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Kia ora

## **Tourism Industry Aotearoa Submission on He Mahere Tiaki Kaimahi - Draft Better Work Action Plan**

TIA welcomes the opportunity to provide comment on behalf of our members on the draft Better Work Action Plan prepared as part of the Industry Transformation Plan Workforce workstream.

TIA has been part of the Tourism ITP process throughout via representation on the Leadership Group and Working Group. We have appreciated the opportunity to contribute to this substantive project with the shared intent to drive a shift to the systemic industry issue surrounding the quality of tourism jobs.

TIA supports the intent and direction of the Plan, with our suggestions put forward with the intention to further strengthen the final Action Plan.

### **TIA's Overall Perspective**

TIA is deeply committed to ensuring quality employment within the tourism industry. The interface between people in the industry and our visitors is a key aspect of the visitor experience, and we must always be providing safe, memorable and enjoyable visitor experiences. It is through doing this well that value is created in tourism. The people in tourism are engaged in a vast array of jobs (sectors, skills, levels, location, etc.) and all play their part as contributors within the tourism system, and the industry has every incentive to support them to do so.

As such, the quality of jobs is all-important to the tourism industry which is why TIA has been an ardent supporter of this ITP workstream. The feedback set out in this submission sets out how TIA considers the draft Better Work Action Plan can be strengthened. We also note that the draft Action Plan expresses a perspective that the tourism workforce is an area to 'fix', whereas we see it as an opportunity to make the industry better – to build on the performance of exemplars and raise standards that are good for workers, visitors and the businesses alike. We are very mindful of recognising the many tourism businesses – big and small – that are excellent employers.

Overall, TIA considers that the effective implementation of the Tirohanga Hou will lead to better work outcomes for the tourism industry and the people who work in it.

### **General Comments**

There are a number of technical aspects of the draft paper that we feel should be further considered by the Tourism ITP Leadership Group:

1. **Emphasise the broad base.** With the ITP being a broadly-based initiative with industry, Government and unions, there are advantages in referencing key documents beyond those of Government. For instance, it would be valuable to refer to TIA's Tourism 2025 & Beyond Sustainable Growth Framework, especially given its close alignment with the New Zealand-Aotearoa government Tourism Strategy.  
**Recommendation:** Reference a wider set of strategic initiatives, such as TIA Tourism 2025 Strategic Growth Framework.
2. **Data.** The paucity of quality tourism workforce data has been widely acknowledged by all throughout the process to develop the draft Action Plan and we see this as an important issue in itself. Without going into detail on some particular points, the key message is that for the implementation of the ITP to be successful over time, it is important that there are clear and trusted tracking metrics for key success indicators. Unless specific actions are taken, there is no clear indication how this will be put in place. For this reason, TIA considers that an additional Tirohanga Hou be established to focus effort in this area.  
**Recommendation:** Establish an additional Tirohanga Hou focussed on ensuring the provision of tourism workforce data, with this workstream aligned with the work of the Tourism Data Leadership Group. If a further Tirohanga Hou is not an option, we suggest some other mechanism is needed to advance this important area.
3. **Seasonal nature of tourism.** As a comprehensive whole-of-industry initiative, TIA considers that the overseas workforce aspect of the total tourism workforce needs to be better included in this framework. We agree that the focus should be on the domestic workforce and improving the terms and conditions for New Zealanders, but it is also important from the industry perspective that the overall workforce needs of the tourism system are considered, particularly at times of the year and in places where a domestic workforce does not exist. As such, TIA considers that the role of the overseas workforce needs to be better accommodated within the ITP Action Plan. We feel this can be done in a balanced way as to support, rather than undermine, the objectives of the ITP to lift the quality of tourism jobs for New Zealanders.  
**Recommendation.** Acknowledge the future role of the overseas workforce as part of the overall tourism workforce (22% of total in 2019) and set out how this portion of the overall workforce will be recognised in the ITP Action Plan so that special workforce needs, such covering seasonal peaks, can be accommodated.
4. **Level and type of work.** In reading this paper and in our discussions on it, we felt that the draft ITP Action Plan is skewed to more entry-level jobs in tourism and not the full spectrum of jobs in tourism, from starting out to all sorts of specialised roles and levels of seniority. Ensuring the fullest breadth of jobs within the ITP feels important to TIA to support the career building, education and training aspects that are so important to the overall ITP Action Plan. The scope should cover all tourism work and not just certain parts of the overall system. To highlight the breadth of tourism roles, in a recent workforce survey we included 30 tourism roles and even then, we found that 43% of respondents were in the 'other' category. This clearly indicates the wide range of occupations that make up the sector and also that there are multiple pathways available in tourism for both entering the workforce and progressing within it.  
**Recommendation:** Include all levels and types of work in the ITP Action Plan to ensure the implementation initiatives cover the broad spectrum of tourism jobs.
5. **Relationship with the Fair Pay Agreement reforms.** In parallel with the ITP project on the tourism workforce, the Government has been pursuing a wider

