite lower pay compared to other sectors, students are more likely to work in the industry once graduated if they had done so while studying (Wan, Wong & Kong 2014). Promoting the opportunities for long-term employment with youth through schools and the tertiary education sector can help to encourage youth to consider the industry as a career.

Mendoza et al. (2013) suggest that in developing economies there is currently or will soon be a 'youth bulge'. They indicate a large number of young people in domestic populations, which they suggest involves 71 countries globally and 11 in Asia. As such, these economies will face greater employment and human capital investment challenges as a result of the ongoing effects of the global economic crisis and its medium-term ramifications, with risks likely to be greater for female youth due to gender inequalities (Mendoza et al. 2013). It would be expected that such social changes will have significant impact in the tourism industry, which has traditionally been a large employer of youth.

6.1.2 Youth employment and working conditions

Youth generally suffer greater levels of unemployment in the tourism industry than their older counterparts who have more years of experience and often occupy more senior, secure roles. This problem is likely to be exacerbated in coming years, especially in developing economies. In contrast, the ageing population and increased retirement ages in many economies potentially reduces opportunities for youth to enter the labour market and progress beyond entry- or mid-level positions. This is likely to be a particular problem in the tourism industry, pushing more youth into contingent work in the form of part-time, split-shift, and remote location work in which they are already over-represented. Increasing workforce generational diversity suggests that organisations need to think more strategically about how to leverage their youth and older employees' expertise and competencies and maximise their effectiveness in working together (McGuire et al. 2007).

In some developing economies, such as in Africa, work in some parts of the tourism industry, such as hotels, may be viewed very favourably. This type work provides youth with food supplied on the premises in addition to pay, meaning they can save more of their income and potentially invest into housing or establish a basis from which to fund self-employment for longer-term work (Dawa & Jeppesen 2016).

Social changes, involving an ageing population and the decline of government provided pensions/

social support in many developed economies, means many older people are working longer to sustain themselves (Bloom et al. 2015). It might also be expected that, in cultures in some economies in which age is revered and respect for authority/seniority is emphasised, young people would be reluctant to make complaints about senior colleagues/managers or customers/clients who had been violent or discriminatory towards them. Further, as it has been suggested that the limited experience of youth contributes to them having poorly developed mechanisms for coping with stress phenomena and violence (Hoel & Einarsen 2003), it means that organisations need to seriously commit to protecting their most vulnerable employees by having unambiguous and enforced policies and practice for healthy and safe workplaces.

Recommendations

- *Through its industry partnerships, the APEC Tourism Working Group should develop a series of case studies on Employers of Choice for young people showcasing businesses that provide career pathways.*
- *In accordance with domestic education systems, working with schools and the tertiary education sector to market the sector as a long-term employer.*

6.1.3 Youth entrepreneurship

The tourism industry provides significant entrepreneurial opportunities for youth. Nasser et al. (2003) suggested that in countries, like South Africa, which have witnessed considerable political change and the dismantling of trade borders, young people's opportunities to work in traditional industries have diminished and have brought about increasing youth enterprise and self-dependence. Such trends are also likely to have occurred in many developing economies in which the tourism industry and its service sectors have grown dramatically while traditional agriculture has declined. While it is acknowledged that youth may not be able to access start-up funds as readily as older people with established employment and financial records, youth may be able to establish small businesses, particularly in developing economies, which supply food, beverages, equipment, cleaning, information/technology services (Dawa & Jeppesen 2016) or transport, such as pedi-cab drivers (Dahles & Susilowati Prabawa 2013).

It has been argued that it might be expected that youth would be attracted to tourism lifestyle entrepreneurship which highlights business reciprocity and quality of life over progress in and of itself (see Shaw & Williams 2004) and allows them to combine work and leisure pursuits (Atelievic & Doorne 2000). Examples of lifestyle entrepreneurship are found in the recent boom in 'gig work' (see Chapter 1.6.3), where services such as Uber provide transport for locals and visitors alike while offering the flexibility youth are seeking.

Current work in this sphere is being undertaken by the Republic of Korea via the development of an APEC Youth Employment and Entrepreneurship Framework as part of the APEC Human Resources Development Working Group.

Recommendations

- *APEC economies should be encouraged to develop 'youth entrepreneur' and start-up support programs specifically targeting the tourism sector.*

6.1.4 Youth and labour mobility

While young people under 20 years represent 34% of all global international immigrants (UNDESA 2015b), broadening the external talent pool through international recruitment as a key strategy utilised by employers has a consequential issue known as 'brain drain'. This is particularly so for young people from developing economies, whose primary purpose for immigration is for study but who undertake work in the tourism industry while completing their studies; brain drain occurs when the students proceed to apply for and attain permanent residency/citizenship, not returning to their country of origin, draining the sending economy of this new knowledge and skill.

Although tourism can provide a myriad of opportunities for international work mobility, work undertaken internationally by non-migrant young people is generally transitory or seasonal. Often this form of work appeals to those seeking to 'see the world' and earn an income while travelling. This may reinforce a perception that work in tourism is a 'stop gap' before moving on to a 'real' long-term career. Indeed, Inkson and Myers (2003) highlighted that self-initiated, self-directed travel is an international phenomenon of young people. Moreover, there may be additional benefits where the work is combined with young people's own engagement in tourism which has been found to contribute to self-knowledge/awareness, self-confidence, better understanding of their own and others' culture/s, and stronger personal values and ethics (Richards, cited in Eusebio & Carneiro 2014).

The perceived short-term nature of tourism work is, however, viewed as offering work flexibility for youth. Such work may appeal to the affluent developed and developing world youth—the 'new wealthy' seeking new experiences (Colmar-Brunton 2016, Dwyer 2015)—who take a gap year before settling into higher education or long-term careers in other industries/sectors. The work may also appeal to poorer, young citizens of developing economies who find work in developed or other developing economies on a more medium-term basis in order to provide income to send home to family.

6.2 Employment practices

A key issue relating to young people's employment in tourism in the APEC region is how to create long-term career pathways. Perhaps the most effective way of creating long-term career pathways is through work-based learning, such as apprenticeships. Appendix H identifies some best practices in relation to apprenticeships in selected APEC economies.

Feedback from the workshop participants identified a number of other approaches to support the development of youth employment within the industry. These practices include:

- Mentoring programs of youth by older, more experienced workers;
- Promotion of 'gap-years' for university students to enable work in tourism, either in mentoring programs or as a 'taster' for the industry;
- Engaging with secondary schools to encourage students to understand the length and breadth of opportunities that exist within the broader 'tourism industry';
- Use of social media to promote opportunities, particularly for young people;
- Use media campaigns to develop a sense of pride or privilege within locals living in tourism destinations to encourage contributions to the industry through employment; and
- Government-supported tourism career fairs, linking with industry partners such as PATA.

6.3 Summary of chapter recommendations

- *Through its industry partnerships, the APEC Tourism Working Group should develop a series of case studies on Employers of Choice for young people showcasing businesses that provide career pathways.*
- *APEC economies should be encouraged to develop 'youth entrepreneur' and start-up support programs specifically targeting the tourism sector.*
- *In accordance with domestic education systems, working with schools and the tertiary education sector to market the sector as a long-term employer.*



7 Conclusion

7.1 The challenges

- **A growing need for labour and skills:** Growth in visitation is more rapid than growth in population (especially young people) across most of the APEC economies. Some APEC economies have latent labour supply, but they lack the skills required in those economies with a labour shortage, potentially affecting the ability to service the industry into the future. Across all economies there is an identified skills shortage in 'soft skills' such as customer service and management skills, as well as some identified 'hard skills' such as technical and management skills.
- **Participation by women and young people needs to be a focus:** Women and young people generally fill tourism jobs that are lower paid. Women and youth tend to experience poorer working conditions. Tourism can provide flexibility for working mothers and students and could offer a path to operating their own business, while at the same time addressing SDGs five, eight and ten (among others).
- **Participation requires a shift in perceptions to address some realities of the industry:** The attractiveness of the industry to workers is poor due to low wages and difficult working conditions in junior positions. In addition, the lack of gender equality, less appealing working conditions (casual employment, discrimination, limited entitlements, etc) and unclear career paths are a hindrance to attracting and retaining the best people.
- **Micro, Small and Medium Enterprises (MSMEs) have the greatest need:** In-house training capacity is essential but generally scarce among tourism SMEs. Firms respond to skills shortages by investing more in recruitment rather than aiming to improve internal capacity building through training. Some businesses are not well informed or lack the capacity to take advantage of existing apprenticeship programs.

7.2 The opportunities

- The APEC Tourism Working Group provides an ideal forum for the development of shared approaches to common challenges, research projects, and information sharing. Economy-specific challenges such as curriculum development, labour migration policy, career path and industry development programs and partnerships are best managed by the economies themselves. The opportunities identified that can be progressed through the APEC partnership are outlined below:
- APEC Economies need to adopt **a standard approach to collecting and sharing workforce data**, including a common approach to skills needs identification.
- Governments would benefit from systematically **engaging with employers, trade unions and education providers** to develop and implement qualification frameworks for in-house training, and closer alignment of VET programs to meet industry needs, supported by funding programs for SMEs.
- An **APEC approach to labour mobility** is critical for addressing skilled labour gaps; however, the current arrangements present a number of challenges. These can be addressed by improving transparency, streamlining visa processes, and multi-lateral skills recognition.

- The tourism industry within APEC economies can be **a leader in meeting the global key challenges for the future of human capital development**. The industry could, and should, become an 'Industry of Choice', with a proactive approach to gender equality, workers' rights and sustainability. The adoption of sustainable work practices can enhance both work life quality and personal wellbeing while addressing SDG Three.
- Through the APEC Tourism Working Group, **a proactive approach to the issues facing women and youth** could be adopted. This would include information sharing on programs and approaches used in APEC economies such as migration programs that support women and youth, entrepreneurship programs and career pathways support.

7.3 Recommendations

Drawing on both the primary research conducted with APEC economies (including the survey, workshop and case studies) and the literature review, the key recommendations are grouped in three key areas:

1. The importance of the Tourism Working Group as a clearing house for information and knowledge transfer and leadership role in human capital development:
 - c. a. Establishing a Women and Youth Advisory Group to share knowledge;
 - d. b. Developing an Industry of Choice charter;
 - e. c. Undertaking a pilot project on reporting of comparable workforce and skills needs data across APEC economies; and
 - f. d. Sharing experience on alignment of government, industry and education and the benefits of tourism awareness campaigns;
2. A common and systematic approach to workforce challenges across APEC:
 - a. Developing a framework for 'Labour and Skills Needs Analysis' and a common approach to labour and migration data collection;
 - b. Labour mobility programs such as alignment of visa processing; and
 - c. Collaborating through the HRDWG to work towards common occupational standards in the piloting of the APEC project: 'APEC Occupational Standards Framework: Test in the Travel, Tourism and Hospitality Industry'.
3. The need for further research to be shared across APEC economies:
 - a. Partnering with universities and industry associations to monitor trends such as digitisation of work, emerging career paths and entrepreneur support programs; and
 - b. Study the benefits of SME funding programs, seasonal worker programs and labour migration programs that include women and provide pathways for youth.

7.4 Some caveats

In terms of prioritising the skills shortages and developing suitable measure to foster the future growth of the tourism industry across the APEC region, it is important to recognise that:

- Some shortages may be temporary. An economy can adjust to the presence of skill shortages

via increasing wages in certain occupations. Indeed, for some occupations, such as chefs, wages may attract more workers. In this sense, combating all observed skill shortages would be detrimental to the long term growth of wages in the tourism industry. It is important to prioritise certain factors that inhibit the adjustment process. For example, information asymmetries and a lack of training capacity represent permanent factors that inhibit labour force adjustment. Cultural norms may also inhibit skills development and opportunities for women.

- Do not ignore local context. Throughout the APEC region, there exists a diverse range of developing and developed, sender and receiver economies that are endowed with different comparative advantages. Care should be taken to ensure that best practices identified suit the local context. For example, encouraging greater skilled migration may improve the skills shortage in receiving economies but may worsen skill shortages in sender economies.
- It is all relative. The ultimate success of policies in combating skills shortages should not ignore similar effort underway in other sectors of the economy that are also designed to attract skilled workers. Ultimately, the implementation of a range of 'best practices' for combating the skills shortage is no guarantee for success. Ultimately, the only way for the tourism industry to grow the number of skilled employees is to evaluate the relative attractiveness of wages and working conditions in the industry against those available in other sectors of the economy.



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Appendix A: APEC Tourism Labour Force Survey

This research is being undertaken by EarthCheck and Griffith University on behalf of the Asia-Pacific Economic Cooperation (APEC) Secretariat. The project seeks to identify and benchmark key skills shortages that constrain the tourism sector's future growth across the APEC region.

The survey will take approximately 20 minutes to complete and your contribution is voluntary and anonymous (unless you choose to provide your contact details). There are no foreseeable risks associated with your participation in this research. You are able to withdraw from the survey at any time. The data will be stored at Griffith University in a secure location for 5 years before being destroyed. The information collected is confidential and will not be disclosed to third parties, except to meet government, legal or other regulatory authority requirements. For further information, consult [Griffith University's Privacy Plan](#) or telephone +61 7 3735 4375.

If you have any further questions or would like a summary of the results of this study, please contact Dr Andreas Chai (email a.chai@griffith.edu.au). If you have any concerns or complaints about the ethical conduct of the research project (GU Ref No: 2016/358), please contact the Manager, Research Ethics on +61 7 3735 4375 or research-ethics@griffith.edu.au. Griffith University conducts research in accordance with the National Statement on Ethical Conduct in Human Research.

By clicking 'Next' you agree to participate in this research, but understand that your participation is voluntary and that you can exit the survey at any time without explanation or penalty.

Q1. Where do you reside?

