

TOURISM INDUSTRY TRANSFORMATION PLAN

He Mahere Tiaki Kaimahi Better Work Action Plan

MARCH 2023



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CO-CHAIRS' FOREWORD

Tē tōia, tē haumatia

Nothing can be achieved without a plan,
a workforce, and a way of doing things

We are starting with this whakataukī (proverb) as it neatly covers the intent of this final version of He Mahere Tiaki Kaimahi, the *Better Work Action Plan*. The overall goal of the Tourism Industry Transformation Plan (ITP) remains to support the transformation of the industry to a more regenerative system that helps life to thrive. This plan starts with a focus on the workforce, the core to achieve a thriving tourism system, through our *Better Work Tirohanga Hou* (new ways of doing things).

On behalf of the Better Work Leadership Group, we want to thank all those in the tourism industry who contributed to the development of this plan, including the people who reached out to us, and those who consulted on the draft action plan and provided valuable feedback. Thank you for your contributions, which have helped shape this final action plan. We hope you can see your input represented.

One of the things we were told during consultation was that to be successful, we need to be driven by purpose. The world's boldest and most courageous individuals and organisations are influencing systemic change to tackle the most pressing problems we face,

such as climate change, by embedding purpose into their businesses. Employees are rightly asking themselves and their employers about the difference they are making - not just now, but for future generations. Change is happening now and tourism in Aotearoa New Zealand can choose to lead or be left behind. There are already some fantastic stories about businesses leading the way, and we are confident there will be many more.

The Tourism ITP's initial focus on the people who work in the industry provides the foundation for the next phase of the Industry Transformation Plan which will be focused on the environment. The Tirohanga Hou in this action plan need to be viewed as a package of systems change, driving better outcomes for the tourism workforce. In turn, *Better Work* will enable broader change to occur.

We end with another whakataukī: *I orea te tuatara ka patu ki waho - A problem is solved by continuing to find solutions*. The next step is to implement this plan. We are conscious that we need to be responsive to the changing environment and changing context, so this plan will be monitored by the Better Work Leadership Group and adjusted as the needs of the tourism system change.

Thank you once again,

Gráinne Troute
Chair of Tourism Industry
Aotearoa
Industry co-Chair

John Crocker
National Secretary of Unite Union
Union co-Chair

Heather Kirkham
General Manager of
MBIE Tourism
Government co-Chair

THE BETTER WORK LEADERSHIP GROUP



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Chair of Tourism
Industry Aotearoa
Industry co-Chair



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Heather Kirkham
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*Ngāti Toa, Te Ati Awa,
Ngāti Raukawa ki te
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Chief Executive of
Tourism Industry
Aotearoa



Sheryl Cadman
Central Regional
Secretary for FIRST
Union



Trent Yeo
Executive Director
and Owner of Ziptrek
Ecotours

MINISTERIAL FOREWORD

He aha te mea nui o te ao? He tangata, he tangata, he tangata. What is the most important thing in the world? It is the people, it is the people, it is the people.

Tēnā koutou katoa,

I am delighted to welcome the final *Better Work Action Plan* from the Industry Transformation Plan's Better Work Leadership Group. This is the result of over a year's hard work and stands us in good stead for a tourism industry that seeks to support and grow its people, and creates an aspirational vision for those looking for a career that can be as wide and varied as one's imagination.

In November 2020, the tourism industry was dealing with issues associated with the global pandemic – as were the majority of New Zealanders. Today, however, the borders are open, international visitors are returning, and tourism is picking up again.

But this does not mean a return to doing things the old way. Other fundamental shifts, such as those presented by climate change and new technology, are creating challenges but also significant opportunities. For example, we must be acutely aware of the expectations of those who seek to travel here and work hard to ensure we exceed these expectations in a post-Covid era of change.

A regenerative tourism system was identified by my predecessor as an overarching ambition because tourism must now give more than it takes from people, communities, and the environment: it must be an industry that is less focused on volume and more on value. Only once we achieve such an ambition can we maintain our social license. I know the industry can deliver on this ambition and is motivated to do so.

Why Better Work? Because the Government's objective of a higher wage, lower emissions economy is particularly relevant to tourism, where it is vital that the industry works together if it is to compete for labour and operate on a more sustainable basis. Many New Zealanders start their careers in a tourism or hospitality job, but too few consider developing a career within these sectors of our economy. Tourism gives these people valuable opportunities and skills that help them throughout their working lives. I believe we can make the employee experience better and, by doing so, build a stronger and more resilient tourism industry.

Industry Transformation Plans are all about partnership – they involve industry leaders, unions, Māori, and government. The *Better Work Action Plan* was developed together by all parties, and I thank everyone who has contributed to this piece of work, whether by attending a workshop or making a written submission on the draft version. In particular, I want to thank our dedicated Better Work Leadership Group who gave up their time, when the industry was going through a challenging period, to come together and work on this important agenda.

I look forward to seeing the Industry Transformation Plan contribute to a stronger, more regenerative, and more resilient future for the industry. But for that to happen, we all need to engage with the exciting initiatives put forward in the Better Work Action Plan. While focused on the wellbeing of the worker, there is a role for everyone to play, whether you are a business owner, worker, education institute, or a tourist. So, let's all work together to turn these fantastic ideas into reality.

Ngā mihi,

Hon Peeni Henare,
Minister of Tourism

EXECUTIVE SUMMARY

The tourism industry can offer its employees a positive role in a high wage, low emissions economy giving them resilience in good times and bad.

However, despite the potential that exists, several systemic challenges affecting the tourism workforce make it difficult for the industry to attract and retain quality employees. We define these as: demand fluctuations, pay and conditions, firm maturity and scale, and the current and future skills gap.

The *Better Work Action Plan* contains six Tirohanga Hou (new outlook or ways of doing things), which are underpinned by specific initiatives to address these challenges. It **paves the way towards Better Work for people in the tourism industry. If we offer better experiences in the industry, this will deliver better outcomes for employees, businesses, and visitors.**

The six Tirohanga Hou are:

1. Recognising quality employers and improving employment standards and practices
2. Fit-for-purpose education and training
3. Embrace the flux, enable the flex
4. Improving cultural competency and ensuring authentic storytelling
5. Lifting technology uptake and innovation to support Better Work
6. Showcasing the great – pathways and people in tourism

Together, these form a holistic package of proposals that will bring about positive changes to the tourism industry and lead to a more regenerative and resilient industry of which all New Zealanders can be proud.

A summary of the Tirohanga Hou and initiatives is set out in the table on the following page.



Photo: Camilla Rutherford

TIROHANGA HOU	DESCRIPTION	INITIATIVES
Recognising quality employers and improving employment standards and practices	The establishment of a Tourism and Hospitality Accord (Accord) will enable both workers and consumers to identify businesses that meet a set of voluntary standards relating to decent pay, appropriate training and career progression, and a safe and supportive work environment. The Accord aims to 'lift the middle' creating a positive movement, leading directly to better work outcomes.	Initiative 1: Establish a Tourism and Hospitality Accord
Fit-for-purpose education and training	There are a number of priority areas to improve the education and training system and make it more fit for purpose for the current and future tourism industry. A stronger channel of communication between the industry itself and the education ecosystem will support this outcome. These changes will help equip the tourism workforce to meet the demands of a rapidly evolving industry and help deliver a regenerative tourism system.	Initiative 2: Partnership between industry peak bodies and Ringa Hora Initiative 3: Design/develop a new tourism qualification(s)
Embrace the flux, enable the flex	Re-framing the tourism industry's attitude and response to the peaks and troughs of tourism demand (seasons, weeks, and days). Rather than the peaks and troughs being a barrier to attracting and retaining employees, the industry can use peaks and troughs to its advantage to upskill people who work in the industry and provide consistent employment as well as seek to reduce barriers to people holding multiple jobs across the year and across sectors, to support a more stable employment prospect.	Initiative 4: Conduct a tourism conservation employee-sharing pilot capturing the benefits of the Jobs for Nature (J4N) programme Initiative 5: Undertake a systems analysis of barriers to employee-sharing models of work Initiative 6: Explore options for clearer long-term immigration settings
Improving cultural competency and ensuring authentic storytelling	Improving cultural competency will enable organisations to tell more authentic stories and will build a workplace culture for employees where their cultural values (including Te Ao Māori values) are understood and respected, in order to build more diverse and inclusive workplaces in the longer term.	Initiative 7: Pilot programme to build cultural competency through regional resources
Lifting technology uptake and innovation to support better work	Delivering better work goes hand in hand with a greater value tourism offering, leading to greater productivity. Key to this is innovation and the adoption of technology. There are a range of opportunities to increase adoption of technology across the industry to boost business efficiencies and lead to better work, as well as to stimulate more innovation, for example through innovative business models.	Initiative 8: Expand Digital Boost tourism and hospitality content Initiative 9: Expo to showcase existing and emerging technologies to the tourism industry Initiative 10: Encourage more utilisation of business support tools and resources Initiative 11: Leveraging accelerators for innovation in tourism Initiative 12: Innovation in tourism business models
Showcasing the great – pathways and people in tourism	While most of the Better Work Action Plan focuses on delivering change, there are numerous positive stories already of people with fulfilling careers in tourism. Showcasing and celebrating the diverse career pathways, points of entry for careers in tourism, the variety the sector has to offer, and employees and businesses in the sector will help attract more workers to the industry.	Initiative 13: A public campaign to showcase better work Initiative 14: Capitalise on the success of Go with Tourism

KEY:



Demand fluctuations



Pay and conditions



Firm maturity and scale



Current and future skills gap

RESPONDS TO PROBLEMS

CREATES A FUTURE WHERE...



Those who work in tourism are consistently treated well and can easily identify which businesses to work for and where they will find rewarding work. Consumers can choose to support tourism businesses that are treating their people well.



Tourism is recognised as an industry which provides skills for life, where there are many ways to learn in a way that suits employees and employers well. There is an effectively skilled workforce, prepared for the future of tourism.



Entities within tourism collaborate with each other, and with other industries, to embrace opportunities presented by peaks and troughs of consumer demand. This attracts people to work in the industry who find working across different roles, businesses and industries rewarding, as well as having the opportunity to upskill when demand is low.



The tourism workforce is regarded as one of Aotearoa New Zealand's most culturally competent workforces, renowned for culturally-appropriate and authentic storytelling.



Businesses develop or make better use of emerging technologies to become less labour intensive, leading to higher productivity and more rewarding work for those in the industry.



The Aotearoa New Zealand public has a positive perception and appreciation of what the tourism industry contributes, and what a career in tourism can offer.



THE JOURNEY SO FAR

TOURISM'S INDUSTRY TRANSFORMATION PLAN (ITP) IS ONE OF EIGHT ITPS ACTIVE ACROSS AOTEAROA NEW ZEALAND

ITPs were created when the Government committed to a policy which seeks to grow and transform industries with significant potential to contribute to a high-productivity, high-wage, low-emissions economy that offers resilience in good times and bad. All ITPs are created in partnership by the industry, unions, Māori, and government. Together, they set a long-term vision for transformative change through near term actions.

The Ministry of Business, Innovation and Employment (MBIE) is the lead government agency for the Tourism ITP, supporting the Better Work Leadership Group through secretariat services.

THE TOURISM ITP IS TAKING A PHASED APPROACH

The Tourism ITP is taking a phased approach to the problems and opportunities in the industry, enabling a more focused approach to each phase. The first phase is the *Better Work Action Plan* - He Mahere Tiaki Kaimahi (to care for people who work in our industry). The next phase is focused on the environmental challenges and opportunities for tourism.

CREATING THE FINAL BETTER WORK ACTION PLAN

The Better Work Leadership Group was established in late 2021 to discuss workforce problems and opportunities, analyse the root causes of these problems, and think about future trends that will impact on the tourism workforce. A draft *Better Work Action Plan* was created from this discussion, suggesting a package of actions to address the problems and harness the opportunities in the Tourism industry, which we have called Tirohanga Hou. This comes from the Te Reo Māori phrase 'He Tirohanga Hou'.

He Tirohanga Hou means a new outlook and ways of viewing or thinking. The use of the term Tirohanga Hou in this document refers to each of the six ideas or areas for action to create a better outlook for the tourism workforce.

It recognises that our aim for the *Better Work Action Plan* is to identify new ideas tourism can pursue to reach a better future.



Photo: Camilla Rutherford

The draft *Better Work Action Plan* was publicly released for consultation from 10 August 2022 to 14 September 2022. During this time, a series of in-person and online workshops were held to gather people's thoughts and feedback. There was also an online survey open for people to provide written submissions, and people were also able to send in email responses. Over 100 people participated in the workshops, and there were a total of 106 written submissions (made up of 80 submissions via the online survey and 26 submissions via email).

Feedback from public consultation and agencies across the tourism industry has been considered in the preparation of the final *Better Work Action Plan* by the Better Work Leadership Group. This has helped ensure the Tirohanga Hou identified reflect realistic opportunities for change, and the initiatives put forward are workable.

THE BETTER WORK ACTION PLAN SITS WITHIN A RICH ECOSYSTEM OF INITIATIVES AND IS INFORMED BY PREVIOUS STRATEGIES

The *Better Work Action Plan* does not sit in isolation. It builds on and aligns with other government workstreams including the Government's Employment Strategy and its seven supporting Employment Action Plans, other ITPs, the Innovation Programme for Tourism Recovery, the Reform of Vocational Education (including the formation of Regional Skills Leadership Groups, Workforce Development Councils, and Te Pūkenga), the Immigration Rebalance, and the introduction of Fair Pay Agreements. The *Better Work Action Plan* builds on, and aims to, enhance existing work for the tourism industry.

We would also like to acknowledge and recognise the work of the New Zealand Tourism Futures Taskforce interim report: *We are Aotearoa* and the strong foundation it laid for many of the conversations we have had to date.

Defining the tourism industry

Government defines tourism as a cross-cutting industry defined by the consumer, rather than goods or services that are consumed. Most other industries are defined by the products that are manufactured and sold. For example, the forestry sector is defined by wood products, and the fisheries sector is defined by seafood. For tourism, the definition is based on who is buying the goods or services.

This is consistent with the United Nations World Tourism Organisation definition of tourism – “tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes”. Therefore, ‘domestic tourism expenditure’ is any spending by those living in New Zealand that occurs outside the purchaser’s usual environment (whether that is residence or place of work); regardless of what the goods or services are. As a result, tourism cuts across a multitude of sectors.

Tourism spending is most prevalent in the activities, entertainment, accommodation, hospitality, transport, and retail sectors.

