

SPORT, FITNESS, COMMUNITY AND OUTDOOR RECREATION



IDEAS FORUM



Date: 17 September 2008
Time: 10.00pm - 4.00pm
Location: Level 10
171 Clarence Street
Sydney NSW 2001

RESEARCH PAPER

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Introduction

Service Skills Australia is the industry skills council for the Australian service industries. Skills councils are the recognised national bodies providing advice on industry training and skills development needs to government and industry.

Service Skills Australia represents the interests of businesses across sectors including retail and wholesale, sport, fitness, community recreation, outdoor recreation, travel, tours, meetings and events, accommodation, restaurants and catering, caravans, hairdressing, beauty, floristry, community pharmacy and funeral services.

Service Skills Australia supports skills development for our industries by:

- working with our industries to identify skill needs
- providing advice and assistance to industry on skill development and engaging with the vocational education and training system
- providing advice to government on the key skills development issues for our industries
- developing and maintaining products—including training packages and support materials—that support skills development in our industries. We currently manage a total of 14 industry training packages.

This document is the ‘consultation paper’ to be presented to industry for discussion during the forums to develop the 2009 Environmental Scan and to develop the industry’s priorities for workforce development.

This document will form the basis of the industry consultation and, to that extent, it is designed to be debated and used as a ‘sounding board’ in order for Service Skills Australia to accurately represent industry and its workforce development needs.

In this way, this document not intended to be the ‘final draft’ and it is assumed that the data and issues presented in the paper will evolve and change as industry stakeholders provide their feedback to Service Skills Australia.



“Just the facts....”

■ Defining the industry

During the Sport, Fitness, Community and Outdoor Recreation Ideas Forum in September, participants decided on following working definition:

The Sport and Recreation industry encompasses a range of people (paid and unpaid) and agencies for the express intention of providing services relating to participation in physical activity to enrich the lives of all Australians for the health and well being of the community.

■ What the stats tell us about the sport and recreation industry

The sport and recreation industry is comprised of the community recreation, fitness, outdoor recreation and sport sectors. In the May 2007 quarter, these sectors employed 93,100 people (52% women), of which more than half (53%) worked part time¹.

In mid 2007 these sectors included more than 17,700 businesses and similar to other parts of the service industries, the majority (92%) of businesses can be classified as small, employing less than 20 persons².

Even though these sectors only employed around 1% of all employed people in 2007, they provide additional sales for other industries, attract international visitors to sports events—such as the 2000 Olympic and Paralympics Games and the Rugby World Cup (RWC) 2003—and promote Australia as a travel destination.

For example direct results from the RWC 2003 included:

- 65,000 international visitors
- AUD494 million additional sales, mainly in the retail, hospitality and business service industries
- and 4,500 additional short-term full and part-time jobs³.

Furthermore these sectors have a vital part in engaging more people in a healthy lifestyle, and an influence on health support services. 25% of Australian children are overweight or obese, this means Australia has one of the highest adult obesity rates (21.7%) within the OECD⁴. The sport, fitness and recreation sector’s role is fundamental in order to address chronic life-style related illnesses and to slow the increase in medical costs.

1 ABS 6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, Feb 2008, table 6291.0.55.003 E15_AUG06 - Employed persons by Sex, Industry (ANZSIC06), State, Status in Employment; by February 2008, this sector employed 136,800 people;

2 ABS 8165.0 Counts of Australian Businesses, including Entries and Exits, Jun 2007; please note that these figures are based on the information provided by the company to the ATO when they register for an ABN. Prior to 1st July 2007, businesses with turnover of at least AUD50,000 per annum (AUD100,000 in the case of non-profit organisations) were required to register for an ABN and remit GST. Businesses with turnover under AUD50,000 were able to voluntarily register and these voluntarily-registered businesses are included in the counts.

3 ABS 1301.0 Year Book Australia 2005 Rugby world Cup 2003 - the short-term impact on the Australian economy;

4 Media release Standing Committee on Health and Ageing, 20 March 2008

■ Paid and unpaid involvement⁵

What is poorly recognised in labour market data is the large number of volunteers and unpaid labour that support Australia's sport, fitness and recreation sector in management, development and support roles.

An estimated 4.5 million persons aged 15 years and over reported that they were involved (paid and unpaid) in organised sport and physical activity in the 12 months prior to April 2007. This represents 27% of all persons aged 15 years and over in Australia.

According to a report from Volunteering Australia⁶, sport and physical recreation organisations are more likely to be fully staffed by volunteers, as 72% of all involvements in this area were with groups that were fully staffed by volunteers. Furthermore, median hours spent working for sport and physical recreation organisations were 48 hours per year, higher than for all other types of organisations.

As shown below, the number of persons involved (paid & unpaid) in organised sport and physical activity in Australia declines in older age groups.

Total Numbers of Persons in Organised Sport and Physical Activity (paid and unpaid):

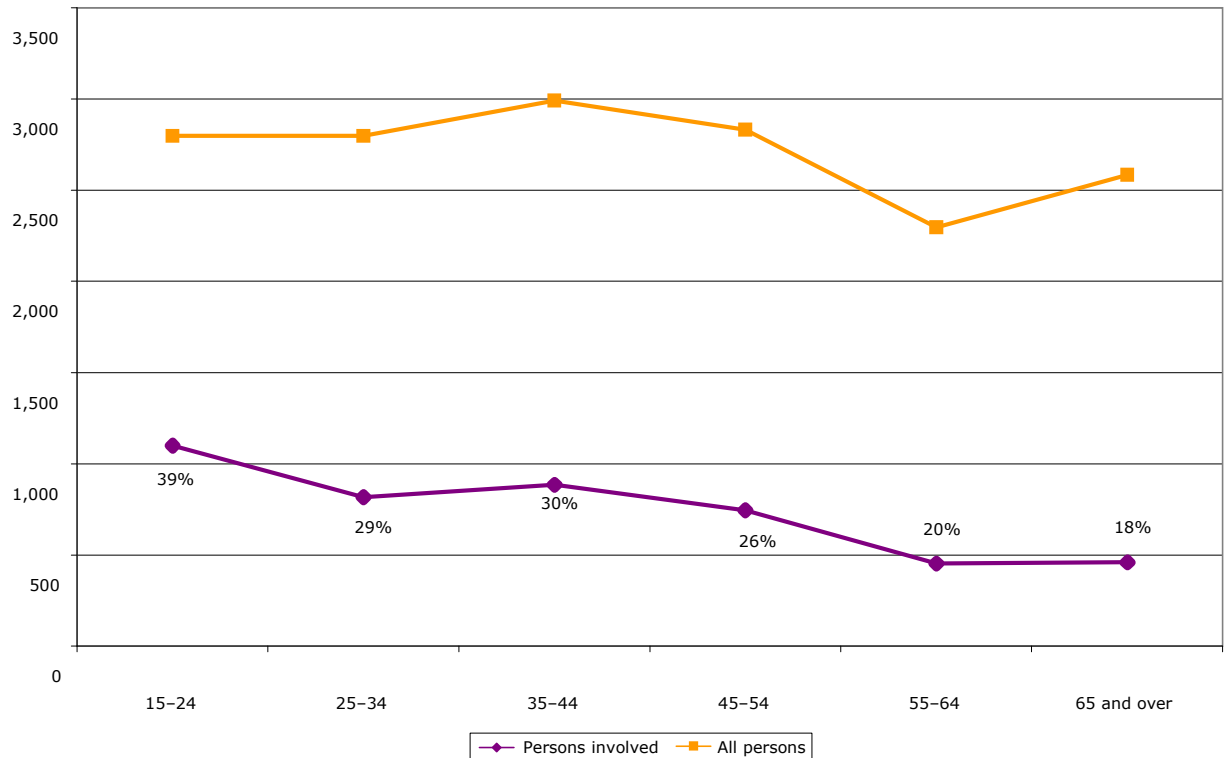
Age group (years)	Nb of persons involved paid & unpaid
15-24	1,098,800
25-34	816,300
35-44	883,800
45-54	744,800
55-64	453,400
65 and over	458,300

⁵ ABS 6285.0 Involvement in Organised Sport and Physical Activity, Persons who are involved in organised sport and physical activity can be players, or be involved in non-playing roles. A person can be involved in more than one kind of sport or physical activity and in more than one role. Please note that the age group 65 and over encompasses more than the usual nine years, which explains the relative high number of persons involved.

⁶ Volunteering Australia www.volunteeringaustralia.org quoting ABS 4441.0 - Voluntary Work, Australia, 2006



Chart Persons Involved (paid & unpaid) in Organised Sport and Physical Activity in Australia 2006/07 (in '000) (% participation rate in given age group, avg 27%)



Not surprisingly the highest participation rate of persons involved is in the youngest age group (39%, 15-24) and the lowest rate is in the oldest age group (18%, 65 and over).

The decline from the age group 15-24 to 25-34 can be a result of:

- leaving the sector to work in another industry
- stopping paid and unpaid involvement because of career plans
- stopping paid and unpaid involvement because of starting a family.

Even though participation rates in organised and non-organised sports decreased from 69.2% (people aged 15 years and over) in 2005 to 66.0% in 2006, this still represents 10.9 million who exercise at least once a week. The proportion of people participating in sport three or more times a week remained relatively steady (42.8% in 2006 compared with 44.2% in 2005)⁷.

