

Commonwealth Government COVID-19 Response Inquiry

Australian Chamber – Tourism Submission

December 2023



Working for business. Working for Australia.

Telephone 02 6270 8000 | Email info@acci.com.au | Website www.acci.com.au

Media Enquiries

Telephone 02 6270 8020 | Email media@acci.com.au

Canberra Office

Commerce House
Level 3, 24 Brisbane Avenue
Barton ACT 2600
Kingston ACT 2604

Melbourne Office

Level 3, 150 Collins Street
Melbourne VIC 3000

Perth Office

Bishops See
Level 5, 235 St Georges Terrace
Perth WA 6000

ABN 85 008 391 795

© Australian Chamber of Commerce and Industry 2023

This work is copyright. No part of this publication may be reproduced or used in any way without acknowledgement to the Australian Chamber of Commerce and Industry.

Disclaimers & Acknowledgements

The Australian Chamber of Commerce and Industry (ACCI) has taken reasonable care in publishing the information contained in this publication but does not guarantee that the information is complete, accurate or current. In particular, ACCI is not responsible for the accuracy of information that has been provided by other parties. The information in this publication is not intended to be used as the basis for making any investment decision and must not be relied upon as investment advice. To the maximum extent permitted by law, ACCI disclaims all liability (including liability in negligence) to any person arising out of use or reliance on the information contained in this publication including for loss or damage which you or anyone else might suffer as a result of that use or reliance.

Table of Contents

Executive summary	1
Introduction	3
Background	3
Governance	4
Coordination of pandemic response	4
Communications between governments and industry	6
International policies	7
International test case	7
Cruise and biosecurity	8
Support for industry and business	10
Financial support	10
A structured reopening is necessary	10
Support for international workers and hospitality	11
About Australian Chamber – Tourism	14

Executive summary

Australia is an open trading nation which derives enormous economic and social benefit from being engaged with other countries for business, trade, family, culture, leisure and sport. Some of our most lucrative and job-generating export industries are in the service economy, such as tourism, international education, events and professional services. Unfortunately, each of these industries was significantly hampered by the prolonged closure of Australia's international borders, and with uncertainty as to when any reopening would occur.

During the pandemic, Australian Chamber – Tourism (the Chamber) acted quickly to develop policies and provide advice to governments on how to best support the reopening of international borders in a phased, risk-based manner so as to support the recovery of travel and tourism as best as possible.

While not all proposals put forward were adopted while pandemic restrictions were in place, we take this opportunity to provide recommendations developed through extensive consultation with industry which, if adopted, would better support travel and tourism in a future pandemic or the like.

Improved government coordination:

A coordination mechanism must be established to improve the pandemic response at a federal level, with a particular focus on effective stakeholder engagement. Such a body must include representation from travel and tourism.

Transparent communications to industry and the public:

Communications between and from state and territory and the federal government to industry and the public must be more cohesive.

There must be greater transparency for the requirements for the easing of restrictions.

Test case for international reopening:

A template or scaffold should be developed with a friendly, neighbouring country to allow the early reopening of international borders and expedite the recovery of travel and tourism.

Governments should consider a national approach to domestic and international border policies.

Adopting industry advice:

Governments should give greater consideration to reasonable reopening plans developed and put forward by industry.

Tailored support for travel, tourism and hospitality:

Tailored supports should be available for travel, tourism and hospitality businesses, recognising the impacts of restrictions and the time required to recommence operations.

Structured reopening plan:

A target timetable for the reopening of travel, tourism, hospitality and events should be developed which clearly outlines the steps required for each stage to provide necessary certainty to businesses.

The Restart Plan developed by the Tourism Restart Taskforce should form the basis of any timetable.

There must be adequate notice and communication of each step.

Support for international visa holders and upskilling:

Appropriate supports must be in place to support the return of Working Holiday Makers and skilled migrants once borders reopen.

Upskilling for workers in the hospitality sector must be appropriately funded to meet worker and skills shortages.

Introduction

The Australian Chamber – Tourism (the Chamber) welcomes the establishment of the Commonwealth Government’s COVID-19 response inquiry and appreciates the opportunity to make a submission.

Australian travel and tourism were significantly impacted by the restrictions put in place to manage the impacts of COVID-19. While many of these restrictions were necessary to protect lives, the Chamber strongly believes that there were a number of areas where all governments could have better supported travel and tourism, and where better supports can be adopted for future events.

