



Employment Outlook for Accommodation and Food Services



Contents

CONTENTS	2
INTRODUCTION	3
EMPLOYMENT GROWTH	4
EMPLOYMENT PROSPECTS	6
WORKFORCE AGEING	8
EMPLOYMENT BY GENDER AND FULL-TIME/PART-TIME	11
HOURS WORKED	13
EMPLOYMENT CHARACTERISTICS	14
Educational Profile.....	14
Median Weekly Earnings.....	15
Employment by Region.....	15
Main Employing Occupations.....	16

Introduction

The Accommodation and Food industry employs 705 800 workers in Australia and accounted for 6.5 per cent of the total workforce as at February 2009. The industry is roughly divided into four sectors and includes: Cafes, Restaurants and Takeaway Food; Accommodation; Pubs, Taverns and Bars; and Clubs (Hospitality)¹.

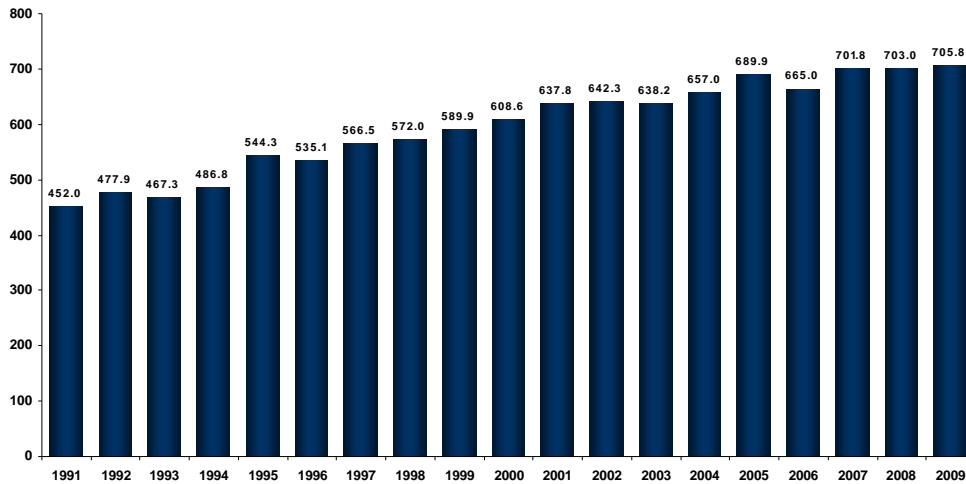
The discussion below focuses on employment characteristics, trends and prospects in the Accommodation and Food Services industry, and highlights specific sectors where job growth is strongest. The analysis of characteristics includes workforce ageing, employment share by gender, educational profile, weekly earnings, average hours worked, regional and occupational employment.

¹ According to the Australian Bureau of Statistics (ABS) Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC 2006), Cat. No. 1292.0.

Employment Growth

Over the last decade, employment in the Accommodation and Food Services industry has shown strong long term growth. In the ten years to February 2009, employment in the industry rose by 115 900 (or 19.6 per cent) to 705 800 (see Figure 1). This represents an average annual growth rate of 1.8 per cent.

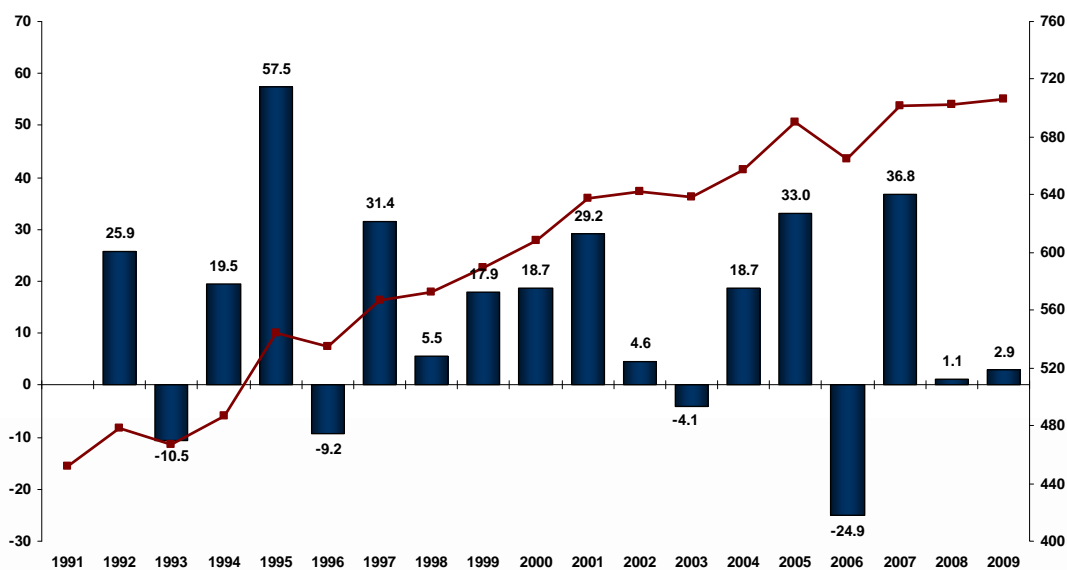
Figure 1: Employment Level ('000) - February 1991 to February 2009



Source: ABS Labour Force Survey (DEEWR trend data)

While long-term job growth in the Accommodation and Food Services industry has been strong, annual employment changes highlight the vulnerability of the industry to economic forces, including a fall in jobs of 24 900 in the year to February 2006 (see Figure 2). Employment in the Accommodation and Food Services industry is influenced not only by international economic and geopolitical factors, but it is also sensitive to the discretionary income of Australian residents.

