
**LACK OF INTEGRATED EMPLOYMENT POLICY
CAUSES IMMENSE FRUSTRATION**

Restaurant and Catering Industry Association (R&CA) CEO Juliana Payne welcomes Labor's announced millions of dollars in commitments to Australia's tourism industry.

These commitments include:

- \$95 million in grants to improve existing tourism infrastructure;
- \$30 million to increase the number of tourism experiences that different areas of Australia offer; and
- \$25 million in extra funding for Tourism Australia to increase overseas visitation.

However, Ms Payne also said that Restaurant and Catering businesses were increasingly frustrated with the lack of integrated policy offerings from the major parties that have so far been announced.

"If the additional support for Australia's tourism industry is to ultimately prove successful then the industry's skill shortages need to be addressed rather than exacerbated".

The R&CA CEO pointed out that much of what had been announced had seemed to be piecemeal and rather contradictory.

"Just before Labor announced increased tourism funding, they announced that the Short-Term Skilled Occupation List and Medium and Long-Term Strategic Skills List will be abolished and that there will be one Skills Shortage Occupations List with pathways to permanent residence to meet Australia's future skills. That statement is a step in the right direction, but press reports have the ALP raising the annual salary for skilled migrants so that businesses will have to pay more, from the current \$53,900 to \$65,000 per annum with annual indexing."

"While \$65,000 may not sound high in Sydney, outside Sydney, particularly in regional Australia, this will exacerbate the current skill shortages restaurant and catering businesses are facing."

"The vast majority of these businesses operate on very thin profit margins, often around 2%. They can't simply pass on increased labour costs in higher prices."

Ms. Payne said the industry "needed to encourage more young people to join our industry through apprenticeships and start them off on the many fantastic careers available in hospitality."



Restaurant
& Catering

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However, she questioned ““without skilled migration to fill existing shortages, in the meantime, who would train those apprentices?”

“The café, restaurant and takeaway food sector currently employs around 630,000 people and is expected to generate an additional 74,700 jobs by May 2023.”⁵

“When those staff cannot be sourced from the local workforce, restaurants, cafes and catering businesses will need greater access to suitably qualified skilled migrants, in order to remain viable.”

“The Coalition government’s policy changes have already made skill shortages increasingly difficult to address.”

“The decline in skilled visa applications, both lodged and processed, delays in visa processing times and the increased costs associated with the Skilling Australians Fund levy had created a powerful disincentive for visa-seekers and sponsoring employers for these hospitality positions.”

“This had already resulted in a 37.9 per cent reduction in the number of primary visas granted in 2017-18 compared to a year earlier.^{1”}.

Ms Payne said “Our industry should be a really good news story for all parts of government and the dining public. It’s a sector that’s growing – tourism is booming and the government spends a lot of money promoting restaurants as the jewels in the Australian tourism crown, but there is a massive skills shortage and we aren’t being given the tools to capitalise on this growth.”

“Now is the time for politicians to address the massive skills shortages the restaurant and catering industry faces by working with the industry on an integrated employment policy rather than the current piecemeal and rather contradictory approach. An integrated policy would welcome skilled migrants to fill obvious gaps in the labour market while helping our businesses to employ and train more Australians” the R&CA CEO concluded.

[ENDS]

¹ Ibid.

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SMALL BUSINESS IS A BIG DEAL