Through this submission, the Chamber outlines recommendations which we believe, if adopted, could contribute to a more expedient recovery of Australian travel and tourism if future pandemics or the like are experienced.

Background

Before the pandemic restrictions in Australia, domestic and international tourism and travel spending totalled \$166 billion and was the fourth largest export sector.¹ In the regions, there was a direct benefit too, with 44 cents of every tourism dollar spent in regional destinations,² and the industry supported over one million jobs, directly or indirectly.³

There are more than 330,000 businesses in the visitor economy, accounting for approximately one in seven of Australia’s 2.4 million businesses. Of these, over 100,000 are in regional Australia.⁴

Tourism was then the first to feel the impacts of COVID-19 restrictions with the Chinese tourism travel ban in February 2020, closely followed by a more complete tourism and travel shut down by border closures, business closures and all major events cancelled by the COVID-19 restrictions with minimal certainty as to its future. The restrictions compounded the impact of the 2019-20 bushfires, estimated to cost travel and tourism \$4.5 billion.⁵

While international border closures were necessary to stem the spread of COVID-19 within the community, their closures had an adverse impact on Australian travel and tourism, from which it is still recovering. In September 2023, short-term visitor arrival levels were still 15.9 per cent lower than they were in September 2019.⁶

Australia is an expensive destination due to the distance from other countries and our tourism destinations which are geographically disparate. While many travellers come to Australia through international means, they also travel within the country. This inability for travellers to cross state borders significantly hampered

¹ Department of Infrastructure, Transport, Regional Development, Communications and the Arts (2023), [Aviation Green Paper: Towards 2050](#), September 2023, pg.30.

² Tourism Australia n.d., [The Economic Importance of Tourism](#).

³ Department of Infrastructure, Transport, Regional Development, Communications and the Arts (2023), [Aviation Green Paper: Towards 2050](#), September 2023, pg.30.

⁴ Australian Trade and Investment Commission (2023), [THRIVE 2030 revised: The Re-imagined Visitor Economy Strategy](#), 1 March 2023, pg.5.

⁵ Carruthers, F. (2020), [Tourism loses \\$4.5b to bushfires as overseas visitors cancel](#), 17 January 2020, Australian Financial Review.

⁶ Australian Bureau of Statistics (2023), [Overseas Arrivals and Departures, September](#), September 2023.

travel and tourism's ability to operate effectively, further compounding the impacts of closed international borders. While domestic travel would not account for losses due to international border closures, the inability to travel between states was significant.

Once pandemic restrictions came into force, the Chamber acted swiftly to support government in its decision-making, attempting to ensure that travel and tourism were not an afterthought when responding to the virus. The Chamber was instrumental in forming the Tourism Restart Taskforce (the Taskforce) which sought to provide advice to industry and government on the short, medium and long-term priorities to rebuild tourism in Australia. Membership of the Taskforce included a range of eminent travel, tourism and hospitality industry leaders.

The Taskforce undertook a range of policy development and advocacy work to advise governments on measures to assist with reopening promptly, and how to mitigate the effects of the restrictions on Australian travel and tourism. Throughout the course of 2020 and again in 2021 following the resurgence of COVID-19 in the Australian community, the Taskforce developed a comprehensive Restart Plan, which included a phased, risk-based timetable for reopening the numerous sectors within travel and tourism both domestically and for international resumption.

While many of the recommendations of the Taskforce were not adopted or faced setbacks as a result of the resurgence of the pandemic, a number of the recommendations would still be adaptable for future pandemic-like situations.

Within a month of the restrictions being applied, the Chamber developed the 'Making Tourism COVID Safe – Guiding Principles', which sought to provide protocols for safe operations for tourism and hospitality businesses by assisting individual sectors to develop their operational guidelines. These guidelines were utilised by industry sector groups, states and international organisations.

Governance

Coordination of pandemic response

The response to COVID-19 has highlighted that we still have not adequately addressed gaps and inconsistencies in intergovernmental coordination with regard to overlapping emergency powers and responses to disease outbreaks.

During the response to the pandemic, a number of working groups and taskforces within and across various levels of government were established. While each had its purpose, unfortunately, not all groups coordinated with each other or with industry adequately.