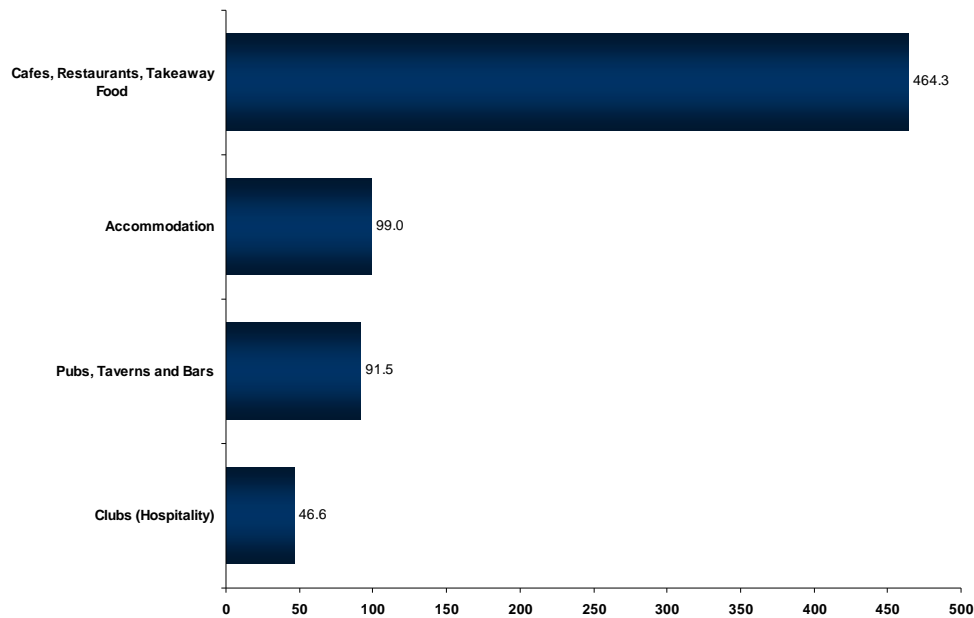
Figure 2: Employment Level (line RHS) and Annual Change ('000) - in year to February (cols LHS)



Source: ABS Labour Force Survey (DEEWR trend data)

When employment in the Accommodation and Food Services industry is broken down into specific sectors, the main contributors to employment can be identified. The Cafés, Restaurants and Takeaway Food sector dominates employment in the Accommodation and Food Services industry, accounting for 464 300 workers (or 66.2 per cent of industry employment) as at February 2009 (see Figure 3). Accommodation was the second largest source of employment, employing 99 000 workers (or 14.1 per cent). A smaller proportion of employees (46 600 workers or 6.6 per cent) were employed in Clubs (Hospitality).

Figure 3: Accommodation and Food Services Sectors - Employment Level ('000) – February 2009



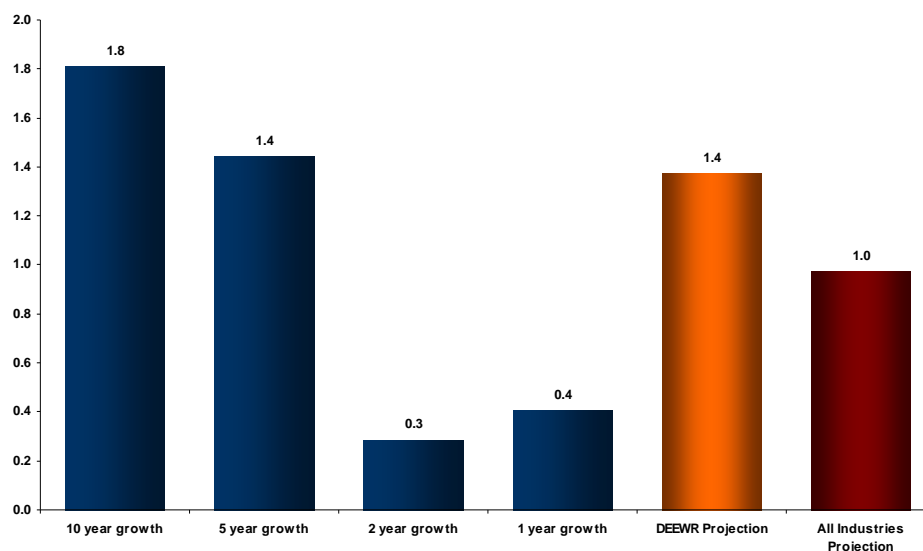
Source: ABS Labour Force Survey (DEEWR trend data)

Employment Prospects

As noted previously, there has been long term employment growth in Accommodation and Food Services, despite some variability in annual employment growth. Accommodation and Food Services faces continuing challenges in the future, including from economic and international developments. The Department of Education, Employment and Workplace Relations (DEEWR) prepares annual updates of employment projections for industries for the next five years. These are based in part on the Monash model developed by the Centre of Policy Studies at Monash University, but also take into account recent employment trends and prospective industry developments. It should be noted that a certain degree of uncertainty is attached to these employment projections.

Employment growth in Accommodation and Food Services has been fairly strong over the past 10 years, with an average growth rate of 1.8 per cent per annum (see Figure 4). In the five years to 2013-14, employment in Accommodation and Food Services is expected to grow at an average rate of 1.4 per cent per annum, which equates to around 49 900 new jobs. This compares with an average annual growth rate of 1.0 per cent across all industries over the same period.