The hospitality sector has featured prominently in our thinking about the tourism workforce, and as such, hospitality industry representatives have been included on the Better Work Leadership Group, to help inform development of the *Better Work Action Plan*. Hospitality represents a large proportion of the tourism workforce and, when it comes to the workforce, tourism operators and hospitality businesses share many characteristics. Therefore, although the Tourism ITP does not address the full range of the issues facing hospitality, many of the initiatives apply equally well to the hospitality industry. The Tourism and Hospitality Accord is a particularly good example; it will enable a range of businesses to demonstrate good employment practices that will support recruitment/retention and be attractive to consumers, ultimately boosting productivity for both tourism operators and hospitality businesses.

Defining regenerative tourism

A regenerative tourism system is one that leaves people, communities, and the environment better than it finds them, and can be understood as an extension of sustainability. Regeneration occurs in systems that are healthy, thriving, and self-healing, in contrast to systems that continuously degrade and, as a result, become more vulnerable to shocks. A regenerative tourism system will inherently be more resilient than other systems.



Photo: Camilla Rutherford

THE CURRENT STATE OF TOURISM



INDUSTRY SNAPSHOT

AGE:

27%

of employees that work in tourism are under the age of 25, which is a much higher proportion of young workers than the average across all industries, at 13%¹. Nearly half the industry (48%) is under the age of 34¹.

GENDER:

54%

of employees in the tourism industry are female¹.

MĀORI WORKFORCE:

16%

of people working the industry identify as Māori². This is similar to the percentage of Māori in the entire New Zealand workforce at 14%³.

EMPLOYEES:

204,812

direct employees on average per annum over 2014-2019⁴. Tourism indirectly employed 139,656 over that same period⁴.

MIGRANT WORKFORCE:

16%

of tourism employees were migrants in the first quarter of 2022.⁵ This is a drop of 6% from the previous 2 years, COVID-19 being a key factor. However, tourism still has a higher percentage of migrant workers than other industries where on average, migrants make up 12% of the workforce⁵.

EARNINGS:

\$6.64

was the estimated hourly income gap between tourism pay rates and the Aotearoa New Zealand median in the June 2022 quarter⁶. This is an increase of 7% from the June 2021 quarter⁶. The estimated tourism industry median hourly income is \$23.02, compared to \$29.66 for pay rates across New Zealand⁶.

Please note that all figures used in this section are estimates that have been created for the purpose of encapsulating a snapshot of what the industry looks like at this time. Please refer to **Appendix Three for a description and caveats relating to these estimates. The impacts of the global pandemic have significantly affected Aotearoa New Zealand's tourism industry and these definitions may no longer reflect the tourism industry accurately.*

1 Estimate created using data sourced from Stats NZ (June 2022) *Household Labour Force Survey*; and Stats NZ (March 2021) *Tourism Satellite Account*.

2 This figure is an estimate of the proportion of Māori working in accommodation and food services as a proxy for the wider tourism industry. The estimate was created using data sourced from Stats NZ (June 2022) *Household Labour Force Survey*; and Stats NZ (2021) *Tourism Satellite Account*.

3 Estimate created using data sourced from Stats NZ (June 2022) *Household Labour Force Survey* and Stats NZ (March 2021) *Tourism Satellite Account*.

4 Data sourced from Stats NZ (March 2022) *Tourism Satellite Account* for year ended March 2022.

5 Migrant Employment Data (MED), MBIE, extracted from Statistics New Zealand's Integrated Data Infrastructure.

6 Estimate created using data sourced from Stats NZ (June 2022) *Household Labour Force Survey* and Stats NZ (March 2021) *Tourism Satellite Account*.

THE BETTER WORK ACTION PLAN SEEKS TO ADDRESS SYSTEMIC CHALLENGES IN THE TOURISM WORKFORCE

Early in the Better Work Leadership Group's journey we identified the systemic challenges facing the tourism workforce. These are summarised by the four problem statements and supporting data.



Demand fluctuations: Due to the seasonal nature of tourism, demand for tourism workers fluctuates through the year, weeks, days and between regions, meaning workers can lack job security and are sometimes underutilised or overworked.



Pay and conditions: Low pay and poor conditions can be a barrier to attracting and retaining people to work in tourism. Sometimes pay and conditions are not compliant with minimum legal standards.



Firm maturity and scale: Due to the industry being composed of mostly small and medium sized enterprises, some tourism businesses lack the scale, systems, and capacity to effectively manage human resources and have low levels of investment in workers' training and development.



Current and future skills gap: Tourism struggles to attract and retain people with the skills the industry needs, particularly from the domestic workforce, and does not sufficiently invest in training for both current and future needs.



Photo: Tourism Holdings

WORKFORCE SURVEY

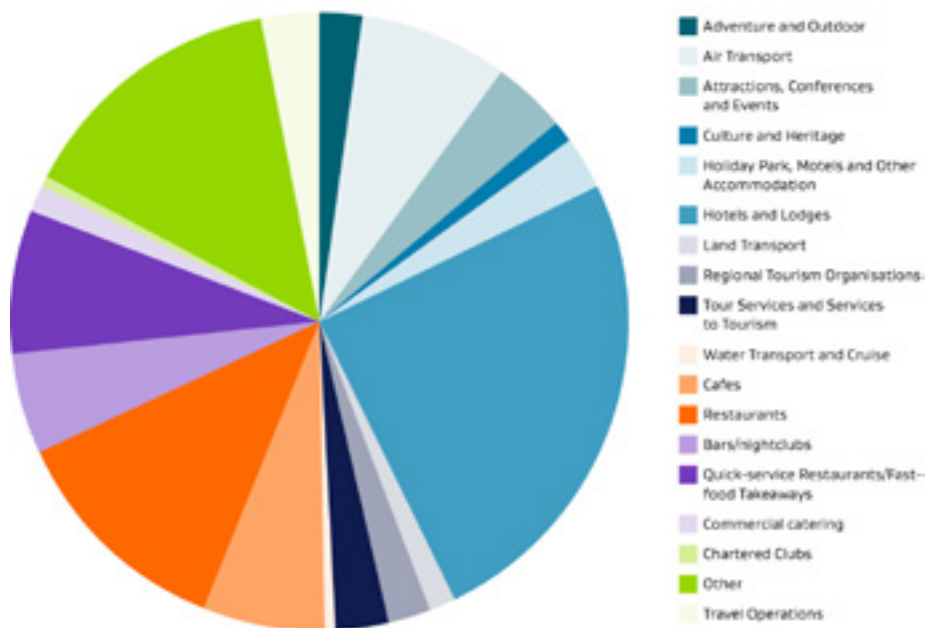
To help ensure that the Tourism ITP has a solid understanding of the current workforce situation and to help inform the *Better Work Action Plan*, the Better Work Leadership Group commissioned Dr David Williamson from the Auckland University of Technology to conduct a survey of the tourism and hospitality workforce (Workforce Survey). This survey is based on the methodology of the recent *Voices from The Front Line 2021* research but encompasses the breadth of the tourism industry (as opposed to the focus of the original report on the hospitality industry).

Overview of who participated in the Workforce Survey

Just over 900 people participated in this survey. Respondents covered a wide range of roles from front line workers to managers and supervisors as well as a broad range of age groups. The Workforce Survey was made up of 51 questions, with 19 open fields. A breakdown of the industries that participants worked in is as follows:

- › Tourism/travel 10.4%
- › Hospitality – 33.2%
- › Events – 4%
- › Transport – 9.5%
- › Culture and heritage – 1.1%
- › Other – 14%

The following pie chart shows these industries broken down further.



What type of business do you work in?

Key characteristics of participants: 60.4% were female, 62% were of European descent, and many had some kind of higher education qualification, e.g., a bachelor’s degree (25.1%) or diploma (21.7%), or post graduate qualification (11.8%).

Outcomes shown by the Workforce Survey

The first part of the survey invited participants to explain what attracted them to the tourism/hospitality industry. The most common reasons people were attracted to the industry were:

- › the people in the industry (30%)
- › the nature of the work, being fast paced, fun and flexible (20%)
- › the need for a job/the ease of getting a job in the industry (15%)
- › the customer/service focused nature of the work (14%)

The second part of the survey asked participants to explain what changes could be made to make the tourism/hospitality industry a better place to work. The responses with the highest frequency were:

- › better pay and conditions (33%)
- › more staff (8%)
- › regular hours/being paid for all hours worked (8%)
- › better management (8%)

Additional findings from the Workforce Survey relevant to the key challenges the industry faces are set out in the next section titled ‘Data behind the key challenges’.

DATA BEHIND THE KEY CHALLENGES



DEMAND FLUCTUATIONS

Data from 2020-2022 on the seasonal fluctuation of tourism demand does not paint a very accurate picture, due to the effects of COVID-19. We have instead referenced earlier data to show the seasonal fluctuation of tourism demand, both in tourism spending and workforce demand/filled jobs.

Tourism spend is seasonal. In 2019, total spend was 52% higher in summer than in winter⁷. The number of filled jobs in tourism-related industries is higher in the summer months than in winter. In 2019, the gap between summer and winter was 13.9% in activity, travel, and tour services, 8.6% in transport services, and 5.3% in accommodation and food and beverage services⁸.

Women tend to have more seasonal employment patterns than men. This is demonstrated by seasonal decreases in winter compared to summer, with women's percentage share of total employment for all industries being higher in summer and lower in winter⁹.



PAY AND CONDITIONS

Tourism sees a higher proportion of roles at the lower end of the pay scale. Although the workforce shortages caused in part by COVID-19 have resulted in a 7% increase in the hourly median wage for tourism roles, from \$21.58/hr in June 2021 to \$23.02/hr in June 2022, this is still 22% below the median income of all industries (\$29.66)¹⁰. The table below outlines the hourly median wage difference over time between tourism and other industries¹⁰, and also provides a comparison to the legal minimum adult wage.

	Tourism	Horticulture	Construction	Dairy	Median across all sectors	Minimum adult Wage
Jun-16	17.96	18.49	23.02	19.83	23.50	15.25
Jun-17	18.00	19.00	24.93	21.23	24.37	15.75
Jun-18	19.00	20.00	25.00	23.02	25.00	16.50
Jun-19	20.00	20.58	26.85	23.97	25.53	17.70
Jun-20	20.12	22.00	26.37	24.95	27.00	18.90
Jun-21	21.58	23.97	28.00	25.05	27.75	20.00
Jun-22	23.02	25.50	29.90	28.08	29.66	21.20

7 Ministry of Business, Innovation and Employment (2020) *Monthly Regional Tourism Estimate 2016-2020*, <https://www.mbie.govt.nz/immigration-and-tourism/tourism-research-and-data/tourism-data-releases/monthly-regional-tourism-estimates/>.

8 Stats NZ (November 2022) *COVID-19 Data Portal, Monthly Filled Jobs*, <https://www.stats.govt.nz/experimental/covid-19-data-portal>.

9 Estimate created using data sourced from Stats NZ (June 2022) *Household Labour Force Survey*, and Stats NZ (March 2021) *Tourism Satellite Account*.

10 Stats NZ (June 2022) *Household Labour Force Survey*.

A large proportion of the tourism workforce work in retail trade, accommodation, and food service industries, all of which have low pay rates. This influences the lower median wage of the tourism sector¹⁰.

The Workforce Survey¹¹ revealed problematic practices in relation to meeting legal minimum pay standards. Findings included the following -

- › Respondents get paid their correct holiday pay:
 - 4.7% said never
 - 15% were unsure or did not know
 - 8.6% said sometimes
 - 71.7% said always
- › Respondents get paid for every hour they work:
 - 11.5% said never
 - 3.8% were not sure or didn't know
 - 18.3% said sometimes
 - 66.4% said always
- › Respondents were paid the current minimum adult wage of \$21.20 per hour:
 - 7.5% said no (of particular concern, 9% of front line/back of house/admin/other workers answered 'no' to this question)
 - 2.1% were unsure or did not know.

There is a high degree of casualisation of the workforce due to the seasonality of tourism and hospitality. This can be an attractive feature of the tourism industry for some workers as it allows flexibility, but it can also lead to workers having unstable hours, and casual contracts generally lack many of the benefits workers would have on a fixed-term or permanent contract.



WORKPLACE BULLYING AND HARRASSMENT

Workplace bullying and harassment are also disproportionately high in tourism and hospitality. A 2022 study by the Human Rights Commission found that while sexual harassment occurs in all industries, young workers in hospitality are especially likely to be subject to sexual harassment. In the previous five years, 43% of workers under 30 had experienced at least one incident of sexual harassment¹². The report also showed that 38% of hospitality and tourism workers under the age of 30 experienced at least one workplace bullying behaviour in the last 12 months¹². Furthermore, 86% of workers who had experienced bullying also experienced negative effects such as worsening mental and physical health, anxiety and depression, and sleep problems¹².

In the Workforce Survey¹¹, nearly a quarter (23.3%) of respondents stated that they had personally experienced bullying and harassment in the last 12 months and 33.9% of respondents stated they had witnessed bullying or harassment of others in the workplace in the last 24 months.

11 Williams, Dr D and Rasmussen Professor E. (2022) *He Tangata, He Tangata, He Tangata. A Research Report on Tourism and Hospitality Employment Conditions in New Zealand*.

12 Kantar Public, for the Human Rights Commission (August 2022), *Experience of Workplace Bullying and Harassment in Aotearoa New Zealand*, https://www.hrc.co.nz/files/9016/6171/9660/NZ_Human_Rights_Commission_-_Data_from_the_Workplace_Bullying_and_Harassment_-_Report.pptx.



FIRM MATURITY AND SCALE

The tourism industry is largely made up of small and medium sized enterprises. As of March 2020, 87% of tourism businesses had fewer than 20 employees¹³.

MBIE research has found that some businesses in tourism have low margins¹⁴, which is one of the factors impacting on wages and investment. This is also likely to impact on the capacity for tourism businesses to invest in training and development.

Tourism related industries have historically had a higher turnover of staff than other industries. This is shown by the higher-than-average numbers moving within the industry as well as in and out of the industry¹⁵. This trend does not appear to have been impacted by COVID-19. Higher employee turnover leads to increased recruitment and training costs for businesses, loss of business and brand knowledge, decreased productivity, and lower employee morale.

The Workforce Survey¹¹ results showed that some workers had been in the industry for a relatively long tenure and saw themselves having a long-term career in the industry. In particular:

- › 537 respondents had worked for more than five years in the industry (just over half of respondents) compared with 259 respondents (just under a third) who had worked up to three years in the industry
- › 54.9% of respondents saw themselves as having a long-term career in the industry compared with 23.5% of respondents who were not sure, and 21.6% of respondents who did not see a long-term career in the industry.

However, there were a number of respondents who indicated their intention to leave (or who were unsure of whether they would leave) the industry in the next 12 months:

- › 33% of front line and back of house/admin/other workers intend to leave, while 46% were unsure
- › 35% of employers, managers, and supervisors intend to leave, while 47% were unsure.