There needed to be a mechanism by which information could be easily and efficiently distributed to involved stakeholders within government and then shared with industry and the broader public where applicable. Too often, the Chamber would be directed to multiple departments and agencies to resolve an issue which took time away from the Chamber and the different departments and agencies to which it was directed. If there was an effective central point for information, this should have been a rare occurrence.

It is clear that a more coordinated response will be required in any future pandemic or the like. While some attempts to coordinate the pandemic response were made at a federal level, all had different responsibilities, answered to and provided advice to different bodies and levels of government, and sometimes made conflicting recommendations.

Perhaps more disappointingly, many of these groups did not have representation from travel and tourism.

For example, National Cabinet was established to supersede the Council of Australian Governments (COAG). National Cabinet was initially a workable mechanism whereby decisions on appropriate responses and restrictions were made and agreed between all state and territory governments. However, while the intention behind National Cabinet was sound, the practical outcomes were often confused.

Under Australia's federal system of governance, many of the key decisions made by the National Cabinet, advised directly by the Australian Health Protection Principal Committee (AHPPC), fell under the states and territories' areas of responsibility. These included declarations to enforce social distancing measures, school closures, moratoriums on evictions and operational responsibility for the health system. As a result, many of the decisions made by National Cabinet and communicated by the federal government to the public were contradicted by state and territory governments, leading to confusion within the community and for industry. This was particularly the case where COVID-19 infection rates fluctuated across the various states and territories.

The National Coordination Mechanism (NCM) purported to coordinate engagement through individual forums with individual sectors, such as education, public safety and policing, banking, transport, food, and agriculture.⁷ It operated through the Department of Home Affairs and, together with the states and territories, sought to coordinate the whole-of-government responses to issues outside the direct health management of COVID-19 however, travel and tourism was not represented. Even now, tourism and travel are not acknowledged in the 'impacted communities', instead only referencing 'major events', which is broader than the business events sector.

Another body established, the National COVID-19 Coordination Committee (NCCC), later the National COVID-19 Commission Advisory Board (NCCAB), was crucial in advising Australian Government on "actions to anticipate and mitigate the economic and social effects of the ... pandemic".⁸ Several bodies reported to the NCCAB; however, this was not all bodies, agencies or departments. The NCCAB also didn't have any representation from travel and tourism, instead relying on occasional briefings from bodies such as the Chamber and the Taskforce. In addition, the operation of National Cabinet was informed directly by the AHPPC whilst the views of the NCCC and NCCAB were advanced through the Commonwealth Government. This resulted in the rejection of these considerations in favour of the risk-averse AHPPC view.

The Chamber notes the Federal Government's commitment to establish "an Australian [Centre for Disease Control (CDC)] that would ensure ongoing pandemic preparedness and lead the national response to future infectious disease outbreaks". Understanding the arrangements currently in operation for biosecurity, emergency management, and public health are critical for considering what is feasible moving forward.

A complete and comprehensive stocktake of activities and programs across the nation, and all relevant government departments and agencies should also be undertaken to identify the gaps, priorities and any

⁷ Parliament of Australia (2020), [Australian COVID-19 response management arrangements: a quick guide](#), 28 April 2020.

⁸ Ibid.

areas of inefficient duplication relating to communicable disease preparedness and response. This would provide information on areas the CDC should prioritise first and inform the establishment of appropriate governance and data-sharing arrangements with other relevant bodies in order to achieve the national coordination role the CDC will play throughout its existence.

While this commitment is welcomed, the Chamber believes that the more crucial aspect to improve future pandemic responses will be improving communications from all levels of government, industry and the community at large, prioritising transparency and consistency.

Recommendation:

A coordination mechanism must be established to improve the pandemic response at a federal level, with a particular focus on effective stakeholder engagement. Such a body must include representation from travel and tourism.

Communications between governments and industry

Not only was there a lack of a clear and representative coordination mechanism, but there was also a lack of communication between the existing agencies, departments and industry organisations.

There must be greater transparency for the requirements for the easing of restrictions. Too often, there was not sufficient clarity as to what was required to take the next step towards the easing of restrictions, which contributed to the uncertainty for industry and businesses. Despite hundreds of pages of submissions of risk mitigations, industry-wide strategies to manage transmission were overlooked in favour of the zero-risk framework advanced by the health community.