Drop Down Box

- Australia (1)
- Brunei Darussalam (2)
- Canada (3)
- Chile (4)
- People's Republic of China (5)
- Hong Kong, China (6)
- Indonesia (7)
- Japan (8)
- Republic of Korea (9)
- Malaysia (10)
- Mexico (11)
- New Zealand (12)
- Papua New Guinea (13)
- Peru (14)
- The Republic of the Philippines (15)
- Russia (16)
- Singapore (17)
- Chinese Taipei (18)
- Thailand (19)
- United States (20)
- Viet Nam (21)

Q2 Which of the following respondent type do you identify with and wish to respond as?

- Government Respondent (1) → **Go to Q29**
- Business Owner (may also be managing) (2) → **Go to Q3**
- Business Manager (not owner) (4) → **Go to Q3**
- Business Employee (not management) (5) → **Go to Q3**
- Non-Governmental Organisation (NGO) (6) → **Go to Q29**
- Academic (7) → **Go to Q29**
- Other (please specify) (3) _____ → **Go to Q26**

Q3 TO Q28 TOURISM BUSINESSES ONLY

Q3. What is the primary service and/or product that your business provides?

- Accommodation (1)
- Food and Beverage (2)
- Transport (3)
- Travel Agency or Tour Operator (4)
- Entertainment or Attractions (5)
- Other (please specify) (6)

Q4. How many paid employees does your business have?

Note: If your business has multiple branches or operations, please report on the entire company. Please report on head count, not full-time equivalent employees.

- Non-employing (1)
- 1-4 (2)
- 5-19 (3)
- 20-100 (4)
- 101-200 (5)
- 201+ (6)

Q5. How long has your business been operating?

- Less than 2 years (1)
- 2 to 5 years (2)
- 6 to 10 years (3)
- More than 10 years (4)
- Don't know (5)

Q6. Are you a seasonal business, that is, does your business choose to increase and decrease employee numbers during the year in line with customer demand?

- Yes (1)
- No (2)

IF Q6 = 1 THEN ASK Q7, OTHERWISE ASK Q8

Q7. Please select which months are your business's high season:

- January (1)
- February (2)
- March (3)
- April (4)
- May (5)
- June (6)
- July (7)
- August (8)
- September (9)
- October (10)
- November (11)
- December (12)

Q8. Approximately what is your business's annual staff turnover rate?

- 0% (1)
- 10% (2)
- 20% (3)
- 30% (4)
- 40% (5)
- 50% (6)
- 60% (7)
- 70% (8)
- 80% (9)
- 90% (10)
- 100% (11)

Q9. Have any of the following caused problems for your business in recruiting or retaining staff over the past 12 months?

Select all that apply

	Recruiting (1)	Retaining (2)
Location (1)	<input type="checkbox"/>	<input type="checkbox"/>
Lack of applicants (2)	<input type="checkbox"/>	<input type="checkbox"/>
Lack of experienced applicants (3)	<input type="checkbox"/>	<input type="checkbox"/>
Lack of formal training (4)	<input type="checkbox"/>	<input type="checkbox"/>
Lack of required skills (5)	<input type="checkbox"/>	<input type="checkbox"/>
Staff not motivated to work (6)	<input type="checkbox"/>	<input type="checkbox"/>
Competition from other tourism businesses (7)	<input type="checkbox"/>	<input type="checkbox"/>
Competition from other industries (8)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (9) _____	<input type="checkbox"/>	<input type="checkbox"/>
No Problems Experienced (10)	<input type="checkbox"/>	<input type="checkbox"/>

IF Q9 = 5 FOR EITHER RECRUITING OR RETAINING THEN ASK Q10 OTHERWISE GO TO Q11

Q10. What skills have caused problems for your business with recruiting and/or retaining staff over the past 12 months?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____
- Don't Know (6)

Q11. Do you believe the following graduates entering employment with your business are job ready?

Response Options: 1 = Yes, Job Ready; 2 = No, Lack Skills; 3 = No, Lack the right attitude; 4 = Don't Know; 5 = Not Applicable

- University graduates (1)
- Vocational Education and Training (VET) graduates (2)
- Completed / Certified Apprentices or Trainees (3)

IF Q11 = 2 FOR UNIVERSITY GRADUATES ASK Q12, OTHERWISE GO TO Q13

Q12. What skills are University graduates lacking that your business needs?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____
- Don't Know (6)

IF Q11 = 2 FOR VOCATIONAL EDUCATION AND TRAINING GRADUATES ASK Q13, OTHERWISE GO TO Q14

Q13. What skills are Vocational Education and Training (VET) graduates lacking that your business needs?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____
- Don't Know (6)

IF Q11 = 2 FOR COMPLETED/CERTIFIED APPRENTICES OR TRAINEES ASK Q14, OTHERWISE GO TO Q15

Q14. What skills are Completed / Certified Apprentices or Trainees lacking that your business needs?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____
- Don't Know (6)

Q15. How long does it normally take your business to fill a job vacancy once active recruitment has started?

- Less than 1 week (1)
- Less than 1 month (2)
- 1 to 3 months (3)
- 3 to 6 months (4)
- More than 6 months (5)
- Don't know (6)

Q16. In the past 5 years, have there been any advertised job vacancies that have taken much longer than it would normally take your business (e.g. **<INSERT CHOICE SELECTED FROM Q15>**) to fill?

- Yes, please specify the job type(s) (1)
- _____
- No (2)
- Don't Know (3)

Q17. At which level does your business have the most difficulty finding the right skills?

- Senior Management (1)
- Mid-management (2)
- Front-line Managers / Supervisors (3)
- Skilled Operational /Technical Staff (4)
- Unskilled Operational Staff (5)
- Apprentices / Trainees / Graduates (6)
- Don't Know (7)

Q18. How does your business currently recruit staff?

Select all that apply

- Word-of-mouth (1)
- Referrals from current employees (2)
- Newspaper advertising (3)
- Company websites (4)
- Social media (5)
- Online recruitment (6)
- Relationships with educational providers (7)
- Targeting mature aged workers (8)
- Targeting foreign workers (9)
- Selection surveys and probation periods (10)
- Recruitment agencies (11)

Q19. Does your business access any specific government funded education, training, scholarship or apprenticeship programs/schemes available in **<OPTION SELECTED IN Q1>**?

- Yes (1)
- No, did not access any program(s)/scheme(s) (2)
- No, not aware of any program(s)/scheme(s) (4)
- Don't Know (3)
- Not Applicable (5)

IF Q19 = 1 (YES) THEN ASK Q20, OTHERWISE GO TO Q21

Q20. Please specify the government funded education, training, scholarship or apprenticeship programs/schemes that your business has access to:

Q21. Thinking about your business, to what extent do you agree with the following statements?

Response Options: 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree; 6 = Don't Know; 7 = Not Applicable.

- Employees are paid above the award wage rate (1)
- All employees can apply for promotion (2)
- Eligible employees are personally notified of management vacancies (3)
- Pay is based on experience, qualifications and performance (4)
- All employees have equal access to 'perks' of the job (e.g. tips, rewards, overtime pay, employee meals, incentive travel etc.) (5)
- The number of males and females in management positions is recorded (6)

Q22. Do employees in your business have access to any of the following programs?

Response Options: 1 = Yes; 2 = No; 3 = Don't Know; 4 = Not Applicable.

- Paid maternity leave (1)
- Paid paternity leave (2)
- Pension or Superannuation programs (3)
- Education / training break (4)
- Workplace childcare or childcare allowances (5)
- Career break programs (6)
- Carer's leave (7)
- Flexible working arrangements (e.g. flexible hours, can work from home) (8)
- Health related programs or subsidies (9)
- Relocation assistance or subsidised transport to work sites (10)

Q23. Does your business have any of the following?

Response Options: 1 = Yes; 2 = No; 3 = Don't Know; 4 = Not Applicable.

- An Occupational Health and Safety Policy (1)
- A Sexual Harassment Policy (2)
- A Workplace Bullying policy (3)
- An Equal Employment Opportunity policy (4)
- Consequences for not following the Sexual Harassment policy (5)
- Consequences for not following the Workplace Bullying policy (6)
- Consequences for not following the Equal Employment Opportunity policy (7)
- A designated person on staff responsible for equal employment opportunity issues (8)
- An external Equal Employment Opportunity expert who can be consulted about organisational employment practices (9)

Q24. For which of the following worker groups does your business provide diversity and inclusion programs in recruitment OR training and career development to improve their participation in the workforce?
Select all that apply

	Recruitment (1)	Training & career development (2)
Women (1)	<input type="checkbox"/>	<input type="checkbox"/>
Low-skilled labour (2)	<input type="checkbox"/>	<input type="checkbox"/>
Older workers (50 years or more) (3)	<input type="checkbox"/>	<input type="checkbox"/>
Younger workers (< 25 years) (4)	<input type="checkbox"/>	<input type="checkbox"/>
People with disabilities (5)	<input type="checkbox"/>	<input type="checkbox"/>
Racial or ethnic minorities (6)	<input type="checkbox"/>	<input type="checkbox"/>
Women returning to the workforce (7)	<input type="checkbox"/>	<input type="checkbox"/>

Q25. To what extent does your business use the following methods for career development specifically for **women**?
Response Options: 1 = Not at all; 2 = Very Little; 3 = Somewhat; 4 = To a moderate extent; 5 = To a very great extent; 6 = Don't Know; 7 = Not Applicable.

- Training on the job (1)
- Project team work (2)
- Coaching or mentoring (3)
- Special tasks or projects (4)
- Identification of formal career paths (5)
- High-potential programs (e.g. women leadership programs / workshops) (6)
- International work assignments (7)
- Formal networking programs (8)
- Job rotation or secondment (9)

Q26. To what extent does your business use the following methods for career development specifically for **young people** (<25 years)?
Response Options: 1 = Not at all; 2 = Very Little; 3 = Somewhat; 4 = To a moderate extent; 5 = To a very great extent; 6 = Don't Know; 7 = Not Applicable.

- Training on the job (1)
- Project team work (2)
- Coaching or mentoring (3)
- Special tasks or projects (4)
- Formal career paths (5)
- High-potential programs (6)
- International work assignments (7)
- Formal networking programs (8)
- Job rotation or secondment (9)
- Numeracy, literacy or computer skills training (10)

Q27. Are there any barriers preventing your business from hiring foreign workers?

- Immigration Issues (1)
- Visa Issues (2)
- Cost to businesses (3)
- Cost to employees (4)
- Labour regulation (5)
- Language barriers (6)
- A good supply of local workers (7)
- Political or societal opposition (8)
- Other (please specify) (9) _____
- No barriers (10)

Q28. Are there any barriers preventing your business from raising wages to attract employees in **<OPTION SELECTED IN Q1>**?

- Select all that apply**
- There is a ready supply of cheap labour (1)
 - Lack of business profitability (2)
 - Ineffective in attracting more workers (3)
 - Collective wage agreements (4)
 - Other (please specify) (5) _____
 - No barriers (6)

ASK ALL Q29

Q29. Which of these best describe the majority of the tourism labour force in **<OPTION SELECTED IN Q1>?**

Midpoint =
Neither

Male	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Female
Young workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Mature age workers
Unskilled workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Skilled workers
Temporary, part-time, casual or seasonal positions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Full-time permanent positions
Small / medium sized businesses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Large businesses
Difficult or uncomfortable working conditions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Excellent working conditions
Low wages or inadequate pay	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	High wages or excessive pay
Excessive or inconvenient working hours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Appropriate and flexible working hours
Hazardous working environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Safe working environment
Low labour mobility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	High labour mobility
Lack of career path	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Clear career pathways
Lack of on-the-job training	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Significant on-the-job training
Limited / outdated human resource management practices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Cutting edge human resource management practices

ASK Q30 TO Q41 ONLY IF Q2 =1 (GOVERNMENT) OR 3 (OTHER)

Q30. Are you aware of any shortages in the following four core skill areas when recruiting tourism employees in **<OPTION SELECTED IN Q1>?**

Response Options: 1 = No Shortages; 2 = Some Shortages; 3 = Moderate Shortages; 4 = Major Shortages; 5 = Don't Know; 6 = Not Applicable.

Hard Skills (e.g. specific, teachable abilities such as cooking, cleaning or machine operation) (1)
 Digital and IT Skills (2)
 Soft Skills (e.g. languages, customer service, personal hygiene) (3)
 Managerial / Business Skills (e.g. planning and organisation) (4)

Q31. Do you believe that tourism organisations in **<OPTION SELECTED IN Q1>** invest enough in staff training and development?

- Yes (1) → Go to Q32
- No (2) → Go to Q33
- Don't Know (3) → Go to Q34

Q32. What do you think are the main reasons tourism organisations in **<OPTION SELECTED IN Q1>** invest in training and development?

- Select all that apply**
- To retain skilled staff (1)
 - To remain competitive (2)
 - Staff training programs subsidised by government (3)
 - Highly skilled staff passing on skills (4)
 - Other (please specify) (5)
-

Q33. What do you think are the main barriers that inhibit tourism organisations in **<OPTION SELECTED IN Q1>** from investing more in staff training and development?

- Select all that apply**
- Cost (1)
 - High turnover of staff (2)
 - Loss of skilled staff to competitors (3)
 - Lack of commitment to training (4)
 - Lack of resources for training (5)
 - Lack of internal skills for training (6)
 - Lack of access to external training providers (9)
 - Staff lack numeracy or writing skills (7)
 - Other (please specify) (8)
-

Q34. Do you believe the following graduates entering the **tourism sector** in **<OPTION SELECTED IN Q1>** are job ready?