CURRENT AND FUTURE SKILLS GAP

The number of tourism learners across tertiary education organisations in Aotearoa New Zealand declined by 55%, from 4,625 in 2017 to 2,090 in 2021, with a large drop of 35% between 2020 and 2021.¹⁶ This drop in tourism learners during the COVID-19 pandemic is an outlier from the 11% overall increase of enrolments in tertiary education.

The Tertiary Education Commission (TEC) decreased investment in tourism education and training by 57% over 2017-2021.¹⁵ Prior to COVID-19, TEC was reducing investment in some tourism education and training, but from 2020, TEC made further reductions. This decrease in investment was largely in response to COVID-19 impacts, which meant that fewer staff were being hired.

The Workforce Survey¹¹ asked respondents whether they had been offered formal or on-the-job training for their current role. Results revealed that 13% of respondents said they did not receive any training and 7% said no formal training was received.

13 Service IQ (2021) *Hinonga Kōkiri Tourism Industry Skills Summary*, Ringa Hora, <https://www.serviceiq.org.nz/about-us/wfd/headstart/>.

14 Allan, C. and Mare, D. (March 2022) *Who benefits from firm success?*, Ministry of Business, Innovation and Employment, <https://www.mbie.govt.nz/dmsdocument/20016-who-benefits-from-firm-success-summary-pdf>

15 Stats NZ (June 2022) *Household Labour Force Survey*.

16 Ive, N. (February 2022) *Aide-Memoire: Recent trends on investment in education and training for the tourism sector*, Tertiary Education Commission, <https://tec.govt.nz/assets/Ministerial-papers/AM-22-00010-Update-to-the-Minister-on-Provision-to-the-Tourism-Sector-....pdf>

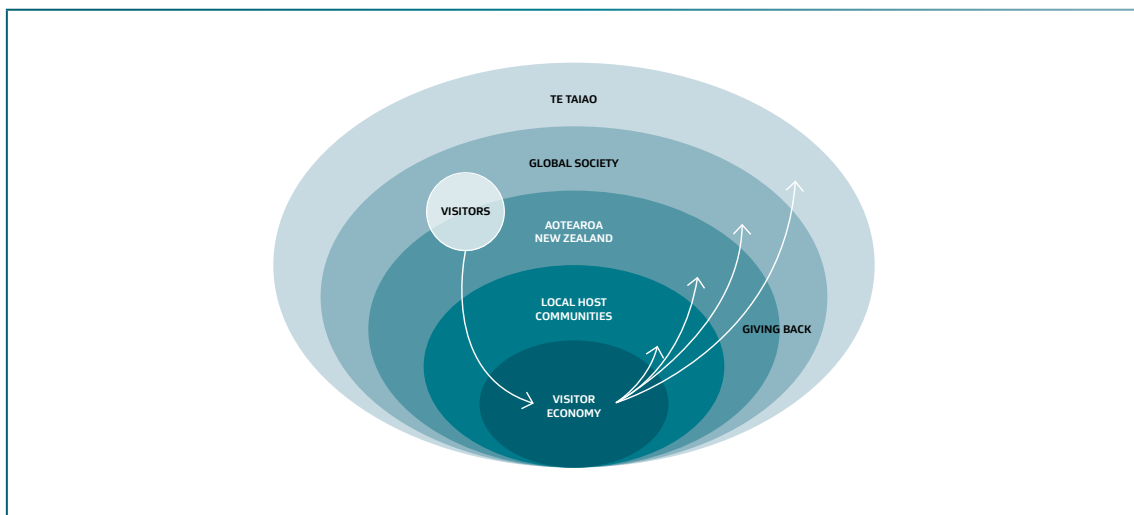
OUR VISION FOR THE TOURISM WORKFORCE

WE ARE HERE TO NURTURE THIS PLACE, ENRICHING GENERATIONS WITH LIVELIHOODS, EXPERIENCES, AND STORIES TO SHARE. WE MUST OWN THE IMPACT OF OUR ACTIONS AND ENABLE AOTEAROA NEW ZEALAND TO THRIVE BY GIVING BACK MORE THAN WE TAKE.

New Zealand Tourism Futures Taskforce¹⁷

The *Better Work Action Plan* will enable people working in tourism to thrive and drive a regenerative tourism system, one that gives back more than it takes. The figure below, from the Tourism Futures Taskforce Interim Report 2020¹⁸, illustrates how the tourism industry

relies on thriving communities and environment (Te Taiao) in order to succeed, and therefore, why a regenerative tourism system is important for the industry. Improving the outlook for the tourism workforce is an important first step in that journey.



He mahere tiaki kaimahi

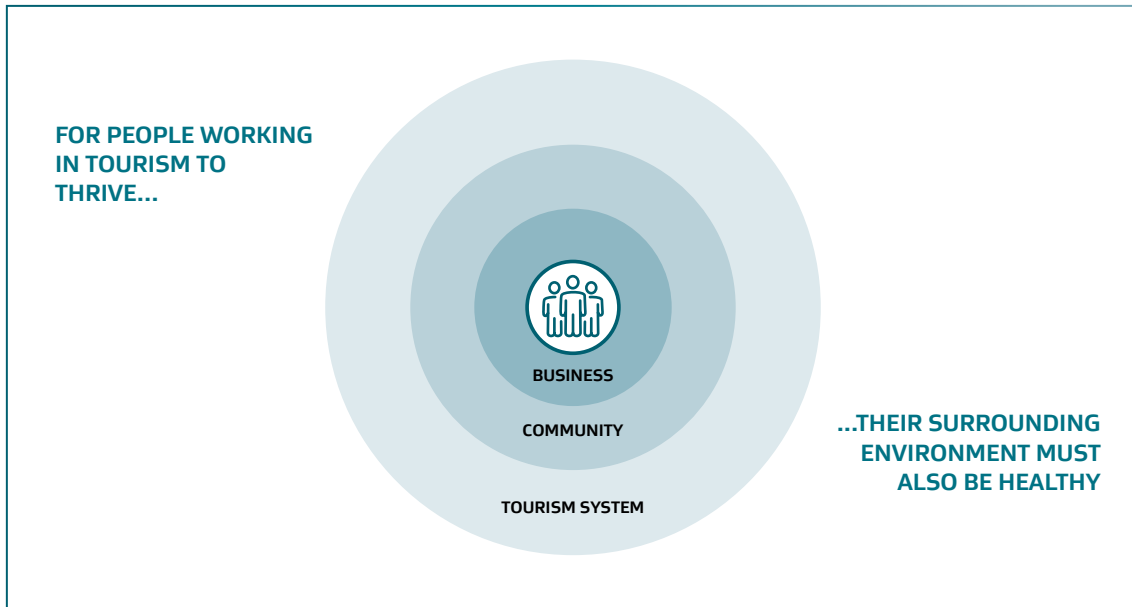
To make transformational shifts in the tourism system, we must look at the foundation of the system: people. Investment in those who work in tourism is fundamental to the achievement of other transformational shifts.

¹⁷ Ministry of Business, Innovation and Employment (April 2021) *Tourism Futures Taskforce*, <https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-recovery/tourism-futures-taskforce>.

¹⁸ Ministry of Business, Innovation and Employment (December 2020) *New Zealand Tourism Futures Taskforce Interim Report*, <https://www.mbie.govt.nz/assets/the-tourism-futures-taskforce-interim-report-december-2020.pdf>.

We know that people working in tourism can only thrive when the businesses they work for are healthy, as is the wider system. We have aimed to keep this 'systems perspective' in mind: for

our people to thrive, a positive environment of opportunity needs to surround them. The six Tirohanga Hou in this plan reflect the systems view.



THE BETTER WORK ACTION PLAN AIMS TO PAVE THE WAY FOR A FUTURE WHERE . . .

- › Those who work in tourism are consistently treated well and can easily identify which businesses to work for and where they will find rewarding work. Consumers can identify and choose to support tourism businesses that are treating their people well.
- › Businesses are driven by purpose and values, and contribute to a regenerative tourism system with thriving, engaged workers.
- › Businesses develop or make better use of emerging technologies to develop new products and adopt new processes or business models. This will deliver greater efficiency, provide workers with more time to focus on their higher-value activities, and help businesses grow.
- › The tourism workforce is regarded as one of Aotearoa New Zealand’s most culturally competent workforces, renowned for being culturally appropriate and delivering authentic storytelling.
- › Tourism is recognised as an industry which provides skills for life, where there are many ways to learn that suit both employees and employers well. There is an effectively skilled workforce, prepared for the future of tourism.
- › Entities within tourism collaborate with each other, and with other industries, to embrace opportunities presented by peaks and troughs of consumer demand. This attracts

people to the industry who find working across different roles, businesses, and industries rewarding.

- › Tourism is recognised for its capable and knowledgeable leaders, operators, and owners. Employers are skilled in creating enriching employment environments, which create positive employee experiences.
- › People are proud of working in tourism, and it is an industry that people want to work in.
- › Tourism is able to welcome all people into the industry – not only those who are gender and ethnically diverse, but also people starting out in their careers, older/returning workers, people living with disabilities, and workers who are seeking flexibility in the timing and location of work.

We want to make sure people know it is possible to have a rewarding lifelong career in tourism. However, we do not define success as keeping people for the entirety of their working lives. The tourism industry will provide a space for people to move in and out (and back in), as they please – and this exchange of people, ideas, and skills will be valued. Tourism will give people skills for life, and this will contribute to the overall health of the tourism system, the economy, and the development and wellbeing of workers.

In the future, the Aotearoa New Zealand public, especially those with influence over young people (such as parents, school teachers, and career advisors) will have an enhanced perception of what tourism is, and what work in tourism can offer.



Photo: Miles Holden

TIROHANGA HOU



The Tirohanga Hou are our proposals to create ‘Better Work’ for people who work in the tourism industry. This section sets out the details of the six Tirohanga Hou and initiatives under each.

RECOGNISING QUALITY EMPLOYERS AND IMPROVING EMPLOYMENT STANDARDS AND PRACTICES

Tourism and hospitality employers who have good employment standards and practices are attractive to employees (both existing and potential new employees) and provide a work environment where employees feel valued and looked after. By lifting employment standards and practices, tourism and hospitality businesses should find it easier to attract and retain sufficient and skilled labour.

Tourism and hospitality in Aotearoa New Zealand have long experienced challenges to attract and retain employees. Part of the reason for these challenges is employment standards and practices. While there are businesses with good employment practices, there are perceptions (and evidence to indicate) that standards are often lower than in other industries.¹⁹ For example, while the industry has seen some wage rate increases over the past five years, overall, the median wage for tourism is below that of the national median wage or median wages in industries with comparable entry requirements;²⁰ investment into staff training and education is low compared with other industries (potentially relying on ‘on the job’ training);²¹ and workplace bullying and harassment is disproportionately high.²²

There is also a high proportion of casualisation of the workforce due to seasonality and fluctuations in hours required in tourism. Although flexibility can be an attractive feature for some²³, the uncertainty deters others. Casual contracts generally lack many of the benefits workers would have on a fixed-term or permanent contract. Either or both factors mean that casualisation can be a barrier for attracting certain parts of the working population and can lead to a higher turnover of workers.

While some of these issues reflect structural realities, others can be challenged, for example the conditions and expectations set for a casual worker.

A reliance by the tourism industry on low-paid, casual/part-time, or short-term labour and migrant labour will maintain the challenge the industry faces in attracting and retaining talent.

Poor outcomes for workers have been shown to affect productivity and profitability. This Tirohanga Hou focuses on a foundational initiative – a workforce Accord – to shift the dial towards better pay and conditions for workers, leading to greater productivity for the industry. Better pay and conditions is also foundational, as it was identified by employees in the Workforce Survey, as being the main change that could make the industry better to work in.²⁴

19 Evidence on the workplace standards in tourism is set out under Data on key challenges (Workforce Survey, and pay and conditions) – see pages 14 to 17. See also Edwards, P. (August 2018) *Perceptions of Careers in the Tourism Industry*, Auckland Tourism, Events and Economic Development and Tourism Industry Aotearoa, https://www.aucklandnz.com/sites/build_auckland/files/media-library/documents/Perceptions-of-careers-in-the-tourism-industry-quantitative-research.pdf.

20 Evidence on the wages in tourism is set out under Data on key challenges (pay) – see pages 15 and 16.

21 Evidence on training in tourism is set out under Data on key challenges (Workforce Survey, and current and future skill gaps) – see pages 14 and 17.

22 Kantar Public, for the Human Rights Commission (August 2022), *Experience of Workplace Bullying and Harassment in Aotearoa New Zealand*, https://www.hrc.co.nz/files/9016/6171/9660/NZ_Human_Rights_Commission_-_Data_from_the_Workplace_Bullying_and_Harassment_-_Report.pptx.

23 Evidence on the workplace standards in tourism is set out under Workforce Survey – see page 14. The Workforce Survey notes that 20% of participants chose ‘the nature of the work in tourism and hospitality’, as the reason they were attracted to the industry.

24 A large majority (33%) of participants in the Workforce Survey identified this as a change which could be made to make working in these industries better.

An Accord will provide a platform that recognises that many employers in the industry have created, and/or are striving to create, positive working conditions for their staff. At present, there is no obvious way for prospective employees and customers to distinguish these quality employers from the rest – and even the best businesses can be negatively affected by the overall perceptions of the industry. An Accord will enable workers, consumers, and other organisations to identify businesses that are acting as good employers.

The Tourism and Hospitality Accord

The proposed Tourism and Hospitality Accord (the Accord) is an employer accreditation scheme that identifies those businesses in tourism and hospitality who are treating their staff well. The Accord would contain a set of 'paerewa' (standards and values) for businesses to meet that confirm they are a good employer.

The paerewa of the Accord would be developed in consultation with business owners, employees, unions, and government covering pay and conditions, training, health and safety, and other standards that contribute to an inclusive and supportive working environment. Tools and resources may also be identified as part of this Tirohanga Hou and will be included in the Accord collateral to support and guide businesses to achieve the standards/values. These tools and resources may help businesses find existing material, include new material developed for tourism and hospitality businesses, and/or highlight exemplars.

The Accord would differ from a Fair Pay Agreement. A Fair Pay Agreement would set a new legal minimum, while the Accord will be a voluntary scheme and will be open to any business that self-identifies as tourism or hospitality. The idea has its origins in industry-led conversations and was mooted in the Workforce Wānanga hosted by Go with Tourism in November 2021. The Accord would aim to help good businesses lift the bar across a number of employment dimensions.

The Accord would also act as a supporting initiative for the other Tirohanga Hou. Many of the standards/values will cover elements of the other Tirohanga Hou, and so the Accord will act to support the wider *Better Work Action Plan*. For example, the Accord may include a paerewa on diversity, which will relate closely to the "Improving cultural competency and ensuring authentic storytelling" Tirohanga Hou.