There were fractured communications between and from governments of all levels to industry, and each had their own approach to their own borders and restrictions within them. In particular, there was a lack of communication from governments to travel and tourism businesses about what restrictions would be in place and for how long, and what would be required for various restrictions to be eased.

This was also the case for state, territory, and federal government responses. While there were undoubtedly different responsibilities between jurisdictions, there needed to be a more cohesive approach to combatting the pandemic. There needed to be a better approach to communicating with the public, industry, and other levels of government more broadly. Too often, there were differing approaches despite all levels of government receiving the same or similar information, and different reasoning was provided for each approach. This contributed to the uncertainty felt within the community and the unease once restrictions began to ease.

Not only did industries have to keep up with the various restrictions across states and territories but it also had to keep up with their various timetables and requirements for reopening, which were often different.

All levels of government should commit to communicating effectively, including between each other and with the public. The Chamber notes that this was a key recommendation made by the Senate inquiry on COVID-19 in its final report.⁹

⁹ The Senate Select Committee on COVID-19 (2022), [Final report](#), April 2022, recommendation 6.

Recommendations:

Communications between and from state and territory and the federal government to industry and the public must be more cohesive.

There must be greater transparency for the requirements for the easing of restrictions.

International policies

As outlined above, the impact of closed international borders on Australian travel and tourism was devastating, so much so that it is still recovering today. While there was undoubtedly cause for some of the restrictions to protect the health of Australians, the Chamber believes that more could have been done sooner to provide additional opportunities for travel and tourism to recover more expediently.

In future responses to pandemics and the like, it will be important to ensure that responses are proportionate to the risk to the community. While managing the health impacts on the community is of paramount concern, the impact of restrictive measures on industries such as travel and tourism must also be considered.

At the very least, there needed to be certainty and transparency with industry and the public regarding when and how international borders would open. Throughout the pandemic, mixed messages were coming from the private sector and government, such as Qantas announcing the resumption of international flights before any government announcement,¹⁰ and the government indicating that international travel would not restart until vaccinations were rolled out.

International test case

For future pandemics and the like, the Chamber strongly suggests having a template or scaffold in place with a friendly, neighbouring country to seek to reopen international borders and expedite the recovery of travel and tourism and other parts of the economy.

Bilateral arrangements with countries we are opening travel with could be negotiated to ensure that protocols at their end meet our requirements for travel to Australia. Similarly, we could offer suitable arrangements for travellers from our country to theirs.

During the COVID-19 pandemic, the Taskforce put forward a suggested test case between Wellington, New Zealand, and Canberra, Australia, as these two cities were COVID-free for an extended period. We note that both governments explored and agreed to a trans-Tasman bubble at the end of 2020 which was implemented in 2021 for a short time. Both New Zealand and Australia had success in managing the pandemic and were able to leverage this as well as the proximity to each other to restart international air travel to a degree.

The case study should be flexible enough to allow an involved city to be supplemented with another that would be more suitable. For example, if Canberra was to be more severely or continuously impacted than

¹⁰ Claydon, R. (2021), [Qantas flights to US, UK unlikely to go ahead by July, experts say](#), 7 January 2023, ABC News.

Hobart, there should be provision for Hobart to take Canberra's place. Alternatively, another country, such as Singapore, could be considered.

There should be a list of countries and cities willing to engage in such a proposal in a similar event. Of course, this would only be a preliminary indication of which countries would be willing to engage in such arrangements and would be entirely dependent on a successful response to any future pandemic.

The plan will also require at least one airline to be a signatory to the concept.

If successful, such a plan would allow tourism and travel to restart sustainably and would be the precursor to opening up international borders more broadly. It would work to convince Australians that international travel would be safe to commence again and would open the economy at a time when it would be desperately needed.

This approach to reopening would be complemented by a national approach to domestic and international borders. As outlined earlier, significant difficulties were encountered by the often-different approaches to reopening borders taken by the federal and state and territory governments, leading to confusion and travel hesitancy once domestic and international border crossings were permitted. For effective reopening – either following a successful test case or otherwise – the Chamber would urge all levels of government to consider a consistent, national approach to border policies.

Recommendations:

A template or scaffold should be developed with a friendly, neighbouring country to allow the early reopening of international borders and expedite the recovery of travel and tourism.

