



Restaurant
& Catering

5 June 2020

By Upload: <https://engage.vic.gov.au/skillsforvictoria>

Dear Sir/Madam,

RE: SUBMISSION INTO SKILLS FOR VICTORIA'S GROWING ECONOMY

I refer to the above submission into Skills for Victoria's Growing Economy for the Victorian Government.

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.

R&CA notes that the Victorian Government has invited parties to provide a submission and/or comments in relation to Victoria's post-secondary education and training system, by close of business on **5 June 2020**. R&CA is pleased to provide a submission in this matter.

RESTAURANT & CATERING INDUSTRY ASSOCIATION

PO Box 121, SURRY HILLS NSW 2010 T: 1300 722 878 F: 1300 722 396 E: info@restaurantcater.asn.au
www.rca.asn.au

Skills Shortage and Visa Workers

In light of the COVID-19 pandemic, a significant proportion of migrant workers have been put in a position to return home having being excluded from a large number of government assistance packages. As a result, the Federal Government recently predicted a 30% reduction in the number of migrants this financial year with a 85% reduction in the 2020-21 financial year. This, together with the currently existing international travel bans, have created significant skills shortages in the restaurant and catering industry, particularly in 'front of house' roles where working holiday visa workers were more prevalent. More concerningly, such positions are generally difficult to fill, with the 2019 R&CA Benchmarking Report reflecting 30.6% of survey respondents reporting "*extreme difficulty*" and a further 19.8% reporting "*some difficulty*" filling front of house labour, café or restaurant manager vacancies. On this basis, the R&CA recommends that government assistance and support be provided to school students by way of traineeships and micro-credentialing, both as a temporary and a long term measure to support the industry.

School Based Traineeships as a Pathway to Apprenticeships

Currently, the Australian School Based Apprenticeships ("ASBA") allows students in senior secondary years to gain paid, practical industry experience through school-based traineeships. Under the ASBA, students would ordinarily work a minimum of 7 hours per week while continuing schooling for up to 4 days per week. Students are then awarded with a nationally recognised vocational qualification following the successful completion of the traineeship.

R&CA highlights the importance and benefit of school based traineeships as they can often serve as a pathway for students to an apprenticeship while gaining practical and valuable work experience. However, the R&CA recognises that 'out of pocket' expenses generally incurred by the employer often create barriers to hosting a traineeship. As such, the R&CA submits that employers may benefit, particularly in the current economic climate, from a government subsidy to provide financial assistance to employees to support school based traineeships.

Micro-Credentialing Courses

Micro-credentialing is an opportunity for high school students to receive entry-level training, often serving as a pathway to an apprenticeship. In the hospitality industry, these courses include responsible service of alcohol courses, barista courses, cocktail-making courses, and knife-skill courses. Micro-credentialing courses allow students to specialise in a particular course and develop a particular skill set, while creating a lower barrier for entry into the workforce. Similar to traineeships, the short duration of micro-credentialing courses allow students to complete the course well before finalising an apprenticeship (which is generally for up to 4 years) while committing at the same time to secondary school studies. For these reasons, the R&CA submits that the Victorian Government continue to emphasise the importance and provide support for micro-credentialing courses which serve as a positive pathway for entry-level workforce entrants.

We thank the Victorian Government for considering our submission. If you wish to discuss R&CA's views further, do not hesitate to contact Victor Song by email on **victor@rca.asn.au**

We thank you again for the opportunity to make this submission.

Regards

A handwritten signature in black ink, appearing to be 'Wes Lambert', with a stylized, cursive script.

Wes Lambert CPA FGIA MAICD

Chief Executive Officer

Restaurant and Catering Australia