Benefit to businesses that join the Accord

Businesses will be able to demonstrate that they are good employers, providing more than legal minimums for their workers. This will give them the ability to attract quality staff and market themselves as an ethical business to consumers. Members will be named on the Accord website and be able to use Accord branding in their own recruitment and marketing. Educational institutions will be able to use the Accord to guide recommendations on places of work to their graduates.

Benefit to workers

The Accord would deliver Better Work by giving those working in the industry a clear indication of where they will be respected, supported, and appropriately rewarded, enabling them to make informed choices about who to work for. The existence of the Accord and supporting publicity will also help challenge public perceptions and the cultural devaluing of people who work in the service industries. It is a step forward in shaping a new narrative.

Benefit to consumers and other organisations

Consumers will be able to make informed purchase choices. Research indicates that consumers are increasingly factoring ethics into their consumption choices. The Colmar Brunton Better Futures Report in 2020 found that 76% of New Zealanders said they would stop buying a company's products or using their services if they heard about them being irresponsible or unethical.²⁵ Other businesses and organisations will also be able to make informed decisions on which businesses they choose to engage with, as many businesses may also want to factor ethics into their business and consumption choices.

25 Bolger, S. (2020) *Better Futures 2020*, Kantar, <https://www.kantarnewzealand.com/better-futures-reports-2020/>.

Consultation

Public consultation strongly supported the Accord proposal. Some participants noted particular points to be considered when designing and delivering the Accord. For example, a key point made by businesses was to minimise compliance costs, particularly to enable small and medium enterprises (SMEs) with limited resources and time to join. We also heard that it was essential for the Accord to have sufficient rigour in assessment and monitoring requirements to ensure the ongoing integrity of the initiative.

Some suggested exploring the potential for the Accord to be delivered by an existing industry quality framework, such as Qualmark.

Feedback from workers and unions centred on the importance of transparency in assessing business practice, and on ensuring the paerewa were strong enough to be credible and a step above legal minimums.

Implementation

The Better Work Leadership Group has agreed that the Accord should aim to 'lift the middle'. The Accord, therefore, will not focus on the bottom 10% of poor performers, nor on the top 10% of star performers. There are already other instruments that are targeted at any businesses that are not meeting legal minimum standards, such as the Labour Inspectorate. The Accord will describe what 'good' looks like, and drive awareness of business practices. The Better Work Leadership Group has also agreed that the paerewa should be set at a level whereby the majority of tourism and hospitality businesses can see themselves meeting the standards but recognise they may involve making changes to some aspects of their employment practices.

The Accord will be overseen by a Steering Group (a sub-group of the Leadership Group), which will aim to deliver sustainable employment outcomes. The Steering Group comprises seven representatives of business, unions, workers, government, and Māori, drawn from the Leadership Group.

Key questions for the Steering Group to consider as they develop the Accord include:

- › specifics of the paerewa that businesses will need to meet and maintain;
- › the nature of the assessment process; and,
- › the ongoing governance mechanism and delivery agency.

Once the Accord has been developed, it will be beta tested with a selection of businesses from tourism and hospitality to ensure its workability, before being launched.

INITIATIVE

1

Establish a Tourism and Hospitality Accord (The Accord)

Initiative: Establish a workforce accord for the tourism and hospitality industries, providing a set of paerewa on good employment practices for businesses to voluntarily sign up to.

Outcomes Sought: To lift workplace standards and practices of the tourism and hospitality industries, which will also address the issue of attracting and retaining workers to tourism.

Other positive outcomes could include:

- › Providing clearer guidance to tourism and hospitality businesses around employment practices, allowing them to plan their business operations more effectively.
- › Helping empower workers to understand their rights and obligations.
- › Enabling education institutions to guide their graduates towards good employment.
- › Challenging public perceptions of a tourism and hospitality career.

FIT-FOR-PURPOSE EDUCATION AND TRAINING

Education and training are essential to provide employees starting their career, or who are already working in tourism and hospitality, with the relevant skills and knowledge to succeed. There are a range of formal qualifications, as well as on-the-job training, currently available to people wanting to work in the industry. However, there is scope to enhance this offering and ensure employees are consistently supported as they enter and progress in the industry. Having an education and training system designed for current and future needs will ensure that employees are better supported and recognised for the skills and knowledge they have developed (whether through formal or on-the-job training).

Public consultation on the draft *Better Work Action Plan* underscored that getting education and training right for the tourism and hospitality industry is a key priority for both businesses and learners. We heard that the current system has not been delivering for either of these groups, with too many institutions offering too wide an array of qualifications. Unlike other industries, there is no formal mechanism for recognising the skills gained while working in the industry, despite a general acceptance that tourism and hospitality jobs equip workers with a wide range of valuable, practical, and 'soft' skills that can translate well into other industries.

This Tirohanga Hou was ranked the top priority during consultation. People observed that a more fit-for-purpose tourism and hospitality education system would:

- › lead to a higher retention of workers through continued development and education
- › provide value to workers and employers through increasing knowledge
- › help to professionalise the industry and align it more closely in this regard with other major export industries in New Zealand.

We heard clearly that the industry wants to see an improved micro-credentials offering (stackable courses that focus on key skills that can be used to build a qualification) and use of apprenticeship models to enable workers to gain credentials while working in the industry. A system to recognise skills across employers and industries is important to support continued career progression and development within the industry, as well as people's ability to step between industries. Clear progression pathways will help make tourism and hospitality a more attractive career choice and support greater recognition with stronger reputational branding.

An improved fit-for-purpose education and training system for tourism would benefit the workforce by:

- › supporting continuous improvement/development within demonstrable career pathways
- › capturing and recognising transferable and soft skills gained while working in the industry
- › allowing greater flexibility as to where and when education occurs
- › offering pathways for employees at multiple steps during their work experience, including vertical and horizontal pathways
- › supporting an increase of labour supply at the entry level.

Another key point of feedback was a strong desire for education to be more industry-led, to ensure that those entering the industry are equipped with the necessary skills and knowledge to meet consumer and employer demands. Many stressed the importance of partnerships between educational institutions and industry. They also emphasised the value of real-life work experience alongside formal education.

THE INDUSTRY KNOWS WHAT IT NEEDS, IT IS UP TO THE INSTITUTIONS TO FULFIL THAT NEED, TO TELL THE RIGHT STORY TO ATTRACT THE RIGHT PEOPLE, AND TO SET THE RIGHT EXPECTATIONS.

Online response from a tourism business
Public consultation, August 2022

Others pointed out that under current frameworks, simply finding the channel for this engagement has been a challenge.

THE SHEER NUMBER OF INSTITUTIONS AND COMPLEXITIES MAKES IT ALMOST IMPOSSIBLE TO NAVIGATE OR INFLUENCE FOR BETTER PROGRAMMES AND OUTCOMES FOR THE TOURISM SECTOR.

Regional Tourism New Zealand
public consultation, August 2022

The Leadership Group also recognise the industry has a role to play – it is important for tourism and hospitality businesses to ‘lean in’ and offer opportunities for students to gain experience while they are considering their options, and/or as part of their formal education/training. Current practice is mixed, with some businesses doing it well, while some education providers struggle to find options in some locations.

The key to success, therefore, is to ensure there is a clear, effective channel to enable the tourism and hospitality industry to engage with the education system.

While the changes arising out of the Reform of Vocational Education present a new system to become familiar with, the changes also offer a valuable opportunity to contribute to, and shape, a fit-for-purpose tourism education offering that meets the needs of the industry in years to come.

Engaging secondary school students

Before students decide to go into tertiary study and the world of work, they are exposed to a range of subjects at secondary school. The development of a new [NCEA Tourism Achievement Standard at NCEA levels 2 and 3](#) provides a significant opportunity to change the perceptions of a career in tourism amongst school students and their influencers (parents/guardians). The Achievement Standard subjects recognise the value of tourism as an area of learning and will likely broaden the pipeline for learners coming into tertiary tourism courses and/or entering the tourism workforce at different levels.

As part of this transition, schools nationwide will need to choose if they will offer the new Tourism subject and, if so, prepare for this. Critical to how this plays out will be how industry engages with schools to promote and support learning, for example enabling schools to bring the learning to life through visits to tourism businesses. A proactive approach will support schools as they decide how the subject is embraced and taught.



Photo: Shutterstock

Reform of vocational education

The Reform of Vocational Education (RoVE) is giving rise to a major structural shift in the way vocational education and training is delivered. Key to understanding how the tourism industry can interact with this process and get the outcomes it needs is understanding how the new structure differs from the old.

Significant resources have been invested into RoVE, which aims to create a strong, unified, and sustainable vocational education system fit for the future. Under RoVE, a number of organisations were set up, including two which will better support the development and delivery of education and training in the tourism and hospitality industries – Ringa Hora and Te Pūkenga.

Ringa Hora is one of six Workforce Development Councils, with responsibility for service industries including tourism, hospitality, and travel. It leads the development of new qualifications to meet learning needs as identified by industry. A key element is working with New Zealand Qualifications Authority (NZQA) on standard settings and developing a process to amend qualifications in line with industry needs. Ringa Hora will also focus on prioritising traditionally underserved learners and those needing to retrain.

Te Pūkenga brings together on-the-job, on campus, and online vocational education and training (through combining industry training organisations, Institutes of Technology, and Polytechnics) to create a unified, sustainable network of regionally accessible providers. This will ensure consistency in the delivery of programmes, learning, and qualifications across the industry and country. Some Universities, Wānanga, and Private Training Establishments will also provide vocational education programmes alongside Te Pūkenga.

RoVE aims to deliver a range of improvements to the vocational education system through:

- › Vocational education and training that is learner-centred and industry-led rather than the previous fragmented system.
- › Nationally consistent programmes of learning and qualifications, allowing for flexibility across qualifications, industries, and within/across regions.
- › Efficiencies for industry to work with one national body to develop, service, and update programmes of learning and qualifications to ensure the changing needs of the industry can be met.

Strengthened partnership between Ringa Hora and the tourism industry

A formal partnership is proposed which will build on existing relationships between Ringa Hora and key industry bodies. It will strengthen engagement to ensure the tourism and hospitality industry informs the shape of future training, while also meeting the educational needs of underserved populations.

Mirroring the approach taken by a small number of other industries, we propose a more direct partnership between Ringa Hora and the three peak industry bodies, Tourism Industry Aotearoa, Hospitality New Zealand, and Restaurant Association New Zealand. This will build on existing engagement between these parties to build a cohesive work programme that serves the educational needs of the tourism and hospitality industries. These key partners have been identified as they represent the industry and are well-placed to inform education priorities and programmes. Other key stakeholders will also be involved in the design through Ringa Hora, including Te Pūkenga, unions, employees/learners, TEC, NZQA, New Zealand Māori Tourism and Regional Tourism Organisations. Participation by other delivery groups (such as the Tourism Teachers Association New Zealand) will also be sought.

Input in the initial stages of the partnership will be provided by the ITP Leadership Group, informed by the *Better Work Action Plan*. This will ensure that the rich learnings and observations that have come through the Better Work ITP process are not lost.

INITIATIVE

2

Stronger partnership between the key peak industry bodies and Ringa Hora

Initiative: Develop a mechanism²⁶ to strengthen the partnership which will build on current engagement between Ringa Hora and Tourism Industry Aotearoa, Hospitality New Zealand, and the Restaurant Association of New Zealand.

Outcomes Sought: The mechanism will ensure regular industry engagement and stronger input into the design of courses taught by education and training institutions. This process will support the mapping of future skills required by the industry and will support Ringa Hora (in partnership with stakeholders) to amend or develop new qualifications to meet this need.



Photo: NZOne Skydive

26 Section 25, Education (Services Workforce Development Council) Order 2021.

Design new tourism qualifications

Once this mechanism is in place, this will support the design and development of new tourism qualifications. Topics of focus would reflect industry priorities as well as the objectives of the *Better Work Action Plan*, ensuring future tourism learners are being well equipped not just for the work of today, but also of tomorrow.

Suggested topics for the new qualification are listed below, reflecting what we heard through consultation, but the final details will be for Ringa Hora to develop in partnership with industry.

Suggested topics for micro-credentials leading to a qualification include:

- › Biodiversity and conservation
- › New Zealand history
- › Mātauranga Māori
- › Tikanga Māori
- › Te reo Māori
- › Business management
- › Leadership development
- › Problem solving
- › Customer service
- › Customer management
- › Systems design
- › Innovation
- › Technology literacy
- › Story-telling
- › Guiding
- › Communication
- › Health and safety

INITIATIVE

3

Design/develop a new tourism qualification(s)

Initiative: Ringa Hora to engage with industry, the Better Work Leadership Group, employees/learners, and other stakeholders to identify needs and build new, or adapt from existing, tourism qualifications and micro-credentials.

Outcomes Sought: A fit-for-purpose learning programme that has transferrable elements from (and to) other qualifications. The qualifications may be made up of micro-credentials that, when combined, contribute to an over-arching qualification and/or can be earned as part of on-the-job learning (including apprenticeships), recognising skills gained whilst working.

Micro-credentials enable the seasonal and local delivery of education and training programmes and allow ease of movement/transfer between regions and between qualifications. They also offer a way to earn and learn at the same time.

Further possible actions are likely to be identified and there will be ongoing work to develop and refine options that ensure students/workers are getting the best opportunities and support across the spectrum of education including secondary, tertiary, and micro-credentials.

Opportunities will be explored to support the industry to provide work experience for students at all levels of their tourism education, starting at secondary level, to give young people meaningful exposure to the range of career opportunities within the industry.

EMBRACE THE FLUX, ENABLE THE FLEX

In the tourism industry, there is fluctuation in demand, and therefore of the availability of work, across seasons, weeks, and days²⁷. The fluctuations of tourism demand and seasonal work can be beneficial and desirable for many (for example, students). However, there are benefits to growing the workforce, and more could be done to provide more consistent and stable employment, thereby retaining and attracting more people to work in the industry.

Seasonality creates a challenge for businesses looking to maintain a stable workforce and offer consistent employment as employees can be underutilised (or let go) when demand is low, and potentially over-worked when demand is high. These factors can contribute to the (perception of) the workforce being a transient industry and not a viable, long-term career option.

There have been significant gains made over the last decade to smooth the seasonal fluctuations of tourism demand. However, it is not practical to eliminate seasonal demand - some roles and businesses will always be highly seasonal, and a healthy degree of staff turnover is useful for a flow of new ideas and experience into the local labour pool.

Moreover, with trends in the future of work seeing people become more drawn to lifestyle over long hours, to flexibility over stability, and to opportunities to work while travelling, there could be untapped pools of labour that are well suited to the seasonal or weekend peak work offered by tourism and hospitality.