Governments should consider a national approach to domestic and international border policies.

Cruise and biosecurity

While most visitors come to Australia via air travel, cruising is also a crucial avenue that was unduly punished during the pandemic.

Before the pandemic, Australia was one of the world's top cruise markets. Cruise tourism was worth \$5.2 billion a year to the Australian economy,¹¹ and sustained more than 18,000 Australian jobs including travel agents, tour operators, transport workers, food and produce suppliers, farmers, entertainers, port workers and technical support providers.

Cruising to and from Australia was closed from March 2020 until April 2022, after approximately 86 other countries had allowed their cruising industry to restart.¹²

The reopening of cruising followed the government's decision to continually extend the cruise ban without a clear restart plan, leaving those businesses in limbo and unable to plan for their future. Despite the rest of the travel industry being fully reopened in February 2022, cruising had to wait for an additional three months because the ban was extended to April 2022, with notice provided just one month prior.¹³ As outlined in this submission, the restart of tourism and travel requires sufficient time for preparations – as foreshadowed by industry, it took time after the ban was rescinded before cruise ships were welcomed

¹¹ Cruise Lines International Association Australasia (2022), [Pre-budget Submission 2022-23](#), January 2023, pg.1.

¹² Parkes-Hupton, H. (2022), [First cruise ship to arrive in Australia for two years due to COVID-19 pandemic docks in Sydney](#), 18 April 2022, ABC News.

¹³ Hunt, Hon G., Andrews, Hon K., Tehan, Hon D. (2022), [Cruise ships ban to end April 17](#), 15 March 2022.

back into Australia. While the first cruise ship arrived in Australia in April 2022 following the lifting of the ban, it was not until 31 May 2022 when the first cruise ship with passengers departed Sydney for Brisbane.¹⁴

Many tour operators and transport businesses built up their operations during the growth trajectory of cruise tourism and have invested heavily in additional assets specifically to cater to cruise passengers. For some of these businesses, the cruise shutdown resulted in a loss of 80 per cent of their business with no ability to replace it.¹⁵

Cruise ships have a long and high-value supply chain, with cruise lines spending hundreds of millions of dollars each year on Australian produce, wine and other supplies, and many related suppliers such as logistics and transport businesses also benefiting. The volumes of primary produce purchased by cruise lines are significant. For example, around 2.5 tonnes of Australian red meat are supplied for a three-day cruise. One cruise line, P&O Cruises Australia, purchases between 1,000-1,500 tons of Australian red meat annually, 20-30 tons of Australian poultry each week, and even higher volumes of fresh fruit and vegetables.¹⁶ The loss of orders of these volumes due to the cruise shutdown affected the vast network of farmers and producers around the country who supply the cruise industry, with regional producers believed to be impacted the most.

Additionally, during the prolonged shutdown of cruising, and in another blow to the industry, Australians travelled overseas to go on a cruise.¹⁷ Not only did this reduce the revenue available to Australian cruising and adjacent industries, it also contracted travel and tourism's recovery and the broader recovery of the Australian economy.

During the restriction period for cruising, a comprehensive plan was developed by industry, supported by the Chamber, to facilitate cruising to restart as quickly and as safely as possible.¹⁸ The initial protocols outlined a restart confined to domestic waters while travel restrictions were in place, before opening further when travel restrictions allowed. Under the plan, mandatory COVID-19 tests for guests and crew before boarding, limiting passenger numbers, and conducting daily health monitoring and temperature checks for all on board would all be imposed. Quarantine would be required once travellers arrived back on Australian soil. If these protocols were adopted, it would have allowed a much quicker restoration of cruising operations and contributed to a quicker recovery for travel and tourism more broadly.

The Chamber urges governments to adopt reasonable plans put forward by industry where safe to do so.

Recommendation:

Governments should give greater consideration to reasonable reopening plans developed and put forward by industry.

¹⁴ Swain, S. (2022), [First cruise in more than two years sails out of Sydney](#), 31 May 2022, 9 News.

¹⁵ Cruise Lines International Association Australasia (2022), [Pre-budget Submission 2022-23](#), January 2023, pg.4.

¹⁶ Ibid.

¹⁷ Laurence, E. (2022), [Aussies heading overseas to dodge government ban on cruise ships](#), 4 February 2022, ABC News.