Even though 52% of all employees in the sport, recreation and fitness sector are female⁸, the distribution is different when looking at paid and unpaid involvement in

⁷ Exercise, Recreation and Sport Survey (ERASS) 2006, Australian Sports Commission

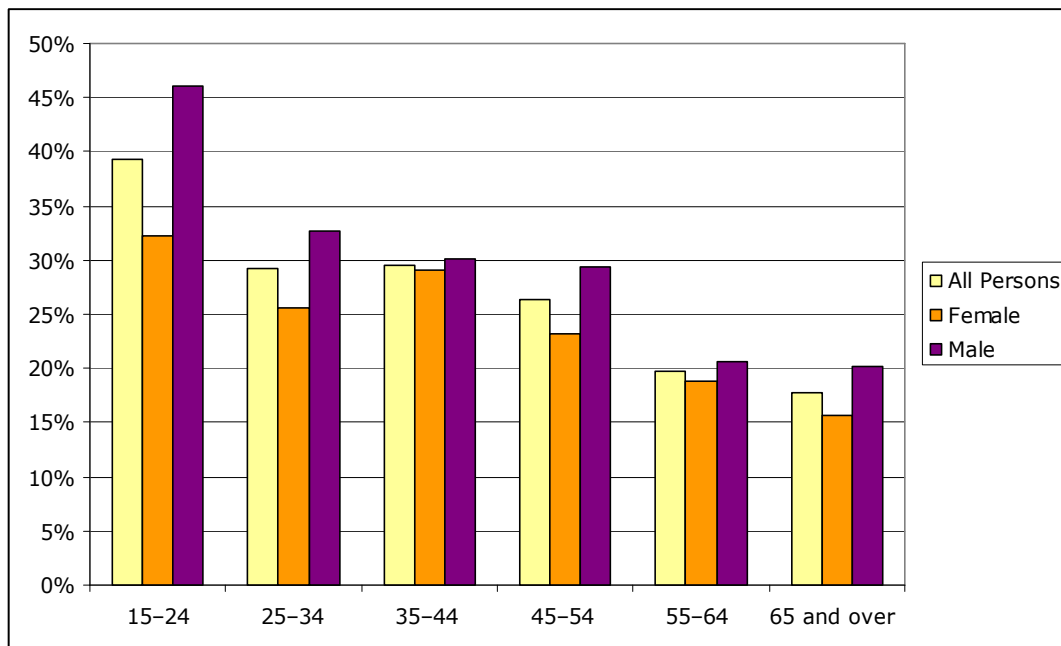
⁸ ABS 6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, Feb 2008, table 6291.0.55.003 E15_AUG06 - Employed persons by Sex, Industry (ANZSIC06), State, Status in Employment

organised sport: the total number and percentage of women involved in organised sport and physical activity in Australia is in every age group lower than that of men⁹.

Participation Rate¹⁰ and Total Numbers in Organised Sport and Physical Activity (paid and unpaid) by Sex:

Age group (years)	All Persons	Female	Female	Male	Male
15-24	39%	441.8	32%	657.0	46%
25-34	29%	359.1	26%	457.2	33%
35-44	30%	438.7	29%	445.2	30%
45-54	26%	333.1	23%	411.7	29%
55-64	20%	217.3	19%	236.1	21%
65 and over	18%	216.2	16%	242.0	20%
average	27%		24%		30%

Chart Participation Rate of Persons Involved (paid & unpaid) in Organised Sport and Physical Activity in Australia 2006/07 by Sex



⁹ This fact is also included in the paper “Australian sport: emerging challenges, new directions” by the Australian Government, May 2008 and the report “Inquiry into women in sport and recreation in Australia” by the Committee Secretary Senate Environment, Communications, Information Technology and the Arts References Committee, September 2006

¹⁰ As defined by ABS: For any group, this is the number of persons involved in organised sport and physical activity, expressed as a percentage of the total population of that group.



The least difference is in the age groups 35-44 and 55-64; the greatest difference is in the age group 15 to 24.

Looking at data sets from 1993, 1997, 2001, 2004 and 2007, the participation rate of persons involved (paid & unpaid) in organised sport and physical activity since 1993 shows two trends¹¹:

- for the age groups 15-24, 25-34 and 35-44 it declined with the highest rate in 1997 (51%) and 1993 (39% and 35%, respectively)
- for the age groups 45-54, 55-64 and 65 and over it stays more or less stable. 2007 had the highest participation rate for the age group 45-54.

Participation Rate of Persons Involved (paid & unpaid) in Organised Sport and Physical Activity in Australia 1993 to 2007:

Age group (years)	1993	1997	2001	2004	2007
15-24	49.2%	50.5%	40.9%	38.8%	39.3%
25-34	39.0%	36.9%	29.7%	30.4%	29.2%
35-44	35.1%	33.4%	28.5%	29.0%	29.6%
45-54	25.7%	26.0%	23.1%	24.4%	26.3%
55-64	20.2%	22.0%	18.7%	19.4%	19.7%
65 and over	16.5%	17.8%	16.8%	18.3%	17.7%
average	31%	31%	26%	27%	27%

From 2003 the trend is:

- positive for the age groups 15-24, 35-44, 45-54 and 55-64 and
- only slightly declining for the age group 25-34 and 65 and over.

The decline in the participation rate, as persons get older, holds true for all five reports. It has become weaker since 1997, although this is mainly based on a lower participation rate in the youngest age group.

Unfortunately, the total number of persons involved (paid & unpaid) in organised sport and physical activity has decreased since 1993, even though the total population was growing. However, the trough occurred in 2001 and since then the total numbers of persons involved have increased.

¹¹ Please keep in mind that the survey questions may have slightly changed over the years, so these figures should be seen as approximate values.

Total Number of Persons Involved (paid & unpaid) in Organised Sport and Physical Activity in Australia 1993 to 2007:

Age group (years)	1993	1997	2001	2004	2007
15–24	1,340.2	1,334.2	1,077.9	1,054.0	1,098.8
25–34	1,096.7	1,046.9	849.9	856.7	816.3
35–44	935.5	936.0	829.5	855.8	883.8
45–54	528.6	613.3	603.3	661.4	744.8
55–64	294.5	342.9	331.2	399.9	453.4
65 and over	309.4	396.6	367.2	442.0	458.3
total	4,504.9	4,669.9	4,059.0	4,269.8	4,455.4

■ Volunteers

As stated above, Australia's sport, fitness and recreation sector depends heavily on unpaid labour in management, development and support roles. It is important to highlight a number of issues specific to working with volunteers and to draw attention to the unique set of circumstances surrounding volunteer labour.

Unfortunately, so far the extent and numbers of volunteers in the sport and recreation sector have not been properly quantified. Whilst this may highlight the need for comprehensive research, the following issues have been consistently raised to Service Skills Australia:

- Attracting, recruiting and retaining volunteers are getting harder as the needs and expectations of volunteers vary depending upon their specific cohort, for instance, generation, sex and stage of life.
- The governance and regulatory requirements are increasing and prove to be a barrier to retaining quality volunteers.
- Delivering support to volunteers is increasingly a concern for sport and recreation organisations. This is particularly difficult for volunteers and their associations/organisations in rural, remote and regional parts of Australia.
- Currently, the vocational education and training system does not fully support the education and training needs of unpaid labour in the sport, recreation and fitness sector. This is a major concern for many companies and volunteers.

The contribution of volunteers to the nation's economy and social capital through the sport, recreation and fitness sector is significant and should be explored more in



order to position the needs of unpaid labour in the vocational education and training (VET) and workforce development agenda¹².

■ Regional aspects

The percentage of persons involved in organised sport and physical activity varies highly between age groups in different states¹³. The highest participation rate is in the age group of 15-24 in ACT (53%), whereas the lowest participation rate is in the age group 65 and over in NSW (15%).

Participation Rate of Persons Involved (paid & unpaid) in Organised Sport and Physical Activity by State/Territory in 2006/07:

Age group (years)	Australia	NSW	VIC	QL	SA	WA	TAS	NT	ACT
15-24	39%	37%	40%	41%	43%	41%	38%	23%	53%
25-34	29%	26%	29%	30%	34%	33%	28%	46%	35%
35-44	30%	27%	32%	28%	30%	33%	32%	42%	35%
45-54	26%	24%	27%	27%	30%	29%	22%	19%	37%
55-64	20%	18%	21%	19%	23%	20%	25%	23%	24%
65 and over	18%	15%	17%	19%	20%	26%	17%	17%	25%
average	27%	25%	28%	28%	30%	31%	27%	31%	36%

ACT has the highest participation rate of persons involved in two age groups, namely 15-24 (53%) and 45-54 (37%), as well as the highest average participation rate (36%). Interestingly, NT has the highest participation rate of persons involved in two age groups (25-34 and 35-44), but also the lowest participation rate of persons involved in two age groups (15-24 and 45-54).

NSW has the lowest participation rate of persons involved more frequently than any other state, namely in the age group 25-34, 35-44, 55-64 and 65 and over, as well as the lowest average participation rate (25%). In total numbers NSW has most people involved (because of its large population).

However, the participation rate in all sport and physical activity (also non-organised) was generally higher¹⁴ in 2006, NSW and NT had the sixth highest participation rates (both at 79.4%) behind ACT (87.0%), WA (83.6%), Tasmania (81.5%), Victoria (81.4%) and SA (79.7%) and ahead of Queensland (79.3%). The average for Australia was 80.5%.

¹² Please note that in September 2008 the Government has commissioned the Productivity Commission to construct a new tool to measure the contribution of the non-profit sector to communities and the economy;

¹³ ABS 6285.0 Involvement in Organised Sport and Physical Activity

¹⁴ NSW Sport and Recreation, Participation in exercise, recreation and sport in NSW, 2006 (based on ERASS 2006)

Most states and territories are forecast to have sufficient supply of labour to meet demand for employment until 2012. However, Tasmania and NT have the potential for the demand of labour to exceed the supply of labour. Queensland's labour force is forecast to grow at the fastest rate of any state, while the labour force in Victoria and NSW is forecast to grow in line with the national average¹⁵.

¹⁵ Workplace 2012, Mercer, 2008



What the stats say about

■ Participation in vocational education¹⁶

Within the completions of sport, fitness, community and outdoor recreation training packages in 2007, the majority were at Certificate II and Certificate III level.

Through all service industries training packages and through qualifications at all levels, completion rate was an average of 21% between 2003 and 2007 (please note, as vocational education and training is competency based and the length of training can vary this is only an indicative value).