process to significantly reform the labour relations environment for all sectors. The Fair Pay Agreement Bill is currently before Parliament and is being considered by the Select Committee. TIA submitted on the Bill, expressing the concern that for the tourism industry there is significant risk that a more complicated, inflexible and expensive system will result from the Fair Pay Agreement reforms as set out in the draft legislation. At the heart of the FPA framework will be many compulsory agreements for sectors and occupations which is problematic for the tourism industry that is comprised of many sectors and occupations (often within a single business or even a single job). TIA considers it most important that the relationship between the Tourism ITP and the FPA are well understood to ensure they work together should they both come into effect. We note that both are concerned about pay and conditions so we do need to factor in how they will relate to each other. We also note that there may be other programmes or initiatives that have a relationship with Tourism ITP, and these need to be identified and carefully assessed.

**Recommendation.** Undertake a review of the relationship between the Fair Pay Agreement reforms and Tourism ITP Action Plan to ensure any issues are investigated and addressed before the final Action Plan is released. Avoiding adding layers of complexity must be an important criterion for assessing the balance of requirements in the final Action Plan.

## Comments on the Tirohanga Hou

Attachment 1 sets out TIA's assessment for each of the Tirohanga Hou. In this section, we will make comment on specific observations we have on a few of the Tirohanga Hou.

Overall, TIA is confident that concerted implementation of the set of Tirohanga Hou will drive important improvements to the tourism workforce, and we are pleased that the implementation pathways are well signalled.

### Tirohanga Hou 1: Tourism and Hospitality Accord

The Accord is the most tangible of the Actions, and TIA supports its intent. The 'Commitment' approach with clear standards is an effective way to signal desired behaviours and for setting clear expectations. This is the premise of TIA's Tourism Sustainability Commitment.

Our recommendation is that consideration is given to how the Accord is designed to fit within the tourism system and particularly its relationship with the other initiatives that are already in place. These are described as the 'interdependencies' in the paper and we see the following as needing to be carefully considered:

- TIA's **Tourism Sustainability Commitment** involves sign-up by tourism businesses for 12 Commitments, one of which is '*Employer of Choice*'. The draft Action Plan recognises the TSC, commenting that the Accord can be established as a complementary initiative to lift standards and bring in the added support of government and unions. TIA can see potential for the Accord to be a 'great way for businesses to become an Employer of Choice.'
- Restaurant Association NZ's **HospoCred** programme has been established as the sector's accreditation scheme, setting standards and assessing businesses against five key areas; workforce development; policy/business; financial management; and training/professional development.
- **Fair Pay Agreement Bill.** As set out above, it is expected that the sector and occupation agreements established under this framework need to align with the Accord, including around pay and condition requirements.

Also, we are aware that Qualmark has a role to play as New Zealand's quality assurance programme and it does include some criteria of interest, including around health and safety.

Unless these components are carefully designed to work together, there is a clear risk of duplication of effort and, more importantly, risk of further uncertainty and clutter on what actions the businesses should be doing. At TIA we are acutely aware that clarity and simplicity is essential for getting people to engage and take the actions they need to take. As such, we do see risk that the Accord could be a further layer or complication unless it is very purposefully and carefully designed to mitigate this risk.

**Recommendation:** Take particular care in designing the Accord to include complementarity and simplicity of the Accord and how it relates to other industry initiatives and programmes.