¹⁸ ABC News (2020), [Cruise industry to introduce tough new COVID-19 measures when ban lifts in December](#), 29 November 2020.

Support for industry and business

Financial support

During the shutdown phase, it became clear that the restart of travel, tourism and hospitality would require significant planning. The lead time for bookings and ongoing cancellations, flight route planning, staffing upskilling and re-engagement as well as COVID-19 safety measures all needed to be scheduled and implemented to ensure the efficient recovery of the sector.

Government measures, such as cash flow support, JobSeeker and JobKeeper, allowed many businesses to survive most of the restriction period. However, these programs did not extend for the life of the international border closures and, as such, could not support all travel and tourism businesses. Many businesses had to dip into their business reserves and personal savings to stay afloat.

While the industry welcomed the support when they were available, the Chamber believes that there needs to be specific support available for travel, tourism and hospitality businesses, recognising the impacts of restrictions and the time required to recommence operations. This would also be the case where there are international border closures that outlast domestic restrictions. The types of businesses that would likely be eligible would include travel agents, inbound tour operators, cruise, coach tourism, business events, as well as accommodation and hospitality venues in locations that are reliant on international travel.

Such supports should also apply to those businesses which were completely shut down by government order during the pandemic. These businesses faced a debt cliff built up through the continuation of fixed costs while their businesses were completely closed.

Just as travel, tourism and hospitality businesses require advanced warning about changes to restrictions and requirements for reopening, businesses should also be advised well in advance of any changes to the JobKeeper payments or the like, where possible.

These supports need to be easily adaptable where restrictions are put in place with short notice, with the appropriate infrastructure maintained so businesses can receive payments promptly.

Recommendation:

Tailored supports should be available for travel, tourism and hospitality businesses, recognising the impacts of restrictions and the time required to recommence operations.

A structured reopening is necessary

Many facets of travel and tourism cannot simply restart or reopen with a few days warning. Many businesses in the industry require bookings to be made in advance so sufficient staff can be rostered, equipment can be in place, and necessary permissions can be obtained. For the events sector, for example, it is simply impossible to pull together all aspects – catering, staffing, the venue, speakers, accommodation – without weeks of lead in time. This is even more so the case where protocols and COVID-safe plans had to be developed and approved.

A target timetable for travel, tourism, hospitality and events restart should be developed to clarify the conditions that will enable each step to be taken. Without knowing what the next pandemic or the like will look like or how it will unfold, at the very least, the government should commit to developing such a timetable in an expedient manner to provide some additional certainty to these industries.

The work of the Taskforce should form the basis of any timetable, as it was developed as a phased, risk-based approach to reopening. It would be prudent to develop such a timetable that can be flexible enough to adapt in the face of changing conditions but which provides some level of certainty to businesses and industry so they will be supported to open when safe to do so, and to get a head start on such a task noting the difficulties following the COVID-19 pandemic and accompanying restrictions.

At each step, there must be adequate notice and communication to provide sufficient lead time to facilitate travel to recommence effectively. Part of this will require effective communication channels as outlined above.

Recommendation:

A target timetable for the reopening of travel, tourism, hospitality and events should be developed which clearly outlines the steps required for each stage to provide necessary certainty to businesses.

The Restart Plan developed by the Tourism Restart Taskforce should form the basis of any timetable.

There must be adequate notice and communication of each step.

Support for international workers and hospitality

Travel, tourism, hospitality, accommodation and events sectors depend highly on skilled migrants and international workers.

When international borders closed during the pandemic and international visa holders were invited to return to their country of origin, a huge flow on effect commenced, the effects of which we are still seeing today.

These international visa holders include Working Holiday Makers (WHMs). WHMs are essential for Australian tourism, particularly in regional and remote Australia, due to their spending as visitors and their contribution to the labour market. The WHM program delivers enthusiastic and mobile workers to regions where labour is most needed, which enables regions and businesses to meet seasonal labour needs thanks to the flexibility of the visa.

WHMs contributed \$3.2 billion to the Australian economy in the year immediately before COVID-19 restrictions,¹⁹ much of which was spent in the regions. Before the COVID-19 restriction period, 22 per cent of WHMs extended their visa past the first year, accounting for around \$577 million of spending in the visitor economy. This is a significant contribution, especially when spent in regional tourism areas struggling to recover after years of disruption.