Public consultation revealed a wide range of perspectives on how seasonality is viewed and experienced between regions, and between businesses and employees within a region. Some regions, businesses, and employees take advantage of the current tourism demand fluctuations to make it work for their lifestyles. Some examples include:

- › a semi-retired boat operator who runs their business in the peak summer season, and in the off season hibernates their business;
- › a ski instructor who travels between New Zealand and Canada to work the complementary winter seasons; and,
- › a high-school student working in a restaurant over the summer holidays or picking up weekend shifts that working parents are unable to work.

This is not just a tourism issue; seasonality exists in other industries too. To respond to the flexibility and changes within and across industries, some regions are developing seasonal employment calendars to clearly depict the opportunities available in those regions.

This presents an opportunity to '*embrace the flux* and *enable the flex*' of tourism demand. There is a spectrum of options that could support this approach to employment. These include -

- › self-management: people that independently seek and hold multiple jobs
- › partnership models: where the tourism business is the primary employer, but effectively contracts staff out during low-season or periods. This is how Jobs for Nature operates.

This Tirohanga Hou looks at exploring some of these options and the barriers to taking up these models.

Capturing the benefits of J4N in the future

The South Westland Tourism and Conservation project gave tourism employees nature-based roles. This included work to improve existing tracks and other recreation assets in Glacier Country. Given its impact on work for the tourism industry, the Better Work Leadership Group has commissioned an outcomes evaluation of this programme to assess its benefits. This particular J4N project was chosen for the assessment given it is specifically related to tourism. The key objective of the assessment is to understand whether, and how, this model of partnership between the tourism and conservation workforces could be replicated on an ongoing basis, with an emphasis on the social, human, and economic value to the communities using the [Treasury Living Standards Framework](#).

27 Evidence on the scale of variability in seasonal work is set out under Data on key challenges – see page 15.

Tourism-conservation employee-sharing pilot

The J4N programme is considering options to maintain the outcomes from the programme for the future. Subject to the findings of the South Westland Tourism and Conservation project evaluation, one opportunity is to run a tourism-specific employee-sharing pilot. This pilot would continue the collaboration between tourism and conservation employers, enabling employees to maintain stable employment, remain in regions with limited employment offerings, and support the wider community.

The pilot would be conducted in regions that have a strong tourism industry, but which also represent a diversity of economic and labour market conditions in order to test the adaptability of the model.

This has the potential to be a powerful example of regenerative tourism in practice and could be a step towards building a regenerative tourism workforce. It enables tourism employees to gain local conservation knowledge and skills, and those workers can then share their expertise and insights with visitors and increase the value of the tourism offering in the region.

Jobs for nature

Jobs for Nature (J4N) is a four-year, \$1.219 billion programme that manages funding across multiple government agencies to benefit the environment, people, and regions. It was part of the COVID-19 economic recovery package to create nature-based employment opportunities, particularly for employees of businesses who were severely impacted by the COVID-19 border closure, while also delivering environmental benefits.

The J4N programme to date has funded over 400 projects across local government, iwi, charitable trust, community groups, and private companies. In relation to tourism, it enabled staff employed by businesses affected by closed borders to be re-deployed to undertake conservation work.

The prime example of this was the South Westland Tourism and Conservation project. This project received \$3.78 million to support local businesses in retaining their staff by redeploying employees to carry out conservation work for the Department of Conservation (DOC). The employer was then reimbursed for the cost of their employees' time. This enabled employers to retain staff during a period of decreased tourism and demand for their services. This had longer term benefits beyond the work carried out in that it supported businesses to retain a continuous and stable workforce, whilst supporting communities by enabling residents to remain local. Overall, the South Westland Tourism and Conservation project has supported over 50 businesses and 180 employees in the region.

Overall, the J4N programme has been a success. The programme has delivered numerous benefits to conservation and the environment, but also to the community and the wider economy, particularly in regions that were strongly affected by closed borders. Benefits reported include:

- › Greater resilience during periods of low visitors' numbers (such as restricted travel because of the COVID-19 pandemic).
- › Improved connection between the community and the whenua.
- › Improved mental health where a reduction in stress was identified by a business.
- › Owners/managers being connected to nature and conservation efforts.
- › Supporting the economy and people's wellbeing by enabling businesses to remain open and for staff to remain employed.
- › The flow-on effect of retaining families, schools, tradespeople, as well support networks in tourism-dependant communities.
- › Services reliant on volunteers, such as Fire and Emergency NZ, St Johns Ambulance and Civil Defence groups, retain enough community "mass" to remain in operation.
- › Iwi partners realising aspirations for their whenua and people while working with others in the community.

INITIATIVE

4

Conduct a tourism-conservation employee-sharing pilot, building on the benefits of the Jobs for Nature (J4N) programme

Initiative: Work with the Department of Conservation (DOC) to pilot a tourism-specific employee-sharing programme, building on the learning and positive outcomes of the J4N programme.

The pilot would involve a broker in each of three regions to work with DOC and tourism businesses. That person would identify where a shared workforce could help address the challenges of seasonality and contribute to a stable workforce.

Outcome sought: Ensure positive economic and social outcomes arising from the J4N programme are maintained outside of a COVID response context.



Photo: Miles Holden



CASE STUDY

JOBS FOR NATURE IN THE GLACIER COUNTRY

Jobs for Nature was a huge success in the Glacier Country through a strong partnership between Te Papa Atawhai (the Department of Conservation) and tourism businesses.

Fox Glacier Guiding, one of the tourism businesses which participated in the Jobs for Nature programme, attributes many positive outcomes to Jobs for Nature: “Staff members who have lived in the area for many years . . . were retained in Fox Glacier thanks to Jobs for Nature. In many ways, Jobs for Nature has saved the local community through ensuring people remain connected and have security of employment.” – Rob Jewell, CEO, Fox Glacier Guiding.

Rob also highlighted that Jobs for Nature provided flexibility for his business to efficiently manage staffing levels, accounting for daily operational requirements, customer demand, and seasonality: “If a last-minute booking came through (which is usually how the domestic market operates), we could quickly swap a guide from Jobs for Nature work to guiding work to ensure we did not lose the sale. Flexibility of managing the workforce is one of the most important factors in Jobs for Nature’s success.”

While this project was part of a government funded programme and the COVID-19 economic recovery package, the South Westland project is exploring ways to develop an enduring model.

WHAT CAN WE LEARN FROM THIS CASE STUDY?

- › Through partnership, we can improve recruitment and retention opportunities by overcoming seasonality challenges.
- › We can improve the local conservation knowledge and skills of tourism staff, and in turn improve the value and genuine story telling for visitors. This is a great example of regenerative tourism in practice and could be seen as building a regenerative tourism workforce.
- › We can explore new ways of working in partnership, not only between tourism businesses and Te Papa Atawhai, but also iwi, the local community, and other government departments.

Employee-sharing

To enable more year-round employment, the industry needs to find ways to make it easier for tourism businesses to share employees and possibly to facilitate such arrangements. This could allow, for example, a person to work as a kayaking guide in summer and a snow sports instructor in winter, while reaping more of the benefits of year-round, stable employment. It could also enable someone to hold multiple roles at once, for example working 30 hours per week inside standard business hours, while picking up a Friday night or weekend shift at a local restaurant.

While this already happens to some extent, it is typically ad hoc (driven by the employee themselves) or facilitated within a company that has a mix of business, such as significant summer and winter operations. We have heard that there are some systemic barriers to holding more than one job at a time, and that work could be done to try to lessen or remove these.

A key example of a barrier to employee-sharing is secondary tax – when a person is charged at a higher rate for their second job, and only receives any excess tax paid at the end of the tax year. In March 2019, Inland Revenue announced changes to secondary tax to reduce the incidence of over-payment. Individuals can apply for a tailored tax code that ensures they pay the right amount of tax as they earn across multiple jobs. However, we have also heard anecdotally that awareness and take-up of this solution is low.

The tourism industry (as well as other industries across the economy) would benefit from a systems analysis of barriers to employee-sharing.

Understanding the ‘user journey’ of employers and employees seeking to achieve an effective employee-sharing arrangement will allow a clear understanding of the nature of barriers in areas such as tax, immigration, employment law, and some of the practical considerations involved. This will inform which options are likely to have most impact. Options could include promotion of existing mechanisms, but could also include substantive system changes, if these are found to be required.

As this is not simply a tourism issue, it is important that the analysis is conducted from a cross-economy point of view, considering the full range of industries. Action in this area will leverage the [Future of Work Tripartite Forum](#). The Future of Work Tripartite Forum is a partnership between the Government, Business New Zealand, and the New Zealand Council of Trade Unions. It aims to support New Zealand businesses and workers to meet the challenges and opportunities presented in a rapidly changing world of work.

INITIATIVE

5

Undertake a systems analysis of barriers to employee-sharing models of work

Initiative: Map the ‘user journey’ from an employer and employee perspective. This will allow any barriers/points of friction to be identified. It is also an opportunity for industry to identify any missing elements that would enable this new way of working.

Identify next steps, which could include supporting employers and employees to achieve effective employee sharing, including region-specific options.

Outcome sought: Understand whether it is possible or appropriate to reduce or remove the barriers to holding more than one job at a time, bridge the communications gap, and help provide a viable way forward for employee-sharing.

Immigration settings

The government is implementing immigration changes through the Immigration Rebalance. This is a major initiative, being led by the Minister of Immigration, that aims to make it easier to attract and hire high-skilled migrants, while supporting some sectors to transition to more productive and resilient ways of operating, and to lessen reliance on low-paid/waged migrant workers.

A large proportion of tourism and hospitality businesses employ migrant workers. As a result, the Immigration Rebalance is particularly relevant to the tourism industry as it looks to compete for labour and operate on a more sustainable basis. Within that context, the feedback from consultation clearly indicated that it is not feasible to have a conversation about the tourism workforce without acknowledgement of the important role migrants play in the workforce.

In relation to the seasonality of the industry, several businesses highlighted that for some roles, it made sense for people to 'follow the seasons' and there was a natural flow of workers between hemispheres that demonstrated this. A key example of this is the ski workforce, where workers often travel between Queenstown and Canada. Some suggested there was scope to look at this more closely and consider whether there was potential to enhance this feature by seeking more continuity of employment and/or training and development across the hemispheres.

The Productivity Commission's report *Fit for the Future*²⁸, highlighted the need for a robust and transparent way to balance the longer-term benefits of immigration policy with short-term pressures and challenges. It recommended the focus of immigration policy be on selecting migrants who can make the biggest contribution to the economy and ensuring that New Zealand remains attractive to skilled migrants as the global competition for talent intensifies. It also recommended the Government publish an Immigration Government Policy Statement to clarify how immigration will be managed and connected to other government objectives.

In light of immigration settings and seasonality of the industry, there could be benefits to having a fresh conversation about migrants as part of the tourism workforce. In the context of the push for higher wages and greater productivity, it will be important to look at where migrants add value to our workforce or fill roles that are unable to be easily filled from the domestic labour force (even as other elements of the *Better Work Action Plan* come into effect). For example, embracing a global workforce model could lead to better outcomes for kiwis working in the industry, by supporting them to gain skills offshore that are recognised back home.

As migrant workers fill various roles in the tourism and hospitality industries, and following the release of the Government's response to the *Fit for the Future* report, it will be important to continue the conversation between industry, union, and government leaders about longer-term immigration settings for the tourism industry to support business planning.

INITIATIVE

6

Explore options for clearer long-term immigration settings

Initiative: Build on the Productivity Commission's recommendations for clear long-term settings for immigration, once the Government's response to the Productivity Commission's report has been issued.

Outcome sought: Enable a richer discussion about the value migrants bring to the tourism industry and the options for enhancing this in order to add value and boost productivity, and enable the industry to better plan its workforce and skills needs on a longer-term basis.

In addition, many of the Tirohanga Hou are relevant for both domestic and migrant workers. One example is the Accord, which will provide good employer options for both domestic and migrant workers. The cultural competency Tirohanga Hou will also support migrant workers to become familiar with te ao Māori and other culture and history specific to Aotearoa New Zealand.

28 New Zealand Productivity Commission (May 2022) *Immigration – Fit for the Future*, <https://www.productivity.govt.nz/assets/Inquiries/immigration-settings/Immigration-Fit-for-the-future.pdf>.

IMPROVING CULTURAL COMPETENCY AND ENSURING AUTHENTIC STORYTELLING

The tourism industry plays an important role in sharing Aotearoa New Zealand's unique cultural stories and history with visitors from all over the world. The aim of improving cultural competency is dual: to enable organisations to tell more authentic stories, and to build a workplace culture for workers where their cultural values, and in particular te ao Māori values, are understood and respected in order to build more diverse and inclusive workplaces in the longer term.

Diversity and inclusion are important concepts in modern life. When we talk about them with regards to the tourism and hospitality industries, we do not necessarily mean making businesses meet a certain diversity statistic to define whether or not a workplace is diverse. As many tourism and hospitality businesses are only made up of a few employees, this would not be realistic. Rather, we want to emphasise the importance of creating workplaces where people of all cultures, including Māori, feel more valued and understood. This is done through the incorporation of different cultural values in the workplace. Workers who are better connected with their workplaces, both from a cultural and purpose perspective, are more likely to thrive, remain longer in that workplace, and become more attractive to future employers because of their valuable cultural skillsets.

Building cultural connections between people, places, and the wider community brings people and different cultures together while presenting an opportunity for people to learn about other cultures. One example of this is food tourism.

Building cultural connections and bringing different cultures together

Food tourism is an opportunity to connect people, places, and communities. Sharing food can bring to life the history and stories where produce is sourced and help illustrate the local culture. Food tourism can showcase the region's uniqueness, including the variety of culture, geography, and other elements of the local area. Kai brings communities together.

We heard through public consultation that visitors, and the tourism workforce, share an interest in Aotearoa New Zealand's culture and are often eager to learn more. Many submitters and workshop participants considered that our culture is a point of difference which is valued by international visitors and makes the experience more memorable.

MĀORI CULTURE IS OUR UNIQUE POINT OF DIFFERENCE IN THIS WORLD AND CANNOT BE REPLICATED ANYWHERE ELSE IN THE WORLD. A PROGRESSIVE COUNTRY EMBRACES ITS INDIGENEITY ALONGSIDE ITS SETTLER HISTORY.

Great South
Public consultation, August 2022

The industry already contains many genuine, knowledgeable storytellers who have a connection to their whenua and who can, and do, genuinely incorporate te ao Māori views and perspectives into their offerings for both visitors and employees. However, there is scope to spread this knowledge further and continue to build on this strong foundation, as there are still cases of businesses sharing stories and history without consideration for, or acknowledgement of, their cultural significance. There are also businesses and people who do not feel confident with te ao Māori or other cultural elements in their business or work. To improve cultural competency, employees will need to develop confidence along with competence. This will enable the use of, and engagement with, te ao Māori, and the delivery of an authentic Aotearoa New Zealand experience. We recognise that levels of cultural competence and confidence will differ between employees as everyone is at a different point in their journey and will have different aspirations.