In terms of implementing the Accord, we note that it will need to be supported at governance and operational levels and we agree that both functions are important to giving effect to this initiative over time. TIA does not currently have a view whether it would be in a position to host the Accord and would consider this as and when appropriate.

**Recommendation:** Further work is needed to define the governance and operational arrangements in implementing the Accord and that TIA will be happy to engage at the appropriate time.

### **Tirohanga Hou 3: Enabling Better Work Through Innovation and Technology**

TIA considers this an important Tirohanga Hou as it is central to productivity, efficiency and quality gains across the industry, as well as better jobs. In many respects, productivity is the key factor that ultimately influences the ability of the industry to attract the capital and labour that it needs, and to allow it to re-invest back into the industry for better jobs, care for nature, creating further value, and others. More should be made of this key broader view within the draft Action Plan.

At present, the innovation and technology uptake processes are not well developed with little institutional, or programme support provided. We welcome the implementation steps that are set out, including the Innovation Programme for Tourism Recovery, but we feel that there is more that can be done, including by establishing stronger pathways for accessing the support from the Government's overall Research, Science and Innovation system, which is the main route for other sectors in New Zealand to receive support for their science, innovation and technology needs.

**Recommendation:** Further work is needed to set out the implementation pathways for this Tirohanga Hou, and establishing the ability of the public Research, Science and Innovation system needs to be specifically included amongst these.

### **Tirohanga Hou 6: Fit for Purpose Education and Training**

Along with innovation and technology, TIA considers the upskilling of the industry is key for moving the industry forward with better jobs, and a better industry.

TIA welcomes the innovative steps set out in the draft Action Plan, especially around vocational education and training and we welcome the work the ITP Leadership Group has undertaken with Ringa Hora to ensure the new national vocational system will meet tourism industry needs.

We do note that the education component seems light, especially as it relates to higher education, whether tourism-specific or more broadly. We think of it as the

professionalisation of the industry where we need appropriately skilled, trained and educated people in all positions in the industry. This point relates to the idea set out earlier in this submission that the Action Plan needs to cover all levels and types of work in the tourism industry – all are important.

**Recommendation:** Include a wider view on the education component of the Action Plan by including clearer reference to education, and to higher education as part of the overall upskilling of the industry.

## **Implementation**

How this will be implemented will be key. As such, there needs to be a clear way forward for this body of work, including the interdependencies between the Tirohanga Hou, the priorities to advance quickly and how key initiatives are funded and supported over time. The implementation, and the support it receives, will be key to ensuring the enduring success of this Workforce component of the Tourism Industry Transformation Plan.

## **Further Input**

TIA has greatly valued being involved in this process to date to develop the draft Action Plan and we are fully committed to contributing further as and where we can add value.

If you have any queries about our feedback, please contact me directly or do so via Bruce Bassett on 021 609 674 or [bruce.bassett@tia.org.nz](mailto:bruce.bassett@tia.org.nz).

We would be very happy to meet to discuss the points raised in this submission.

Ngā mihi,

A handwritten signature in blue ink, appearing to read 'R Ingram', followed by a period.

