Victorian Employer Skills Survey 2021 Accommodation and Food Services

The Victorian Skills Authority (VSA) asked businesses about their skills, recruitment and training needs for the Victorian Employer Skills Survey 2021.

Findings from the survey will help the Victorian government identify areas of skills demand, drive innovation across the VET sector and better plan for Victoria’s future training needs.

The VSA conducted the survey between August and December 2021. It approached 70,000 businesses and achieved a response rate of 20.5%, with coverage across all industries, business sizes and regions in the state.

*The statistics below reflect the experience of employers across the five key survey domains:*

#### Business climate | Skills | Recruitment | Training | Apprentices, trainees and work placements

## Business climate

#### **Despite the global pandemic, many employers adapted to maintain or grow their workforce. Employers had a mostly positive outlook for the year ahead.**

#### Workforce

Less than 1 in 10 employers reported growing their workforce in 2021. This was the lowest rate reported among all industries.

**Grew**

Accommodation and Food Services 9%

Vic Avg 19%

**Contracted**

Accommodation and Food Services 37%

Vic Avg 19%

**Remained the same**

Accommodation and Food Services 51%

Vic Avg 61%

**Don’t know**

Accommodation and Food Services 3%

#### Outlook

Employers in the industry were the most optimistic about their business outlook, with over one-third of employers expecting their workforce to grow in the next 12 months.

**Predict growth**

Accommodation and Food Services 45%

Vic Avg 33%

**Remain about the same**

Accommodation and Food Services 41%

Vic Avg 56%

**Predict contraction**

Accommodation and Food Services 5%

Vic Avg 5%

#### Impacts of COVID-19

COVID-19 skills-related challenges experienced by employers in the industry were higher than the Victorian average.

**Skills-related challenges**

Accommodation and Food Services 69%

Vic Avg 57%

**Adopted new ways of working related to COVID-19**

Accommodation and Food Services 46%

Vic Avg 45%

**Staff retention challenges**

Accommodation and Food Services 47%

Vic Avg 26%

## Skills

Finding candidates with the right skills presented the most common skill challenge in the past year. More employers are expecting skill shortages in 2022 than in 2021.

#### Skills shortages

Three in ten employers in the industry expect to face skills shortages in 2022. This was highest rate amongst all industries.

**Last 12 months**

Accommodation and Food Services 27%

Vic Avg 16%

**Next 12 months**

Accommodation and Food Services 31%

Vic Avg 21%

#### Skills challenges

The top skills challenges reported by employers were the same across all industries. They were:

**Finding candidates with the right skills**

Accommodation and Food Services 60%

Vic Avg 47%

**Retaining staff**

Accommodation and Food Services 47%

Vic Avg 26%

**Finding job-ready candidates**

Accommodation and Food Services 54%

Vic Avg 37%

#### Skills needs

More employers in the industry reported needing workers with the right attitude and with job-ready skills compared to the state average.

**Technical/job-specific skills**

Accommodation and Food Services 74%

Vic Avg 73%

**The right attitude/mindset**

Accommodation and Food Services 61%

Vic Avg 50%

**Job-ready skills**

Accommodation and Food Services 60%

Vic Avg 47%

## Recruitment

Most employers in the industry had undertaken some recruitment activity over the past year and the majority reported experiencing challenges.

Recruitment need

More employers in the industry undertook some form of recruitment over the past 12 months, compared to the state average.

Accommodation and Food Services 75%

Vic Avg 62%

Recruitment challenges

Over five in six employers reported having difficulties recruiting for particular roles. This was higher than the state average.

Accommodation and Food Services 84%

Vic Avg 76%

Type of challenge

The most common challenges faced by employers were related to the number, experience and job-specific skills of candidates.

**Few applicants**

Accommodation and Food Services 75%

Vic Avg 63%

**Candidates lacked relevant experience**

Accommodation and Food Services 45%

Vic Avg 50%

**Candidates lacked relevant technical/job-specific skills**

Accommodation and Food Services 39%

Vic Avg 47%

## Training

More than half of employers in the industry engaged in some form of staff training

**Engagement in training**

More employers in the industry used internal training only. Fewer used external training or both internal and external training (35% compared to 37% state average).
 **Internal training**

Accommodation and Food Services 39%

Vic Avg 17%

**External training**

Accommodation and Food Services 26%

Vic Avg 45%

**Satisfaction with training**

Satisfaction levels were higher than the state average for improved staff performance, but lower for industry knowledge, quality and price.

**Helped staff do their job better**

Accommodation and Food Services 82%

Vic Avg 81%

**Trainers had good industry knowledge**

Accommodation and Food Services 79%

Vic Avg 80%

**Training was high quality**

Accommodation and Food Services 70%

Vic Avg 76%

**Training was reasonably priced**

Accommodation and Food Services 68%

Vic Avg 71%

 **Skillsets**

Just over three in five employers said they would consider a skillset (microcredential or part qualification) rather than a full qualification to upskill their staff.

Accommodation and Food Services 62%

Vic Avg 61%

## Apprentices, trainees and work placements

Employers continue to make use of apprentices, trainees and work placements to assist them in filling the skills pipeline.

**Apprentices and trainees**

Uptake of trainees over the past 12 months in the industry was higher than the state average.

**Apprenticeship**

Accommodation and Food Services 25%

Vic Avg 24%

**Traineeship**

Accommodation and Food Services 25%

Vic Avg 18%

**Challenges**

Employers cited lack of suitable applicants and cost as their most common barriers.

**Lack of suitable applicants/people**

Accommodation and Food Services 31%

Vic Avg 20%

**There are no barriers/challenges**

Accommodation and Food Services 16%

Vic Avg 17%

**Cost of taking on apprentice(s)/trainee(s)**

Accommodation and Food Services 21%

Vic Avg 14%

**Work placement students**

Fewer employers in the industry took on work placement students (18% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Accommodation and Food Services 37%

Vic Avg 49%

**Secondary school student as part of work experience**

Accommodation and Food Services 30%

Vic Avg 41%

**Secondary school student as part of a VET qualification**

Accommodation and Food Services 16%

Vic Avg 22%

**A VET student**

Accommodation and Food Services 32%

Vic Avg 19%

**View the complete report here or visit** [Victorian employer skills survey | Victorian Government (www.vic.gov.au)](https://www.vic.gov.au/victorian-employer-skills-survey)