Public consultation showed significant support for this Tirohanga Hou and affirmed the view that building the cultural competency of the tourism workforce could support the attraction and retention of Māori staff, as well as non-Māori employees who feel a connection with the cultural aspects of their work.

We also received several well-made points and observations that will guide implementation. A selection follows:

- › For success in cultural competency, there also needs to be consideration of the diverse migrant workforce and other cultures represented in Aotearoa New Zealand, as well as in our visitor cohort.
- › Māori stories need to be told respectfully and by those whose stories they are to tell.
- › Currently there is uncertainty regarding what storytelling is appropriate, particularly among non-Māori tourism businesses.
- › A government-mandated initiative is unlikely to improve outcomes, so getting the partnership with iwi right is critical.
- › Success is likely to come if cultural competency is pursued more at a local or regional level, given the particularity of history and narratives to each region.
- › Where possible, accessible and digestible guidance and tools would support businesses to understand and address gaps in their capability.
- › It would help to know what success looks like and share best practice.

MĀORI MUST BE AT THE FOREFRONT OF SHAPING AND ENDORSING THIS BOTH NATIONALLY, WHERE THERE ARE COMMON THEMES, AND REGIONALLY WHERE TRIBAL BOUNDARIES EXIST AND STORIES BECOME AREA UNIQUE. AUTHENTICITY, RESPECT, ACKNOWLEDGEMENT OF WHO OWNS THESE STORIES AND HOW THEY CAN BE USED WILL BE IMPORTANT CONSIDERATIONS.

Tourism Business
Public consultation, August 2022

Regionally delivered cultural competency pilot programme

There is a significant opportunity to harness the interest from all parties in upskilling our tourism and hospitality businesses in their understanding and application of te ao Māori, tikanga, te reo Māori, the history of the land they operate on (and the responsibilities which come with this), and local hapū and iwi history.

Reflecting the feedback about the importance of regionally tailored and delivered product, a pilot programme is recommended. This will enable some progress in the right direction, as well as the chance to evaluate the impact of, and lessons learned from, the programme before it is rolled out more widely.

The proposal is to initiate the pilot in three different regions of New Zealand – one urban, one rural, and one remote – with precise locations to be decided based on a number of factors, including the interest and availability of key advisors, such as mana whenua.

Key features of the pilot would include:

- › Liaison officers being employed to help build the cultural competency of employees and businesses in that area. These officers will be nominated by the local iwi.
- › Regionally tailored learning resources created with local stakeholders to reflect the area's history. This could include both Māori history and the stories of other groups, where appropriate for the region. For example, if Queenstown was included in the pilot, Chinese histories may also be included while in Dunedin inclusion of Scottish history may be relevant.
- › Central administrative support and guidance from a lead organisation to create shared resources and support the liaison officers in their work on the ground.

The pilot would necessarily involve a partnership amongst those with the most knowledge and connections in this space, including iwi and education providers (for example, Queenstown Resort College has an existing Ambassador Programme that develops bespoke cultural competency and educational courses in partnership with local iwi and researchers for regions and businesses). New Zealand Māori Tourism could also play an important role.

INITIATIVE

7

Pilot programme to build cultural competency through regional resources

Initiative: A pilot programme to develop local support for tourism organisations to build cultural competency (through dedicated personnel and bespoke learning tools), developed with a regional focus.

Outcomes sought:

- › More inclusive workplaces, which may be demonstrated by workplaces being more diverse, with workers feeling safer and more comfortable in their workplaces.
- › More consistent and authentic storytelling, which would allow employers, employees and visitors to better connect with and understand the region and community.
- › Improving staff cultural competency - a valuable workplace skillset.
- › Increasing respect and acknowledgement of the significance of Māori stories and other cultures' stories and values within tourism workplaces.



Photo: Camilla Rutherford

LIFTING TECHNOLOGY UPTAKE AND INNOVATION TO SUPPORT BETTER WORK

In order to deliver Better Work, the tourism industry needs to raise labour productivity. As our largest export industry prior to Covid-19, improved productivity would have a positive impact on New Zealand's overall economic growth and prosperity and would be a key mechanism to help tourism workers earn more.

Tourism has one of the lowest rates of labour productivity in Aotearoa New Zealand.²⁹ This means that for every hour of work, the revenue gained is lower than it is in our other major sectors, such as agriculture.

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.

Tourism Industry Aotearoa
Public consultation, August 2022

In order to deliver Better Work, tourism firms need to be generating more value per worker, or to put it another way, using technology to leave more time for workers to provide customer service or other high-value activities. The OECD has identified a strong link between job quality and productivity.³⁰

Public consultation confirmed that most people support this shift. Some responders did point out that tourism is fundamentally about human interaction, and that the human interaction seen in tourism is often highly valued by consumers. As one submitter noted, robots and self-service check ins are 'not manaakitanga'. It is therefore important that the focus be on technology as an *enabler* to complement and enhance the human element of tourism, rather than replace it.

It is important that we apply the principle of 'just transition' to any workers whose jobs are affected by the introduction of technology by supporting them in reskilling or transitioning to new employment. [Just Transitions](#) principles are about acknowledging the impact of change and planning to make a transition more fair, equitable, and inclusive. Several initiatives of this kind are being developed across the wider economy, including the New Zealand Income Insurance Scheme, the Reform of Vocational Education, and Regional Workforce Plans.

Defining technology and innovation

It is important to define what is meant by technology and innovation. They are not the same thing but can complement each other. For the purposes of this document, we use the terms to mean the following:

Technology is used to mean the use of existing products and services (including apps, devices, online systems) to boost efficiency, do jobs easier or faster, and deliver stronger business performance. The uptake of existing technology is not innovation in and of itself, but it can be a catalyst for innovation.

Innovation is used to mean new ideas, products, processes, or ways of doing things. Innovation is more novel and often involves taking a risk. For the purposes of this document, we refer to three broad categories of innovation:

- › Product innovation – the development of new products
- › Process innovation – new or different business processes to boost efficiency/productivity
- › Business-model innovation – new or different business models, for example models that place greater emphasis on purpose-driven business.

29 Ministry of Business, Innovation and Employment (2020) *Proactive Release of Cabinet Paper: A Refreshed Industry Strategy in Response to COVID-19*, <https://www.mbie.govt.nz/dmsdocument/11570-a-refreshed-industry-strategy-in-response-to-covid-19-proactiverelease-pdf>.

30 Saint-Martin, A., H. Inanc and C. Prinz (2018) *Job Quality, Health and Productivity: An evidence-based framework for analysis*, OECD Social, Employment and Migration Working Papers, No. 221, OECD Publishing, Paris, <https://www.oecd-ilibrary.org/docserver/a8c84d91-en.pdf?expires=1672867911&id=id&accname=oid038661&checksum=822490C380D78031EFBD60F8B64DFC80>.

Although COVID-19 has brought about advances in technology adoption, tourism still faces challenges in both technology uptake *and* innovation. The initiatives in this Tirohanga Hou aim to address these challenges and add value by adding to or building on the existing ecosystem.

Initiatives to boost uptake of technology in tourism businesses

A key barrier to uptake of new technology is firm size and capital availability. In March 2020, 87% of tourism firms were small and medium enterprises (SMEs) with fewer than 20 employees. This limits the business's capacity to adopt new technology solutions. Even larger firms in the Aotearoa New Zealand tourism industry are relatively small compared to global counterparts.

Digital Boost

We heard through public consultation that businesses wanted to see more concrete examples of adoption of technological solutions in tourism and hospitality. To move in this direction, they need to be able to 'see the good'.

Digital Boost is a free online education platform that gives small businesses the skills they need to succeed in a digital world. It can help create and promote industry-specific digital skills for businesses. Although the programme only began in December 2020, there are already over 56,000 users of the platform. An independent evaluation in August 2022 found positive outcomes for businesses using the platform (for example 23% of businesses reported improved revenue after using Digital Boost).³¹

Digital Boost is now developing industry-specific material and recently completed a set of videos targeting the agriculture sector. As a result of the *Better Work Action Plan*, Digital Boost will focus on tourism next, with the production of new videos in early 2023 featuring both 'real world stories' and 'how to' content. This is an excellent opportunity to leverage an existing and proven programme and progress towards this outcome.

INITIATIVE

8

Develop Digital Boost tourism and hospitality content

Initiative: Develop Digital Boost tourism and hospitality content through a series of new 'real world stories' showcasing examples of technology use in the industry and new 'how to' videos to build further knowledge, skills, confidence, and trust to take up this technology.

Outcome sought: More firms use Digital Boost leading to accelerated uptake of technology, particularly by SMEs.



Photo: Shutterstock

31 Better for Business (August 2022). *Digital Boost Evaluation Research*, <https://www.mbie.govt.nz/dmsdocument/25394-digital-boost-evaluation-results-2022>

Expo showcasing technology

We have heard from businesses that there is an overwhelming array of new products available and, because they are often time-poor, this can lead to hesitation in uptake. An event that enables a tourism firm to interact with a wide array of new technologies in one place at one time could help to overcome these barriers.

This could take place alongside existing meetings of tourism businesses, such as industry body conferences, to take advantage of the fact people are already gathered together.

As outlined in the Productivity Commission's report *Technological Change and the Future of Work*, technology doesn't just replace jobs, it can also create them. Technology has many effects on the labour market, some of which are positive for workers, the quality of work, and jobs.³² Predictions that technology will inevitably replace work are simplistic and out of step with historical experience. In addition, with current global workforce shortages, it is increasingly important for businesses that their workers can focus on higher-value activities.

INITIATIVE

9

Expo/trade shows to showcase existing and emerging technologies to the tourism industry

Initiative: A regular (annual, or biennial) in-person event showcasing the wide range of existing and emerging technology to help boost business productivity and create efficiencies.

The expo would also showcase success stories of tourism businesses who have applied new technologies in their businesses.

Outcome sought: Tourism firms have greater knowledge of the opportunities presented by technology and can more easily invest in them. With technology being an enabler to innovation, this should also help to lift innovation in the industry.



Photo: Shutterstock

32 New Zealand Productivity Commission (2020) *Technological Change and the Future of Work*, https://www.productivity.govt.nz/assets/Documents/0634858491/Final-report_Technological-change-and-the-future-of-work.pdf.

Revisit existing tools and resources for small businesses

Small firms are often constrained in their ability to invest in training and development and may not have the highly effective human resources (HR) management of larger firms.

If owners are utilising effective and relevant tools and resources, businesses will be able to deliver good employment practices and processes, improving the experience of the worker. There would be clear benefits in providing support to tourism businesses to improve HR capability and to help them keep abreast of changing trends and requirements in areas such as employment law.

This initiative received strong support through the public consultation on the ITP. However, many people noted that existing platforms could be improved and built upon. Some businesses are overwhelmed by the number of resources already available, while others are unaware of what tools and resources are available and find it challenging to navigate the different sources or platforms to find relevant tools and resources.

As a first step, the goal is to encourage better utilisation of the current range of business support available, potentially leveraging the Accord.

Existing tools and resources include:

- › [Business.govt.nz](https://business.govt.nz) – a website that provides capability building and compliance support resources. Resources available are designed with experts for kiwi businesses and used 7.4 million times annually.
- › [Employment New Zealand](https://www.employment.govt.nz) – an organisation which provides information to help employees and employers understand their employment rights and responsibilities. Its website also has resources to help those engaging with businesses to ensure that they are treating workers fairly, ethically, and sustainably.
- › [Regional Business Partners Network](https://www.regionalbusinesspartners.govt.nz) - a programme that connects New Zealand businesses to the right advice, people, funding, and resources.
- › [Sector-specific industry organisations](#) – organisations that disseminate information and provide best-practice guidance and training specific to their audience of business owners.

As a second step, analysis and research could be conducted on the industry's experiences using these tools, which could be used to decide whether any further work is required to strengthen and/or make these more relevant for tourism businesses. If there is a clear need for a new tool or resource, that can be explored.

INITIATIVE 10

Encourage more utilisation of business support tools and resources

Initiative: Encourage better utilisation of existing online business tools and resources and conduct in-depth analysis before upgrading/strengthening existing tools, and/or designing new ones.

Outcome sought: More tourism and hospitality businesses make use of tools and resources available and, as a result, become better employers.

Other considerations for technology uptake

Some of the more geographically remote tourism businesses identified limited infrastructure, particularly internet services, as a barrier to uptake of technology. This feedback has been passed on to relevant digital policy and regional development teams for consideration.

Lastly, some feedback emphasised the importance of upskilling staff in the use of new technology. While this will be a part of the initiatives in this Tirohanga Hou – for example, a business investing in new technology will usually need to run staff training for that particular tool – in more general terms it is best addressed under the *Fit-for-Purpose Education and Training* Tirohanga Hou, in which the opportunity to add a new Tourism Tech micro-credential is being explored. In addition, the Digital Boost platform is also suitable for (and used by) employees.

Initiatives to stimulate innovation in Aotearoa New Zealand tourism

Separate from the challenges to technology uptake, the tourism industry in Aotearoa New Zealand also faces challenges associated with innovation. Small business, low levels of capital, and a disbursed industry are barriers to generating new, game-changing ideas needed to shift the dial.

A view expressed through public consultation was that tourism is overlooked or unable to access government spending on R&D and innovation through organisations such as *Callaghan Innovation*. It is not the case that tourism is ineligible; the challenge is more that proposals are not meeting the criteria for support.

It is also important to recognise that businesses outside the tourism industry might be well placed to access R&D support to develop innovative solutions that the tourism industry can adopt. There are opportunities to leverage the creativity in the tourism industry and encourage greater collaboration with other industries to boost value in the industry.

To further increase innovation in the industry, we must move away from thinking about innovation as being only about technology or being only about products. Instead, we need to think about it more broadly; to also include innovative processes or business models. Another part of the challenge is encouraging greater collaboration between business and other thought leaders, to create the spaces for innovative solutions to emerge.



Photo: Camilla Rutherford



Photo: Miles Holden

Existing opportunities targeted at driving innovation in the tourism industry

Innovation programme for tourism recovery

The Innovation Programme for Tourism Recovery (the Innovation Programme) is a \$54 million contestable fund designed to help stimulate a shift towards a regenerative, low carbon, productive and innovative tourism sector as the sector rebuilds following the COVID-19 pandemic.

The Innovation Programme seeks to deliver transformational and disruptive innovation outcomes for the sector. It has been designed in consultation with key stakeholders and sector representatives to ensure it is fit for purpose, inclusive, and accessible. The Innovation Programme has broad, open eligibility to drive the greatest levels of innovation and transformational change.