The lack of international students and WHMs during the pandemic exacerbated the difficulties in securing unskilled labour, particularly for short-term and seasonal work. The inability to bring in skilled migrants to

¹⁹ Tehan, Hon D. and Hawke, Hon A. (2022), [Attracting more Working Holiday Makers](#), 31 January 2022.

fill gaps in the workforce limited both the services provided to local communities and job opportunities for Australians.

There needs to be appropriate support in place for international visa holders, particularly WHMs and skilled migrants, to come to Australia to support industries such as travel and tourism, particularly hospitality, when borders reopen.

In addition to the lack of access to workers, throughout the period of the COVID-19 restrictions, many of the products, services and techniques employed across travel, tourism, hospitality, accommodation and events have changed. The application of technology has changed immensely with contactless technology for travel, service and payments at the forefront of this change.

In the hospitality sector, food delivery technology has greatly increased restaurant takeaway. This is part of the 36 per cent growth above pre-COVID-19 restriction levels that the restaurant, café and takeaway food service sector has experienced.

These factors, and significant changes in the distribution methods for travel and tourism, have meant that staff have needed to gain extra skills to deal with workplace operations. New entrants into the industry over the past 12-18 months have not had the benefit of pretraining through entry-level programs and have come into the workforce with significant skills gaps.

Current workforce shortages also mean that the pressure in workplaces to deal with increased levels of trade limits their capacity for formal off-site upskilling programs. Employers are looking for just-in-time very short training solutions to deal with workplace problems.

There are a number of projects across the sector that have been developed to deal with this specific demand, mostly through micro-credentials. These short courses, many of which lead to recognition in the formal training system, need to be funded by governments to meet the sector's skills needs.

Hospitality was hit incredibly hard during the pandemic. While the return to dining was one of the first to be reinstated after the initial restrictions, there were limitations on businesses which, for many, did not enable them to operate viably. This limitation slowed tourism's restart and the capacity of businesses to re-engage displaced employees.

As the Taskforce noted in its initial report, reasonable social distancing combined with other COVID-safe policies that businesses were required to create and follow would permit hospitality businesses to operate more viably and create more dining and job opportunities.

Even when National Cabinet agreed to ease restrictions from 1 person per 4 square metres to 1 person per 2 square metres, some states and territories did not immediately follow through. This was another example of the fractured approach to combatting the virus across the country and did nothing to deliver certainty for affected businesses. The Chamber provided a detailed analysis, supported by medical evidence of alternative operating models for hospitality businesses during the restriction period. Whilst advanced through the NCCC and NCCAB process, these were unable to be considered by the AHPPC given their structure.

Recommendations:

Appropriate supports must be in place to support the return of Working Holiday Makers and skilled migrants once borders reopen.

Upskilling for workers in the hospitality sector must be appropriately funded to meet worker and skills shortages.

About Australian Chamber – Tourism

Australian Chamber – Tourism is a peak body representing Australian businesses engaged in the visitor economy. It brings together key participants in the tourism and travel sector to advocate better policies, including tax, regulation, tourism marketing, research, labour supply, visas and infrastructure. The Chamber is part of the Australian Chamber of Commerce and Industry, Australia's largest and most representative business network.

The Australian Chamber of Commerce and Industry represents hundreds of thousands of businesses in every state and territory and across all industries. Ranging from small and medium enterprises to the largest companies, our network employs millions of people.

ACCI strives to make Australia the best place in the world to do business – so that Australians have the jobs, living standards and opportunities to which they aspire.

We seek to create an environment in which businesspeople, employees and independent contractors can achieve their potential as part of a dynamic private sector. We encourage entrepreneurship and innovation to achieve prosperity, economic growth, and jobs.

We focus on issues that impact on business, including economics, trade, workplace relations, work health and safety, and employment, education, and training.

We advocate for Australian business in public debate and to policy decision-makers, including ministers, shadow ministers, other members of parliament, ministerial policy advisors, public servants, regulators and other national agencies. We represent Australian business in international forums.

We represent the broad interests of the private sector rather than individual clients or a narrow sectional interest.

Australian Chamber - Tourism Members





**Australian
Chamber of Commerce
and Industry**