Response Options: 1 = Yes, Job Ready; 2 = No, Lack Skills; 3 = No, Lack the right attitude; 4 = Don't Know; 5 = Not Applicable

University graduates (1)
Vocational Education and Training (VET) graduates (2)
Completed / Certified Apprentices or Trainees (3)

IF Q34 = 2 FOR UNIVERSITY GRADUATES ASK Q35, OTHERWISE GO TO Q36

Q35. What skills are University graduates lacking that tourism businesses need?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____ (6)

IF Q34 = 2 FOR VOCATIONAL EDUCATION AND TRAINING GRADUATES ASK Q36, OTHERWISE GO TO Q37

Q36. What skills are Vocational Education and Training (VET) graduates lacking that tourism businesses need?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____ (6)

IF Q34 = 3 FOR COMPLETED/CERTIFIED APPRENTICES OR TRAINEES ASK Q37, OTHERWISE GO TO Q38

Q37. What skills are Completed / Certified Apprentices or Trainees lacking that tourism businesses need?

Select all that apply

- Hard Skills (e.g. job specific, teachable abilities such as cooking, cleaning or machine operation) (1)
- Digital and IT Skills (2)
- Soft Skills (e.g. languages, customer service, personal hygiene) (3)
- Managerial / Business Skills (e.g. planning and organisation) (4)
- Other (please specify) (5)
- _____ (6)

Q38. How does the tourism sector in **<OPTION SELECTED IN Q1>** currently recruit staff?

Select all that apply

- Word-of-mouth (1)
- Referrals from current employees (11)
- Newspaper advertising (2)
- Company websites (3)
- Social media (4)
- Online recruitment (5)
- Relationships with educational providers (6)
- Targeting mature aged workers (7)
- Targeting foreign workers (8)
- Selection surveys and probation periods (9)
- Recruitment agencies (10)

Q39. Are there any barriers preventing tourism organisations from hiring foreign workers?

- Immigration Issues (1)
- Visa Issues (2)
- Cost to businesses (3)
- Cost to employees (4)
- Labour regulation (5)
- Language barriers (6)
- A good supply of local workers (8)
- Political or societal opposition (9)
- Other (please specify) (7)
- _____ (10)

Q40. Are there any barriers preventing tourism organisations from raising wages to attract employees in <OPTION SELECTED IN Q1>?

Select all that apply

- Ready supply of cheap labour (1)
- Lack of business profitability (2)
- Perception that raising wages is ineffective in attracting more workers (3)
- Collective wage agreements (4)
- Other (please specify) (5)
- _____
- No Barriers (6)

Q41. Are you aware whether the government in <OPTION SELECTED IN Q1> provides any of the following for tourism employees?

Select all that apply

- Scholarships for young people (<25 years) (1)
- Scholarships for women(2)
- Government grants for women entrepreneurs / women in small businesses (3)
- Government grants for young people (<25 years) in small businesses (4)
- Apprenticeship schemes (5)
- A website / brochure about tourism training and employment (e.g. listing wages, duration of training, entry requirements, career prospects) (6)

ASK ALL FROM Q42

Q42. Do you consider it to be common or uncommon to find **women** working in the following jobs in tourism in <OPTION SELECTED IN Q1>?

	Common (1)	Uncommon (2)
Management (1)	<input type="radio"/>	<input type="radio"/>
Clerical / administration (2)	<input type="radio"/>	<input type="radio"/>
Customer service (3)	<input type="radio"/>	<input type="radio"/>
Back-of-house (e.g. cleaning) (4)	<input type="radio"/>	<input type="radio"/>
Full-time work (5)	<input type="radio"/>	<input type="radio"/>
Part-time work (6)	<input type="radio"/>	<input type="radio"/>
Permanent work (7)	<input type="radio"/>	<input type="radio"/>
Contract work (8)	<input type="radio"/>	<input type="radio"/>
Seasonal employment (9)	<input type="radio"/>	<input type="radio"/>
Self-employment (10)	<input type="radio"/>	<input type="radio"/>

Q43. Are there any cultural barriers or business practices that impact **women's** employment, participation or career progression in tourism in <OPTION SELECTED IN Q1>?

Please explain your response.

Q44. Do you consider it to be common or uncommon to find **young people** (<25 years) working in the following jobs in tourism in <OPTION SELECTED IN Q1>.

	Common (1)	Uncommon (2)
Management (1)	<input type="radio"/>	<input type="radio"/>
Clerical / administration (2)	<input type="radio"/>	<input type="radio"/>
Customer service (3)	<input type="radio"/>	<input type="radio"/>
Back-of-house (e.g. cleaning) (4)	<input type="radio"/>	<input type="radio"/>
Full-time work (5)	<input type="radio"/>	<input type="radio"/>
Part-time work (6)	<input type="radio"/>	<input type="radio"/>
Permanent work (7)	<input type="radio"/>	<input type="radio"/>
Contract work (8)	<input type="radio"/>	<input type="radio"/>
Seasonal employment (9)	<input type="radio"/>	<input type="radio"/>
Self-employment (10)	<input type="radio"/>	<input type="radio"/>

Q45. What is your gender?

- Male (1)
- Female (2)

Q46. Which age group do you fall within?

- Under 18 years (1)
- 18-19 years (2)
- 20-24 years (3)
- 25-29 years (4)
- 30-34 years (5)
- 35-39 years (6)
- 40-44 years (7)
- 45-49 years (8)
- 50-54 years (9)
- 55-59 years (10)
- 60-64 years (11)
- 65 years or more (12)

Q47. Are there any key documents / data sources / reports or examples of best practice relating to tourism labour in **<OPTION SELECTED IN Q1>** that we should be aware of?

- Yes (please specify) (1)

- No (2)
- Don't Know (3)

Q48. Would you be willing to contribute information or answer some additional questions in a follow up telephone interview so that the project team can write a best practice case study?

- Yes (1)
- No (2)

IF Q46 ==1 (YES) ASK Q47, OTHERWISE GO TO Q48

Q49. Thank you for agreeing to contribute to the development of a best practice case study. Please provide your contact information so that a member of our project team can contact you.

Name (1) _____
Organisation (2) _____
APEC Economy (if unsure, please specify your Country) (3) _____
Email Address (4) _____
Phone Number (5) _____
Preferred contact method (6) _____

Q50. Are you able to identify any other key people (e.g. government agencies, business owners/managers, employees, women or youth advocates etc.) we should speak to about tourism labour issues in the APEC region?

Name (1) _____
Organisation: (3) _____
Email Address (2) _____

Q51. Do you have any other final comments about this survey or the tourism labour market in the APEC region?

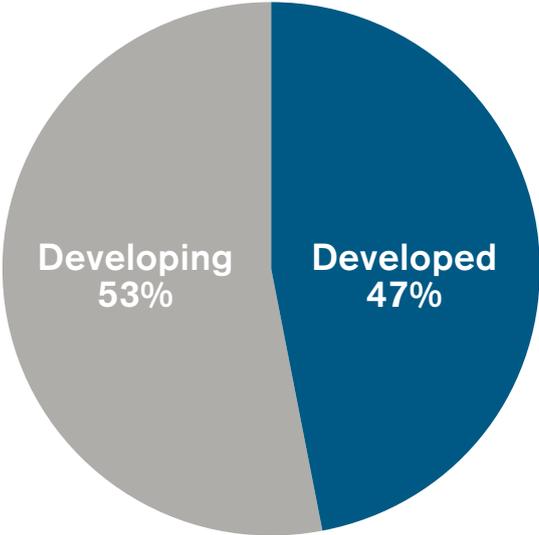
THANK YOU FOR PARTICIPATING IN OUR SURVEY!

Appendix B: Survey Respondent Overview

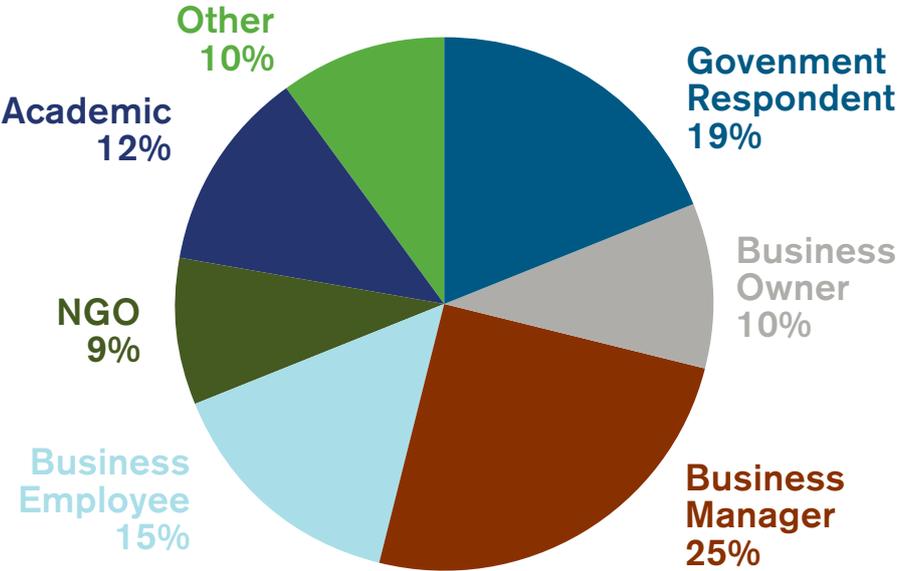
Composite: Q1: Economy; and Q2: Respondent type

	Government	Business Owner	Business Manager	Business Employee	NGO	Academic	Other	Total
Australia	12	14	19	8	9	4	7	73
Brunei Darussalam	0	1	0	0	0	0	0	1
Canada	0	0	2	0	5	1	1	9
Chile	1	0	1	0	0	1	0	3
People's Republic of China	0	1	8	6	0	0	1	16
Hong Kong, China	0	0	7	1	0	2	0	10
Indonesia	14	3	4	5	4	7	5	42
Japan	5	1	0	2	0	1	1	10
Republic of Korea	1	0	1	1	1	2	0	6
Malaysia	4	0	1	2	1	1	1	10
Mexico	3	2	6	8	2	1	4	26
New Zealand	2	0	2	3	0	2	1	10
Papua New Guinea	1	5	5	3	0	2	0	16
Peru	10	0	2	0	1	5	0	18
Philippines	2	0	6	1	3	2	2	16
Russia	0	0	0	1	0	1	0	2
Singapore	0	1	2	0	0	0	1	4
Chinese Taipei	4	5	9	2	1	1	0	22
Thailand	1	1	7	4	2	1	5	21
United States	2	1	3	2	0	4	1	13
Viet Nam	0	0	0	0	0	3	4	7
Total	62	35	85	49	29	41	34	335

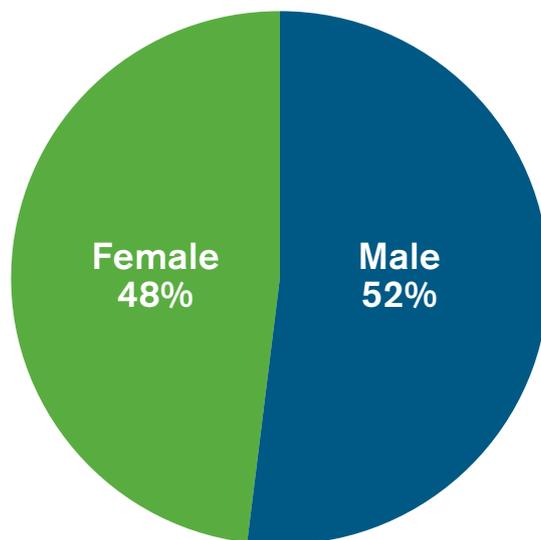
Q1.: Percentage of developing and developed economies



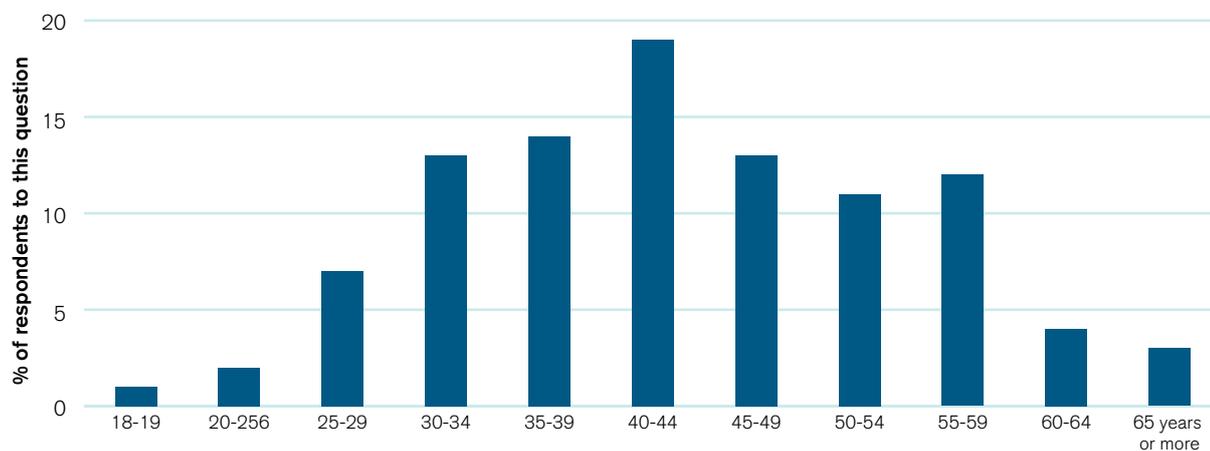
Q2: All respondents – Type of respondent