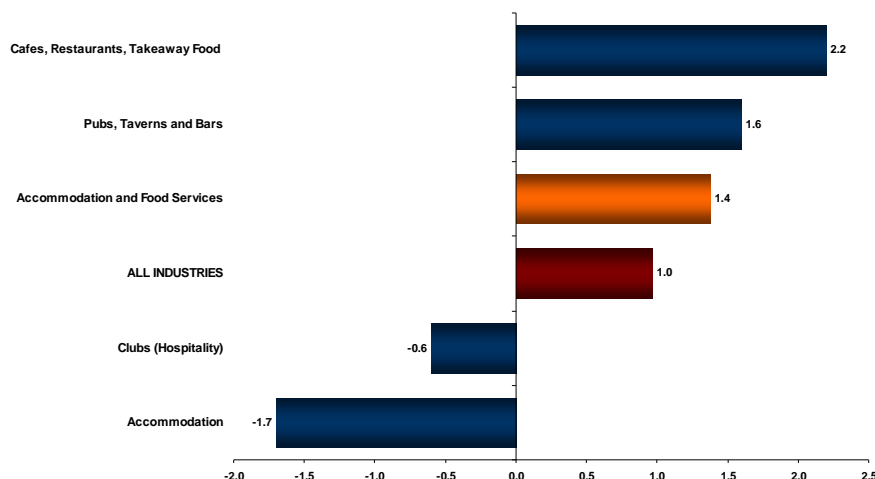
Figure 4: Recent and Projected Employment Growth (% pa) - to February 2009 (past) and 5 years to 2013-2014 (projected)



Source: ABS Labour Force Survey (DEEWR trend data); DEEWR projections

The Cafes, Restaurants and Takeaway Food (up by 2.2 per cent per annum, see Figure 5) and Pubs, Taverns and Bars (1.6 per cent) sectors are forecast to grow at a faster rate than the Accommodation and Food Services industry as a whole (1.4 per cent). However, employment is expected to decline in Accommodation (down by 1.7 per cent) and Clubs (Hospitality) (0.6 per cent).

Figure 5: Accommodation and Food Services Sectors - Projected Employment Growth (% pa) – to 2013-2014

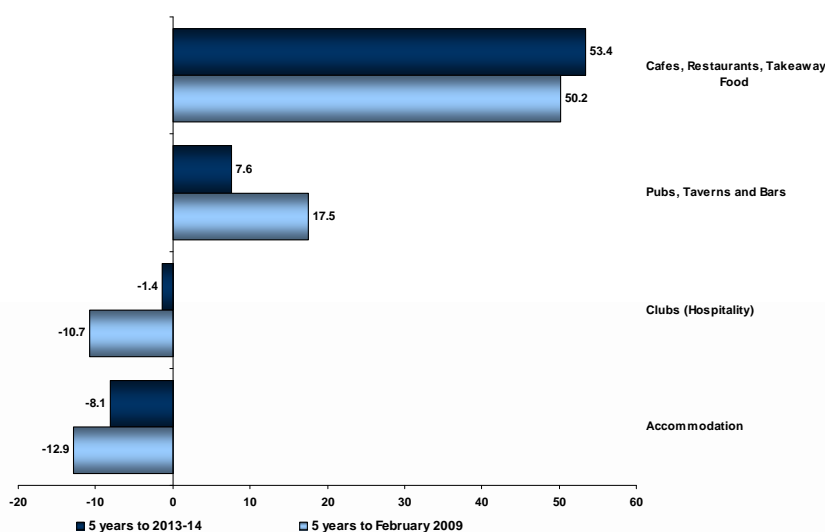


Source: DEEWR projections

Recent and projected employment growth figures vary across the four Accommodation and Food Services sectors (see Figure 6). In the five years to February 2009, the Cafés, Restaurants and Takeaway Food sector experienced the largest employment gains (up by 50 200), followed by Pubs, Taverns and Bars (17 500) while employment fell in Accommodation (down by 12 900) and Clubs (Hospitality) (10 700).

Looking ahead, in the five years to 2013-14, the Cafés, Restaurants and Takeaway Food and Pubs, Taverns and Bars sectors are expected to experience employment growth (up by 53 400 and by 7600 respectively). Over the same time period, employment is expected to decline in Accommodation (down by 8100) and Clubs (Hospitality) (1400).

Figure 6: Accommodation, Cafés and Restaurants Sectors - Recent and Future Employment Growth ('000) - 5 years to February 2009 (past) and to 2013-14 (projected)

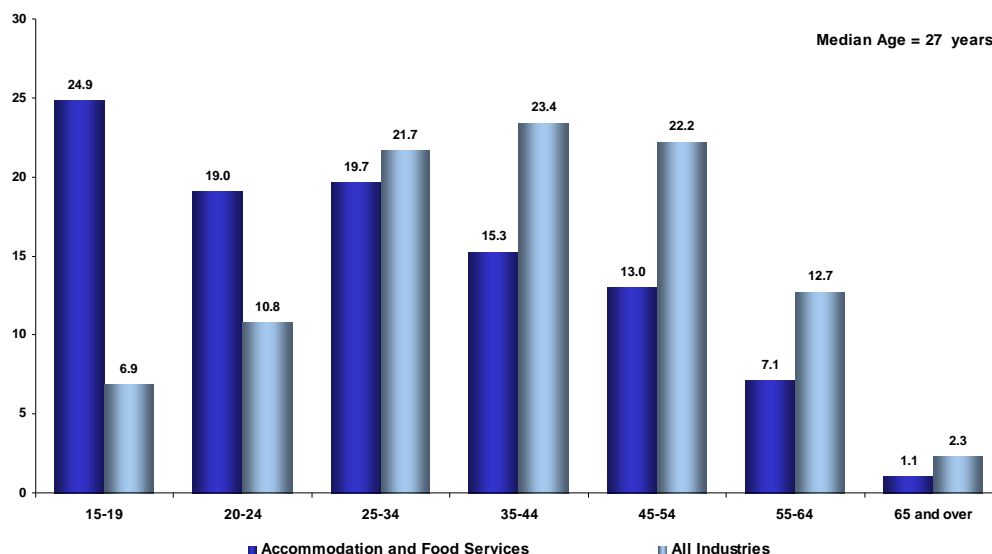


Source: ABS Labour Force Survey (DEEWR trend data); DEEWR projections

Workforce Ageing

The Accommodation and Food Services industry has a relatively young workforce, with 43.9 per cent of workers aged 15 to 24 years, compared with 17.7 per cent for all industries (see Figure 7). The impact of population ageing on the industry will have a higher effect through tourism growth (including more retirees with higher incomes) than workforce challenges. Nevertheless, there is a need to increase the involvement of mature age workers in the industry which typically requires workers for a seven days per week roster and, in many instances, evenings.

