

AUSTRALIAN GOVERNMENT THE TREASURY

PRE-BUDGET SUBMISSION

JANUARY 2025

INTRODUCTION

[1] The Restaurant and Catering Industry Association of Australia Incorporated (R&CA) are pleased to provide comments for the 2025-26 Pre-budget submission to The Treasury.

ABOUT THE RESTAURANT & CATERING ASSOCIATION

- [2] Founded in 1922, R&CA is the national industry association representing the interests of more than 57,000 restaurants, cafés, and catering businesses across Australia. The café, restaurant, and catering sector is vitally important to the national economy, generating over \$35 billion in retail turnover each year as well as employing 580,000 people.
- [3] R&CA delivers tangible outcomes to small businesses within the hospitality industry by offering evidence-based solutions to various industry challenges. Our aim is to improve regulations and policies that impact the sector's operating environment to foster robust and prosperous businesses across Australia.
- [4] We work to ensure the industry is respected for its integrity, professionalism, and dedication to excellence. 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 industry to the Australian way of life.
- [5] Given our remit, footprint, engagement with the sector, and ongoing advocacy, we provide you with the following submission and speak with authority.

RECOMMENDATIONS

- [8] R&CA make recommendations for consideration for the following:
 - Industrial Relations Assistance
 - Ongoing Energy Subsidies
 - Investment in Skills & Training for the sector

Industrial Relations Assistance

[9] R&CA recommend that a small business with less than 15 employees are provided with a one-off payment of \$1,000 by the Government to assist with the IR Fatigue that is depleting small, often family-owned businesses with the additional costs for compliance.

[10] With the Federal Government's changes resulting from the *Closing Loopholes* Legislation, R&CA recommend the assistance in order to understand and meet the changing landscape.

Ongoing Energy Subsidies

[11] The cost of energy has a direct impact on the cost of living for consumers, and the ability for our sector to be able to continue to operate in a financially sustainable environment.

[12] R&CA's recommendation is to have an ongoing energy subsidy for businesses, especially those small businesses who are already prone to financial impacts, such as energy costs.

[13] Ongoing subsidies will allow for business in our sector to be able to continue to operate and have opportunities for growth, rather than be consumed by energy prices.

Investment in Skills and Training for the Sector

[14] R&CA recommend that there be an increase in the investment for training and skills for the sector.

[15] With the ongoing skills shortages faced by the sector, R&CA recommend that where the skills gaps are identified and where skilled migration is not available, the sector should be in a position to confidently invest in the skills and training of staff.

[16] R&CA are aware that with changes to international employment opportunities for domestic roles, the sector would benefit from the balance of funding for the sector to assist and improve the future employment of the sector.

[17] R&CA thank The Treasury for consideration of our recommendations, and welcome engagement on 1300 722 878 or policy@rca.asn.au.