Q45: What is your gender?¹



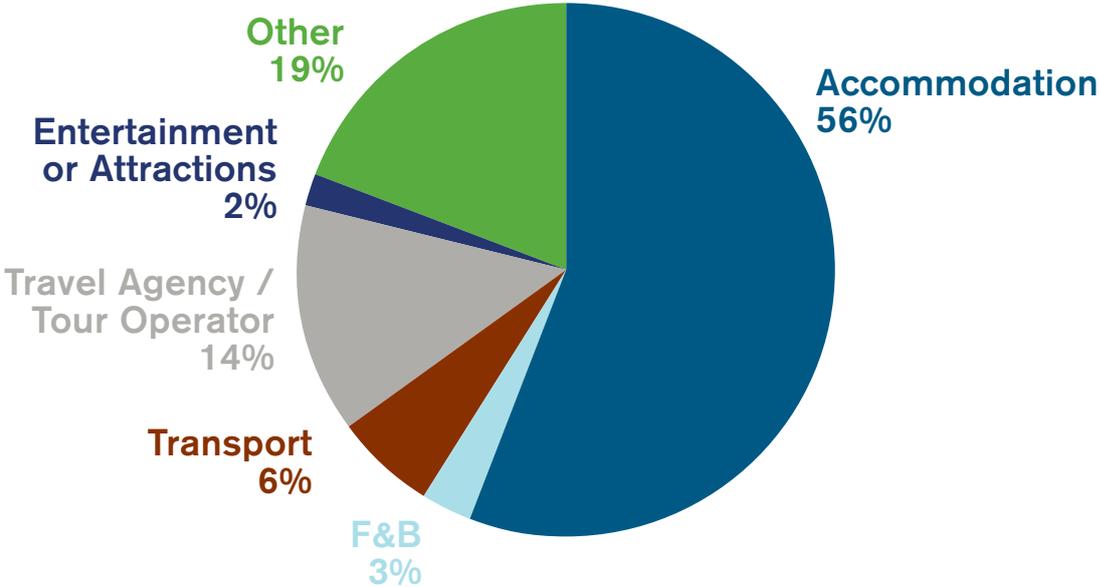
Q46: Which age group do you fall within?²



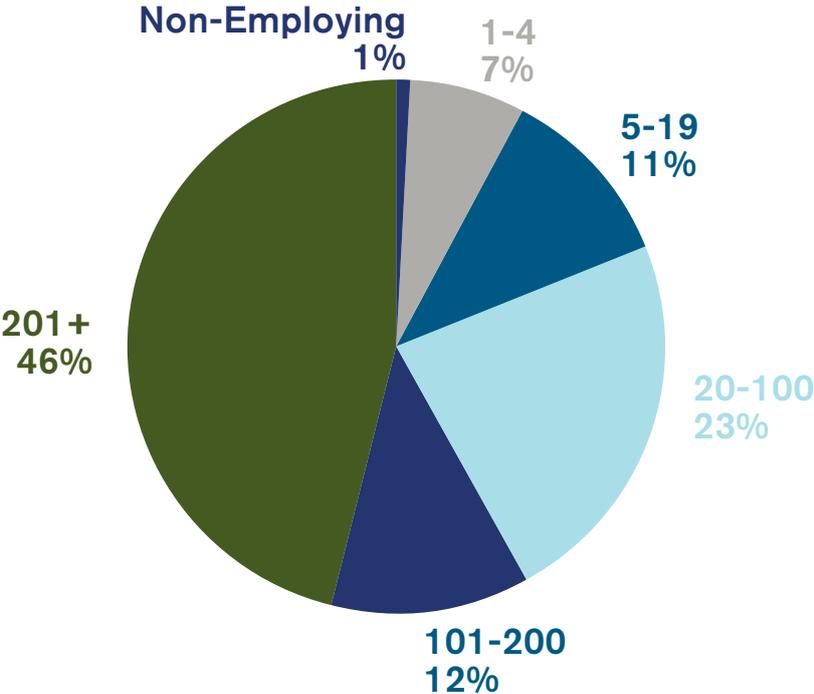
¹ 154 out of a possible 335 respondents answered this question.

² 156 out of a possible 335 respondents answered this question. There were no respondents who indicated the age range 'Under 18 years'.

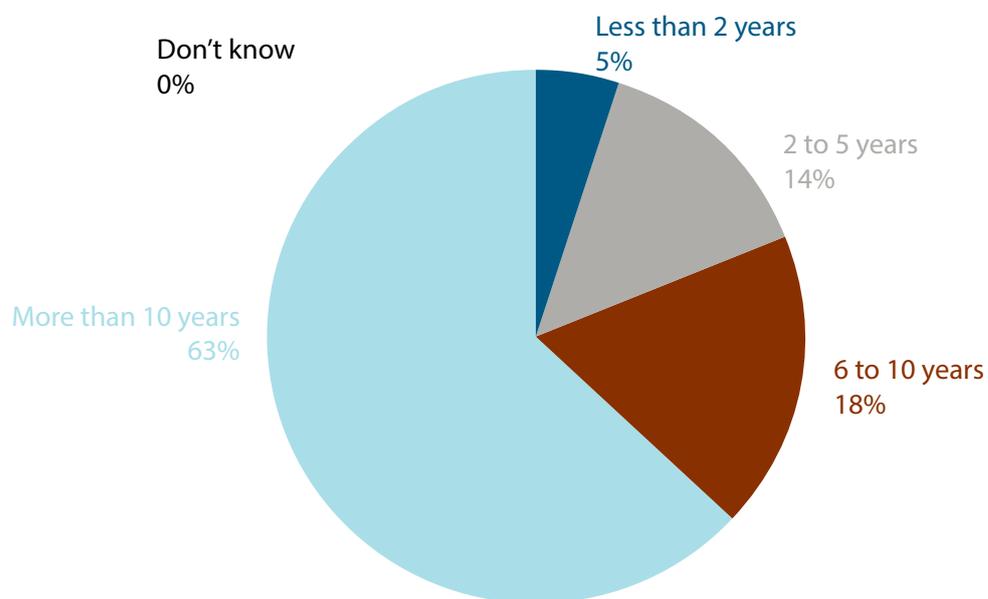
Q3: Business Respondents Only – What is the primary product or service your business provides?



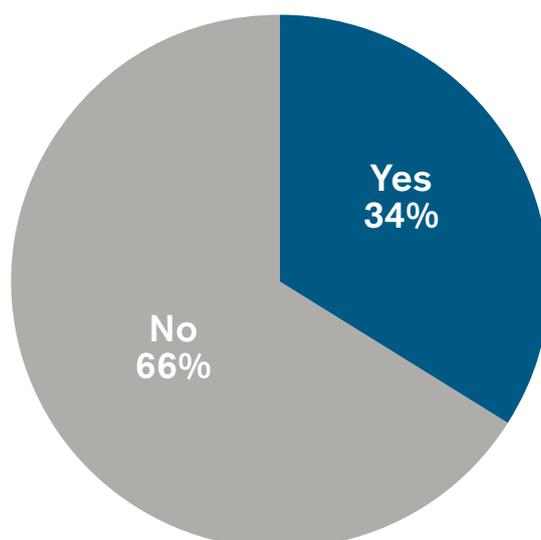
Q4: Business Respondents Only – How many paid employees does your business have?



Q5: Business Respondents Only – How long has your business been operating?



Q6: Business Respondents Only – Does your business choose to adjust employee numbers during the year in line with seasonal demand?



Appendix C: Workshop Participants

Name	Position
Ms Madeleine Burns	National Director of CENFOTUR, Tourism Education Centre, Ministry of Foreign Trade and Tourism (MINCETUR), Peru
Dr Andreas Chai	Senior Lecturer, Griffith University, Australia
Ms Tara Collins	Second Secretary (Economic), Australian High Commission Port Moresby, Papua New Guinea
Ms Melanie Crosswell	Director Services & Tourism Exports, Australian Department of Foreign Affairs and Trade, Australia
Ms Grace Cruz-Fabella	Director (Program), APEC Secretariat, Singapore
Mr Rashidi Hasbullah	Deputy Secretary General (Tourism), Ministry of Tourism and Culture, Malaysia
Prof Kate Hutchings	Professor of Human Resource Management, Griffith University, Australia
Ms Yasmin King	Chief Executive Officer, Skills IQ Limited, Australia
Dr Kangwook Lee	Senior Research Fellow, Korea Culture and Tourism Institute, Republic of Korea
Ms Helen Marano	Senior Vice President of Government and Industry Affairs WTTC, United Kingdom
Ms Jodie McAlister	Counsellor (Economic Governance) Australian High Commission Port Moresby, Papua New Guinea
Dr Cecilia Nembou	President, Divine Word University, Papua New Guinea
Mr Mark Olsen	General Manager, EarthCheck Consulting, Australia
Ms Deborah Dongeon Park	External Relations Coordinator, International Tourism Planning Division, Ministry of Culture, Sports and Tourism, Republic of Korea
Mr Tran Phu Cuong	Deputy Director General International Cooperation Department Director of Viet Nam Tourism Certification Board, Viet Nam National Administration of Tourism, Ministry of Culture, Sports and Tourism, Viet Nam
Mrs Tran Thi Phuong Nhung	Principal Official of International Cooperation Department Official of Viet Nam Tourism Certification Board, Viet Nam National Administration of Tourism, Ministry of Culture, Sports and Tourism, Viet Nam
Mr Simon Yaukah	Director BMG, PNG APEC Secretariat, Papua New Guinea
Mr Charlie Wayar	Policy Officer, PNG APEC Secretariat, Papua New Guinea
Ms Arlete Wolly	Policy Officer, Department of Foreign Affairs, Papua New Guinea
Mr Jackson Zabala	(1) Board member, PNG Tourism Promotion Board (2) Commercial Manager - Projects Lamana Group, Papua New Guinea
Mr Muhammad Aiman Zakaria	Assistant Secretary, Tourism Policy and International Affairs Division Ministry of Tourism and Culture, Malaysia
Mr Stewart Moore	Executive Director, APEC International Centre for Sustainable Tourism (AICST), Australia
Mr Chris Flynn	Regional Director- Pacific, Pacific Asia Travel Association (PATA), Australia
Ms Gabriele Ruiz Duran	Director of International Affairs, Ministry of Tourism, Mexico
Mr Emmanuel San Andres	Analyst, APEC Secretariat, Singapore
Zeong Uh Han Coldy	Officer of Macao Economic Services, Macao, China

Appendix D: Workshop Summary

One day stakeholder workshop to support APEC project:

TWG 02 2015

‘Developing the tourism workforce of the future through labour and skills development, certification and mobility in the APEC Region’

Workshop Summary

Tuesday, 30 August 2016

Gazelle International Hotel, Kokopo,

East New Britain, Papua New Guinea

A workshop was held for the TWG in Kokopo, Papua New Guinea on Tuesday 30 August 2016. The list of attendees is provided in Appendix A, inclusive of representatives from the Tourism Working Group (TWG), TWG invited guests, and specially invited presenters, including the TWG 02 2015 Project Team. The workshop included key note addresses, panel sessions, and small group discussions. The event highlighted that workforce challenges in tourism are common across all APEC economies. These challenges are set to grow with 1 in 10 jobs globally to be supported by travel and tourism over the next ten years (WTTC 2016).

Several overarching issues were discussed including women and youth, training and skills certification, labour mobility and migration, and staff recruitment and retention in SMEs. One key challenge is the need for governments to recognise the value of the tourism industry as one of its key strategic priorities.

Relevant to women and youth, an over-representation in lower paid positions and poor work conditions, combined with a perception of no long-term career pathways in the industry were noted. Regarding training and scholarships, attendees recognised there are limits to what can be taught in universities and colleges regarding tourism, with many skills highly customised. Furthermore, there are disconnections between industry stakeholders, learning institutions and government, where limited industry engagement in the design of curriculum, and funding support by governments, results in limited scholarships and on-the-job learning opportunities. This is particularly relevant in SMEs where there is limited support for training programs within the industry. Challenges regarding labour mobility and migration were identified where on the one hand visa facilitation was recognised as potentially improving the issue, but lacks political will. On the other hand, attendees recognised the potential threat felt by local people of foreign workers filling jobs, whether the locals have the skills for the jobs or not. Cultural differences, including language and differing social structures, are further challenges to be addressed through international migration policies.

The group recognised many opportunities to address the challenges. The group acknowledged the potential of tourism to contribute to considerable economic development in the region; a point governments need to place greater emphasis upon through policies and investment, particularly regarding labour, skills, women and youth. From an industry perspective, mentoring programs for women and youth, implemented by successful women and/or by older, experienced workers could assist in developing skills while also developing a change in perception of the potential for long term career pathways for employees. Developing education and training programs specifically designed to empower women were promoted as workforce building opportunities. While for youth, tourism related education and training delivered as part of secondary school

curriculum was seen to encourage students as to the length and breadth of opportunities available in the industry. School-based learning was recognised as also providing opportunities for engaging with parents who may have concerns about long-term options for careers within the industry which attendees suggested was a concern. The use of social media, and television media, to promote opportunities for career options within the industry was recognised as a valuable tool, particularly for young people. For both women and youth, wages were discussed, with a call for a reduction in the gender gap in wages for women and a minimum wage for youth to be adopted by governments.

Opportunities in workplace training were identified including integration between industry and training providers and academia. This was recognised as the key to delivering industry appropriate curriculum, thereby improving employability of graduates. The need for greater emphasis on soft skills such as language skills, personal presentation, and what constitutes quality customer service was discussed, which could all be reinforced through the adoption of standardised induction programs. Induction programs were highly recommended to improve skills and capacity of employees while also providing employers with an opportunity to invest in developing and supporting their workforce. In-house training received mixed attention from the attendees, where in the Australian economy, employers are moving towards private colleges and educational institutions to deliver training. In other economies, such as Thailand, industry stakeholders quite strongly support in-house training programs.

Labour mobility and migration opportunities included improved visa facilitation, cultural adaptation programs, and the potential for a new sub-category of tourism related workers for the APEC Business Travel Card. Linking various mutual recognition frameworks such as what is presented in the ASEAN model, the Australian Qualifications Framework, and other national and regional benchmarks and standards to migration visas were also recognised to potentially improve mobility across the region while also providing cross-border skills recognition. Circular labour exchanges through an 'APEC Pathway' and seasonal employment programs were other suggestions of improving regional worker mobility. Attendees also recognised a need to collaborate with the APEC Human Resource Development Working Group to improve labour mobility.

Opportunities for staff recruitment and retention in SMEs included international recruitment through immigration support and cross-border incentives. Government approved company incentives for performance in SMEs that retain workers such as tax rebates were also suggested. The actual cost of staff turnover was identified as one area of further research, the findings of which need to be promoted amongst SMEs. Lastly, the attendees suggested large companies could provide mentoring or job-shadowing for employees in SMEs through a sharing of skillsets.