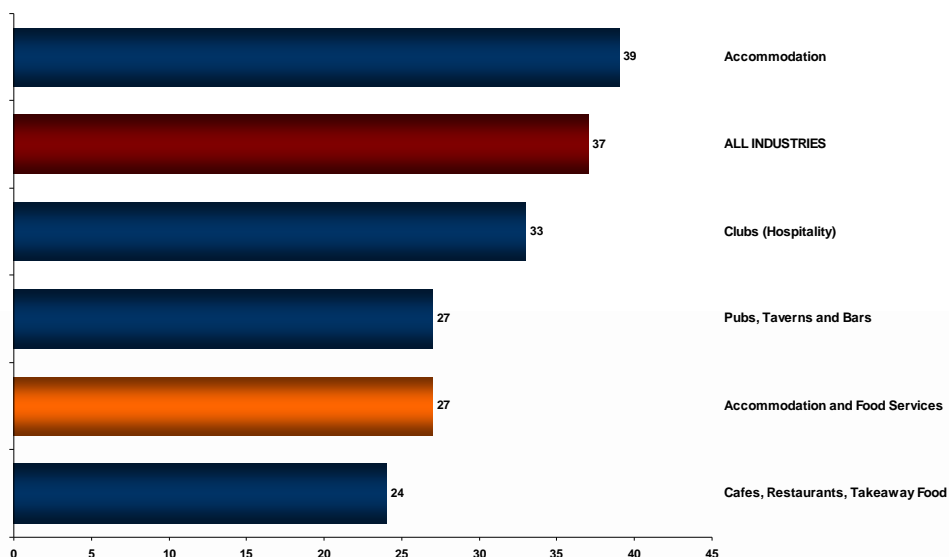
Figure 7: Employed by Age compared with All Industries (% share of employment) - 2008



Source: ABS Labour Force Survey

In 2008, the median age of workers in Accommodation and Food Services was 27 years compared with a median age of 37 years for all industries (see Figure 8). The median age for sectors within the industry varied considerably, ranging from 39 years for Accommodation, down to 24 years for Cafés, Restaurants and Takeaway Food.

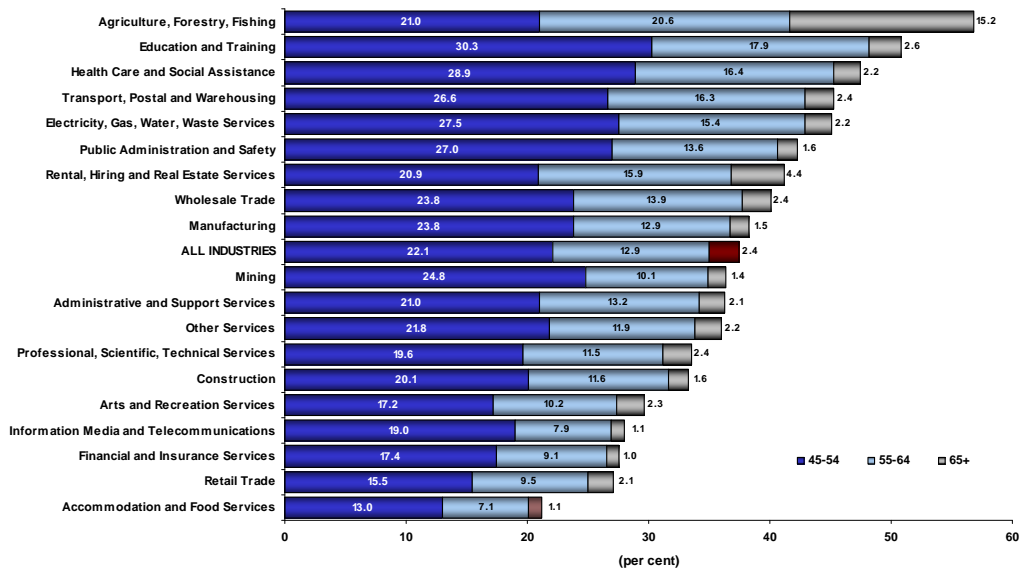
Figure 8: Median Age in years - 2008



Source: ABS Labour Force Survey

Of the 19 Australian and New Zealand Industrial Classification 2006 (ANZSIC 2006) industries, Accommodation and Food Services has the lowest share of workers aged 45 years and over (see Figure 9). Only 1.1 per cent of the industry workforce is aged 65 years and over, compared with 2.4 per cent for all industries. The industry also has the lowest shares of workers aged 45 to 54 years (13.0 per cent) and 55 to 64 years (7.1 per cent).