As shown below completion rate varies significantly across sectors and qualification levels. It has to be taken into account that there is, besides students, also a number of 'hobby learners' who enrol in sport and recreation programs out of interest, sometimes without the intention to complete the course. In addition, sometimes students only in units and not in the full qualification, and at Certificate II level figures are also a reflection of the (non) completion rates of VET in school.

In addition to national recognised training, several sport and fitness institutions have accreditation schemes. As of end of June 2008 there were 127624 National Coaching Accreditation Scheme (NCAS) accredited coaches and 77 564 National Officiating Accreditation Scheme (NOAS) accredited officials. This was across 76 sports in coaching and 37 sports in officiating¹⁷.

There is also the possibility to undertake sport, fitness, community and outdoor recreation studies at universities. However links between the tertiary and VET system and possible, realistic career pathways, are not yet fully developed.

■ Fitness

Within the enrolments of fitness training packages in the last five years, the majority were at Certificate III level and enrolments at this level are growing. This may be driven by insurance requirements as Certificate III is the prerequisite to be a qualified registered fitness instructor and Certificate IV to be a qualified registered fitness trainer.

Completion rates vary significantly from an average of:

- 14% at Certificate II¹⁸
- 16% at Diploma

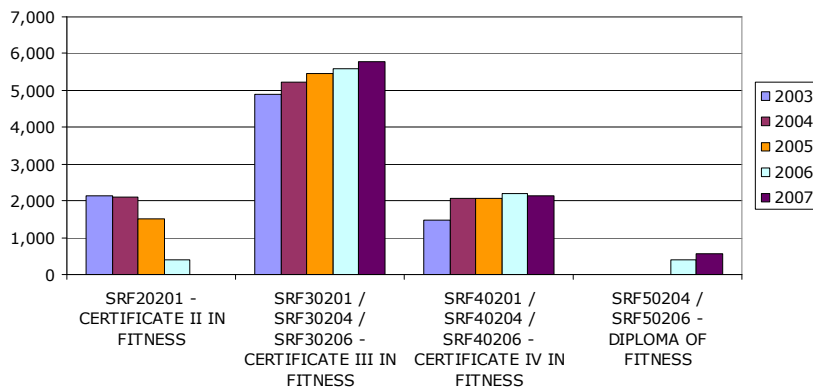
¹⁶ NCVET 2005 Vocational Course enrolment and completions 2003 to 2005; information collected by NCVET encompasses TAFE institutes, some universities, secondary schools offering VET, industry organisations, Adult Migrant Education Scheme providers, private enterprises in receipt of government funding for training, agricultural colleges, community education providers and other government providers, but no private training organisations which do not receive government funding. (NCVER Australian vocational education and training statistics: Explained, updated March 2008)

¹⁷ Australian Sports Commission

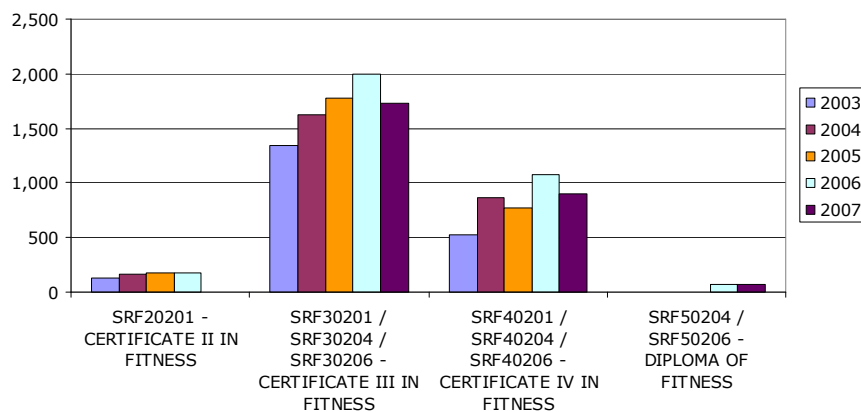
¹⁸ This qualification was removed in 2004, however there were still enrolments in Victoria in 2007; this may be couple of competencies that were either delivered to finish off a qualification, was delivered by mistake, or the competencies were listed against that qualification even though they may also appeared elsewhere.

- 31% at Certificate III and
- 41% at Certificate IV level between 2003 and 2007.

Vocational Course Enrolments by Fitness Qualification, 2003-2007



Vocational Course Completions by Fitness Qualification, 2003-2007



Outdoor recreation

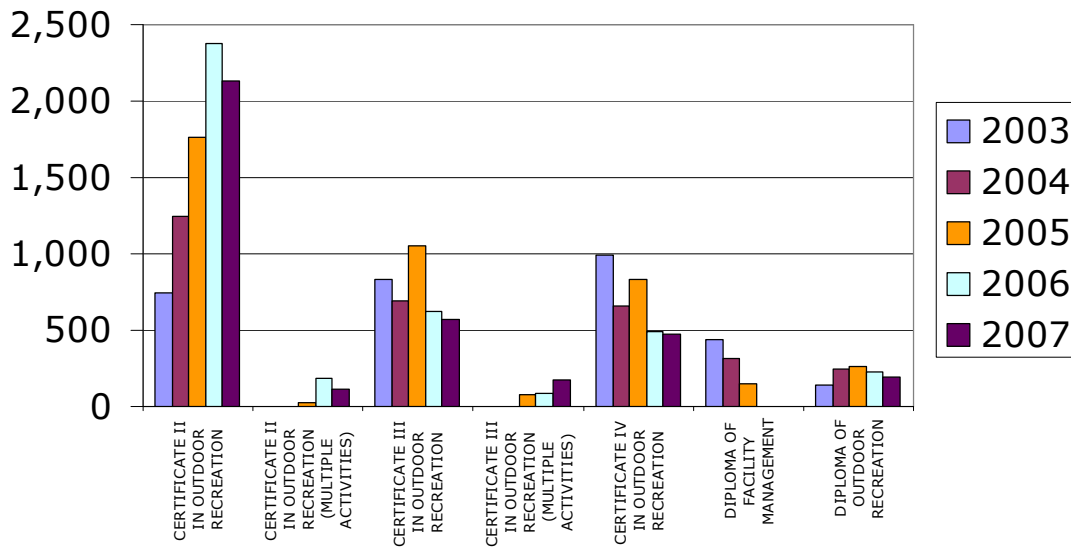
Within the enrolments of outdoor recreation training packages in the last five years, the majority were at Certificate II level, which was continuously growing until 2006 (inclusive). The number of completions fluctuates at most levels.

Similar to fitness, completion rates vary significantly from an average of:

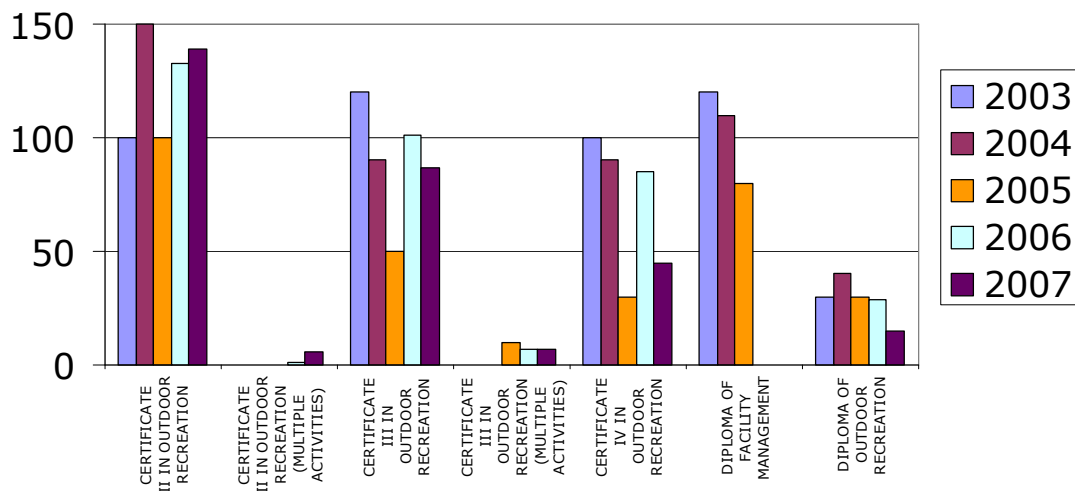
- 2% (multiple activities) and 9% at Certificate II
- 8% (multiple activities) and 13% at Certificate III level
- 11% at Certificate IV and
- 14% and 38% (facility management) at Diploma level between 2003 and 2007.



Vocational Course Enrolments by Outdoor Recreation Qualification, 2003-2007



Vocational Course Completions by Outdoor Recreation Qualification, 2003-2007



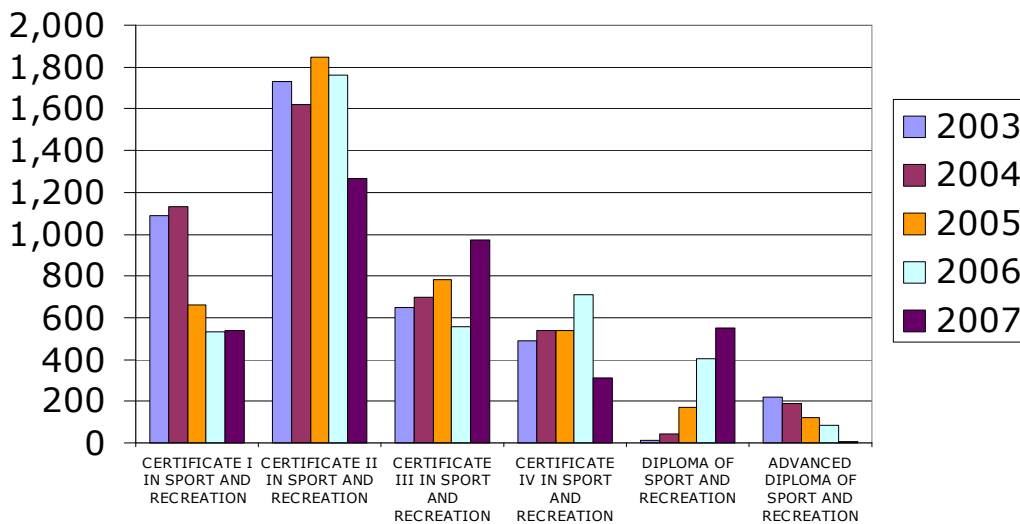
■ Sport and Recreation

Within the enrolments of sport and recreation training packages in the last five years, the majority were at Certificate II level, even the peak was in 2005 and the diploma level as seen constant growth.