Appendix E: Case Study Questions

Questions for consideration by TWG members in the development of Case Studies

Topic 1: Evolving skills challenges for the tourism workforce

1. What are the key skill shortages experienced in tourism in your economy?
2. Are there barriers present in your economy that result in persistent skill shortages?
3. What policies / solutions / priorities have been identified to tackle these skill shortages?
4. How is digitisation affecting workforce demands in the tourism sector in your economy?

Topic 2: Industry perceptions among employees and career pathways

1. 1. What is the perception of the tourism sector to offer long term careers in your economy?
2. What barriers can you identify in attracting new employees?
3. What policies/solutions/priorities have been identified to attract new employees?
4. What policies/solutions/priorities have been identified to promote career pathway options?
5. What are the key issues in retaining employees (particularly youth) in your economy?

Topic 3: Encouraging tourism SMEs to invest in training

1. To what extent are tourism SMEs investing in training in your economy?
2. Are there barriers in your economy that inhibit tourism SMEs from investing in workforce training and development?
3. What policies / solutions / priorities have been identified to encourage training investment by SMEs?
4. To what extent do tourism businesses work with tourism associations and other stakeholders in your economy to develop training programs for employees?

Topic 4: Strengthening the links between education and tourism sectors

1. Is there effective coordination and planning occurring between the education and tourism sectors in your economy?
2. Are there barriers in your economy that hinder cooperation between the education and tourism sectors?
3. What policies / solutions / priorities have been identified to encourage greater cooperation and coordination between tourism businesses and educational providers?

Topic 5: Migration and skills recognition

1. How difficult is it for the tourism sector to access skilled migrants in your economy?
2. Are there barriers in your economy that inhibit access to skilled migrants?
3. What policies / solutions / priorities have been identified to encourage skills recognition and skilled migration in your economy?

Topic 6: Issues for women and youth in tourism

1. How can tourism organisations in your economy respond to the changing age profile in the workforce and ensure that diverse age groups are working together effectively?
2. What are the barriers for women in tourism employment in your economy?
3. What are the challenges faced by tourism SMEs in developing female and youth employees?
4. What have tourism businesses in your economy done to improve the retention of women and their promotion and managerial prospects?
5. What policies and priorities has your economy established to address discrimination against women and youth in tourism employment?

Appendix F: Benchmark Performance Table

Note: There is no consistent data collection on these variables for the APEC economies. As such, the data in the Benchmarking Performance Table is from a variety of different sources and represents indicative trends only. A program of consistent data collection is required to establish a baseline for benchmarking performance for each economy.

Benchmark Performance Table	Australia	Brunei Darussalam	Canada	Chile	China
Gender equality (women as % of total workforce)	55.4% ⁱ	...	58.8% ⁱ	60.5% ⁱ	50.4% ⁱⁱ
Wage conditions (% of average economy wage/ narrative)	...	...	47% ⁱ	91% ⁱ	Low salary and wages in tourism industry ⁱⁱⁱ
Working conditions	<p>Lower hours per week (27.4) than economy average (33.9)ⁱ</p> <p>Relatively low proportion of full time workers in the sector, at around 35%</p> <p>Covered by an enterprise agreement – hours of work, breaks, overtime shift work and weekend workⁱⁱ</p>	...	<p>Lower hours per week (27.9) than economy average (32.8)ⁱ</p> <p>Labour laws related to the minimum age of workers, hours worked, and seasonal and part-time jobs^{iv}</p>	<p>Tourism considered unstable, lower category employment with low salaries^v</p> <p>However, 86% of people employed in tourism have permanent jobs - much higher than the national average (64 %)^v</p>	Higher working hours per week (52.1) than other industries (45.5) ⁱⁱ
Skill level and training	<p>Business survey of tourism workforce – 69% of businesses identified skills deficiencies in their workforce^{vi}</p> <p>However, no projected talent deficiency^{vii}</p>	...	<p>-0.5% talent deficiency^{vii}</p> <p>42% of tourism employees have some level of post-secondary education^{iv}</p>	-0.6% talent deficiency ^{vii}	-0.5% talent deficiency ^{vii}

Benchmark Performance Table	Hong Kong, China	Indonesia	Japan	Korea	Malaysia
Gender equality (women as % of total workforce)	...	Women employed in tourism = 55.8% ⁱⁱ More than half of tourism businesses are run by women ^{viii}	Women = 62.2% of tourism employment ⁱ	Women = 64.7% of tourism employment ⁱ	Women = 48.5% of tourism employment ⁱⁱ More than half of tourism businesses are run by women ^{viii}
Wage conditions (% of average economy wage/narrative)	...	Low wages ⁱⁱⁱ	Tourism is a low wage employment option ⁱⁱⁱ	Low salaries in compared to other industries ⁱⁱⁱ	Low and un-standardized wage rates ⁱⁱⁱ
Working conditions	Slightly higher hours (47.1) than economy average (46.6) ⁱⁱ	Unfavourable working conditions ⁱⁱⁱ	Lower hours per week (34.9) than economy average (39.5) ⁱ	Increased tendency to employ temporary workers ⁱⁱⁱ	Slightly higher hours (48.7) than economy average (47.3) ⁱⁱ
Skill level and training	...	-0.3% talent deficiency ^{vii}	-0.6% talent deficiency ^{vii}	-0.9% talent deficiency ^{vii}	-0.9% talent deficiency Strong enabling environment for development and growth of talent ^{viii; ix}

Benchmark Performance Table	Mexico	New Zealand	Papua New Guinea	Peru	Philippines
Gender equality (women as % of total workforce)	Women = 60.7% of tourism employment ⁱ	Women = 58.6% of tourism employment ⁱ	...	Women = 76.3% of tourism employment ⁱⁱ	Women = 54.4% of tourism employment ⁱⁱ More than half of tourism businesses are run by women ^{viii}
Wage conditions (% of average economy wage/narrative)	...	49% ⁱ	...	...	Significantly lower wages in hotels and restaurant sector than economy average (-41.8%) ^{ix}
Working conditions	Hours similar between tourism (41.4) and average economy (42.4) ⁱ General law on employment has some articles dealing with the particularities of tourism sub-sector ⁱⁱⁱ	Lower hours per week (30) than economy average (34).	...	...	Higher working hours in hotels and restaurants (48.5) than the economy average (40.6) – 19.5% higher hours of work in the hotels and restaurant sector ^{ix}
Skill level and training	-0.6% talent deficiency ^{vii}	...	...	-1.6% talent deficiency ^{vii}	Talent surplus (0.3%) ^{vii}

Benchmark Performance Table	Russia	Singapore	Chinese Taipei	Thailand	United States	Viet Nam
Gender equality (women as % of total workforce)	Women = 79.1% of tourism employment ^{ti}	Women = 55.3% of tourism employment ^{ti}	...	Women = 65% of tourism employment ^{ti} More than half of tourism businesses are run by women ⁱⁱ	Women = 53.1% of tourism employment ^{ti}	Women = 70% of tourism employment ^{ti}
Wage conditions (% of average economy wage/narrative)	Salary is lower than the average. ^x	Perceived as an industry with lower starting remuneration as compared other industries ^{xi}	...	Perceived as low wage industry ⁱⁱⁱ	...	...
Working conditions	...	Perceived as an industry with long working hours, shift work and dealing with unpredictable circumstances in the job environment ^{xi}	...	Perceived as having poor working conditions ⁱⁱⁱ	...	...
Skill level and training	-2.3% talent deficiency. Poor enabling environment for development and growth of talent ⁱⁱⁱ	-1.6% talent deficiency Strong enabling environment for development and growth of talent ⁱⁱⁱ	...	-3.7% talent deficiency ^{vii}	-0.5% talent deficiency ^{vii}	...

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Appendix G: Methodological Notes

Best Practice

The aim of identifying current best practice is to assist economies in the development of practical measures that facilitate labour mobility, staff recruitment, career pathways, training, skills development, retention and workforce planning in the tourism sector. Best practice measures might be considered by businesses, the VET sector and government, or others. A focus is also placed on best practice examples for key target areas, such as gender and youth.

The criteria for evaluating best practices include, but are not limited to:

- Their potential to reduce mismatch between organisational labour needs and training system outputs by improving the access to adequate information to assist individuals, firms and government in investment decisions;
- Improving access to education systems and on the job training opportunities;
- The potential to reduce geographic immobility of skilled workers within the APEC region by fostering international skills transfer;
- The opportunity to create sustainable employment opportunities and work-life balance, particularly for socially disadvantaged groups;
- Whether incentives to organisations to invest in training their workforce are provided; and
- Their impact on working conditions and pay levels and their ability to reduce discrimination against women and young people.

Best practices versus lessons learned

'Best practices' can be distinguished from 'lessons learned' and 'Benchmarks'. Best practice is an activity that works and is proven and replicable, while a lesson learned is a recommendation. Best practice should describe the details of how, when, and where it was used, in order to be replicable; in contrast a lesson learned is framed as a general recommendation or conclusion to be taken into account, but does not describe a particular activity. Benchmarks are not best practice, instead they are indicators based on reasonable expectations of past performance under standard working conditions and operating procedures.

Referring to the experience of the Queensland Tourism Industry Council (2013), although a long list of current policies and programs exists, many of the existing programs are either in pilot phase or have been operational only for a short period, making it difficult to determine their success and be considered 'best practice'. Of the programs that have been implemented for a substantial length of time, it is still difficult to gauge their success because: 1) little to no investigation is completed into the direct outcomes of the programs; 2) due to the number of programs, combined with external factors, it is extremely difficult to categorically claim or prove that a change in events is due solely to the influence of one particular program; and 3) of the initiatives that have reported an outcome or success, generally the judgements are made by the instigator of the program, which undermines the credibility of the success of the program.

Appendix H: Overview of APEC Best Practice – VET Programs³

Economy	Opportunities	Boost	Barriers
Brunei Darussalam	<ul style="list-style-type: none"> ▪ English Teaching Apprenticeship Program: ▪ TVET: based on an economy's requirements in manpower needs, collaboration with industries → ensure that courses meet the needs ▪ Internships programs SIP: practical learning ▪ Mobility: linkage AU-BD for tertiary courses, university studies, internships to strengthen people-to-people links ▪ Goal 5 – Gender Parity and Equality in Education by 2015, focus on ensuring girls' full and equal access to and achievement in basic education of good quality 	<ul style="list-style-type: none"> ▪ Long-term development plan WAWASAN BRUNEI 2035: incentives and assistance = training to local enterprises and SMEs, funds for training programs ▪ AITI program: offers subsidised training courses to train local citizens in ICT skills and knowledge → upgrade employees qualifications with ICT certifications ▪ JPKE: helps companies defray training costs of employees with limited skills ▪ Available scholarships for students: but lack of interest in studying → number of graduated students decreased and available grants mostly for ASEAN and OIC members 	<ul style="list-style-type: none"> ▪ Most of the scholarships are awarded to students from Islamic economies ▪ The total number of graduates from academic and technical institutions is still far below the economy's labour needs. Brunei Darussalam therefore continues to rely on foreign labour to sustain its economy and development. http://www.iom.int/jahia/webdav/shared/shared/mainsite/published_docs/brochures_and_info_sheets/iom_situation_report.pdf

³ This table reflects selected available data. Data was not located for all economies.

Economy	Opportunities	Boost	Barriers
Canada	<ul style="list-style-type: none"> ▪ Training: For aboriginal, program in Museum Practices ▪ TVET: programs aligned to the labour market needs ▪ Internships: international, governments, for aboriginal youth, for people with disabilities, non-governments programs. 	<ul style="list-style-type: none"> ▪ Canada Job Grant: Through this cost-shared program, businesses and employer organizations can apply to their respective province or territory for grants of up to \$10,000 to cover 2/3 of the cost of training new or existing employees in government, cost-shared with employers, to support the direct costs of training. ▪ Scholarships: financial assistance to encourage training and apprenticeship ▪ A suite of products and services providing qualification assessment and skills upgrading resources for skilled immigrants in high demand jobs in tourism 	<ul style="list-style-type: none"> ▪ Gender inequality / discrimination Low percentage of women participation in apprenticeship ▪ A lack of career awareness and insufficient preparation for skilled trades careers ▪ Limited employer participation in apprenticeship ▪ Mobility for apprentices (different requirements and regional economies, lack of awareness, cost)

Economy	Opportunities	Boost	Barriers
Chile	<ul style="list-style-type: none"> ▪ Agency of International Cooperation for the Development of Chile: offers training and scholarships and different programs of financing high level training ▪ TVET: human capital is important if Chile wants to face global economic slowdown and continue growing ▪ Program of the United Nations for the Development PNUD: offers internship program ▪ Government: offers 300 practices opportunities for students in public services + agreements with universities abroad ▪ EducarChile apprenticeships programs: learn and put into practice in real labour contexts 	<ul style="list-style-type: none"> ▪ BECAS Chile scholarship program: dependent on the Minister of Education 	<ul style="list-style-type: none"> ▪ Most exchange programs or youth opportunities of internship are in Latin America

Economy	Opportunities	Boost	Barriers
People's Republic of China	<ul style="list-style-type: none"> ▪ Partnership AU-CN universities for specific programs ▪ Training: Practical skills training, oral English, managerial, business-related soft skills training → become more valuable in the labour market, immense demand from companies seeking qualified and skilled managers (more investment from Chinese parents in education and training → better future) ▪ Continuous training: UK training program for teachers ▪ TVET: Australian project (ACCVETP) to assist China to reform local vocational education and training to meet industry training requirements ▪ Internships: opportunities for international students with some programs, Internships China places university students at internship positions in Shanghai or Beijing ▪ Apprenticeships: Has existed for years, and nowadays especially in traditional trades such as local opera, martial arts, medicine. 	<ul style="list-style-type: none"> ▪ Chinese University Program: full scholarship for international students to study in China. ▪ Chinese Government Scholarship: In order to promote the mutual understanding, cooperation and exchanges in various fields between China and other countries, the Chinese government has set up a series of scholarship programs to sponsor international students, teachers and scholars to study and conduct research in Chinese universities. 	<ul style="list-style-type: none"> ▪ Lack of incentives on the side of industry/business ▪ Lack of legislation corresponding to apprenticeship; Issue of student identity; labour contract ▪ Lack of linkages between industry and education sectors ▪ Over the past decade, China has been an attractive destination for global corporations due to its low wage rates and labour laws that disallow independent trade unions and limit the right to strike.