Figure 9: Mature Age workers (45+ years) % share of employment – 2008

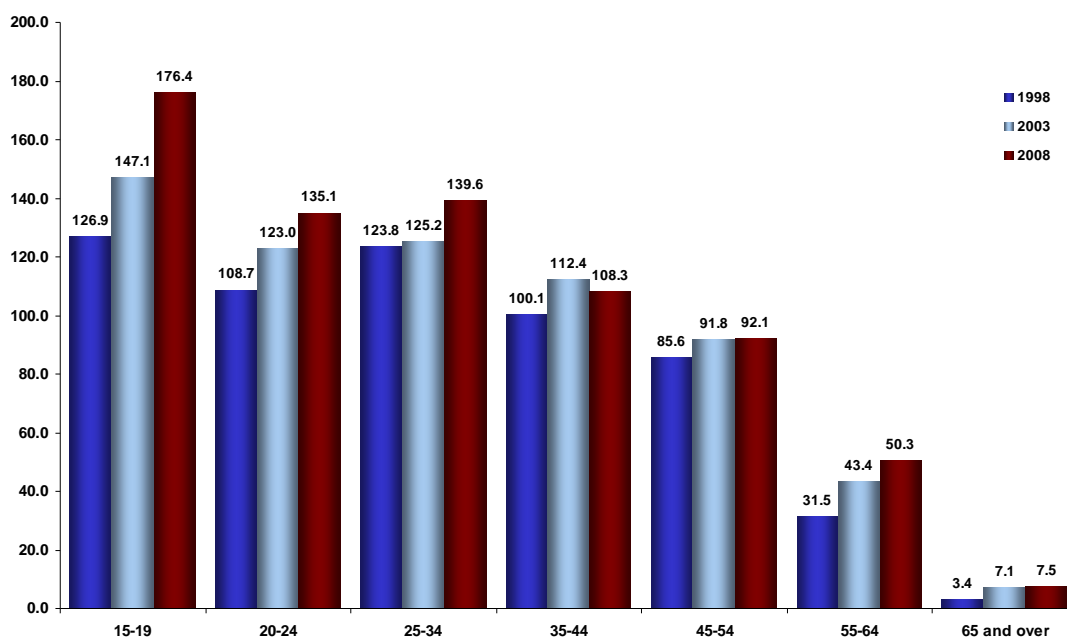


Source: ABS Labour Force Survey

Figure 10 shows employment by age group for three calendar years: 1998, 2003 and 2008. This provides a guide to changes in the employment mix by age group in the industry. As the Australian workforce experiences an increase in the median age of the population, it is important that there is a supply of prime age and mature age workers entering the workforce.

In response to strong employment growth over the past decade, there has been an influx of new workers in the Accommodation and Food Services industry for all age groups. Growth has been strongest for workers aged 15 to 19 years, with an increase of 49 500 workers over the past 10 years. Mature age workers also contributed to job growth within the industry, with an increase of workers aged 45 to 64 by 25 300 in the ten years to 2008. The group of workers aged 65 years and over experienced the largest proportional growth (up by 120.6 per cent), although it should be noted that in 1998 workers in this age group had a low share of total employment in the industry.

Figure 10: Accommodation and Food Services, Employment by Age ('000) - 1998, 2003 and 2008

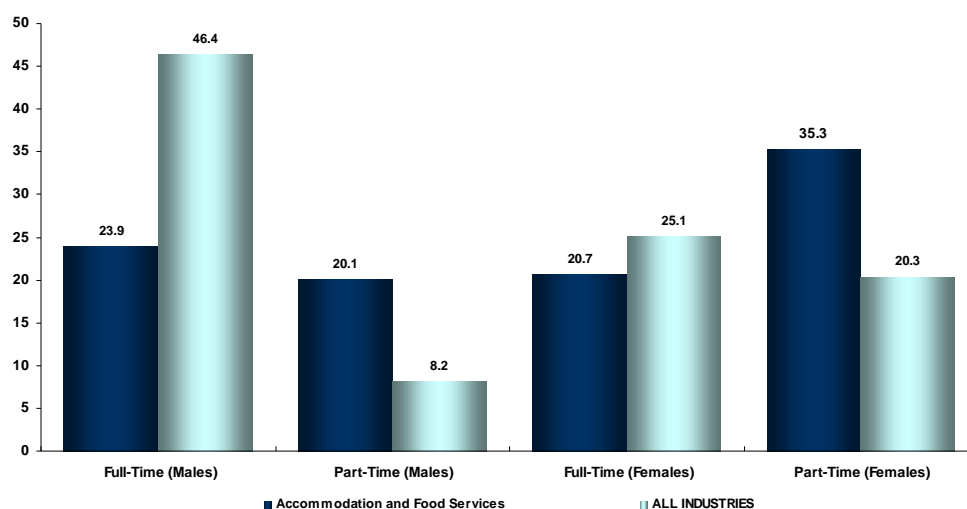


Source: ABS Labour Force Survey

Employment by Gender and Full-time/Part-time

The Accommodation and Food Services industry provides good opportunities for part-time employment, with over half of the jobs (55.4 per cent) in the industry being part-time. In addition, the industry has a relatively high share of female employment (56.0 per cent compared with 45.4 per cent for all industries – see Figure 11). Such characteristics can be attributed to the nature of the industry, which requires flexible hours, evening and weekend work.

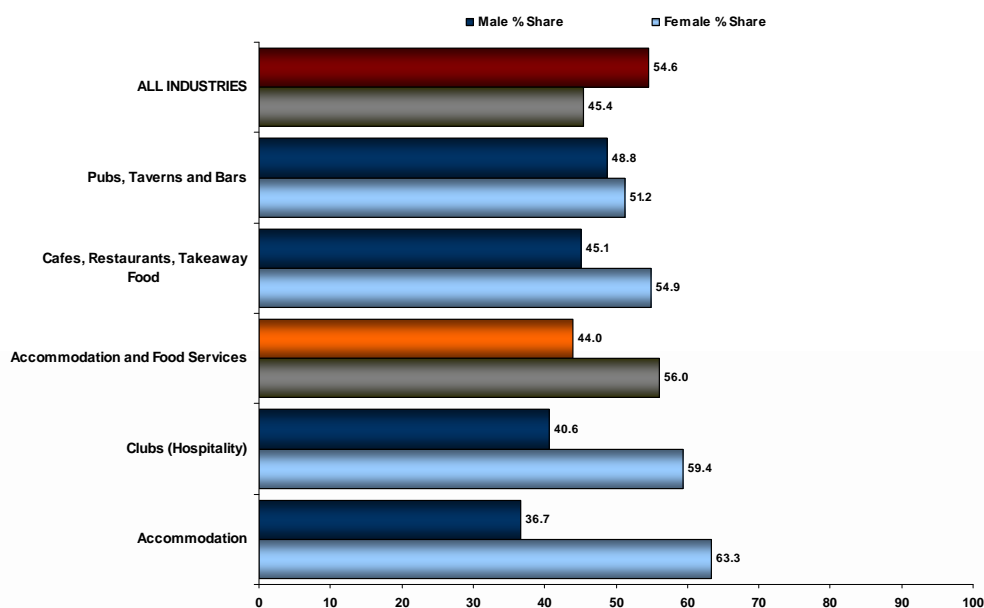
Figure 11: Employment by Gender and Full-time / Part-time (% share) – Year to February 2009



Source: ABS Labour Force Survey

In the year to February 2009, female employment had the majority share in all four sectors within the Accommodation and Food Services industry (see Figure 12). The Accommodation sector recorded the highest proportion of female employment (63.3 per cent), while the Pubs, Taverns and Bars sector had the highest percentage of male workers (48.8 per cent).