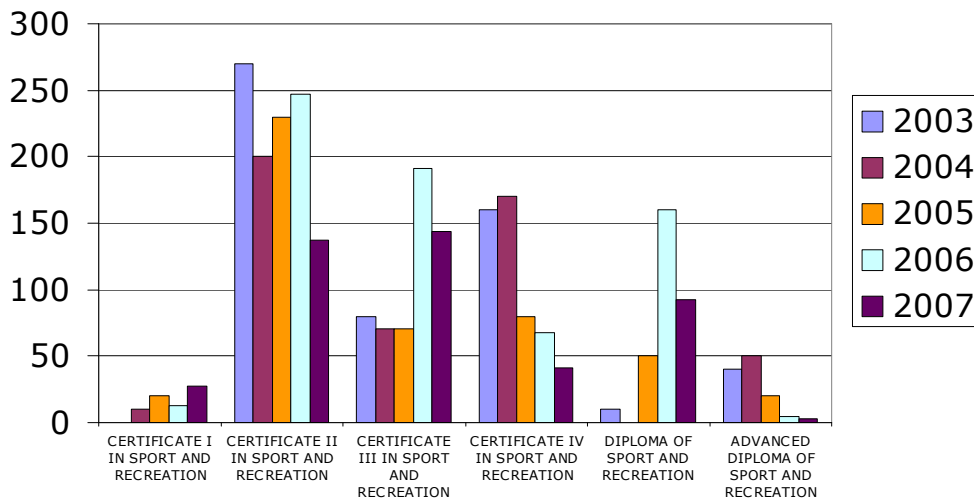
Completion rates vary significantly from an average of:

- 2% at Certificate I level
- 13% at Certificate II
- 16% at Certificate III level
- 20% at Certificate IV
- 37% at Diploma level and
- 21% at advanced Diploma level between 2003 and 2007.

Vocational Course Enrolments by Sport & Recreation Qualification, 2003-2007



Vocational Course Completions by Sport & Recreation Qualification, 2003-2007



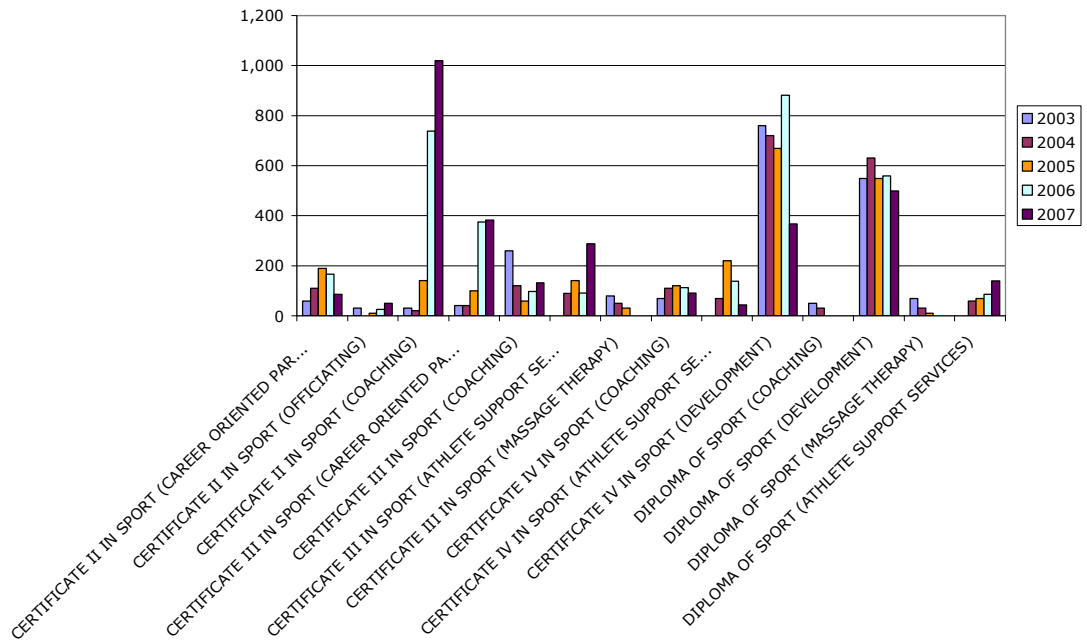


Sport

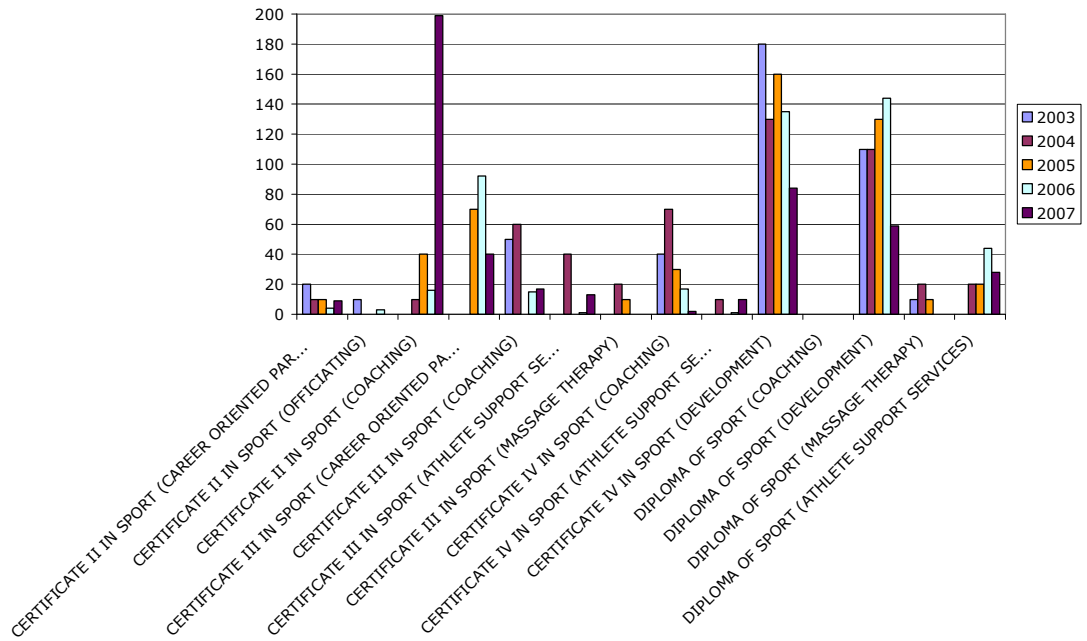
Completion rates vary significantly from an average of:

- 11% to 20% at Certificate II level
- 13% to 37% at Certificate III level
- 10% to 33% at Certificate IV and
- 0% to 60% at Diploma level between 2003 and 2007.

Vocational Course Enrolments by Sport Qualification, 2003-2007



Vocational Course Completions by Sport Qualification, 2003-2007



■ Community recreation

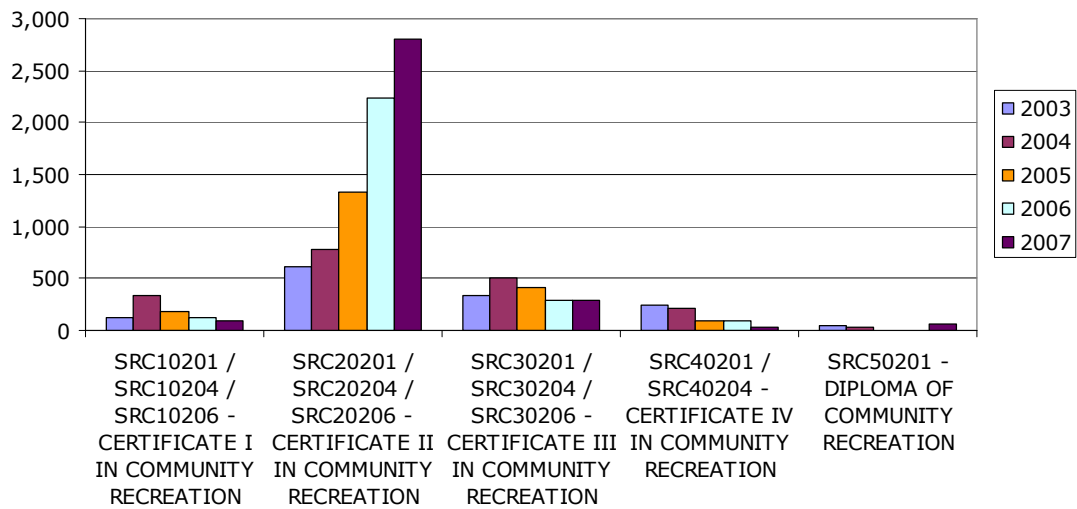
Similar to other sport and recreation qualifications, within the enrolments of community recreation training packages in the last five years, the majority were at Certificate II level, enrolments in which have been growing.