Economy	Opportunities	Boost	Barriers
Hong Kong, China	<ul style="list-style-type: none"> ▪ Policy support: The Task Force on Promotion of Vocational Education set up by the HKSAR Government submitted its report in July 2015 to recommend a three-pronged strategy to further promote vocational education and training (VET) in Hong Kong, China. The Government has accepted all recommendations made by the Task Force. Since then, the HKSAR Government has rebranded VET in Hong Kong, China to vocational and professional education and training (VPET), and is implementing other recommendations on strengthening the promotion of VPET and sustaining efforts ▪ VPET providers: a wide array of VPET providers, including the Vocational Training Council (VTC) (the largest VPET provider in Hong Kong, China), offer a variety of pre-service and in-service education and training programs. ▪ Apprenticeships: apprentices sponsored by the employers to attend relevant training courses. 	<ul style="list-style-type: none"> ▪ Financial assistance for students: financial assistance schemes are in place to ensure needy students will not be denied access to post-secondary education (including VPET) because of lack of means ▪ Scholarships: The Government Scholarship Fund and Self-financing Post-secondary Education Fund offer a large number of scholarships to post-secondary students (including those pursuing VPET) every year. ▪ Financial Support by the Government: Various subsidy schemes are in place to support the development of VPET, such as the Pilot Training and Support Scheme, Study Subsidy Scheme for Designated Professions/ Sectors and the Pilot Subsidy Scheme for Students of Professional Part-time Programmes ▪ Industrial attachment (IA): recurrent subvention is provided to VTC to enhance IA for its students; the Self-financing Post-secondary Education Fund supports IA projects of self-financing post-secondary institutions including those which offer VPET programs ▪ Hong Kong, China Qualifications Framework: supports the development and promotion of VPET by providing articulation pathways 	<ul style="list-style-type: none"> ▪ Community's entrenched perception of vocational education as being a second choice to traditional academic pursuits.

Economy	Opportunities	Boost	Barriers
Indonesia	<ul style="list-style-type: none"> ▪ DTVE: Vocational Education is an investment which provides education and skilled labour for the labour markets in order to satisfy industry's need. Furthermore this standard will be negotiated to become ASEAN standard and promoted to be International Competency Standard ▪ Vocational schools: planned to be built → crucial to compete in the ASEAN ▪ Apprenticeships: youth employment is high priority for government, employers and workers. = source of skilled labour an economic growth ▪ Booklet with guidelines: for employers on how to start and implement apprenticeship program ▪ Internships: companies arrange internship programs, to contribute responsibly to local economies, connect people etc. 	<ul style="list-style-type: none"> ▪ Scholarships for Indonesian students ▪ Guidelines booklet helps industries to integrate apprenticeships in their business. 	<ul style="list-style-type: none"> ▪ Skills gaps

Economy	Opportunities	Boost	Barriers
Japan	<ul style="list-style-type: none"> ▪ Apprenticeships: less common than in Europe. Existing program is certified through a system of nationally recognised qualifications and competencies ▪ The Job Card is a document that records the individual's education, training and employment history, and can be used for further training and job search. 		<ul style="list-style-type: none"> ▪ Apprenticeships are not common

Economy	Opportunities	Boost	Barriers
Republic of Korea	<ul style="list-style-type: none"> ▪ Work-study programs in schools and universities ▪ Choice between vocational education or high schools ▪ TVET: has played an important role in developing a skilled labour force during Korea's economic development ▪ Apprenticeships: more and more considered by the government, one way of overcoming youth unemployment and effectively linking the skills development and skills utilization ▪ Work-Study Dual System: work-based learning adapted to realities of Korea 	<ul style="list-style-type: none"> ▪ National Competency Standards (NCS) ▪ Promoting work-based learning in school ▪ Boost vocational education and training ▪ Broaden the access to training opportunities for non-regular workers ▪ Facilitate the school-to-work transition for youth ▪ Establish policies and in-depth studies on the current status of education, the educational effect, and linkages between education and labour market ▪ Life-long Learning Account System: Online career management system that will record each worker's various learning experiences, providing information for employers based on uniform standards. There is already a similar Credit Bank system in place ▪ The Korean Government Scholarship Program: supports the future global leaders and promotes international cooperation in education by inviting talented international students to Korea for an opportunity to conduct advanced studies at higher educational institutions in Korea. 	<ul style="list-style-type: none"> ▪ Key areas of intervention: to reduce labour market mismatches include: (i) improving social dialogue to identify the gaps between school curricula and business needs; (ii) enhancing technical vocational education and training, including apprenticeships; (iii) introducing mechanisms for early identification of potential labor force leavers to encourage them to access other employment, education or training opportunities; (iv) including job-search techniques in school curricula; and (v) improving young people's access to information on career opportunities. ▪ There was also an oversupply of skilled workers in particular areas, a supply and demand mismatch caused by shortages of skilled workers in newly emerging areas, and poor outcomes for training unemployed workers following the economic crisis. ▪ Government: Improving the coordination and collaboration across levels of government to improve skills outcome

Economy	Opportunities	Boost	Barriers
Malaysia	<ul style="list-style-type: none"> ▪ TVET programs at the secondary school level ▪ National Dual Training System (NDTS): from 2005, 500 trainees ▪ Internships: The Industry Skills Committee (ISC), The new curriculum design will include apprenticeships, internships, practicum placements, and work-based learning program ▪ Apprenticeships: The ministry believes that one of the best ways of workers and potential workers obtaining these competencies is through apprenticeships which, by definition, should combine all three skill sets. 	<ul style="list-style-type: none"> ▪ The Malaysia Qualification Framework refers to the policy framework that satisfies both the national and international recognised qualifications. ▪ Financial aid: lecturers can pursue education at overseas institutions 	<ul style="list-style-type: none"> ▪ Lack of involvement in NDTS from industries ▪ After financial crisis less money for scholarships ▪ Gaps in education (less in post-secondary and tertiary) ▪ Demand-supply gap ▪ Instituting a minimum wage ▪ A law instituting a national minimum wage was passed for the first time. The Bank led nationwide consultations with stakeholders from all sectors of the Malaysian economy and prepared a report that assessed the potential impacts and proposed an institutional framework for the implementation of an appropriate minimum wage for the economy

Appendix I: Overview of Best Practice – Training⁴

Strategy	Examples
Portable Skills Training Program	Singapore: To enlarge the pool of workers with service skills for tourism jobs, the Workforce Development Agency developed the Certified Service Professional program (CSP), which extends portable skills training in service excellence to workers who want to join the tourism sector.
Earn and Learn Programs	Hong Kong, China: The Pilot Training and Support Scheme (PTSS) aims to attract and retain talent for specific industries with a keen demand for labour, by integrating structured apprenticeship training programs and clear career progression pathways. Apprenticeship training for targeted industries will be provided to students alongside a guaranteed level of salary and incentive allowance. During the training period which usually lasts for four years, an apprentice will receive subsidy (on top of monthly salary) from the employer. At the ensuing employment period, the apprentice will receive a monthly salary, topped by an additional average monthly allowance from the Government. Upon completion of training, an apprentice who stays in employment will receive a monthly salary at a guaranteed level. As at September 2016, the electrical & mechanical (E&M) trades of the construction industry, printing, watch & clock, automobile, testing & certification and medical centre operations industries have joined the PTSS.
Training in Attitudes, Skills and Knowledge	Australia: Industry are encouraged and assisted to introduce a systematic and structured approach to training known as "Training in Attitudes, Skills, and Knowledge" (TASK). To deliver the TASK materials in a consistent manner, special workshops qualify a number of certified departmental trainers, develop certified trainer instructors, and certify training managers. Two programs prepare people for promotion, combining planned on-the-job experience with learning off-the-job with different versions tailored for newcomers and existing staff. The interventions are intended to be capable of being accredited and certified as part of a national qualifications framework (QTIC, 2013).
Skills Standards	Philippines: Tourism Occupational Skills Standard is an initiative to harmonize standards for tourism professionals in the accommodation, travel and tour, and guide services. (APEC 2014).
Apprenticeship programs	Brunei Darussalam: The Brunei-U.S. Teaching Apprenticeship Program aims to improve the marketability of its ASEAN participants and develop better skills and attitudes for employability. The English Teaching Apprenticeship Program developed out of the growing relationship between Universiti Brunei Darussalam (UBD) and the East-West Center (EWC) and is an off-shoot of the Brunei-U.S. English Language Project for ASEAN. The English Teaching Apprenticeship Program offers a unique opportunity for University graduates from an array of backgrounds to become English teaching apprentices where they develop and enhance their preparation as teachers of English. By participating in lectures, seminars, and workshops led by experienced educators and trainers from Universiti Brunei Darussalam and the East-West Center and applying skills to complete specific tasks such as curriculum development, the Apprentices have a chance to engage with and reflect on the role of the teacher in today's classroom http://bruneiusprogram.org/the-english-teaching-apprenticeship-eta-program/
The Workforce Development Agency (WDA)	Singapore: The WDA approves training providers and organisations according to workforce skills qualifications based on international best practices and validates training provisions with industry and employers. The agency's training system is based on four fundamental principles: authority, accessibility, relevance, and progression (The George Washington University, 2008)

⁴ This table reflects selected available data. Data was not located for all economies.

Strategy	Examples
Qualification Frameworks	<p>Australia: The Australian Qualification Framework (AQF) is a single system for qualifying elementary education, vocational training, secondary education, and universities. The AQF is the national policy for regulated qualifications in Australian education and training. It incorporates the qualifications from each education and training sector into a single comprehensive national qualifications framework. The AQF was first introduced in 1995 to underpin the national system of qualifications in Australia encompassing higher education, vocational education and training and schools. The Australian Quality Training Framework provides the standards necessary to guarantee consistent standards of workforce training, provide standards to trainers, and provide qualifications at the national level (City & Guilds, 2008). (The George Washington University, 2008)</p> <p>Most courses and training undertaken by international students in Australia on a student visa are covered by the Australian Qualifications Framework (AQF). The AQF is a national system of learning pathways which is endorsed by the Australian Government and recognised throughout Australia and by other countries.</p> <p>http://www.aqf.edu.au/</p> <p>Hong Kong, China: Launched in 2008, the Hong Kong Qualifications Framework (HKQF) is a platform to encourage and facilitate lifelong learning, with a view to enhancing the capability and competitiveness of the workforce in Hong Kong. HKQF is a seven-level hierarchy that orders and supports different qualifications, thereby facilitating articulation among academic, vocational and continuing education by providing a comprehensive network of learning pathways. HKQF is underpinned by a robust quality assurance mechanism to ensure all HKQF-recognised qualifications are of good quality and standard.</p> <p>Under the Accreditation of Academic and Vocational Qualifications Ordinance (Cap.592), the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVO) is specified as the Accreditation Authority and the Qualifications Register (QR) Authority. It is tasked with the responsibility of assuring the quality of qualifications recognised under HKQF (except those qualifications awarded by self-accrediting institutions) and the administration of the QR.</p> <p>https://www.hkqf.gov.hk/en/home/index.html</p> <p>Malaysia: The Malaysia Qualification Framework refers to the policy framework that satisfies both the national and international recognised qualifications. It comprises of titles and guidelines, together with principles and protocols covering articulation and issuance of qualifications and statements of attainment. Elements of qualification framework indicate the achievement for each qualification titles. It will also provide progression routes for all the graduates in the respective occupational fields. In addition the framework sets the benchmark for all occupational programs. It enables international recognition and student/graduate mobility especially with the advent of the Washington, Dublin and Sydney Accords.</p> <p>http://www.unevoc.unesco.org/tvetipedia.0.html?tx_drwiki_pi1%5Bkeyword%5D=Malaysia</p>