The Innovation Programme enables better work through its purpose, outcomes, and focus across the Aotearoa New Zealand visitor journey. One of its outcomes is to lift the productivity or capability of the tourism sector through technology. The Innovation Programme has the ability to support the development of new innovative technologies, as well as the adoption of existing innovative technologies in a new or different way.

The Innovation Programme for Tourism Recovery (Innovation Programme) will provide a supportive platform for transformative ideas that will change the visitor journey in New Zealand. An evaluation of the Innovation Programme following its one-year delivery period will provide valuable insights into the most effective ways for generating innovation in the tourism industry, and whether the criteria helped to improve the eligibility of all parts of tourism for broader government R&D funding.

Alongside this, regions of New Zealand have been producing Destination Management Plans, many of which demonstrate a clear interest in community-led innovation. Experience shows that the best kinds of innovation are networked.

Leveraging accelerators for innovation in tourism

Accelerator programmes (also referred to as Challenges) are widely used in the innovation ecosystem to generate innovative business models and products. They provide intensive and time-limited business support for cohorts of start-ups, aiming to get them ready for investment more quickly than through traditional means. There are (at least) two previous examples of the use of accelerators in tourism with the Lightning Lab Tourism business accelerator run in 2019 and the Tourism Accelerator in 2020. Despite the timing of these accelerators and the impacts of the COVID-19 pandemic, there was some success with eight businesses operating for more than a year after the programmes.

Accelerator programmes could be developed to generate innovative outcomes that benefit and help to deliver better work. Accelerators can have a number of lenses – including regional, sectoral, or general-purpose technologies. Accelerators work by tapping into innovative thought leaders from a range of backgrounds. To maximise creativity, this programme could include tourism businesses and business owners, tech companies, community leaders, and iwi. These could be novel ideas, or ones that recombine existing ideas or technologies for the tourism industry. With the rapid development of technologies that allow sophisticated data usage and immersive or virtual experiences, this could lead to highly transformative approaches to improving work in tourism.

Specifics for this Initiative will be tested with key stakeholders and experts in innovation prior to implementation.



CASE STUDY

LIGHTNING LAB ACCELERATOR 2019

Lightning Lab is a three-month business acceleration programme with a strong mentor focus. Each programme takes in up to 10 companies and provides each company with structure, start-up methodologies, business skills and focused support so they can successfully find the market fit for their products and rapidly grow their user base.

A tourism-specific Lightning Lab Accelerator was held in 2019 to help position New Zealand as the leading nation in practising sustainable tourism.

TOURISM DESIGN ACCELERATOR 2020

The 2020 Tourism Design Accelerator was held as part of the COVID-19 recovery and took place over four months. This accelerator was run to support business founders to design solutions to some of the tourism industry's most pressing challenges, including a more resilient and sustainable sector. This accelerator saw seven businesses participate and followed the same format as the Lightning Lab accelerator providing businesses with the opportunity to attend workshops, have access to mentors, and attend presentations.

Roady

Roady is an app that helps people to plan a road trip in New Zealand and is designed to connect travellers with hidden gems. Roady was founded in 2017 originally selling customised road trip packages. Roady was receiving great feedback and had a strong social media following but had limited scalability and a very manual booking process.

Roady founder Roscoe Price Moor wanted to move the business to the next stage and his concept for an app really began to gain traction when he participated in the Tourism Accelerator 2020 delivered by Creative HQ.

"It was such a concentrated four months at Creative HQ, it really forces you to get into gear," Price Moor says. *"Creative HQ really launched us to the next era of Roady."* During the Tourism Accelerator, Roady caught the eye of Angel HQ who subsequently invested in the company and Glenn Campbell (Tourwriter's CEO) who joined the company's board as an investor-director.



Roady

As a result of participating in the Tourism Accelerator, Roady was able to build an app that allows users to create their own lists and tick off experiences by uploading their own photo of the location. There is a gamified element, with users receiving virtual pins on their own personalised map, earning badges when they complete certain milestones and a national leaderboard to become the most well-travelled in the country. The app also allows for tourism operators to pay a monthly subscription to have their experience listed/promoted on the app.

The key benefit in the accelerator for Roscoe was the access to mentors, speakers on different topics (such as capital raising) and investors who could contribute capital at the end of the accelerator to one or more proposals.

As a result of participating in the accelerator, Roady has:

- › successfully raised \$250,000
- › plans to expand into Australia
- › achieved 25,000 app downloads
- › 50,000 photos on the platform
- › employed 5 full time staff
- › incorporated other income elements into the business (such as content creation)

WHAT CAN WE LEARN FROM THIS CASE STUDY?

- › Accelerators provide businesses with access to a network of experienced leaders as well as those with industry specific experience. It enables businesses to make connections and build long-lasting relationships with mentors that can help them progress to the next level in a short amount of time.
- › Accelerators are a forum to share ideas and can assist businesses with problem solving.
- › The cohort nature of an accelerator provides an opportunity for businesses to work with like-minded individuals who are all at early stages of their business.
- › Accelerators provide the discipline and focus that early ventures often need as they are tackling difficult challenges and creating new and innovative solutions.

INITIATIVE

11

Accelerator programme for innovation in Tourism

Initiative: Tourism Accelerators to bring together leaders from tourism and the wider community to generate innovative ideas for the local tourism industry.

Outcome sought: Accelerators, or Challenges, provide intensive and time-limited business support for cohorts of start-ups, aiming to get them ready for investment more quickly than through traditional means.

A key focus point for the initial round would be on outcomes that boost labour productivity and contribute to Better Work, but there is potential to expand this model to meet potential initiatives that come out of future phases of the ITP.



Photo: Celeste Fontein

Innovative business models in tourism

In the draft version of the Better Work Action Plan, we included a Tirohanga Hou called *Purpose Driven Intergenerational Mindsets*. This drew on research showing that purpose-led organisations that take an intergenerational approach to their operations, and are committed to achieving outcomes beyond financial returns, have more engaged workers and create more value for their businesses and shareholders – “values creating value”.

In Aotearoa New Zealand, Māori entities and businesses lead the way in incorporating purpose and intergenerational wellbeing into their business operations. This approach balances multiple values and objectives — spanning social, cultural, financial, environmental, spiritual, and political domains. Of course, these business models are not the exclusive domain of Māori businesses. For example, large segments of our rural sector operate similar models and are also driven by longer-term, sustainable, intergenerational values.

MBIE’s *Long Term Insights Briefing on the Future of Business for Aotearoa New Zealand* found that the number of purpose-led businesses is likely to grow steadily over time, driven by employees, customers, investors, and particularly young people who will increasingly expect business to be more socially and environmentally responsible.³³ Reflecting other trends, such as the uptake of new technology, the *Briefing* highlights an expected growing diversity of business models over time – there will be more values-oriented, networked, and decentralised firms, which could involve partnerships across domains of business, government, and community.

Workshops or seminars could enable a wider group of tourism businesses to learn from these approaches, where having people at the centre encourages the development of employees. This could lead to greater innovation in business models, generating more value for the industry and for workers. This initiative would also explore any structural barriers to uptake of innovative business models. For example, equity sharing with employees may encounter regulatory barriers.

INITIATIVE 12

Innovation in tourism business models, to support purpose-led and intergenerational objectives

Initiative: Develop a set of tools to promote uptake of innovative business models in tourism. This could include workshops or seminars as well as guidance and capability support. These would have a focus on purpose-driven, intergenerational values.

Outcome: More tourism businesses are aware of options and pathways for adopting innovative business models, leading to a higher value offering that supports better work and more fully embodies Aotearoa New Zealand’s unique culture and identity.

³³ Ministry of Business, Innovation and Employment (November 2022) *Long-term insights Briefing on the Future of business for Aotearoa New Zealand*, <https://www.mbie.govt.nz/dmsdocument/25454-mbie-ltib-the-future-of-business-for-aotearoa-new-zealand-pdf>.

SHOWCASING THE GREAT – PEOPLE AND PATHWAYS IN TOURISM

While the rest of the *Better Work Action Plan* is targeted at delivering meaningful improvements to working conditions in tourism, this Tirohanga Hou focuses on highlighting the great that already exists.

Despite the significance of tourism and hospitality to the New Zealand economy, there have been some challenges around highlighting the range of opportunities and progression pathways available to those working in the industry. In particular, working in tourism and hospitality is often viewed as low-paid, insecure work with limited career options.³⁴ These perceptions contribute to recruitment challenges, which can be exacerbated by reports of high-pressure work environments. Tourism and hospitality are not alone in this – there has been a systemic undervaluing of service industry careers in New Zealand for decades.

This is a perception we want to challenge through the ITP. We know that these perceptions do not match the lived experience of many thousands of people employed in the tourism industry who have pursued diverse, rewarding careers. The Auckland University of Technology undertook the Tourism and Hospitality workforce survey throughout 2022. The survey had over 900 participants, below are some of the reasons given for joining the industry:



Showcasing the value of tourism and hospitality jobs will have a valuable secondary outcome of highlighting businesses that are demonstrating leading employment practices, helping other businesses see possibilities for them.

³⁴ Edwards, P. (August 2018) *Perceptions of Careers in the Tourism Industry*, Auckland Tourism, Events and Economic Development and Tourism Industry Aotearoa, https://www.aucklandnz.com/sites/build_auckland/files/media-library/documents/Perceptions-of-careers-in-the-tourism-industry-quantitative-research.pdf.



CASE STUDY

100 AMBASSADORS OF HAPPINESS

An example of a powerful tourism careers campaign is the '100 Ambassadors of Happiness'. The Singapore Hotel Association together with the Singapore Tourism Board created this campaign for the hotel industry, where they interviewed 100 people across the hotel industry over the course of a year. The aim of this campaign was to get young people of Singapore to look beyond the long hours and underwhelming starting salaries of the hotel industry. This campaign showcased the wide range of jobs in the industry, as well as different job progressions and positive experiences in the industry. The Singapore Tourism Board indicates that this has led to a 245% increase in job applications.

For more information, visit: sha.org.sg/workforahotel/stories/100-ambassadors

WHAT CAN WE LEARN FROM THIS CASE STUDY?

- › We can work directly with businesses and people working in the industry to showcase career opportunities and the positives of working in the tourism industry.
- › It is possible, and effective, to use easily consumable mediums such as social media to deploy powerful imagery and inspiring stories to attract potential employees and customers.

CASE STUDY

COUNTRY CALENDAR

Hyundai Country Calendar is an example of great storytelling changing the perceptions of an industry. The nation's longest running TV show celebrates the farming industry against the backdrop of rural Aotearoa New Zealand. As one of the nation's most popular shows, more than half a million people watch each week.

In recent years, the show has showcased agriculture and horticulture stories that have a stronger emphasis on sustainable practices. Examples include regenerative farming and fishing, certified carbon zero farms, improving soil quality and biodiversity, and farmers that are restoring farmland to native bush to create havens for native birds. The show shapes the national perception of rural Aotearoa New Zealand industries and lifestyles. It highlights farmers and growers giving back to communities and the environment as part of their daily life, as well as shining a light on their businesses.

There is currently no equivalent for tourism in New Zealand, despite tourism also being part of the fabric of our culture. While the focus of our proposed campaign is on highlighting meaningful work in the sector, we want to change perceptions of the tourism industry in the broader sense as well.

For more information, visit: www.nzonscreen.com/title/country-calendar-1966/series

WHAT CAN WE LEARN FROM THIS CASE STUDY?

- › › Country Calendar provides kiwis with new insights and a positive understanding of our farming sector at a time when people are becoming more attuned to the values of sustainability and regeneration.
- › › If the tourism industry does not take steps to showcase how it also promotes these values, it will fall behind other industries. This could impact tourism's ability to attract talent.
- › › Similar to the rural community ambassadorship of Country Calendar, the campaign suggested through the Better Work Action Plan will showcase stories of tourism and hospitality businesses connecting with people, communities, and the environment, taking a more values-driven approach to changing perceptions of the industry.
- › › Like Country Calendar, the suggested campaign show people who are considering working in tourism or hospitality (and those who influence them, such as parents) that they can have a meaningful career in those industries.

A national campaign to showcase different elements of Better Work

A key initiative of this Tirohanga Hou is a nationwide campaign to showcase and celebrate the diverse potential career pathways, points of entry, and career variety the industry has to offer. This initiative received broad support through consultation and was identified as an important action to improve work outcomes and help address workforce shortages.

Features of this campaign may include some, or all, of the following:

- › Compelling, authentic stories of real people that properly reflect the reality of working in the industry.
- › Reaching beyond workers to ‘influence the influencers’ – for example reaching those people who help school-leavers make their career decisions, such as parents, career advisors, and teachers.
- › Highlighting the valuable and transferable skill sets that working in tourism develops, such as teamwork, multitasking, time management, flexibility, resilience, and customer service.
- › Highlighting examples of great terms and conditions of employment and values driven work.
- › Promotion of the horizontal as well as the vertical pathways available within the industry.
- › Promotion of the new NCEA Tourism Achievement Standard at Year 12 (level two), which was developed in extensive consultation with the tourism industry.
- › Demonstration of the variety of pathways into, through, and out of the tourism industry – highlighting how the tourism industry has the flexibility to appeal to people of all walks of life.

To implement the campaign, research will need to be carried out to better define the target audience of the campaign, refine its key messages and strategy, and develop the best way for it to be rolled out (eg, on what platforms, and over what timeframe).

Timing of the delivery of the campaign will also need to be considered and should follow implementation (or significant progress towards implementation) of other key initiatives from the *Better Work Action Plan*, to demonstrate progress in delivering better work for the industry.

IT APPEARS PREMATURE FOR THE SECTOR TO INITIATE MORE PUBLIC CAMPAIGNS BEFORE ATTEMPTING TO RESPOND TO MANY OF THE OTHER BIG PROBLEMS IN TOURISM, INCLUDING INDUSTRY GROWTH AND SOCIAL LICENSE CONCERNS.

Hotel Council Aotearoa Association
Public consultation, August 2022

Key partners to deliver this successfully will include businesses whose employees will feature in the campaign. The Tourism and Hospitality Accord could be a vehicle for identifying some of these businesses.

A key piece of feedback from public consultation was that this campaign should not be delivered by government and that it should be led by industry organisations which have an established reputation and branding awareness in the industry.

Once the campaign has been launched, a thorough evaluation will be conducted to understand the impact of the campaign, assess if it warrants extension, and whether any modifications to messaging and delivery should be made.

INITIATIVE
13

Public campaign to showcase Better Work

Initiative: Run a nationwide campaign to showcase better work in the tourism industry. This will include showcasing:

- › the education pathways and careers now open to students, including the introduction of tourism Achievement Standards for NCEA levels 2 and 3
- › the great variety of careers on offer in tourism
- › the people who are pursuing these careers, at different points along their journey
- › places to work that are using purpose-driven business models.