Completion rates vary significantly from an average of:

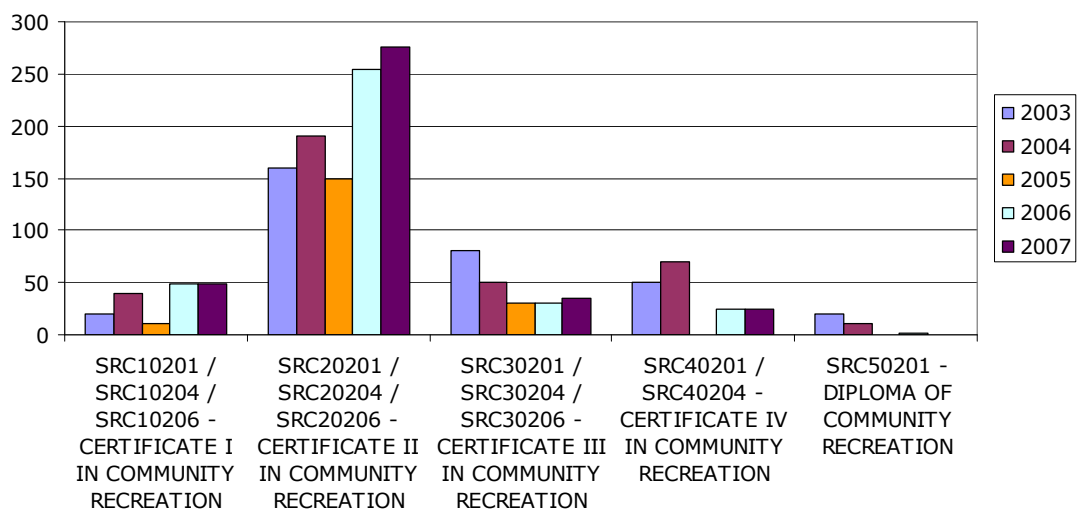
- 25% at Certificate I level
- 17% at Certificate II
- 13% at Certificate III level
- 31% at Certificate IV and
- 43% at Diploma level between 2003 and 2007.



Vocational Course Enrolments by Community Recreation Qualification, 2003-2007



Vocational Course Completions by Community Recreation Qualification, 2003-2007



The quality of training and work readiness of graduates has been an issue for some employers. Similar to other industries, employers in the sport, recreation and fitness industries have mixed experience regarding the quality of assessment and of trainers. New employees at an entry level have to be skilled enough for full employment responsibilities through qualitative (using up to date technology) and quantitative (having enough time to practice new skills) training. For some employers, young age and the maturity of VET graduates is an issue, as their conflict management skills are not yet developed enough. Reinforced engagement of elder people together with recognition of prior learning could open up another employee pool while taking into accounts the effects of an aging population.

Furthermore, the education and training needs of unpaid labour in the sport, recreation and fitness sector have not been fully supported by the vocational education and training system.

Service Skills Australia's paper 'Skills to Participate' (2007) noted that the greatest skill needs were in coaching and instruction, and events management for the whole NSW sport and recreation industry. For the outdoor recreation sector, the greatest skill needs were found to be in effective communication and the activity specific skill of climbing on a natural surface. For the sport sector, the greatest skill need was found to be for volunteer management. Community recreation's highest skill needs were found to be in aquatic supervision and recreation programming for clients with special needs. Finally, it was found in the fitness sector that the greatest need existed in delivering exercise programs for older adults and children.

Participants at the focus groups identified skill shortages in coaching, communication, administration, and customer service.

■ Workforce development

Workforce development is becoming a new catch phrase in vocational education and training (VET). It is increasingly used by practitioners, policy makers and commentators involved in skills development both in Australia and overseas. Workforce development covers a wide range of key activities, strategies and policies impacting on individuals and teams, the organisation in which they operate, the systems that surround them, as well as on the broader industry, regional business and community environment. From a systems perspective, it may include business analysis, policy, job design, recruitment, attraction, retention and separation, as well as resources, support mechanisms, capability development and incentives.

Many people are not aware of what workforce development means, what it includes, who it involves, why it is important and how it is different to traditional vocational education and training. Many still have a limited view of workforce development, seeing it as:

- Identifying and filling current and future jobs in the organisation or
- Professional development - the training and development of individual staff members or
- Vocational/technical education and meeting skills shortages.

Some other terms you may have come across:

Workforce planning

The aim of workforce planning is to identify both short term and long term workforce supply and demand issues and needs. It involves workforce data analysis, profiling the current workforce, forecasting future needs, planning and evaluation – as the basis for making staffing decisions in relation to the organisation's vision, goals, resources and desired workforce capabilities.

An effective workforce planning process is constantly updated to meet an ever changing environment (*Strategic People Planning: An overview of workforce planning*, 2000). It should be integrated into the organisation's strategic plan.

Human resource management

Human resource management is a strategic and coherent approach to the management of people in order to enhance organisational performance. It includes



job design, attraction and recruitment, performance appraisal, career planning, retention and transition of staff.

Workforce capability development

Workforce capability development refers to the development of whole-of-organisation systems, processes, values, initiatives and enablers that support individuals/teams in taking responsibility for their own learning and sharing their knowledge and practice in complex and dynamic work environments.

Workforce development plan

The policies, strategies and activities within workforce planning, human resource management and capability development inform the development of an integrated sustainable workforce plan. The workforce plan addresses the needs of the workforce and outlines the key activities, accountabilities and resources required to meet the strategic goals of the organisation.

What does Workforce Development mean for your industry? What challenges is your business facing and what planning or strategies have you put in place? What can SSA do to assist your industry? What tools would you find helpful?

■ **Workforce development and planning survey¹⁹**

In order to gain a deeper understanding as to the nature and engagement of the sport, recreation and fitness industry with training and development, Service Skills Australia conducted a survey of employers across Australia in mid 2008.

The current trend of an ageing workforce, together with economic growth, enforces the need to plan for future workforce needs in a way that was not required in the past climate of excess labour supply. Ignoring this need can have a significant impact on an organisation's profitability, productivity and ability to deliver its services and products. This highlights the need for companies, despite of size or industry sector, to undertake workforce planning to determine current and future skill needs and likely future gaps, as well as workforce strategies to address them.

In June 2008, 6000 leaflets and 979 hard copies of Service Skills Australia's Environmental Scan 2008 with information regarding the Environmental Scan 2009 and the upcoming survey were distributed. In addition, information was available on Service Skills Australia's website, added to Industry Skills Council website and Service Skills Australia's March newsletter included pre-information.

On the 2nd July 2008 the survey was launched via email. 4933 emails were sent out which included a direct link to the survey's website. Furthermore, the survey was available through a link on the Service Skills Australia website and promoted through several industry newsletters and websites. In addition, information and a direct link to the survey was included in Service Skills Australia's July newsletter:

¹⁹ Please note that percentages refers to the number of respondents to the specific question

Reminders were emailed on the 30th July and 11th August and a reminder was included in Service Skills Australia August newsletter. The survey was closed on the 22nd August 2008.

The following answers were provided in Service Skills Australia's workforce development and planning survey in July and August 2008.

Please note, that the results described below are based upon responses to our survey and therefore need to be read within the context of the respondents characteristics outlined below. To that extent, they cannot be transferred 1 to 1 to the whole industry. Hence broader conclusions have to be made with great caution.

Number of respondents:

- Community recreation: 23 respondents
- Fitness: 12 respondents
- Outdoor recreation: 16 respondents
- Sport: 31 respondents
- All industries (excluding RTOs): 443;

Please note there were a number of respondents which stated sport and recreation or fitness and recreation as business.

Characteristics of Respondents to the Survey

Similar to respondents from all industries, respondents from sport, fitness, community and outdoor recreation were mainly located in:

- NSW (between 25% and 35%, all sport, fitness, community and outdoor recreation respondents 30%),
- Western Australia (23% of sport and 22% of community recreation respondents, all sport, fitness, community and outdoor recreation respondents 19%) and
- Queensland (25% of fitness and outdoor recreation respondents, all sport, fitness, community and outdoor recreation respondents 18%).

Compared to the geographical distribution based on the Counts of Australian Businesses²⁰ this is an over- representation of Western Australia.

The majority of sport, fitness, community and outdoor recreation respondents to the survey were situated in a metropolitan area (65%). 46% of respondents were Manager and 17% held the position of a Director.

²⁰ ABS 8165.0 Counts of Australian Businesses, including Entries and Exits, Jun 2007; please see note 2 for details; geographical distribution of Sports Grounds & Facilities n.e.c., Sports & Services to Sports n.e.c. and other Recreation Services businesses: NSW 33%, VIC 24%, QLD 23%, WA 9%, SA 7%, ACT 2%, TAS 2%, NT 1%;

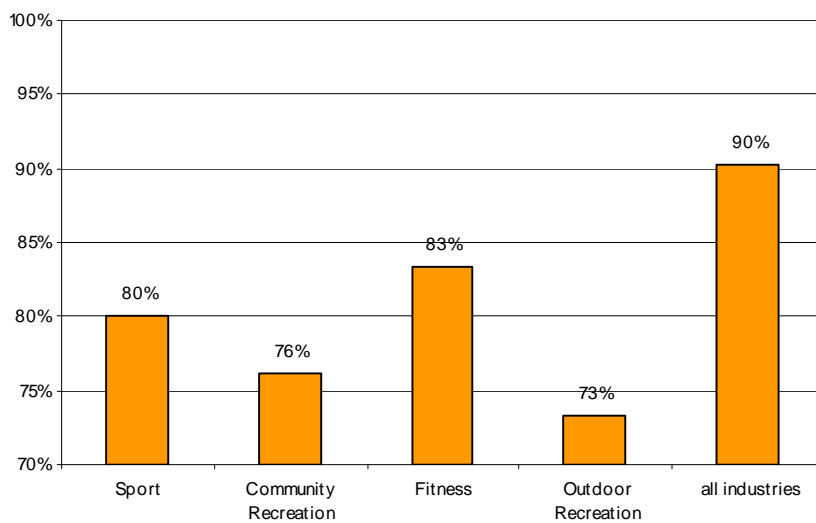


The median in number of branches was 1, the average 3.5 and the highest number of branches was 30.