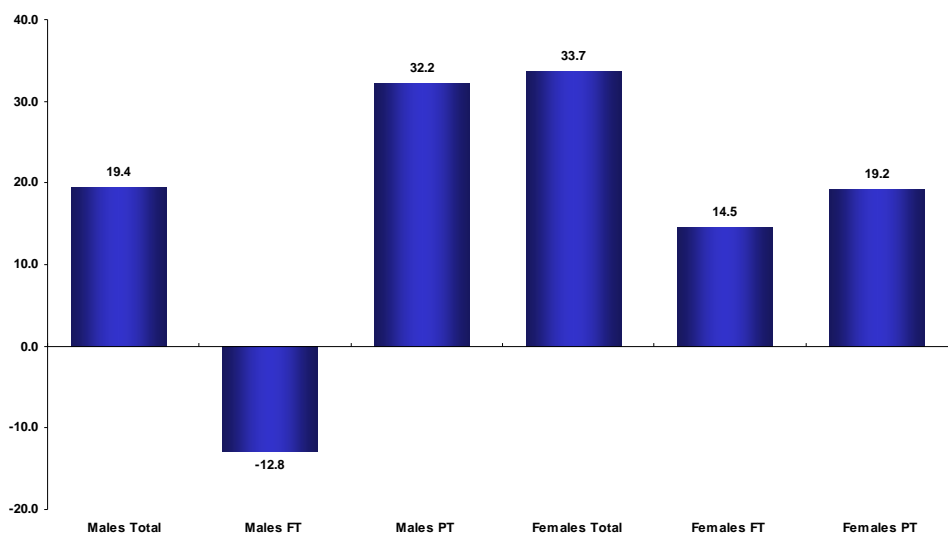
Figure 12: Accommodation and Food Services Sectors - Employment by Gender (% share) - Year to February 2009



Source: ABS Labour Force Survey

In the five years to February 2009, Figure 13 shows that male and female employment in Accommodation and Food Services increased (up by 19 400 and 33 700 respectively). The largest increase over the period was for male part-time workers (up by 32 200) while there was a fall in male full-time employment (down by 12 800).

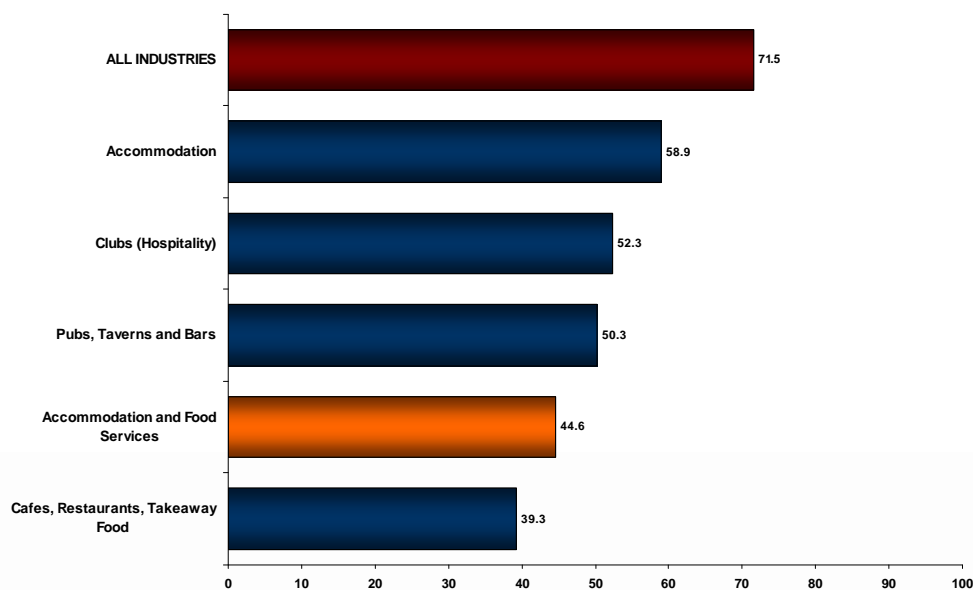
Figure 13: Employment Growth by Gender (5 years) Full-time / Part-time Year to February 2009 ('000)



Source: ABS Labour Force Survey

All of the Accommodation and Food Services sectors have a lower full-time employment share than all industries (71.5 per cent, see Figure 14). The highest full-time employment share can be found in the Accommodation sector (58.9 per cent) while the Cafes, Restaurants and Takeaway Food sector has the lowest full-time employment share (39.3 per cent).