Strategy	Examples
TVET	<p>Republic of Korea: The Korean model offers key lessons. First, the government took a sequenced approach to education. Money didn't start flowing into TVET until the economy nearly achieved universal primary education. By design or accident, major investment began in the early 1980s, just as labour shortages started to pinch the economy. To make the "big push" into export-oriented manufacturing, construction and service-oriented sectors, the economy needed a new stream of skilled workers. At the same time, policy-makers in the Republic of Korea were beginning to be alarmed by a growing appetite for higher education. People would become "over-educated", expecting white collar jobs in an economy thirsting for new sources of skilled labour. By expanding TVET, the government planned to satisfy its forecasted labour needs while reducing pressure on universities to enrol more students. Today, about 40 per cent of secondary students are enrolled in TVET. Yet it is still perceived as a second-class education. So the government is trying to open pathways to higher education. First, TVET students are now getting a healthy dose of academic subjects so that they can apply to university. In some schools, academic and vocational students share as much as 75 per cent of a common curriculum. The government is also channelling public and private investment into new post-secondary training institutes to kill the myth that TVET is an academic 'dead-end'. The ultimate challenge lies in keeping abreast with technological change. To keep curricula relevant, the plan is to tighten links to the private sector. For example, the Republic of Korea is now experimenting with their own version of Germany's famous "dual system", which traces its roots back to post-war reconstruction. It is opting for a "2+1" program, combining two years of classroom studies with a year of apprenticeship.</p> <p>http://unesdoc.unesco.org/images/0013/001394/139459e.pdf</p> <p>People's Republic of China: Similar reforms are taking place in China, where a third of all secondary students are enrolled in vocational schools, according to the UNESCO Institute for Statistics (see box p. 7). However, it is difficult to draw parallels between the two economies. Whereas a labour shortage shaped the Republic of Korea's policy reform, China is grappling with a labour surplus, with job creation lagging behind the growing economy. And while the Republic of Korea had the luxury of tailoring a new system to forecast needs, China must overhaul an antiquated machine.</p> <p>http://unesdoc.unesco.org/images/0013/001394/139459e.pdf</p> <p>Canada: The Government of Canada considers TVET essential for all residents to actively engage in the economy's knowledge-based economy. The mission of TVET along with the whole Canadian education system is to provide students with high-quality learning opportunities and the required skills to enter the labour market. TVET programs are therefore aligned to the needs of the labour market for the different populations and age groups.</p> <p>http://www.unevoc.unesco.org/go.php?q=World+TVET+Database&ct=CAN</p> <p>Chile: An external commission organised by the Ministry of Education in 2009 to analyse the previous developments in and to formulate proposals to strengthen and coordinate it with the current needs of Chilean society and economy. This is motivated by the important role that mobilising will have if Chile wants to face the global economic slowdown and continue growing and overcome poor working conditions, to include the female labour force and absorb the fast-increasing participation of students after</p> <p>People's Republic of China: An Australian funded project assisted China to reform local Vocational Education and Training arrangements to meet industry training requirements and contribute to China's economic development. The project involved 30 secondary VET colleges and a range of other institutions including Chongqing Normal University, the Chongqing University of Arts and Sciences and the Chongqing Research Institute. The project piloted reform in VET across five industries in Chongqing and helped to develop a VET model that can be replicated on a national basis in the People's Republic of China (PRC). The Australian Chinese (Chongqing) Vocational Education and Training Project (ACCVETP) was a five year project funded by AusAid and involved TAFE institutes across Australia, including Illawarra Institute.</p> <p>http://irpublic.cli.det.nsw.edu.au/IrrSecure/Sites/Web/13289/ezine/year_2006/jul_aug/international_chinese.htm</p> <p>Vocational Education and Training in China Strengths, Challenges and Policy Options</p> <p>http://www.oecd.org/education/skills-beyond-school/45494135.pdf</p>

Strategy

Examples

Hong Kong, China: TVET@Asia is an independent open content online journal for scientists and practitioners in the field of Technical and Vocational Education and Training (TVET) and Vocational Teacher Education (VTE) in the East and Southeast-Asian region.

Its main purpose is to provide access to peer reviewed papers and thus to enhance the dissemination of relevant content and the initiation of open discussions within the TVET community

<http://www.tvet-online.asia/>

Indonesia: Vocational education is an investment which provides education and skilled labour for the labour markets in order to satisfy industry's needs. DTVE has sent a number of students as well as graduated students to Malaysia, Germany, Singapore, Japan, Korea, Chinese Taipei etc. and to some other overseas are still in processing. Furthermore this standard will be negotiated to become ASEAN standard and promoted be International Competency Standard.

<http://www.voced.edu.au/content/ngv%3A18101>

Republic of Korea: Enhancing technical vocational education and training, including apprenticeships;

<https://www.imf.org/external/pubs/ft/wp/2014/wp14137.pdf>

To effectively perform tasks related to skills development, thereby contributing to vitalisation of vocational education and training and enhancement of the public's vocational competencies

- Evaluate TVET institutes and their programs upon request from the government
- Promote international exchange of information on TVET

http://eng.krivet.re.kr/eu/ea/prg_euABADs.jsp

VET has played an important role in developing a skilled labour force during Korea's economic development. However, with the increasing importance of higher education and general education, the status of VET in the economy is declining.

<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Labor-Market-DP/0921.pdf>

Malaysia: TVET programs at the secondary school level have taken a broad-based and non-terminal approach. The delivery system allows the opportunity for students to progress to tertiary education level and acquire a Certificate, Diploma or a Bachelor's degree qualification. At present, the ministry is strengthening the TVET within the schooling system by introducing TVET skills stream at all national secondary schools under the 10th Malaysia Plan (10MP) Earlier, the ministry has introduced 22 vocational subjects to national secondary schools to allow the students to obtain SKM. Other strategies include boosting enrolment in the vocational and skills stream at technical secondary schools, strengthening the technical and vocational education curriculum and enhancing ties with the industry, professional bodies and higher education institutes both local and overseas. The government is also currently reviewing the curriculum to introduce vocational subjects that can be studied as early as the upper-primary and lower secondary levels. The National Dual Training System (NDTS) was introduced in 2005 with an initial batch of 500 trainees, in response to recommendations made by German consultants in a 1999 report. The system stresses the combination and interrelation of hands-on training at the industry workplace with classroom training in specialised training institutions established by the Government. Training is two years in duration, with trainees spending 70-80% of their time in workplaces and the remaining 20-30% in selected training institutions. The strength of the 'Dual System' is that it has been designed to tap the best training potential of both domains. A very important aspect is the need for close cooperation between the Government and private industry in which the latter must be encouraged and convinced about the importance of investing in training of the young to ensure continued industrial development of the economy.

Strategy

Examples

Philippines: Asia Pacific National System of Technical Vocational Education and Training (NSTVET) has the ability to increase the productivity and income of low income and unemployed people, by enhancing their employability and re-training them for new occupations (Orbeta & Esguerra, 2016). The Third International Congress on TVET highlighted that TVET needs to broaden its scope from skill requirements for work to lifelong learning, as well as increase its focus on learning, adaptability and social skills to prepare students for an increasingly fast changing, unpredictable and multi-cultural world (UNESCO, 2015). TVET should be accessible and address the needs of the unemployed, as well as the employed who want to improve their income or re-train in a different field. Consequently, TVET needs to accommodate different times and availability of training and different financing options that avoid discrimination against women, youth, the poor, uneducated and disabled. A desirable characteristic of NSTVET is accessibility particularly to SMEs. When TVET is provided by the private sector, there is a need for the government to play a role by ensuring that there are effective quality control mechanisms. Generally it is accepted that the government's primary role in TVET is to provide effective regulatory services and information on the TVET system. However, the government might intervene beyond these roles if there are issues surrounding equity and efficiency. The government will intervene for equity reasons when there is a need to improve the employability and incomes of disadvantaged groups and for efficiency reasons when there is a need to finance training in cutting-edge but expensive training in certain technologies that will significantly improve productivity.

The demand for TVET services is expanding and it is important to maximise the use of resources, such as by offering online training options (UNESCO, 2015). TVET can be delivered through three major modes: institution-based (e.g. direct delivery or provision of TVET programs by public or private schools or centres), enterprise-based (e.g. implemented within businesses such as apprenticeship programs, dual training systems, learnership programs) and community-based (e.g. conducted in communities based on local skill requirements and resources). There is little information about courses offered by each delivery mode, particularly for community-based providers, although generally these are conducted in conjunction with institution-based providers.

The Philippines has around 4,609 institutions offering 20,329 programs (TESDA Compendium, 2015), of which 5,841 programs are in tourism. Tourism is the top sector for course offerings. This reflects tourism being one of the fastest growing sectors in the economy.

Generally training in the Philippines occurs in institution-based or community-based settings, with only about 3% of enrollees and graduates being enterprise-based. Increasingly institution-based training is becoming more dominant with a decline in community-based trainees, largely due to programs run by local government and NGOs being upgraded to meet training regulations and becoming classified as institution-based.

TESDA manages the TVET sector by regulating the operations of the private technical vocational institutes (TVIs) and participating in training provision by operating around 122 (in 2015) TESDA training institutes. TESDA has quality assurance at several levels, including that TVIs must comply with the requirements of program registration, including necessary business permits, ocular site inspections and curriculum evaluations, in order to receive a Certificate of Program Registration (CoPR). Other processes include:

- *Promulgation of training regulations (TRs)* – a package of minimum standards on competency, national qualification, training standards and assessment and certification arrangements. These are revised and updated every 3-5 years or when there are significant changes in the program. Out of the 20,329 registered programs in July 2015, 91% have training regulations.
- *Trainer certification*
- *Assessment and certification* – designed to ensure that middle-level skilled workers possess the necessary competencies to perform the job in accordance with industry requirements.

Problems with the program:

- *Estimation of the demand for TVET Services* – no commonly accepted estimate of the demand for TVET services. Only enrolment and graduation data reported by TESDA.
- *Access by workers* – no readily available direct measure of access by workers to TVET, with a lack of profile data of enrollees.
- *Access by vulnerable groups* – there is even composition of male and female graduates. The majority of graduates are young, with most being between 15-24 years (61%) or 25-34 years (23%). The largest proportion of enrolments come from the middle socioeconomic classes and not the lower socioeconomic classes.

Strategy	Examples
	<ul style="list-style-type: none"> ▪ <i>Access by SMEs</i> – there is no available data to describe the extent of access of SMEs to TVET. ▪ <i>Funding the System</i> – Peano et al. (2008) estimate that 46.5% of the resources for TVET come from the public sector. Private sector funding primarily came from trainees (28.6%), firms (15.6%) and from NGOs and foundations (6.8%). The large dependence on financing from legislators is a problem, particularly as it may not be sustainable. ▪ <i>Quality control mechanisms</i> – includes mandatory registration of all TVET training and a system for regulating curriculum. There is a need to develop a registry of trainers and assessors and provide their profiles publicly. <p>Proposed improvements to the system:</p> <ul style="list-style-type: none"> ▪ TESDA to focus more on regulation and information provision ▪ Greater emphasis on enterprise-based training ▪ Make training continuously relevant to industry needs ▪ Greater performance orientation in access to public training funds ▪ Improve targeting and sufficiency of financial assistance for TVET ▪ Ensure quality in community-based training ▪ Improve data generation and dissemination ▪ Improve capacity for monitoring and evaluation ▪ Improve the image of TVET <p>Challenges:</p> <ul style="list-style-type: none"> ▪ Outdated assessment practices ▪ Poor technical and institutional capacity ▪ Poor image ▪ Weak analytical knowledge base ▪ Limited technical consultation, communication and collaboration ▪ Lack of long-term strategic planning ▪ Best Practice Indicators ▪ Part of a national skills development policy ▪ Impact on labour market is measured ▪ Governance is participatory, transparent and accountable ▪ Centralised under one authority ▪ Offers a coherent, cohesive, inclusive qualification system with movement across learning pathways ▪ Qualification have clear outcomes in terms of knowledge and skills ▪ Qualifications are accessed in institutions, non-formal learning environments and the workplace ▪ Assessment is robust and focuses on performance over time ▪ Assessment allows for skills from informal and non-formal learning to be recognised ▪ Is aligned with regional qualification frameworks ▪ Providers are accredited and have close links to industry ▪ Programs reflect workplace requirements ▪ Trainers and teachers are competent and well resourced ▪ Providers at all levels engage with other providers ▪ Targeted programs are accessible by vulnerable groups ▪ Funding is accountable and sustainable ▪ Very strong industry orientation

Strategy	Examples
Education system	<p>United States: The American educational system is oriented toward higher-education diplomas. In the US hotel and catering industry, however, there is no real professional recognition for low-level operational fields such as cleaning, food service or assembly cookery (which consists of producing simple food preparations using semi-prepared products supplied by the food processing industry). Specialisation comes into play only after the first two to four years of higher education and the possibilities are therefore fairly limited: they include only the culinary arts and hotel management. These are generally recognised in terms of job status. Full-time posts are more frequently available with better career prospects and wages are more attractive. Some hotel schools subsequently propose narrower managerial fields of specialisation, distinguishing, for example, independent hotel management from that of chains, and restaurant management from that of canteens (Strietska-Illina & Tessaring 2005).</p> <p>Hong Kong, China: The new model, brought in at the beginning of the 2009/10 academic year, is now more in line with those found in China and even the United States. The removal of fees and one series of public exams in senior secondary school is a move which will make a full twelve years' of education a much more accessible option for a great number of students. Tertiary education is important in Hong Kong, China. There are 20 degree-awarding higher education institutions, including eight publicly-funded universities, two private universities, a publicly-funded Hong Kong Academy of Performing Arts and nine self-financing institutions. Tertiary institutions offer a range of programs including undergraduate and post-graduate degrees, as well as Associate degrees and Higher Diplomas. For students who fail to gain entrance to a degree program, studying an Associate degree or a Higher diploma, which may articulate with a degree course later on, is a popular option. It is also sometimes possible to gain a course transfer from a successfully completed Higher diploma or Associate degree into an overseas degree program with some credit transfer.</p> <p>http://www.itseeducation.asia/education-system.htm</p>
Internships	<p>Brunei Darussalam: SEAMEO Secretariat Internship Program (SIP) offers a selected number of applicants pursuing undergraduate or postgraduate studies or to volunteers who have desire to deepen their knowledge their understanding of SEAMEO goals, policies and activities. SIP provides an excellent chance for a directed, practical learning experience in a regional/international platform.</p> <p>http://www.seameo.org/index.php?option=com_content&view=article&id=355:seameo-secretariat-internship-program-sip&catid=145&Itemid=42</p> <p>Chile: The Government offers more than 300 practices for university students in public services - Internships for Chile project. Agreements with Harvard, Columbia, Oxford, Stanford and Georgetown Universities.</p> <p>http://www.practicasparachile.cl/sala-de-prensa/notas/gobierno-ofrece-mas-de-300-practicas.htm</p> <p>Hong Kong, China The Government is committed to nurturing young people and to better preparing them for an increasingly globalized world. The Hong Kong Economic and Trade Office (HKETO) in Singapore launched an internship scheme in 2014 to widen Hong Kong higher education students' international perspectives and enhance bilateral relations between Hong Kong, China and the Association of Southeast Asian Nations (ASEAN).</p> <p>The internship scheme aims to:</p> <ul style="list-style-type: none"> ▪ Provide opportunities to higher education students of Hong Kong, China to take up internship in ASEAN member countries; ▪ Enable students to be exposed to the work of the relevant industries and operation of their respective host organizations, as well as the economic and socio-cultural environment of the host countries in ASEAN; and ▪ Cultivate students as the "ambassadors" of Hong Kong, China in the respective host countries in ASEAN and vice versa upon return to Hong Kong, thereby enhancing mutual understanding and strengthening ties between Hong Kong and ASEAN. <p>The Government allocates recurrent funding to the Vocational Training Council to provide industrial attachment (IA) opportunities for about 9 000 students annually studying with subvented Higher Diploma programs and certain VPET programs. The Self-financing Post-secondary Education Fund also supports IA projects of self-financing post-secondary institutions including those which offer VPET programs.</p>