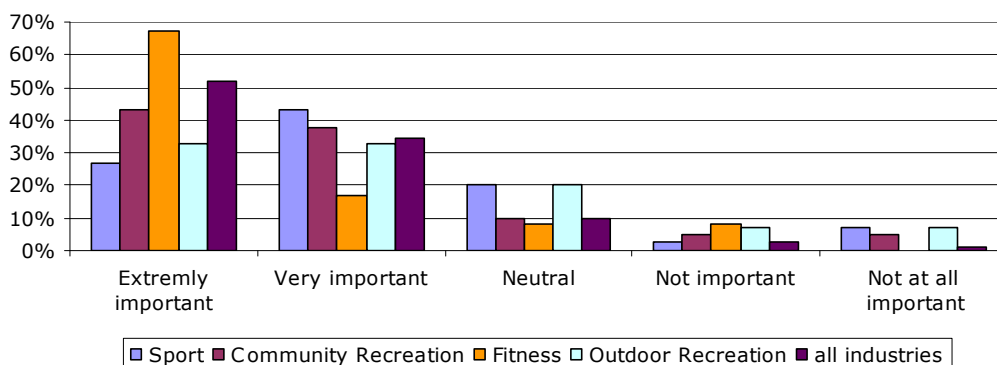
Respondents to the survey mainly came from small companies. 60% of respondents had 1 to 10 full time employees. Interestingly the second largest group were companies with 21 to 100 full time employees (19%). Within the existing workforce Graduate qualification level, Certificates IV and III were the most common qualifications taken up across all business models.

With the above characteristics in mind, the respondents to our survey said the following:

Does the business provide informal in-house training? answer: yes



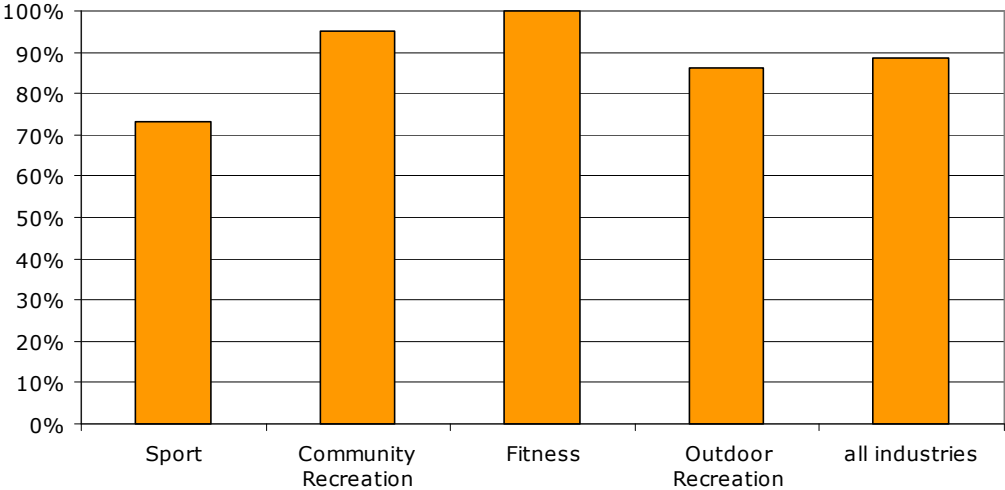
How important is the availability of informal in-house training for the retention of current employees?



Informal in-house training (non-accredited workplace based and workplace specific semi-structured training, usually provided through supervisors or senior team

members) occurs mainly at an ad-hoc basis (between 40% and 55%) or monthly (between 27% and 50%). Companies that do not provide informal in-house training stated as a reason ‘no time’ and ‘not aware of opportunities’ (all four sectors), as well as ‘no need, happy with current level of know how’ (sport, community recreation).

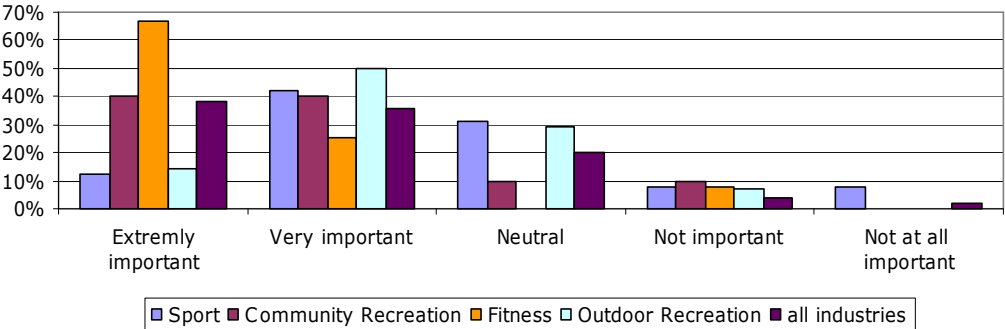
**Does the business support external training for employees?
answer: yes**



Please note that in order to maintain registration with Fitness Australia, all Fitness Professionals must accrue a minimum 18 Continuing Education Credits (CECs) during the two year registration period. These CECs may be obtained from a range of options, e.g. the completion of a single unit of competency from the Fitness Stream or specialty options in Certificate III and/or Certificate IV will gain 5 CECs.

As shown above, the completion rate for public funded outdoor recreation training packages is rather low, which also contributes to the training effort of outdoor recreation businesses.

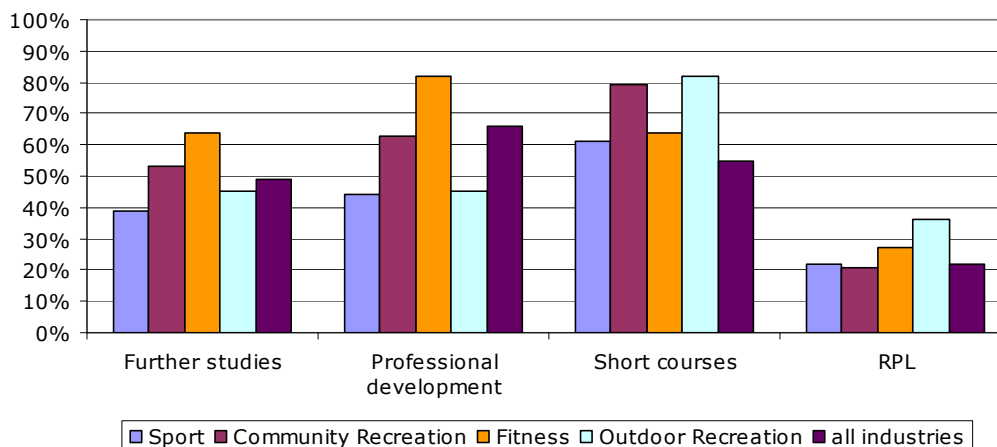
How important is the availability of external training for the retention of current employees?





Those who do not support external training stated reasons as 'no time' (sport), 'not aware of opportunities' (sport), 'budget limitations' (sport, community recreation and outdoor recreation) as well as 'no need, happy with current level of know how' (sport, community recreation and outdoor recreation).

What kind of external training are employees currently participating in and/or considering? (multiple answers possible)



Through all sectors (sport, community recreation, fitness and outdoor recreation) the majority of external training targets vocational skills (between 78% and 84%) and generic skills (between 44% and 73%) and is funded by the business (between 73% and 82%).

Besides vocational education, the development of core skills (language, literacy and numeracy skills) is important for the productivity and efficiency of businesses. Often employers and managers focus their training on vocational skills, neglecting literacy and numeracy tasks.

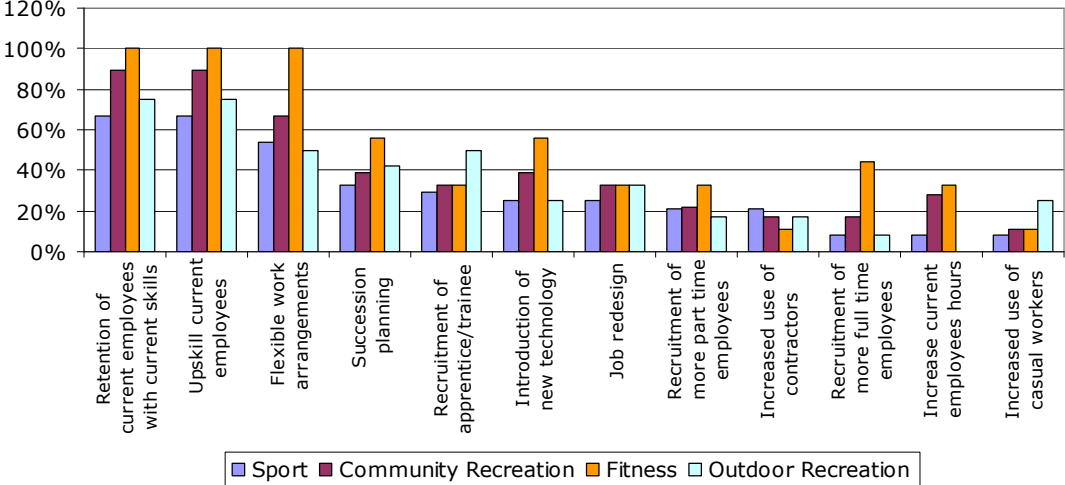
In reference to workforce planning activities, the following activities are undertaken by large number of sport, community recreation, fitness and outdoor recreation respondents (multiple answers possible):

- Analysis of future skills needs (between 48% - sport - and 60% - fitness)
- Analysis of future demand (between 40% - sport - and 80% - fitness)
- Individual staff development plans (between 48% - sport - and 90% - fitness)
- Review of employee job roles and (between 60% - sport - and 90% - fitness)
- Staff rostering plans (between 32% - sport - and 54% - outdoor recreation)
- Succession planning (between 28% - sport - and 50% - fitness)