Rebecca Ingram  
Chief Executive

## Attachment 1: Consultation Questions and Responses

Consultation Question	TIA Response
<b>Overall questions</b>	
Do you think each of the Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>TIA considers that the effective implementation of the Tirohanga Hou will lead to better work outcomes. This implementation will need to be supported, with both institutional and funding support. The key advantage is that the interests of all parties – industry, unions and government - appear to be highly aligned; we all seek to ensure quality work in the tourism industry. Some Tirohanga Hou will contribute more than others, but each has a role to play.</p> <p>One area of concern for TIA is the lack of recognition of the important role played by the overseas dual-value workforce within the industry, especially where and when these workers fill the critical seasonal worker shortfalls.</p>
How can we improve each Tirohanga Hou?	Refer to comments for each of the Tirohanga Hou below.
What do you think are the most important Tirohanga Hou?	<p>Two Tirohanga Hou stand out from a TIA perspective, with both oriented to increasing the skill, knowledge and innovative base of the tourism industry, these being 3) Enabling better work through innovation and technology, and 6) Fit for purpose education and training. Both are key to increasing value and productivity across the industry.</p> <p>TIA supports 8) A public campaign to showcase better work in the industry is very important especially once real progress has been achieved across the other Tirohanga Hou.</p> <p>TIA views 1) Tourism and Hospitality Accord as potentially an important and tangible output but needing to be developed in the context of the other initiatives that are already operating in this space. It is also closely linked with the other Tirohanga Hou.</p> <p>TIA supports the thinking behind 5) Embracing the peaks and troughs of tourism demand and how the industry can best work with the variable nature of tourism demand.</p> <p>The 7) Better tools and resources for business owners and operators action emphasises the first step is to promote the general business support that is available, e.g. business.govt.nz, Digital Boost, and others. Only after this should more bespoke tourism tools and resources be considered. TIA agrees with this approach.</p> <p>Then there are two that are about doing things the right way, which are increasingly important, these being 2) Promoting a purpose-driven, inter-generational mindset and 4) Building cultural competency. Also, it could be considered that the 'inter-generational mindset could be considered a guiding principle underlying all Tirohanga Hou rather than an action point.</p>
Are there any other Tirohanga Hou we are missing that you think should be considered for development?	<p>The project work has highlighted the paucity of quality tourism workforce data with the right coverage across the right indicators. The absence of this data has inhibited the analysis of the current state of the tourism workforce. Hospitality data has been used, and perhaps as a proxy for the tourism industry. While the data weakness has not been a fatal flaw for the ITP action plan work, it certainly will be as the plan is applied. How will we track progress, isolate areas of concern, etc.</p> <p>This indicates that the tourism workforce data issue needs to be seriously addressed.</p> <p>The recently established Tourism Data Leadership Group is charged with improving tourism data overall, and workforce data will no doubt be a small part of its considerations.</p> <p>As such, in order to address the limited availability of tourism-specific workforce data, TIA considers that a further Tirohanga</p>

	<p>Hou be established to advance this issue. This would be advanced on its own right and would likely assist prioritisation within the TDLG process.</p> <p>Soundly based tourism demand forecasts will be needed, with the appropriate linkage to future workforce and skill forecasts.</p>
Do you have any other comments?	TIA is very supportive of the ITP process in place for its ability to address the key systemic issues facing the tourism industry.
<b>1. Tourism and Hospitality Accord</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>TIA considers that the proposed Accord can raise the standards of what is expected of tourism businesses in managing their workforce. There will be benefits from participating.</p> <p>We are concerned at its placement within the wider tourism system with it having clear overlap with existing initiatives such as the TSC, HospoCred, and how it relates to the draft Fair Pay Agreement legislation. We do consider that the Accord would be a better way forward than the FPA approach.</p> <p>It will be very important that the system design understands and accommodates these overlaps, otherwise we run the risk of these initiatives each devaluing each other.</p> <p>Also, our sense is that with overload or confusion in these areas, we run the risk of tourism businesses finding it too hard and disengaging.</p>
How can we improve this Tirohanga Hou?	<p>Clarity around the relationships with other players in this space is required.</p> <p>As with the TSC, the initial model is for voluntary participation and assessment which will likely be appealing to the businesses that are already doing well, and not so much for the poor performers that are the real target for this exercise.</p> <p>The Accord will take a considerable time to drive significant change so promoting it within six months seems ambitious.</p>
What else do you think can be included in the Accord?	It is well-articulated as it is.
<b>2. Promoting a Purpose-Driven Intergenerational Mindset</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>The intention of this Action is very well placed. It will be the values of the people involved that will ensure delivery of the desired intergenerational perspectives.</p> <p>This values-based approach is consistent to the TSC that taps into the core values of people in the industry to think long term and operate sustainably.</p> <p>While the intent is solid, the actions seem light in relation to the fundamental shifts in people's values that the Tirohanga Hou is seeking to drive.</p> <p>Also, this Tirohanga Hou will be influenced by all of the other actions across the Accord, so can be seen as more of an outcome than an action itself.</p>
How can we improve this Tirohanga Hou?	Strengthen the actions or articulate how this is a more holistic overlay to the Accord itself.
<b>3. Enabling Better Work Through Innovation and Technology</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>This Tirohanga Hou has considerable potential to drive a paradigm shift in the industry – productivity, efficiency, value creation, more interesting jobs, less mundane jobs, and others.</p> <p>Tourism is an innovative industry, but in an unstructured or informal way and technology change is happening all the time.</p> <p>The challenge is to accelerate this innovation and technology uptake and significantly widen the breadth across the industry.</p> <p>An important consideration in this area is that there is very little institutional, or programme support provided. For instance, the</p>

