



Restaurant
& Catering

Submission to the Education Council Review of Senior Secondary Pathways into Work, Further Education and Training

R&CA Submission

December 2019

RESTAURANT & CATERING AUSTRALIA

Restaurant & Catering Australia (R&CA) is the national industry association representing the interests of more than 47,000 restaurants, cafés and catering businesses across Australia. The café, restaurant and catering sector is vitally important to the national economy, generating over \$37 billion in retail turnover each year as well as employing 450,000 people. Over 92 per cent of businesses in the café, restaurant and catering sector are small businesses, employing 19 people or less.

R&CA delivers tangible outcomes to small businesses within the hospitality industry by influencing the policy decisions and regulations that impact the sector's operating environment. R&CA is committed to ensuring the industry is recognised as one of excellence, professionalism, profitability and sustainability. This includes advocating the broader social and economic contribution of the sector to industry and government stakeholders, as well as highlighting the value of the restaurant experience to the public.



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INTRODUCTION

R&CA welcomes the opportunity to provide a submission to the Education Council Panel's Review of Senior Secondary Pathways into Work, Further Education and Training.

R&CA strongly recommends the council examines policies that focus on improved use of industry-informed VET pathways and VET more broadly. As a longer-term solution, it is recommended that greater flexibility and better structured pathways between secondary education and VET, Apprenticeships and Training be introduced to ensure that school leavers see the VET system and industry trades as viable, profitable and exciting career prospects.

To improve the transition from school to work, the Council's work should aim to ensure that individuals have the skills required in the labour market and addresses the current shortcomings in the way we inform students about their study and job choices.

POLICY RECOMMENDATIONS

Recommendation 1: Encourage non-university careers as genuine options, especially VET and provide clear strategies to combat its lower profile and associated negative perceptions.

Recommendation 2: Increase access to work experience at school level to assist students to gain valuable micro-skills to become productive in a workplace and meet employer expectations.

Recommendation 3: Improve VET for School student outcomes by:

1. more clearly delineating VET from vocational learning and improving the quality of delivery in both forms of work-related learning;
2. creating a channel to ensure that VET offerings at school are meeting industry needs;
3. exploring alternative vocational learning options that apply learning in practical contexts;
4. promoting school-based apprenticeships and traineeships to students as potential pathways; and
5. increasing schools' capacity to liaise with businesses who are willing to employ more school-based apprentices or trainees.

Recommendation 4: Review pre-apprenticeship pathways on an industry level to identify clear guidelines on entry levels into an industry.

Recommendation 5: Develop and implement a plan, led by the newly established National Careers Institute, across all Governments and with extensive involvement of industry, to ensure there is adequate provision of well-informed careers advice in all schools.

Recommendation 6:

Facilitate the delivery of industry-based careers information to students, parents, careers advisors, and promote and increase industry engagement in career advice in schools.

SKILLS SHORTAGES IN HOSPITALITY INDUSTRY

EMPLOYMENT CONTRIBUTION

Many of R&CA's previous representations to governments at both a state and federal level have focussed on the chronic skills shortages affecting the ability of hospitality owners to operate sustainably and successfully. The sector already makes a significant contribution to national employment outcomes, one is projected to become even more prominent in future years. In May 2018, the sector employed 630,100 people in Australia which is expected to grow by 11.9 per cent to May 2023. The sector is expected to generate the greatest jobs growth out of any industry subsector of the Australian economy.

EXISTING SKILLS SHORTAGES

Employers amongst the hospitality sector have reported increased difficulties in filling key vacancies in their businesses across both back and front of house labour, with particular respect to the highly skilled professions of chef, cook for back of house and café and restaurant managers and Trade Waiters for front of house.

Evidence collected from R&CA's member businesses has shown a steadily increasing level of difficulty in recruiting for job vacancies within their businesses over the past 3 years. According to data from R&CA's 2019 Industry Benchmarking Report, 38.7 per cent of business-owners reported experiencing 'some' difficulties in filling positions, compared to 47.3 per cent in 2018 and 40.5 per cent in 2017. An additional 16.9 per cent of respondents also reported experiencing 'extreme' difficulties in filling staff vacancies. In total, more than half of business-owners experienced either some or extreme difficulty in filling job vacancies.