Strategy	Examples
Scholarships	<p>Brunei Darussalam: The Brunei Darussalam Government offers annual scholarships under a special scholarship award scheme, for the 2016/2017 academic session with opportunities to study at selected institutions.</p> <p>https://www.opportunitiesforafricans.com/20162017-brunei-darussalam-government-scholarships-to-foreign-students-fully-funded/</p> <p>http://youthkits.com/scholarship/brunei-darussalam-government-scholarships-to-foreign-students-20162017/</p> <p>Hong Kong, China The Government Scholarship Fund and Self-financing Post-secondary Education Fund offer a large number of scholarships to post-secondary students (including those pursuing VPET) every year. Besides, the Government introduced the "Hong Kong Scholarship for Excellence Scheme" in November 2014 to support outstanding local students to pursue studies in renowned universities outside Hong Kong.</p>
Job Grants	<p>Canada: The Canada Job Grant is an employer-driven initiative that aims to encourage employers to help Canadians develop the skills they need to fill available jobs. Through this cost-shared program, businesses and employer organizations can apply to their respective province or territory for grants of up to \$10,000 to cover 2/3 of the cost of training new or existing employees.</p> <p>http://www.edsc.gc.ca/en/job_grant/info.page</p>
Financing Programs	<p>Chile: The Agency of International Cooperation for the Development of Chile (AGCID) offers across its Training department and Scholarships, different programs of financing in order that citizens of Latin America, the Carib and some countries of South Africa, realise in our economy formation of post degree or courses of high-level training. Also it receives students in the frame of the Student Platform of the Alliance of the Pacifico.</p> <p>http://www.agci.cl/index.php/becas/becas-para-extranjeros</p> <p>The company grants a great value to the education and the formation, with a strong social demand of education and a rapid growth of the participation in the post obligatory education; the rates of graduation in secondary top studies it promoted from 46 % in 1995 71 % in 2007 (OECD, 2009)</p> <p>http://www.oecd.org/edu/skills-beyond-school/48478374.pdf</p> <p>Hong Kong, China Through a number of publicly-funded financial assistance schemes targeted at students at all education levels, from pre-primary to post-secondary levels and to those pursuing specific continuing and professional education courses, the Student Finance Office (SFO) under the Working Family and Student Financial Assistance Agency provides financial assistance to ensure that no students in Hong Kong, China will be denied access to education because of lack of means.</p>
Continuous Professional Development	<p>People's Republic of China & the United Kingdom (UK): A high-level China-UK training program for teachers' continuous professional development (CPD) has been launched for the first time by the British Council and the Ministry of Education of China on Wednesday in Beijing.</p> <p>http://www.chinadaily.com.cn/china/2015-12/05/content_22636312.htm</p>

Strategy	Examples
Vocational Education	<p>Indonesia: "Vocational Education in Indonesia; Crucial to Compete in the ASEAN". The government plans to build more vocational schools to cater to the growing labour market for skilled workers, particularly in the agriculture, fisheries and animal husbandry industries, and calls for the private sector to come in</p> <p>http://www.gbgingonesia.com/en/education/article/2016/vocational_education_in_indonesia_crucial_to_compete_in_the_asean_11489.php</p> <p>Republic of Korea: Students may choose to pursue vocational education in vocational high schools, starting in grade eleven. These schools offer courses in agriculture, industry, commerce, home economics and maritime studies. Vocational high schools are in the process of changing to meet the growing demands for skilled workers in scientific and technological fields by creating new programs in these fields. About 27% of Republic of Korea students are enrolled in school-based vocational and technical education. Of these students, 43% go on to junior college, and another 25% go on to university. The Ministry is currently revamping the Republic of Korea's career education programs, as well as restructuring curriculum and pathways in vocational schools. Students are encouraged to identify their talents and aptitude at an early stage, and pursue career-centred learning throughout elementary and secondary school. The Ministry is also in the process of updating curricula in conjunction with industry needs, placing a heavy emphasis on collaboration between businesses and schools and by making internships available to vocational students. The goal is a Life-long Learning Account System, an online career management system that will record each worker's various learning experiences, providing information for employers based on uniform standards. There is already a similar Credit Bank system in place (http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Labor-Market-DP/0921.pdf), which allows people without formal higher education to accrue credits and ultimately degrees through various lifelong learning programs and courses.</p> <p>http://www.ncee.org/programs-affiliates/center-on-international-education-benchmarking/top-performing-countries/south-korea-overview/south-korea-school-to-work-transition/</p> <p>Hong Kong, China: The Government set up the Task Force on Promotion of Vocational Education in June 2014 with a view to mapping out a strategy to promote vocational education and training (VET) in the community. The Task Force submitted its Report to the Government in July 2015, proposing a three-pronged strategy with a total of 27 recommendations. The three-pronged strategy comprises (a) rebranding vocational education and training; (b) strengthening promotion; and (c) sustaining efforts. In January 2016, the Government accepted all the Task Force's recommendations and is actively following up with the recommendations.</p> <p>Regarding rebranding vocational education and training, VET has been rebranded to vocational and professional education and training (VPET) covering programs up to degree level with a high percentage of curriculum consisting of specialised contents in vocational skills or professional knowledge. Through a series of stepped-up efforts in promoting VPET, the Government endeavours to engineer a paradigm shift in the community to recognise VPET as a valued choice for those who have good potential to develop in the relevant disciplines.</p>
Work-based learning	<p>Republic of Korea: Promoting work-based learning in school and boosting participation in vocational education and training will be crucial to achieving this goal. The Korean government's efforts to develop and to implement the National Competency Standards (NCS) to education and training are an important step forward to make skills development more relevant for the labour market. More effective collaboration among the relevant stakeholders will be critical for the standards to succeed.</p> <p>Work-study programs in schools and universities could be a way to teach students how to generate business ideas, raise funds and run a business. Workplace learning and training organised by companies can also play a role.</p> <p>(...) broaden the access to training opportunities for non-regular workers, including via strengthening of targeted educational policies, and promote their transitions to regular employment</p> <p>https://www.imf.org/external/pubs/ft/wp/2014/wp14137.pdf</p>

Appendix J: Overview of Best Practice – Skilled Migration⁵

Strategy	Examples
<p>Visa Programs & Processes</p>	<p>Australia: The most common Australia’s 457 visa program targets skilled temporary workers. This visa allows a skilled worker travel to Australia to work in their nominated occupation for their approved sponsor for up to four years. The Australian government states that only managerial, professional and semi-professional workers are eligible, with some specialist trade occupations being an exception to this rule. Minimum salaries apply and migrant workers must meet health, security and other standard requirements. However, there is no cap set on admissions and employers undertake the recruitment, generally through agents. A fast-track system is available for employers with a good record (Khoo et al. 2007).</p> <p>Other visa programs for Australia include (Australian Government 2016a, 2016b):</p> <ul style="list-style-type: none"> ▪ 416 – Special Program visa for the seasonal worker program: The special program of seasonal work allows seasonal workers to contribute to the economic development of their home economy by providing access to work opportunities in the Australian agriculture and accommodation industries. The program offers seasonal labour in selected industries to Australian employers who cannot source local labour. The participating countries include Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu. Intergovernmental memoranda of understanding (MOUs) were signed by the Australian Government and the governments of these participating countries to enable the citizens who are residents of these countries to participate in the program. ▪ 417 – Working Holiday Visa: In the current version of this visa, only young people (18-30) who want to holiday and work in Australia for up to a year are eligible. A 2016 review (Deloitte 2016) has identified several recommendations to expand the use of this visa, with one recommendation to include an extension of stay for 2 years for tourism industry work. The visa is considered as an important source of seasonal labour supply for certain sectors of Australia’s agricultural and tourism industries. ▪ 462 – Work and Holiday Visa: As above, but from specific countries, including APEC economies: Chile, China, Indonesia, Malaysia, Thailand and the United States (also under review). <p>Brunei Darussalam: Employment Visa and an Employment Pass applied for before arrival, after request from the Employer to the Labour department of Brunei Darussalam. Further restrictions are in place, including a bank guarantee for cost of flights for the worker, medical exam, and application documents. An Employment Pass is valid for 2-3 years (Dej-Udom n.d.).</p> <p>Canada: Skilled Worker Program (Permanent) – for permanent, highly skilled workers; issued using a points system. Temporary Foreign Workers Program (TFW) - for temporary labour shortages where Canadians and permanent residents are not available.</p> <p>Indonesia: VITAS/VBS Temporary Resident Visa - sponsored by the company employing the worker. Once VITAS/VBS received, the applicant applies for an IMTA/ Expatriate Work Permit—a lengthy process including several government departments. (Dej-Udom n.d.)</p> <p>Malaysia: Employment Pass (EP) – issued to managerial level employees in foreign owned companies – highly skilled visits; Professional Visit Pass – issued to qualified foreigners with specialist skills or experience (Dej-Udom n.d.)</p> <p>Philippines: First step is application for an Alien Employment Permit (AEP). Once AEP approved, an application for one of two visas follows: 9(g) Pre-Arranged Employment Visa; Special Non-Immigrant 47(a) (2) Visa (for workers in specified economic zones). Both visas are for highly-skilled workers. (Dej-Udom, n.d.)</p> <p>Singapore: P Employment Passes – Highly skilled workers; Q Employment Passes – skilled workers; S Employment Passes – Points based system incorporating experience, education, salary – can be issued to unskilled foreign workers. (Cerna 2010)</p> <p>Thailand: Non-B Visa and a work permit – Skilled visa, applied for by a qualified Thai entity. Under the Alien Occupation Act, foreigners are prohibited from working in 39 occupations including manual labour, agriculture, forestry, fishery, farm supervision, accountancy, civil engineering, and architectural work. Medical check also required. (Dej-Udom n.d.)</p>

⁵ This table reflects selected available data. Data was not located for all economies.

	<p>United States: Most popular - H1-B visa – highly skilled workers, capped at 65,000 per year; H2-A – Agricultural workers; H2-B – Other seasonal workers; TN – Skilled workers for Mexican and Canadian applicants; E -2 High net worth investors including traders; L1 – International Company transfer; US O-1 Extraordinary abilities; Others including talent, cultural, artists, and religious visas are available on application. (Cerna 2010; Stephenson 2009; Tigau 2013) Visa available also for family unification preferences (Cerna 2010)</p> <p>Viet Nam: Lengthy process for highly skilled workers only. Employer needs to file a yearly demand for labour report. Applications must be preceded by the supply of a police certificate, followed by applications documents which must all be translated into Vietnamese. Maximum stay 2 years. (Dej-Udom n.d.)</p>
ASEAN Qualification Referencing Framework	AQRF is a translation device to enable comparisons of qualifications across participating ASEAN countries, including the National Qualification Framework (NQF). Mutual Recognition Agreements (MRA) exist in several sectors including tourism. The voluntary AQRF aims to help economies reference qualifications to facilitate the freer movement of skilled labour within the ASEAN member states
Pacific Alliance Working Holiday Program	Chile, Colombia, Mexico & Peru: Developed a Working Holiday Program that allows their citizens to work and live in any of the four economies for one year without visas.
Scholarships	<p>Republic of Korea: http://www.studyinkorea.go.kr/en/sub/overseas_info/korea_edu/edu_scholarship.do</p> <p>The Korean Government Scholarship Program (KGSP) supports future global leaders and promotes international cooperation in education by inviting talented international students to Korea for an opportunity to conduct advanced studies at higher educational institutions in Korea.</p> <p>http://www.niied.go.kr/eng/contents.do?contentsNo=78&menuNo=349</p> <p>China: Chinese University Program is a full scholarship for designated Chinese universities and certain provincial education offices in specific provinces or autonomous regions to recruit outstanding international students for graduate studies in China. It only supports graduate students.</p> <p>http://www.csc.edu.cn/studyinchina/scholarshipdetailen.aspx?cid=97&id=3056</p>
Seasonal Worker Program	Australia: Based on the overall success of the seasonal worker program operating in the agricultural industry, the Australian government announced a pilot of the program to include the accommodation industry. Workers from Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu will be eligible to participate in the program which supports local businesses unable to find local labour, and provides opportunities for employment, and training, for a maximum period of 6 or 9 months, depending on the economy of origin.
Foreign Workers	Philippines: Measures have been implemented to make it easier for foreigners to work in the Philippines, such as provisional work permits and facilitating the extension of long-stay visitors. The Philippines has signed MOUs with Canada, Japan and Chinese Taipei on the accreditation of skilled workers in sectors such as architecture, healthcare and tourism. The Philippines has also signed MOUs with the Manitoba and Saskatchewan provinces in Canada to facilitate recruitment and mutual recognition of skills, explore opportunities for skills upgrading, protect workers' rights, and support the integration of workers into the broader society. Likewise, the Philippines–Japan Economic Partnership Agreement, in addition to promoting investment and trade in goods and services, facilitates the movement of workers between the two economies. (APEC 2014).
International study financing	Chile: Becas Chile is a program dependant to the Minister of Education with the aim to have an impact on the economic, social and cultural development of Chile. To fulfil this aim, SCHOLARSHIPS CHILE finances studies abroad in the professional and technical area, in the frame of a politics of long term that promotes the increase of opportunities of formation and development abroad and the promotion of the entail and international cooperation. http://portales.mineduc.cl/index.php?id_portal=60

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