	public Research, Science and Innovation system provides very little assistance for tourism whereas it should be a platform that generates ideas, networks and capability to drive accelerated innovation and technology uptake.
How can we improve this Tirohanga Hou?	Include reference to the institutional and programme support to accelerate tourism innovation and technology uptake.
<b>4. Building Cultural Competency</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	TIA supports this Tirohanga Hou as it clearly reflects the direction of travel that the tourism industry has in place in becoming more culturally competent, and indeed the industry has been and is a leader. We welcome the emphasis the Tirohanga Hou provides, and the actions set out, and TIA would be happy to contribute the expertise we have gained in advancing the culture and heritage aspect of the TSC. Another point is that being 'culturally competent' should not exclusively involve Māori culture, and must include cognisance of the diversity of cultures in Aotearoa New Zealand, including residents, visitors and our overseas workforce.
How can we improve this Tirohanga Hou?	Include a further action on how the industry can be best supported to use Māori cultural practices, language and stories in the most appropriate way, to both build the capability of their workers and the offer they present to their visitors. For many tourism operators, guidance on how to connect with Mana Whenua will be an important area. Clearly reference the diversity of cultures that are within scope of the Tirohanga Hou.
<b>5. Embracing the Peaks and Troughs of Tourism Demand.</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	This Tirohanga Hou appealed in that it seeks to reframe the industry's attitude and response and work with seasonality rather than to fight against it. Fluctuations are a reality in tourism for powerful reasons, and these are very difficult to shift. The Actions seem to be appropriate to injecting the evidence on how strategies like employee-sharing could be further developed. A key thought we had was on the role of transient workers who work with the peaks and troughs. For instance, many New Zealanders in the winter ski workforce head off for off-season work in the northern hemisphere, and many overseas workers do the same by working in New Zealand in their off seasons. Many tourism sectors have this sort of pattern, with overseas or transitory workers a very important part of the mix. Also, many tourism businesses have very well-developed processes for working with this flux in their workforce, e.g. RealNZ, NZ Ski, and others.
How can we improve this Tirohanga Hou?	Make reference to the role of migrant or transitory workers as an important part of the industry's seasonal workforce.
<b>6. Fit for Purpose Education and Training</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	The emphasis of training and skill development in the document is both good and important. TIA sees the lifting of skill levels as being directly tied to lifting industry value, including the all-important 'soft skills' and those 'skills for life'. The 'education' aspect is very lightly covered in this Tirohanga Hou, and it should be given greater emphasis. By this, recognising that university level education is important, both in tourism and across a wide range of other disciplines.

	<p>TIA views the 'professionalisation' of the industry as fundamentally important and this has a direct line of sight to the university-level education as one important pathway for getting there.</p> <p>This is one of the most tangible Tirohanga Hou in terms of actionability, and it warrants strong implementation support.</p>
How can we improve this Tirohanga Hou?	Include a stronger 'education' perspective and consider how the implementation steps are made more concrete.
<b>7. Tools and Resources</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>TIA considers that this Tirohanga Hou is well set.</p> <p>We agree that the first step should be to utilise the wide range of generic business support that is already available.</p> <p>Then, if evidence suggests more bespoke tourism material is needed, then look at this on its merit.</p>
How can we improve this Tirohanga Hou?	It is well-articulated as it is.
<b>8. Public Campaign</b>	
Do you think this Tirohanga Hou will lead to better work outcomes in tourism? Why?	<p>Making progress in ensuring better work in tourism is the primary goal of the ITP, with the leveraging of this progress key for driving perceptual changes about working in tourism.</p> <p>As such, TIA considers this Tirohanga Hou to be very important to ensure we are taking the wider set of stakeholders on the journey with us – from what we are getting going and ultimately what is achieved.</p> <p>This effort could also be advanced with alignment with the communications undertaken by Go with Tourism.</p>
How can we improve this Tirohanga Hou?	It is well-articulated as it is.