# Employment and training in everyday industries: What public data tell us

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Retail and hospitality/tourism industries employ around 20% of the Australian workforce (Vandenbroek, 2019), yet the industries suffer from low prestige (Smith & Teicher, 2017). This historically low perception discourages people from imagining worthwhile careers in those sectors, and can contribute to poor self-image for those working in the industries. Yet the COVID-19 crisis has shown just how vital both sectors are for the Australian public and the national economy. They are recognised internationally, for example by the OECD, as low-status occupations which have become more valued during the crisis (Schoon & Mann, 2020). It has been well known for decades (e.g. Smith & Green, 2001) that many young people find their first jobs in the hospitality and retail industries, often while full-time students in school and tertiary education. These jobs could – and often do – turn into satisfying careers, but the fact seems to be rarely acknowledged by those who advise on careers.

A major research project, 'Careers in everyday industries', is focusing on investigating and publicising available career paths, and the reasons for poor public perceptions among various groups. It involves research with industry stakeholders, school, VET and university students, the general public, and careers advisers, as well as detailed company case studies with managers and workers. The project is funded by the National Careers Institute Partnership Grant scheme, and involves researchers from three universities and the Skills Service Organisation SkillsIQ. The research began in April 2021 and aims to conclude by the end of 2022. The project web site is at federation.edu.au/research-everyday-careers.

The project began with analysis of available statistical data sources on employment and training, to provide base data to answer the first of the four research questions for the project: 'What careers are available in the retail, hospitality and allied industries?' We wanted to evaluate the importance of retail and hospitality in the workforce, in post-school pathways, and in vocational education and training. The sources were:

- Australian Bureau of Census (ABS) data for employment in each occupational classification in the industries, including management roles, thus gaining industry overviews.

- LSAY (Longitudinal Surveys of Australian Youth) data (collected by National Centre for Vocational Education Research (NCVER) for employment in retail and hospitality.

- NCVER vocational education and training (VET) data on students in retail and hospitality qualifications.

## Census data

As the project is about careers, and because careers advice currently tends to focus on occupations rather than industries, we decided to base our analysis on particular occupations within the two industries. We identified all the relevant ANZSCO (Australian and New Zealand Standard Classification of Occupations) occupation codes in retail, and, within hospitality, in food services and accommodation (we excluded travel, tourism and guiding). In an iterative process we removed codes that were peripheral to these industries or that overlapped with other industries. Our occupational code selection is guiding the project as a whole.

We included 13 retail occupations and 19 hospitality (accommodation and food service) occupations at what is known as the ANZSCO '4-digit level'. 2011 and 2016 ABS Census data were analysed for numbers working in these occupations as their main job. In the census, people are asked to write their occupation, and their responses are then coded.

The snapshot table below compares the numbers in the relevant retail and hospitality occupations with all occupations. It can be seen that the selected occupations grew much faster than the average over the five years.

**Table 1: Snapshot of employment in the relevant occupations ('main job'), compared with all employment, ABS census data**

| Hospitality and retail occupations in scope | 2011: 1,516,338 | 2016: 1,656,314 | 9.23% increase 2011-16 |
|---|---|---|---|
| All occupations | 2011: 10,058,364 | 2016: 10,683 822 | 6.22% increase 2011-16 |

Table 1 shows that 15.08% (2011) and 15.50% (2016) of employed people reported one of these hospitality and retail occupations as their main job. There are of course many other employees working in the industry sectors, for example accountants, clerical workers, HR managers and labourers, who are counted in generic ANZSCO codes. These account for the difference between the figures in Table 1 and the industry employment figure of 20% (Vandenbroek, 2019).

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Over the 2011-2016 period, hospitality and accommodation occupations grew by 16.53%. Chefs (40% growth) and housekeepers (35%) grew the most. The retail occupations' increase (5.32%) was modest – in fact, less than the 'all occupations' percentage increase. Sales Assistant (General) increased by 15.1%, and service station attendants increased by 22%.

