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Media Release

New People & Skills framework to support tourism's ambitious growth goals

The tourism industry's peak body has launched a *People & Skills 2025* framework to support the ambitious growth goals of New Zealand's \$30 billion dollar tourism industry.

"Ensuring we have the right people in the right place at the right time is a top priority for our industry and critical to achieving the industry's [Tourism 2025](#) goal of \$41 billion annual revenue by 2025," says Chris Roberts, Chief Executive of the Tourism Industry Association New Zealand (TIA).

TIA led development of *People & Skills 2025* with support from business, education, training, government and other sector associations and organisations.

Mr Roberts says the tourism industry is already facing acute labour shortages in some popular destinations at peak times of the year, and given the industry's rapid growth, the pressures will only intensify.

"The 550 attendees at this year's 12 TIA Regional Tourism Summits overall ranked people and skills as one of the most important issues for both their own business and their region. And almost 90% of respondents to a new TIA industry survey agreed that service levels were an issue for the industry.

"The *People & Skills 2025* framework will guide how the industry makes decisions on workforce development over the next decade. If we don't develop suitable responses to these issues, we run the risk of leaving important aspects of our workforce needs to chance."

Visitor arrivals to New Zealand are growing strongly, recently surpassing the annual 3 million milestone and expected to reach over 4.5 million by 2025.

Mr Roberts says it is vital the industry acts now to ensure it has a skilled workforce in place to service these visitors.

"Our people are one of the industry's biggest assets and can help make New Zealand a preferred destination over other countries."

People & Skills 2025 includes a set of actions that will guide the industry and government on both the supply of people for the industry and the skills they need to deliver on the Tourism 2025 aspiration.

The framework focuses on nine areas:

- Attract and develop a workforce of capable New Zealanders, supported by migrant labour where no suitable New Zealanders are available: Approximately 47,000 extra employees will be needed to support a visitor economy that will be 40% bigger by 2025.
- Those working in the tourism industry have the skills and can access the training and support needed to increase productivity and eliminate sources of visitor dissatisfaction.
- Each region develops the strategies they need to attract the right people at the right times to provide outstanding visitor experiences and support the growth of the industry.
- All tourism businesses, whether they are owner-operated or employ hundreds, have access to the people and skills they need to improve their productivity and profitability.
- Recognise the changing nature of the workforce, e.g. fulltime, part-time, gender, age, seasonal influence. By understanding the composition of the workforce and what employees want from their jobs, the industry is better positioned to make the right decisions on workforce strategies.
- Lower churn (staff turnover) rates to retain people and skills. Churn has long been a factor of the tourism industry, due to factors like seasonality, weekend and evening work, and possibly lack of fulltime hours, pay rates and low visibility of career paths.
- Embed a training culture – the tourism industry must collectively value and invest in training to upskill and respond to changing market needs, improve visitor satisfaction, productivity and profitability.
- Attract people who have the right attitude and interpersonal skills to deliver a memorable visitor experience.
- Engage with the education sector to improve the capability and capacity of the workforce.

Mr Roberts launched *People & Skills 2025* at yesterday's 2015 TIA National Tourism Summit in Wellington, attended by 260 industry and government leaders.

"Many large New Zealand tourism businesses and training organisations have workforce strategies in place. What *People and Skills 2025* does is provide an overarching framework

for our tourism industry and ensure an employer-led national direction on this vital issue is in one place.”

TIA is now working with industry and government partners to prioritise and implement the framework actions, including promoting tourism as a fantastic career.

To download *People and Skills 2025*, go to

www.tourism2025.org.nz/assets/Uploads/People-Skills-2025.pdf

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Key Facts

- Tourism in New Zealand is an \$81.6 million per day industry. Tourism delivers around \$32 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$49 million in economic activity every day
- Tourism is one of New Zealand’s biggest export industries, earning \$11.8 billion or 17.4% of New Zealand’s foreign exchange earnings (year ended March 2015)
- 12.1% of the total number of people employed in New Zealand work directly or indirectly in tourism. That means 295,908 people are working in the visitor economy
- The [Tourism 2025](#) growth framework has a goal of growing total tourism revenue to \$41 billion a year by 2025.

Visit www.tianz.org.nz for more information.