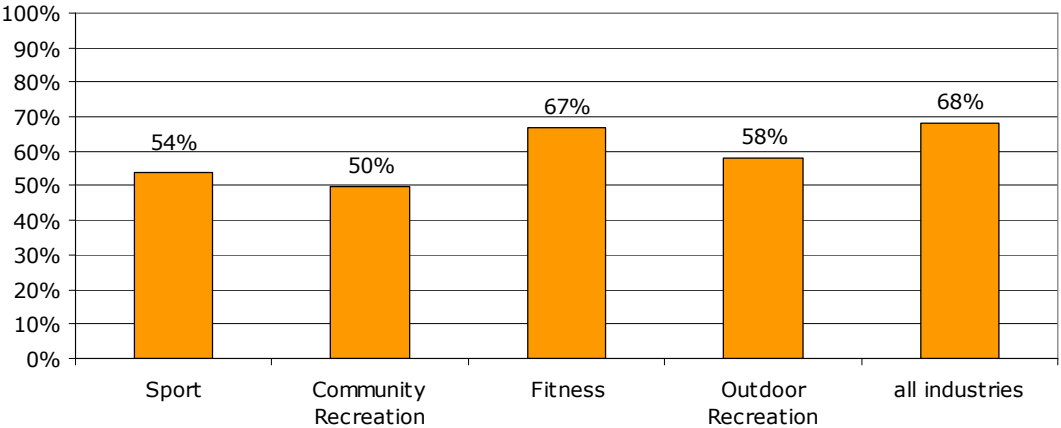
76% of sport, community recreation, fitness and outdoor recreation responded that these activities are part of a broad strategic planning process which covers up to five years (community and outdoor recreation covering mainly up to one year, fitness and sport respondents covering mainly up to two years).

However, an average of 15% of sport, community recreation, fitness and outdoor recreation respondents stated to not undertake any workforce planning activities (10% of all industries respondents).

What strategies have been adopted to ensure a sufficient supply of skilled employees in the future?



Are there plans to employ more staff (including apprentices, trainees and volunteers) in the next two years? (answer: yes)

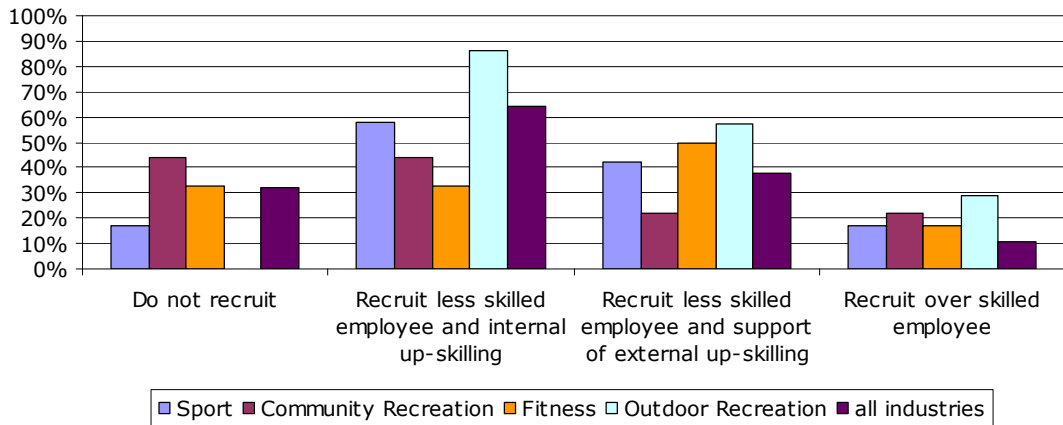


Of those who plan to employ more staff, the desired qualification levels are diploma and graduate (sport), Certificate III and IV (community recreation), Certificate III for fitness and diploma for outdoor recreation.

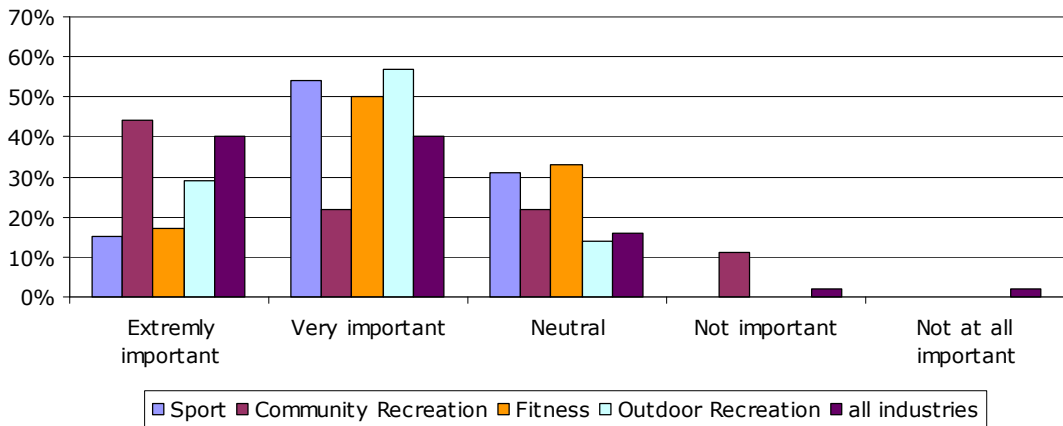
Of those respondents who have volunteers already working for them, 35% plan to recruit volunteers in the next 24 months. Of these, 44% aim to recruit more than they currently have and 33% the same number as they currently have.



What are the strategies the business applies when applicants are not available with the desired qualification?



How important is the availability of internal and external training for the attraction of new employees?



Future

In the years to come, the importance of the sport and recreation industries will grow, as future domestic and international social and economic changes will have multiple effects on the Australian society.

There are also a number of new businesses aiming to enter the Australian market, e.g. Virgin Active health club is currently developing two sites in Australia, with the first club opening in Frenchs Forest (NSW) scheduled for December 2008. The second club is planned to open on Bourke Street in Melbourne (VIC) in the first quarter of 2009²¹.

The following themes have been identified as potential issues for the sector. These themes are designed to assist in articulating a range of issues and assist the discussion with industry by grouping them together. They may not be the only issues to be considered by industry.

■ Growing population

Australia's resident population of 20.1 million people in June 2004 is projected to increase to between 24.9 and 33.4 million in 2051, and to between 22.4 and 43.5 million in 2101²². This population growth will lead to an increased demand for workers in the service industries. In addition, the rise in the average Australian living standards will generate a further increased demand in the service sector, as consumers' tastes and expectations are increasingly sophisticated and localised.

Customers are becoming more well-informed and have rapidly rising expectations of value. This is leading to increased professionalisation of occupations, hence also increasing the need for provision of training for volunteers.

■ Immigration

Even though the peak in immigration was in 1988/89, it is still high and since 1993 there has been regrowth in the number of permanent arrivals to Australia. Furthermore, in May 2008 the Australian Government added an additional 31 000 skilled migrants to the 2008/09 Migration Program. The extra places allocated to the permanent skilled migration program represented a 30% increase on 2007/08²³.

In 2001 (latest data available) 15% of persons employed in sport and physical recreation occupations were overseas-born, of these 34% came from non-English background²⁴.

However, in the last few years, the country of origin of permanent arrivals has changed. In 2006/07 migrants from New Zealand and UK were still the majority in

²¹ Inside Retailing Online 20th August 2008 and Australian Women Online 21st August 2008

²² ABS 3222.0 Population Projections, Australia, 2004 to 2101

²³ Press release 13 May 2008 Senator Chris Evans Budget 2008-09 - Record skilled migration program to boost economy

²⁴ ABS 4148.0 Employment in Sport and Recreation, 2001, table 4 Persons employed in Sport and Physical Recreation Occupations by birthplace and origin; please note that this document includes occupations which are not covered by SSA training packages;



total numbers, followed by India and China. However, countries of birth like Iraq and Sudan showed the highest rise in percentage since 1975²⁵.

Skilled migration is one way to respond to the skills shortages and internationalisation of sport and recreation qualifications would simplify the employment of immigrants.

However, increased skilled migration places also add pressure on the services and infrastructure that support those migrants²⁶.

■ Ageing population

Population ageing is occurring on a global scale, with faster ageing projected in the decades to come than has occurred in the past. From 1950–2000 the median age of the world's population rose just three years: from 23.6 years to 26.4 years. In contrast, from 2000 to 2050 the median age is projected to increase by 10 years, to reach 36.8 years. Australia's population over 65 will grow from 13% in 2006 to 27% by 2051 and Australia's median age is forecasted to rise from 35 years in 2000, to 47 years by 2050, both above world average²⁷.

The trend towards ageing populations generates new and increased demand in sport and recreation industries. However, there are several barriers that prevent older people from using fitness industry services, including accessibility and cultural issues. Furthermore, managers will be expected to manage a multi-generational workforce and acquire generation specific leadership and management skills.

One further effect of the ageing population is the reduction of the proportion of younger people. Australia's population aged 15-64 years, which encompasses much of the working-age population, is projected to decline from 67% in 2004, to between 57% and 59% in 2051²⁸. As the labour force growth is forecasted to be slower than population growth, workforce participation rate will decrease.

In 2006, employment in sport was distributed as follow (please see list of occupations included in the Appendix)²⁹:

Age group (years)	Percentage of people employed in sport	Percentage of Australia's population ³⁰
15-19 years	14.0%	6.8%
20-24 years	17.4%	7.1%
25-29 years	11.3%	6.8%
30-34 years	11.2%	7.2%

²⁵ ABS 3412.0 Migration, Australia 2006–07; number of permanent arrivals 2006/07 and increase since 1975: New Zealand 23,907 (718%), UK 23,223 (39%), India 13,496 (1388%), China (excludes SARs and Taiwan Province) 12,009 (1779%), Iraq 2,213 (22030%), Sudan 2,513 (16653%);

²⁶ Visa Subclass 547 Final Report to the Minister for Immigration and Citizenship, April 2008, page 22

²⁷ ABS 4102.0 Australian Social Trends, 2004

²⁸ ABS 3222.0 Population Projections, Australia, 2004 to 2101

²⁹ ABS 4148.0 Employment in Sport, 2006; please note that this document includes occupations which are not covered by SSA training packages; please see Appendix

³⁰ ABS 3235.0 Population by Age and Sex, Australia, June 2006

35-39 years	10.5%	7.4%
40-44 years	9.9%	7.4%
45-49 years	8.6%	7.2%
50-54 years	6.4%	6.6%
55-59 years	5.2%	6.1%
60-64 years	3.3%	4.8%
65 years & over	2.2%	13.0%

Similar to paid and unpaid involvement the majority of employees are in the younger age groups. In 2007, the median age in the sport sector was 33³¹.