Figure 14: Per cent share working full-time - year to February 2009

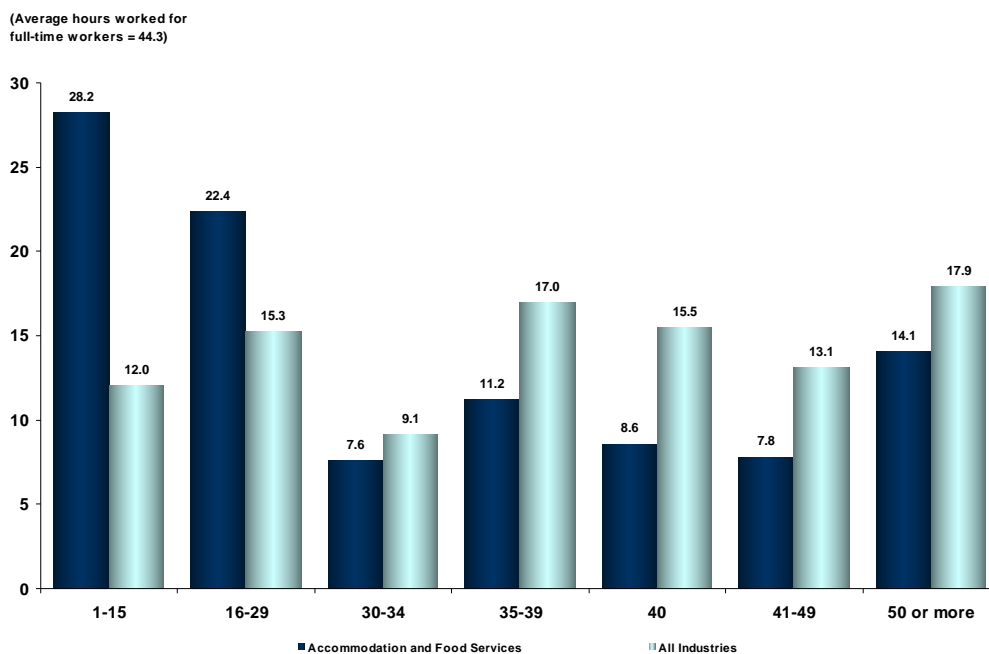


Source: ABS Labour Force Survey

Hours Worked

In the year to February 2009, the Accommodation and Food Services industry recorded the third highest average of full-time weekly hours of all 19 ANZSIC 2006 industry groups (44.3 hours compared with 41.3 hours for all industries). However, the highest share of workers in Accommodation and Food Services worked 1 to 15 hours per week (28.2 per cent), followed by those working 16 to 29 hours per week (22.4 per cent). The shares of those working 30 hours or more were below the shares for all industries, and a relatively low proportion of workers worked 40 hours or more (30.5 per cent).

Figure 15: Hours of Work (% share) - Year to February 2009



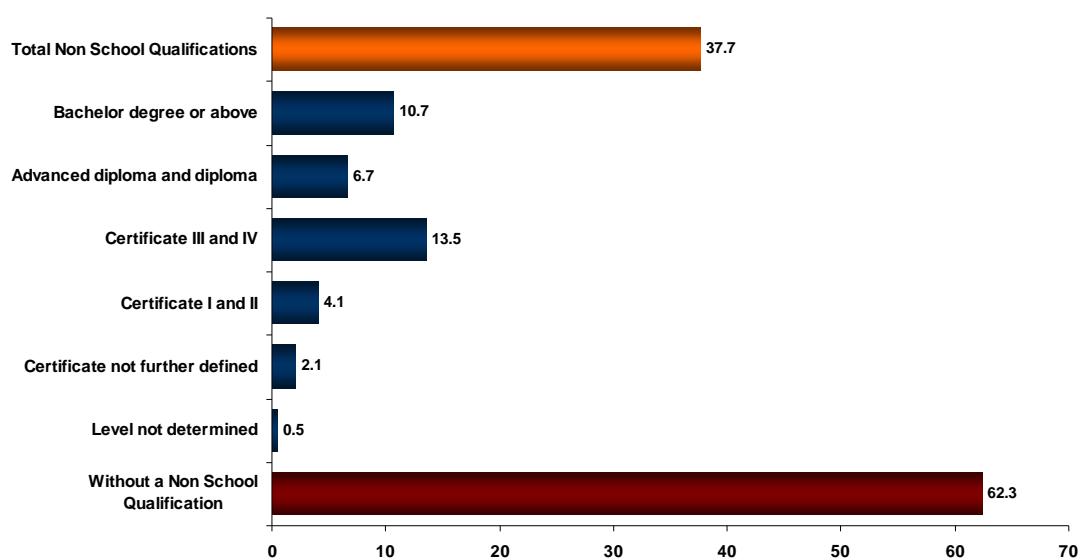
Source: ABS Labour Force Survey

Employment Characteristics

Educational Profile

The Accommodation and Food Services industry is providing job opportunities for large numbers of low skilled workers. Although there is a stronger emphasis now on formal qualifications in the industry, 62.3 per cent of workers had no non-school qualification as at May 2008 compared with 39.8 per cent for all industries (see Figure 16). In part, this reflects the younger age profile in the Accommodation and Food Services industry, including students working while studying. Over one third (37.7 per cent) of workers in the industry had completed a non-school qualification. The most prevalent non-school educational attainment was a Certificate III/IV (13.5 per cent), reflecting trade qualifications required of Chefs and Cooks.