R&CA's 2019 Industry Benchmarking Report indicated that both front and back of house labour were very difficult positions to fill over the 2018-19 financial year. For back of house labour the position of chef was hardest to fill with 36.1 per cent reporting that filling chef vacancies in their businesses was 'very difficult'. A further 18.0 per cent of operators stated that they had experienced some difficulty

in recruiting for chefs. Finally, the position of cook also saw 22.0 per cent of operators experience extreme difficulties in filling vacancies with 22.8 per cent reporting some difficulty.

Relating to front of house labour, café or restaurant manager vacancies were also amongst the most significantly difficult vacancies to fill with 30.6 per cent of survey respondents reporting extreme difficulty and a further 19.8 per cent reporting some difficulty.

PROJECTED EMPLOYMENT GROWTH ACROSS HOSPITALITY INDUSTRY

Based on the current projections, the hospitality sector is expected to account for an increasing proportion of jobs growth in the Australian workforce over the coming five years, and as such the NSNL should refocus to better address these projected shortages. According to the most recently published employment projections from the Department of Jobs and Small Business, the cafe, restaurant and takeaway food subsector is expected to generate an additional 74,700 workers by May 2023. When expressed in terms of percentage growth, the sector is expected to experience employment growth of 11.9 per cent. Most significantly, the projected growth for the café, restaurant and takeaway food sector is larger than any other industry subsector. The projected employment growth associated with the café, restaurant and takeaway food sector showing other industry subsectors is also demonstrated below.

PROJECTED EMPLOYMENT GROWTH IN KEY OCCUPATIONS

According to the most recent projections from the Department of Jobs and Small Business, the café, restaurant and takeaway food sector will create a total 74,700 jobs by May 2023. When represented in percentage terms, the sector is projected to experience 11.9 per cent growth in the total number of positions over this five-year period. In terms of individual hospitality sector occupations, a large proportion of the growth in the hospitality sector can be attributed to the demand for the skilled positions of chefs, cooks and café or restaurant managers.

Demand for each of these three key hospitality sector occupations is expected to grow significantly over the five years to May 2023. As shown in Figure 3, projected growth in the number of cooks, chefs and café or restaurant managers is expected to reach double-digit growth of 13.6 per cent, 16.7 per cent and 13.9 per cent respectively.

Further, while occupations such as cooks and chefs are currently listed on the NSNL relate to back of house labour, occupations with similar or higher projected shortages do not currently enjoy the same level of government assistance or action in filling these roles such as trade waiters and restaurant managers.

Employment growth projections by hospitality occupation to May 2023

Unit Group Code	Occupation	Employment level May 2018 ('000)	Department of Employment Projections		
			Projected employment level May 2023 ('000)	Projected employment growth five years to May 2023	
				('000)	(%)
3514	Cooks	45.5	51.8	6.2	13.6
3513	Chefs	100.8	117.5	16.8	16.7
1411	Cafe or Restaurant Managers	69.4	79.0	9.7	13.9
1511	Trade Waiter	138.3	160.1	21.8	15.8

Source: Department of Jobs and Small Business (2018) Occupation Projections to May 2023.

Secondary Pathways into the Hospitality Industry

R&CA believes the current VET system is not on track to meet future demand in many of the growth occupations within the hospitality industry, and there this conflicting picture of young people out of work, and the growth in jobs that are available illustrates the challenge – and the opportunity. There is a lot to be done if young people are going to be armed to meet the needs of the future workforce.

Problems with VET Perceptions

Unfortunately, VET is still considered a consolation prize to university and does not receive the same level of attention from parents, career counsellors and the media. There is a lack of awareness regarding the employability of VET graduates, their career earnings and prospects.

A recent survey found that young people are still receiving their most trustworthy career advice from their parents (56 percent), internet (42 percent), teachers (40 percent) and career advisors (38 percent) .