These two industries contain some of the largest numbers in single occupations, including the largest of all, Sales Assistant (General), an occupation undertaken by over half a million Australians as their main job. Quite a few were at or around 100,000 (Table 2a).

**Table 2a: Employment ('main job') above or near 100,000 in the relevant occupations, ABS census data, 2016**

| Retail 2016 | Hospitality and accommodation 2016 |
|---|---|
| • 526,013 Sales Assistants (General)<br>• 184,571 Retail Managers<br>• 102,183 Checkout Operators and Office Cashiers | • 109,631 Kitchenhands<br>• 106,357 Waiters<br>• 83,915 Bar Attendants and Baristas<br>• 80,719 Chefs |

As a comparison, only sixteen other occupations had more than 100,000 workers in 2016, with only two of these having more than 200,000: Nurses (220,981) and General Clerks (219,845).

Management jobs are shown in Table 2b. As can be seen, one ANSZCO code spans both industries.

**Table 2b: Employment ('main job') in management occupations in retail and hospitality ('Main job') ABS census data, 2016**

| Retail 2016 | Hospitality and accommodation 2016 |
|---|---|
| • 184,571 Retail Managers<br>• 27,527 Retail Supervisors | • 53,892 Café and Restaurant Managers<br>• 19,943 Hotel and Motel Managers<br>• 7,247 Hotel Service Managers<br>• 6,338 Other Accommodation & Hospitality Managers<br>• 5,758 Licensed Club Managers<br>• 3,298 Caravan Park and Camping Ground Managers |

• 52,997 'Other Hospitality, Retail and Service managers' ANZSCO code 1499

Distributing the 1499-coded people equally between retail and hospitality, the total numbers in all of the occupations we studied, and the proportions which were managers, were as follows:

▪ Retail occupations: 970,080; Retail managers: 238,598 (25.29%)

▪ Hospitality occupations: 686,237; Hospitality managers: 122,967 (17.92%)

It should be remembered that the relevant ABS census question asks only about the 'main' occupation. It is reasonably common for people to work in some of these occupations as their second or third job, so the figures will under-represent total occupational numbers, but to what extent is unknown.

## LSAY ('Longitudinal Surveys of Australia Youth') data

LSAY, managed by the National Centre for Vocational Education Research (NCVER) tracks Australians from ages 15 to 25 through annual telephone surveys of a large cohort of young people. Their responses about occupations are coded to ANZSCO occupational codes.

NCVER provided us with data for relevant questions for the 2009 cohort (known as YO9) whose last survey year was 2019, for our selected retail and hospitality occupational codes. To cover the 11 waves, we requested data from Waves 1, 5, 8 and 11 (ages approximately 15, 19, 22 and 25).

In every wave, the respondents were asked what jobs they expected to have when they are about 30 years old. In public commentary on LSAY data this is often presented incorrectly as occupational 'aspirations' (e.g. De Bortoli, 2021). Only a small proportion of young people expected to be working in the selected retail and hospitality occupations at age 30), ranging from 3% -5%. The specific occupations most often cited were chef (especially for younger students), and retail manager.

By age 19, 78% of the respondents were working, and that continued to rise until the final wave, aged 25. Although not many young people expected to work in retail and hospitality when they were aged 30, there was substantial **actual** employment in these occupations among the LSAY participants over the 10 years. At age 15, when only one-third were working, three-quarters of these were working in retail and hospitality. The proportion declined to one-half at age 19 and through to 11% at age 25. The substantial decline over time in the proportion in retail and hospitality jobs is to be expected as the young people moved from part-time working while studying into post-school and/or post-university employment, where more diverse occupations are available. By age 19, 15% of those working in retail and hospitality reported working as managers, more often in retail than hospitality.