Figure 16: Educational Attainment (% share of employment) - May 2008

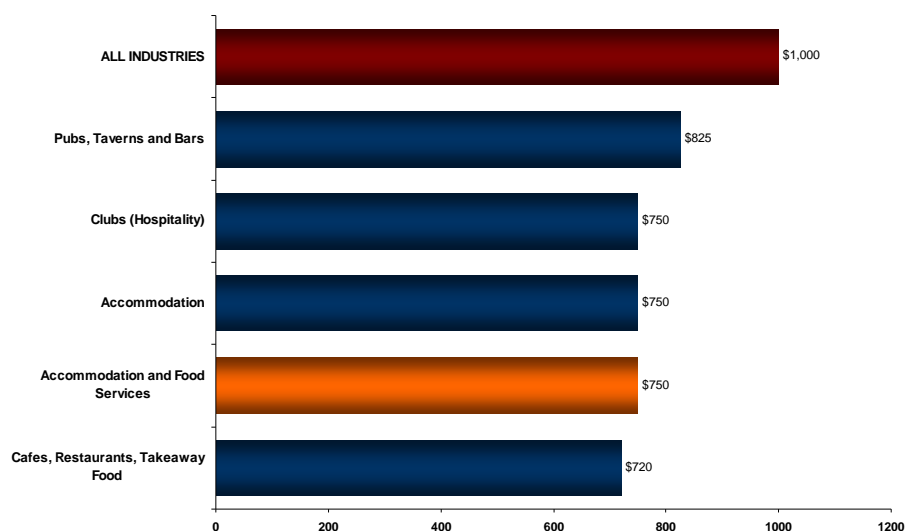


Source: ABS Education and Work, cat. no. 6227.0

Median Weekly Earnings

Earnings in the Accommodation and Food Services industry vary with the large range of occupations. In February 2008, median weekly earnings for full-time workers in the industry were \$750, compared with \$1000 per week for workers in all industries (see Figure 17). The lower earnings in the industry can be attributed in part to the relatively young age and lower skill level of workers. The median full-time weekly earnings of workers within the industry ranged from \$825 for workers in the Pubs, Taverns and Bars sector to \$720 for workers in the Cafés, Restaurants and Takeaway Food sector.

Figure 17: Median weekly earnings (full-time and before tax) – August 2008

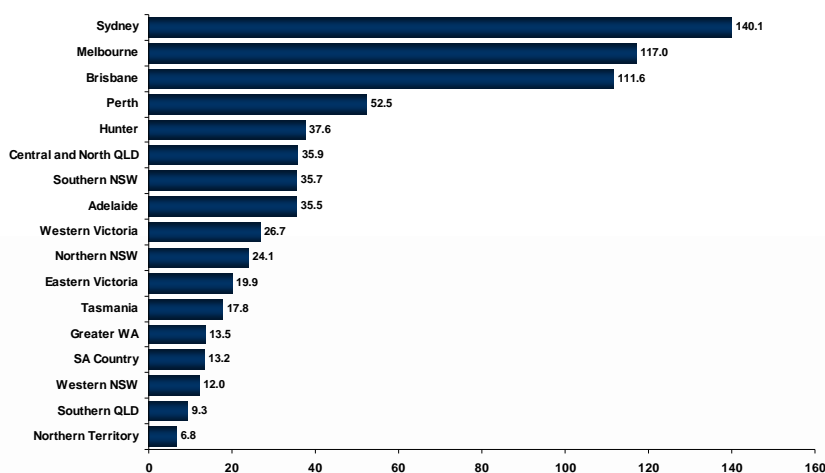


Source: ABS Employee Earnings, Benefits and Trade Union Membership, Cat. no. 6310.0

Employment by Region

Employment in the Accommodation and Food Services industry is concentrated in the major capital cities in Australia, reflecting the large population base in these cities. In the year to February 2009, the majority of workers in the industry were employed in Sydney (140 100), followed by Melbourne (117 000) and Brisbane (111 600). As expected, rural and less populated regions such as the Northern Territory (6800), Southern Queensland (9300), Western New South Wales (12 000), South Australia Country (13 200) and Greater Western Australia (13 500) have a lower number of Accommodation and Food Services industry workers.

Figure 18: Main Employing Regions ('000) – Year to February 2009

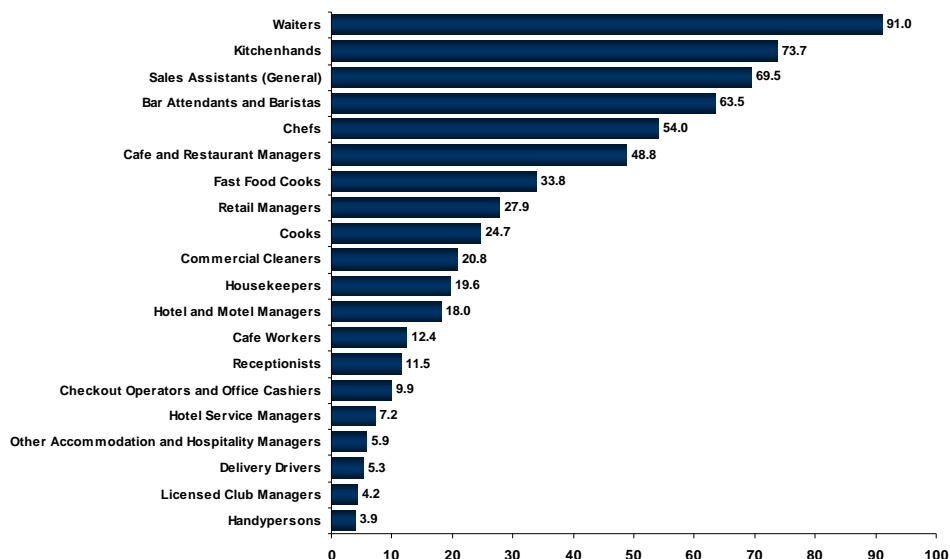


Source: ABS Labour Force Survey

Main Employing Occupations

The Accommodation and Food Services industry offers a diverse range of career options. The industry is relatively labour intensive, and the largest occupations in the year 2008 were Waiters (91 000 - see Figure 19), followed by Kitchenhands (73 700), Sales Assistants (69 500) and Bar Attendants and Baristas (63 500). The number of workers employed as Handypersons (3900), Licensed Club Managers (4200) and Delivery Drivers (5300) was relatively low.

Figure 19: Accommodation, and Food Services, Top 20 Employing Occupations ('000) - in 2008



Source: ABS Labour Force Survey

Further information on occupations is available on the Job Outlook website (www.joboutlook.gov.au)

For further information on the Accommodation and Food Services industry (or other industries), visit the SkillsInfo website at skillsinfo.gov.au. SkillsInfo provides a range of skills related information for industries and regions. The website offers a broad range of information on employment, careers, education and training and skills issues - including workforce ageing, skills in demand, labour force data, ICT and employability skills, as well as quick links to skills information. Data are sourced mainly from the ABS Labour Force Survey.

SkillsInfo also brings together a large collection of links to external industry and skills related websites.