Outcomes sought:

- › To showcase the good in the tourism industry – the rewarding careers on offer, as well as the diverse range of people who make up the industry and the valuable work they do.
- › Shift perceptions and build an understanding of the tourism industry as one where people can have meaningful and fulfilling careers and their skills are important and valued.

Stronger direction for Go with Tourism

Although the draft *Better Work Action Plan* did not reference Go with Tourism (GWT) in its proposed actions, this section has been informed by an independent impact report on GWT undertaken in 2022, which was based on extensive engagement (surveys and interviews) with the people and organisations who work with GWT.

The Better Work Leadership Group agrees with the findings of the impact report, which found GWT has been an asset to the industry, in part by promoting tourism and hospitality careers and breaking down stigma and negativity of the industry.

At the same time, the report highlights that GWT has the capacity to increase its value proposition in the coming years. To achieve this, it requires greater certainty about its longer-term funding and organisational home in order to retain talent and continue to mature as a programme.

What is Go with Tourism?

GWT is a government-funded initiative which specialises in growing New Zealand's tourism and hospitality workforce. The objectives of GWT are to improve the perceptions of tourism career pathways and to attract more people into the New Zealand tourism workforce.

As part of its establishment phase, in its first three years of operations GWT has tested its abilities and impact across a range of different functions and has adapted to a rapidly evolving employment market and tourism industry. Three years into its operations, we observe that GWT is adding most value where it is:

- › improving perceptions, building awareness of and attraction into the tourism industry
- › engaging with youth and those looking to enter/re-enter the job market
- › making connections between tourism educators and the tourism industry, to help add richness to the education offering and provide teachers with valuable teaching resources.

These outcomes directly contribute to Better Work outcomes for the tourism industry.

Proposal for GWT's future

As GWT looks to the future, it is important to identify where it can have best impact and where improvements can be made. These are important questions for any organisation looking to grow and mature.

To secure the future of GWT, a review of two key matters should be undertaken. The first is the scope of functions it undertakes. GWT has tested and demonstrated abilities in many areas and there is now a question about where those abilities are best focused for maximum impact. The second is a need to secure ongoing funding (as it is currently funded until October 2023). This could be sourced from a range of stakeholders, with changes in the mix of contributions over time, as GWT continues to demonstrate its value to the industry.

INITIATIVE 14

Build on the success of Go with Tourism to continue to attract workers to the sector

Initiative: Build on the success of GWT to continue to attract workers to the sector, and undertake a review of GWT's ongoing funding, strategic direction and scope, and organisational arrangements.

Outcomes sought: Support GWT to continue to deliver its valuable attraction and connection functions to build the tourism workforce. A review will aim to enable GWT to build on its strengths and comparative advantages.



Photo: Miles Holden

NEXT STEPS

IMPLEMENTATION

The *Better Work Action Plan* acts as a blueprint for the implementation of the initiatives noted in it. The implementation plan for these initiatives will continue to be developed following its release.

Sub-groups with members of the Better Work Leadership Group will continue in the implementation phase. Industry, workers, iwi, and other organisations outside the Better Work Leadership Group will also be engaged as necessary to help develop or deliver specific initiatives.

MONITORING, EVALUATION AND REPORTING

A monitoring and evaluation plan is being developed within the next six months as part of the implementation phase. It is expected that findings from monitoring and evaluation will collect and report meaningful information on the progress of Tirohanga Hou and help in:

- › developing a shared understanding of what success looks like
- › knowing when we have achieved it
- › identifying early adjustment to activities if required.

There will be regular reporting to the Minister of Tourism and the Better Work Leadership Group on the implementation of the *Better Work Action Plan*.



Photo: Milles Holden

APPENDIX ONE: INDICATIVE IMPLEMENTATION TIMELINES

INITIATIVES SUMMARY AND TIMELINES

The following table sets out indicative timelines, subject to resourcing across ITP partners and ongoing monitoring of initiatives and industry priorities.

TIROHANGA HOU 1: RECOGNISING QUALITY EMPLOYERS AND IMPROVING EMPLOYMENT STANDARDS AND PRACTICES				
		July 2022–June 2023	July 2023–June 2024	July 2024–June 2025
INITIATIVE 1 Establish a Tourism and Hospitality Accord	Initiative: Establish a workforce accord for the tourism and hospitality industries, providing a set of paerewa (standards/values) on good employment practices that businesses can voluntarily sign up to.	Steering Group to develop and design the Accord. This will include considering feedback from the consultation on the draft Better Work Action Plan.	A beta-version of the Accord will be tested with select businesses, to ensure it is fit for purpose. Finalise the Accord, considering results of the testing phase. The Accord will be launched for business use in 2024.	Monitor the response to the Accord, continue to develop/review as necessary. Consider the ability of the Accord to be self-funded and adjust as necessary to allow this. Consider options to extend the Accord.

TIROHANGA HOU 2: FIT FOR PURPOSE EDUCATION AND TRAINING

	July 2022–June 2023	July 2023–June 2024	July 2024–June 2025
<p>INITIATIVE 2 Stronger partnership between the key peak industry bodies and Ringa Hora</p>	<p>Initiative: Develop a mechanism to strengthen the partnership which will build on current engagement between Ringa Hora and Tourism Industry Aotearoa, Hospitality New Zealand, and Restaurant Association New Zealand.</p>	<p>Ringa Hora is currently engaging with key industry bodies and will explore the most appropriate mechanism to strengthen the partnership with Tourism Industry Aotearoa, Hospitality New Zealand, and the Restaurant Association New Zealand.</p>	<p>Ringa Hora will continue to strengthen its engagement with industry to ensure the range of voices are heard.</p>
<p>INITIATIVE 3 Design/develop a new tourism qualification(s)</p>	<p>Initiative: Ringa Hora to engage with industry, the Better Work Leadership Group, employees/learners, and other stakeholders to identify needs and build new, or adapt from existing, tourism qualifications and micro-credentials.</p>	<p>Ringa Hora are mapping out current tourism qualifications to identify gaps or overlaps with other industries to ensure effective and efficient delivery of education.</p>	<p>Ringa Hora to engage with Te Pūkenga, other delivery partners, and industry to build an appropriate qualification(s) that will include stackable micro-credentials based on gaps or improvements identified in the mapping process.</p> <p>Review progress and check in with businesses and employees on early experiences.</p>

TIROHANGA HOU 3: EMBRACE THE FLUX, ENABLE THE FLEX

	July 2022–June 2023	July 2023–June 2024	July 2024–June 2025
<p>INITIATIVE 4 Conduct a tourism-conservation employee-sharing pilot, building on the benefits of the Jobs for Nature (J4N) programme</p>	<p>Initiative: Work with the Department of Conservation (DOC) to pilot a tourism-specific employee-sharing programme, building on the learning and positive outcomes of the J4N programme.</p>	<p>The outcomes assessment undertaken on the J4N South Westland tourism projects to be completed in early 2023 to inform the design of the pilot.</p>	<p>If pilot undertaken, impacts to be monitored and consideration given to an enduring model.</p>
<p>INITIATIVE 5 Undertake a systems analysis of barriers to employee-sharing models of work</p>	<p>Initiative: Map the ‘user journey’ from an employer and employee perspective. This will allow any barriers/points of friction to be identified. It is also an opportunity for industry to identify any missing elements that would enable this new way of working.</p> <p>Identify next steps, which could include supporting employers and employees to achieve effective employee sharing, including region-specific options.</p>	<p>A systems analysis of barriers to employee-sharing will be undertaken. This will inform the development of options to address them.</p> <p>Support local/regional initiatives that map the different peaks across industries, giving visibility to those wishing to work across industries/jobs.</p>	<p>Continue to explore options to address barriers to employee-sharing.</p>
<p>INITIATIVE 6 Explore options for clear long-term immigration settings</p>	<p>Initiative: Build on the Productivity Commission’s recommendations for clear long-term settings for immigration, once the Government’s response to the Productivity Commission’s report has been issued.</p>	<p>Input to the Government response on the Productivity Commission’s <i>Fit for Future</i> report.</p>	<p>Facilitate discussion on how to make the most of immigration policy settings in the context of tourism, and ensure the sector draws firstly on domestic workforce.</p>

TIROHANGA HOU 4: IMPROVING CULTURAL COMPETENCY AND ENSURING AUTHENTIC STORYTELLING

		July 2022–June 2023	July 2023–June 2024	July 2024–June 2025
<p>INITIATIVE 7 Pilot programme to build cultural competency through regional resources</p>	<p>Initiative: A pilot programme to develop local support for tourism organisations to build cultural competency (through dedicated personnel and bespoke learning tools), developed with a regional focus.</p>	<p>Identify regions for a pilot across rural, provincial, and urban settings. This will include reaching out to iwi and business to gauge interest.</p> <p>Work with knowledgeable connections to identify key elements for this pilot – e.g., history courses developed by local iwi, cultural competency good practice, workplace cultural competency courses, etc.</p>	<p>Local liaison officers to connect and work with local iwi and businesses in developing actions outlined in pilot. This will include discussing with the local iwi and businesses if they believe anything should be added to the pilot plan for their area.</p>	<p>Review outcomes from pilot programme. Consider if national roll out is possible.</p>

TIROHANGA HOU 5: LIFTING TECHNOLOGY UPTAKE AND INNOVATION TO SUPPORT BETTER WORK

		July 2022–June 2023	July 2023–June 2024	July 2024–June 2025
<p>INITIATIVE 8 Develop Digital Boost tourism and hospitality content</p>	<p>Initiative: Develop Digital Boost tourism content through a series of new 'real world stories' showcasing examples of technology use in the industry and new 'how to' videos to build further knowledge, skills, confidence, and trust to uptake this technology.</p>	<p>A suite of new videos is being developed through Digital Boost, led by contracted partner The Mind Lab, by mid-2023.</p>	<p>Assessment of the impact/success of the 2023 video content with potential to amend/ update/ extend.</p>	
<p>INITIATIVE 9 Expo/trade shows to showcase existing and emerging technologies to the tourism industry</p>	<p>Initiative: A regular in-person event showcasing the wide range of existing and emerging technology to help boost business productivity and create efficiencies.</p> <p>The expo would also showcase success stories of tourism businesses who have applied new technologies in their business.</p>	<p>Identify partners to hold the expo and develop a schedule for expos.</p> <p>Identify interested tech firms.</p>	<p>Continue progress on further expos.</p>	<p>Continue progress on further expos.</p>
<p>INITIATIVE 10 Encourage more utilisation of business support tools and resources</p>	<p>Initiative: Encourage better utilisation of existing online business tools and resources and conduct in-depth analysis before upgrading/strengthening existing tools, and/or designing new ones.</p>	<p>Research options for giving existing business tools and resources more visibility in tourism.</p> <p>Promote using range of platforms, and input from TIA business survey, on existing tools.</p>	<p>Expand tools to address any gaps.</p> <p>Continued marketing/promotion/re-positioning of existing tools.</p>	<p>Continued marketing/promotion of existing tools.</p>

<p>INITIATIVE 11 Accelerator programme for innovation in tourism</p>	<p>Initiative: Tourism accelerators to bring together leaders from tourism and the wider community to generate innovative ideas for the local tourism industry.</p>	<p>Identify partners to run tourism innovation accelerators. Design accelerator programme. Innovation Programme for Tourism Recovery running.</p>	<p>First accelerator held.</p>	<p>Hold further accelerator events.</p>
<p>INITIATIVE 12 Innovation in tourism business models, to support purpose-led, and intergenerational objectives</p>	<p>Initiative: Develop a set of tools to promote uptake of innovative business models. This could include workshops or seminars as well as guidance and capability support. These would have a focus on purpose-driven, intergenerational values.</p>	<p>Work with partners who are informed on best practice in purpose-driven, innovative business models (NZ Māori Tourism, Māori business leaders, MBIE Chief Economist Unit) and hold workshops with Regional Tourism Organisations.</p>		

TIROHANGA HOU 6: SHOWCASING THE GREAT – PATHWAYS AND PEOPLE IN TOURISM

	July 2022–June 2023	July 2023–June 2024	July 2024–June 2025	
<p>INITIATIVE 13 A public campaign to showcase Better Work</p>	<p>Initiative: Run a nationwide campaign to showcase Better Work in the tourism industry. This will include showcasing the variety of careers, and great places to work.</p>	<p>Define the target audience of the campaign, timing of delivery, refine key messages and strategy, and develop the best approach to roll-out. Key delivery organisations to be identified.</p>	<p>Launch of nationwide campaign.</p>	<p>Evaluation of campaign to assess if it warrants an extension and/or modifications need to be made.</p>
<p>INITIATIVE 14 Build on the success of Go with Tourism to continue to attract workers to the sector</p>	<p>Initiative: Build on the success of GWT to continue to attract workers to the sector, and undertake a review of GWT’s ongoing funding, strategic direction and scope, and organisational arrangements.</p>	<p>Commence review of GWT.</p>	<p>Continue to evolve delivery based on strategic direction of GWT.</p>	

APPENDIX TWO: WIDER SYSTEM VIEW



APPENDIX THREE: EVIDENCE AND INSIGHTS

Evidence and Insights in the *Better Work Action Plan* have been derived from a range of sources, including existing research pieces and reports, as well as analysis of Migrant Employment Data and the Household Labour Force Survey.

When interpreting data from the *Migrant Employment Data*, it is important to note that the estimates presented in these studies are the work of the author, not Stats NZ or individual data suppliers. The tourism sector was mapped based on tourism product ratios for the year ended March 2021 from the latest Tourism Satellite Account.³⁵ However, COVID-19 has significantly affected Aotearoa New Zealand's tourism sector and we anticipate that these definitions may no longer reflect the tourism sector accurately. These ratios are also calculated at the national level, and do not account for any differences in industries between regions. It is assumed that the proportion of migrants, and the demographical composition within each industry, matches those proportions in tourism within the same industry. We advise interpreting these figures with caution.

When interpreting data from the *Household Labour Force Survey*, it is important to note that the estimates presented in these studies are the work of the author, not Stats NZ or individual data suppliers. The tourism sector was mapped based on tourism product ratios for the year ended March 2021 from the latest Tourism Satellite Account.³⁴ However, COVID-19 has significantly affected Aotearoa New Zealand's tourism sector and we anticipate that these definitions may no longer reflect the tourism sector as accurately. These ratios are also calculated at the national level, and do not account for any differences in industries between regions. It is assumed that the demographical composition within each industry matches those proportions in tourism within the same industry. Data was tied to respondent's main job, so if a person's second (or third etc) job is tourism related, that would not have been captured in this data. We advise interpreting these figures with caution.

³⁵ Stats NZ (March 2021) *Tourism Satellite Account*.



Te Kāwanatanga o Aotearoa
New Zealand Government