Interestingly, only 15 percent of survey respondents believe their parents have a well-rounded understanding of private education options, 16 percent of vocational education, and 26 percent of apprenticeships and traineeships. Meanwhile, 66 percent of youth believe their parents have a well-rounded understanding of university, potentially forming more bias towards higher education, whether it be conscious bias or not.

These are concerning statistics since students without a pronounced interest in a career, field or pathway are likely to be provided advice herding them into the most accepted common pathway and courses, which are not necessarily tailored to their interests or strengths and with little reference to the potential for securing a job post university. With their circle of influence (parents, peers, careers advisors and role models) also promoting certain pathways over others, students do not have a well-rounded understanding of the opportunities within employment and education.

With high school providing a pivotal gateway for young people entering various industries, occupations and educational pathways, it is important that all opportunities are portrayed accurately and equally. However, as we have already discussed, this is not reflected in youth's understanding and consideration of different post-school options.

Most importantly, the difficulty of career advisors trying to keep pace with the changing nature of work, across industries is a major issue, since it affects the quality and accuracy of advice provided to students. In some instances, there is a disconnect between advice provided by counsellors and the practical reality of what a particular industry is experiencing.

Industry needs to be co-opted into the process so career advisors receive direct feedback from employers on what jobs are in the market and what skills are in demand. The Workforce Skills Survey reported that over 60 percent of businesses expressed interest in supporting more school students into work by mentoring or providing work experience.

Contrary to the perceptions, the employment outcomes and earning potential of VET graduates are significantly positive.

78 percent of all VET graduates are employed immediately after completing their course, and 92 percent of graduates in a trade occupation course are employed after their training. As a comparison, according to some research it takes university graduates an average of 4.7 years to find full-time employment in their chosen field.

School Based Apprenticeships & Micro-Skills

Australian School Based Apprenticeships (ASBA) allow students in Years 10, 11 or 12, to gain hands-on industry experience, earn a wage and the opportunity to complete a nationally recognised vocational qualification, whilst completing their SSCE. Students undertaking an ASBA arrangement are required to work a minimum of seven hours per week; continue studying at school for 3-4 days to complete their school units and; enrol with a training provider to complete relevant training and assessments in order to successfully gain the qualification. ASBAs are available in a variety of certificate levels, in more than 500 occupations across Australia, including hospitality.

R&CA is a strong supporter of ASBAs as a potentially great pathway for students to be able to gain valuable work experience whilst completing their SSCE and it also puts them on track to proceed into a fruitful vocational career.

Micro-skills are another potential lost opportunity when considering secondary pathways. A pre-apprenticeship or micro-skill qualification is entry level training which can provide a pathway to an apprenticeship.

In hospitality they can include an RSA Course, barista courses, cocktail making or knife skills. Pre-apprenticeships can provide literacy and numeracy and essential job-related skills which provide students with much needed skills to gain entry into an industry. Some pre-apprenticeships may also involve a work experience component, and some may attract a credit transfer to an apprenticeship level qualification.

R&CA recommends close guidance from industry should inform what academic subjects would be particularly well regarded by their industry sector. This will allow students to target and take up courses and subjects relevant to their industry of choice while still at school. This model requires that schools be flexible with the combination of courses so students are also able to satisfy their SSCE requirements.

CONCLUSION

R&CA again welcomes the opportunity to provide a submission to the Education Council Panel's Review of Senior Secondary Pathways into Work, Further Education and Training.

R&CA strongly believes that a student's successful transition from school to work or further education is critical to improve the productive capacity of the economy, ensure that the economic and societal costs of youth unemployment are minimised, and adverse social and health outcomes for the individual are avoided. With Australia's youth unemployment rate at 11.8 percent compared to the unemployment rate in the labour force at 5.2 percent, and thousands and thousands of skilled positions in shortage across the hospitality industry, that a strong combination of better perceptions of VET, more investment in micro-skills and pre-apprenticeships would deliver a stronger and more robust pathway from senior secondary school to the workforce.

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