## Enrolments in VET qualifications

Two national Training Packages contain specific qualifications for the industries that cater for the relevant occupations: SIR (Retail Services Training Package) and SIT (Tourism, Travel and Hospitality Training Package). The qualifications relating to the selected ANZSCO occupational codes (8 qualifications in retail and 24 in hospitality) were the majority of the qualifications in the Training Packages. NCVER assisted with data extraction from the Total VET Activity (TVA) data collection, providing data for both government-funded and non-government funded enrolments.

### Overall enrolments: 2017 data

Two versions of both Training Packages were in operation in the 2010s. We selected 2017 for the analysis for this paper, as data for both versions were readily available for that year. In retail, the largest enrolments were in the Certificate II Retail Services (34,357) and the Certificate III Retail ('Retail Operations' in the 2012 Package) (15,826). No other qualifications came near those numbers. Hospitality and accommodation had substantial enrolments in more qualifications: 48,651 (Cert II Hospitality), 36,320 (Certificate II Kitchen Operations), 34,975 (Cert III Hospitality) and 28,762 (Cert III Commercial Cookery), with two other qualifications at around 14,000.

In the qualifications selected, Hospitality had a total of 210,378 enrolments (of which only 250 were in accommodation) and Retail had 53,383. Thus the overall picture is of heathy enrolments in hospitality, and modest enrolments in retail.

### Government funded versus non-government funded training

For the totals of all qualifications within the project's scope, retail had a slightly greater proportion of annual government-funded enrolments (between 55% to 60%) than hospitality (47% to 59%).

The most-often-funded qualification in retail was the Cert III in Retail, with others lagging far behind. Four qualifications in hospitality each contributed 10% or more of government-funded hospitality training each year: in descending numerical order, Cert II in Hospitality, Cert II in Kitchen Operations, Cert III in Hospitality and Cert III in Commercial Cookery.

## Discussion

The data show that retail and hospitality occupations form a substantial proportion (15%) of the Australian workforce, even when considering only those working in the occupations as their main job. 40% more people work in retail occupations than in hospitality occupations. Almost 1 in 20 workers alone are retail sales assistants.

The analysis shows that there are excellent chances for career advancement: one-quarter of all retail workers and nearly 18% of hospitality workers are in management positions. The LSAY data confirm that young people start in retail and hospitality at a very young age and move into management positions in the industries before they are 20. And yet very few expect to be working in retail or hospitality at age 30.

The total number of VET enrolments in qualifications in 2017 was 3.4 million; yet the combined totals for the hospitality and retail qualifications we studied was 263,761 – that is, only 7.75% of the training total, for occupations which employ 15.50% of the workforce. Hospitality is relatively well served by the VET system compared with retail, with almost four times the number of people in qualifications.

Comparing numbers training in, or for, the occupations with employment numbers, five people per 100 employed (2016 figures) were receiving retail qualifications (2017 figures), compared with 31 people per 100 employed receiving hospitality qualifications. While retail students are slightly more likely to be government-funded than hospitality students, far less government funding accrues to retail training because so few people receive retail training.

The general picture from the data is that retail and hospitality occupations are very important to the economy and to people's lives. They offer good prospects for advancement. But they are poorly served by the VET system.

The picture presented above is not able to account for the effects of COVID-19. 2020 and 2021 statistics for these two industries will be affected by COVID, particularly hospitality and accommodation. Unfortunately, the 2021 census data will not be available for some time yet. COVID has affected not only employment with the sectors (e.g. Baum *et al*, 2020, on hospitality) but also the nature of the work (e.g. Cai *et al*, 2021, on retail). A methodological issue that will occupy the research team during the remainder of the research will be how to address the effects of COVID while still focusing on the main aims of the project.

An issue that emerged in this phase of the research was the complexity and inaccessibility of the data. For example, VET qualifications data from NCVER are no longer available in reports; and LSAY data is quite difficult to interpret. We had tried to utilise a Victorian survey of young people six months out of school – 'On Track' – but detailed reports are no longer produced. It seems that 'everyday researchers' (as opposed to statistical experts), and arguably more importantly, careers practitioners, are now less well served by national collections than previously. ■

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