The ageing of the Australian population also has an impact on the talent pool for elite sport. As the amount of people who would be able to practise elite sport is shrinking, (as a result of ageing population and low birth rate) the need for effective programming increases³². Pathways programs have to achieve a greater capacity to invest in talent identification and development and offer high profile and careers to secure elite sport as an activity or career of choice for Australia's youth.

■ Life style

Similar to many other countries, Australia is currently facing a change in values. Materialistic values are partly replaced by intangible assets. Work-life balance and sustainability have become popular key words. The sport, recreation and fitness industries are affected in two ways: first as an employer and second as a provider for balance and well-being.

As an employer, the sector faces increased demand for individual work time schedules and career possibilities. However, it offers enormous potential for qualified people to become self employed running their own small businesses. Opportunities for self employment are not limited to those in metropolitan areas but present a very real possibility for those in rural, regional and isolated areas. Furthermore, these sectors have a reputation as socially meaningful employers and the sport, recreation and fitness sectors provide and promote work-life balance and well being, through their services.

Furthermore, customers are increasingly looking for a unique or characteristic event and memorable experience in their leisure time. The trend towards 'experience purchasing' affects the sport, recreation and fitness industries; it demands businesses to adapt their offer and to differentiate themselves from their competitors.

In addition, convenience is becoming increasingly important to respond to the needs of time-poor consumers. Individual sports which can be participated in, on an ad-hoc basis, and ideally close to work and/or home are constantly popular. In 2005, the activity with the highest participation rate was walking (37.3%). An estimated 6

³¹ Skillsinfo.gov.au Employment Outlook for Cultural and Recreational Services, July 2008

³² Australian sport: emerging challenges, new directions, Australian Government, May 2008



million persons aged 15 years and over walked at least once for exercise, recreation and sport in the 12 months prior to interview³³. This does not include bushwalking (the participation rate for this was 5.7%), which ERASS reports as a separate activity. Other sports and physical activities that attracted high participation rates were aerobics/fitness (18.5%), swimming (14.4%), cycling (10.3%) and tennis (7.8%).

The number of people participating in aerobics/fitness has increased by 51% from 1.961 million to 2.960 million between 2001 and 2005. The sector has seen a shift from gym's to personal trainer.

■ Health agenda

As mentioned previously, the sport, recreation and fitness sectors have a vital part in engaging more people in a healthy lifestyle, and an influence on health support services. Many studies show the positive effect that participation in physical activity has on the overall physical and psychological health of individuals of all ages and social groups. Physical activity reduces the risk of cardiovascular disease and has also been linked to a reduction in the incidence of other diseases such as diabetes, osteoporosis, depression, some forms of cancer, and injury among older people³⁴.

To slow the increase in medical costs (that have been squeezed because of the ageing of the population), investments in illness prevention and health promotion have increased pressure on the sports and recreation sector. To respond to the growing 'wellness' agenda, these sectors will have to further develop systems and strategies to address chronic life-style related illnesses and to engage more people in a healthy lifestyle and services.

Increasingly, rehabilitation of clients is also playing a greater role in the fitness industry. Hence fitness professionals require the skills and knowledge to compliment the allied health industry and work collaboratively in the rehabilitation of clients.

It is well documented that Australia is facing a crisis of childhood obesity. 25% of Australian children are overweight or obese, and this number is increasing by 1% every year³⁵. There is a need for more fitness trainers with specialisation in childhood obesity. Programs and initiatives like Active After-school Communities, Active School Curriculum, National Children's Nutrition and Physical Activity Survey and Healthy School Community Program require appropriately trained fitness professionals to deliver exercise to this unique demographic.

■ Sport tourism (active and passive)

The sport tourism and adventure tourism industries³⁶ are growing. Since 2004, the number of international tourists arriving in Australia who stated that they aim to participate in, or watch, organised sport has more than doubled (from 37,068 to 76,727). Furthermore, 2,060,000 domestic overnight trips were made in order to

³³ Australian Sports Commission, Exercise, Recreation and Sport Survey (ERASS) 2005

³⁴ "Inquiry into women in sport and recreation in Australia" by the Committee Secretary Senate Environment, Communications, Information Technology and the Arts References Committee, September 2006

³⁵ <http://www.health.nsw.gov.au/obesity/adult/about.html>

³⁶ An analysis of education and training provision for sport and recreation in Western Australia, future now, May 2007

participate in organised sport and 1,120,000 in order to watch organised sport in 2007³⁷.

Between 2004 and 2005 an average of 5% of all leisure tourists to Victoria stated the purpose of their trip was to attend an organised sport event. Within tourists from the UK and New Zealand (with 245,331 and 229,963 tourists, the highest number of tourists in Victoria in 2007) 10% and 8% respectively stated the purpose of their trip was to attend an organised sport event (even though the number of tourists from China is forecasted to overtake the number of tourist from the UK and New Zealand, both countries will still occupy the 2nd and 3rd place respectively in 2016)³⁸.

Furthermore, the number of international visitors participating in adventure tourism activities in Australia more than tripled from 600,000 in 1999, to 1,900,000 in 2006. Moreover, the average length of stay for adventure tourist in 2006 was 43.2 nights. Domestic overnight visits for adventure tourism were undertaken by 15,856,000 visitors in 2006, in addition to 13.5 million day trips by domestic adventure visitors in that year. In 2006, the adventure segment had a 10% market share of all domestic day trips in Australia³⁹.

In addition, in 2006, 219,00 international golf tourists came to Australia and 2.3 million domestic tourists travelled and stayed overnight to play golf (within Australia) as well as 32,000 international snow & ski visitors and 349,000 domestic snow & ski travellers⁴⁰.

Driving the growth of sport tourism has been increased global interest in and media coverage of sporting events, as well as the rising popularity of some sport activities like surfing. Combined with more leisure time, more disposable income and more cheap travel, sport is no longer just an add-on but can be the primary reason to travel. This reinforces the need for well trained outdoor and activities guides⁴¹, as well a good knowledge of sport at tourism related bodies such as travel agencies.

On the other hand, major sporting events require skilled workforces. Events like the 2018 FIFA World Cup require infrastructure like stadiums, public transport and training facilities but also trained employees and volunteers to organise and run the event.

■ Sustainability

Australians are becoming more aware of environmental sustainability issues such as dealing with drought, water and energy restrictions. Climate change threatens Australia's flora and fauna, and losses of wildlife, landscapes and marine environments may have dreadful outcomes for sport and outdoor recreation sectors. Furthermore, extreme weather events such as floods and bushfires can have short-term impacts on sporting events. Tourism and companies are also being urged to become (more) environmental friendly.

³⁷ Tourism Research Australia

³⁸ Tourism Victoria, International Market Profile, 2007

³⁹ Tourism Victoria, Market Profile for Adventure Tourism; International adventure visitors are defined as those who went bushwalking, fishing, scuba diving, snorkelling, surfing, sailing, windsurfing, kayaking or participated in other outdoor activities while on their trip to Australia.

⁴⁰ Tourism Victoria, Market Profile for Golf Tourism and Market Profile for Snow & Ski Tourism

⁴¹ Service Skills Australia included in its "Submission of evidence for modification to proposed 2nd tranche Productivity Places" Certificate IV in Outdoor Recreation and the Diploma of Outdoor Recreation. The Certificate IV in Outdoor Recreation is the industry preferred qualification level as it enables the employee to lead outdoor recreation activities.



■ Technology trends

The continuous introduction and increasing use of new technologies drives the need for training of paid and unpaid workers. New media technologies are creating potential new sources of revenue and customers and employees have to be trained to use new equipment and software. Furthermore, websites and e-commerce opportunities are increasing.

Appendix

■ List of occupation included in ABS 4148.0 Employment in Sport

- 121316 Horse Breeder
- 139915 Sports Administrator
- 149112 Fitness Centre Manager
- 149113 Sports Centre Manager
- 272612 Recreation Officer
- 323312 Gunsmith
- 361111 Dog Handler or Trainer
- 361112 Horse Trainer
- 362311 Greenkeeper
- 393111 Canvas Goods Maker
- 393113 Sail Maker
- 452111 Fitness Instructor
- 452211 Bungy Jump Master
- 452212 Fishing Guide
- 452213 Hunting Guide
- 452214 Mountain or Glacier Guide
- 452215 Outdoor Adventure Instructor
- 452216 Trekking Guide
- 452217 Whitewater Rafting Guide
- 452299 Outdoor Adventure Guides nec
- 452311 Diving Instructor (Open Water)
- 452312 Gymnastics Coach or Instructor
- 452313 Horse Riding Coach or Instructor
- 452314 Snowsport Instructor
- 452315 Swimming Coach or Instructor
- 452316 Tennis Coach
- 452317 Other Sports Coach or Instructor
- 452318 Dog or Horse Racing Official
- 452321 Sports Development Officer
- 452322 Sports Umpire
- 452323 Other Sports Official
- 452499 Sportspersons nfd
- 452411 Footballer
- 452412 Golfer
- 452413 Jockey
- 452414 Lifeguard
- 841516 Stablehand
- 450000 Other Sports and Fitness Workers nfd