

JOBS AND SKILLS AUSTRALIA 2025 CORE SKILLS OCCUPATIONS LIST CONSULTATION

SEPTEMBER 2025

INTRODUCTION

[1] The Restaurant and Catering Industry Association of Australia Incorporated (R&CA) are pleased to provide a submission for the 2025 Core Skills Occupations List (CSOL) consultation.

ABOUT THE RESTAURANT & CATERING ASSOCIATION

[2] 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.

MIGRATION STRATEGY

[6] R&CA acknowledges the Australian Government's Migration Strategy and the role for Jobs and Skills Australia (JSA) in defining Australia's skills needs using labour market evidence and advice from tripartite mechanisms.

INDUSTRY EMPLOYMENT: MODERN AWARD RELIANCE

[7] Since 2021, the Australian Bureau of Statistics (ABS) has microdata included for the Survey of Employee Earnings and Hours (EEH). This is beneficial to the sector as it provides a greater understanding of employees because of the increased level of transparency in the

data, allowing for more identifiable information rather than approximates for award reliant employees.¹

[8] Modern awards set out the minimum terms and conditions of employment on top of the National Employment Standards (NES), and are industry or occupation based.² The proportion of employees of the working population paid according to an award (award reliant) in 2021, was 23 per cent (or 2.66 million employees).³ Almost half of all employees who are reliant on a modern award, are paid from the top five modern awards. Three of these top modern awards are related to our industry, these include:

- Restaurant Industry Award 2020;
- Hospitality Industry (General) Award 2020; and
- Fast Food Industry Award 2010.⁴

[9] The proportion of all modern award-reliant employees for the *Restaurant Industry Award* 2020 (*RIA*) was 5.4 per cent, accounting for 129,198 employees.⁵ Our Industry also extends to other modern awards, such as, the *Hospitality Industry (General) Award 2020 (HIGA)* with a 9.5 per cent proportion (225,926 employees), and the *Fast Food Industry Award 2010 (FFIA)* with a 7.9 per cent proportion (187,239 employees).⁶ Given this prevalence, the Restaurant and Catering Industry Association of Australia (R&CA) are likely to be connected or represent these employees.

PRODUCTIVITY

[10] According to the Productivity Commission, the Accommodation and Food Services industry contributed to the largest decline in productivity of all sectors.⁷ This is determined when the size of an industry is compared with how productivity is measured, specifically, labour productivity and multifactor productivity (MFP).⁸ Labour productivity is the ratio of output to hours worked, whereas MFP is the ratio of output to combined input of labour and

¹ Kelvin Yuen and Josh Tomlinson, *A Profile of Employee Characteristics Across Modern Awards* (Fair Work Commission Research Report No 1/2023, March 2023) 8 (*'Characteristics Across Modern Awards'*).

² Fair Work Ombudsman (Cth), *Modern Awards* (Fact Sheet, March 2023)

https://www.fairwork.gov.au/sites/default/files/migration/723/Modern-awards.pdf>.

³ Characteristics Across Modern Awards (n 2) 13.

⁴ Ibid 15.

⁵ Ibid 41.

⁶ Ibid.

⁷ Productivity Commission (Cth), Annual Productivity Bulletin 2024, (Bulletin, 29/02/2024) 5

https://www.pc.gov.au/ongoing/productivity-insights/bulletins/bulletin-2024 ('Productivity Bulletin').

⁸ Ibid.

capital.⁹ MFP and labour productivity growth mostly follow similar patterns.¹⁰ Therefore, that while there may have been a strong increase in the hours worked in the industry, these hours also reduced the capital-labour ratio leading it to be the largest decline on record.¹¹ In other words, the fall in the MFP for 2022-23 'suggests that the additional hours worked did not produce a commensurate increase in output'.¹²

[11] The MFP assists to understand the 'quality' of labour, and where MFP declined, it's likely the result of 'less experienced or less productive labour.' For long-term income growth, productivity in labour must increase, as the underlying connection between labour productivity and wages means that an increase in productivity will support a rebound in real wage growth.¹⁴

[12] Sustained labour productivity growth over the long-term is only achieved when output growth exceeds growth in hours worked.¹⁵ Therefore, according to the Productivity Commission, 'greater attention should be directed toward increasing output through increased investment, efficiency and innovation, rather than just focussing on fluctuations in labour hours.'¹⁶

[13] For the December 2023 quarter, the Accommodation and Food Services Industry had the largest increase in labour productivity, as well as the largest decline in aggregate hours worked.¹⁷ For the same period, the cost-of-living pressures are sighted for households staying at home where spending in hotels, café's and restaurants fell by 2.8% in the December quarter.¹⁸ With less spending for our industry, the hours worked reduced.

[14] When newer and less experienced workers are active in the workforce, labour productivity decreases as new workers require time to learn and upskill in their new jobs. ¹⁹ However, to

⁹ Productivity Commission (Cth), What is Productivity?, (Web Page) < https://www.pc.gov.au/what-is-productivity>.

¹⁰ Productivity Bulletin (n 7) 5.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid 3.

¹⁴ Ibid 8.

Productivity Commission (Cth), Quarterly Productivity Bulletin – September 2023, (Bulletin, October 2023) 5
https://www.pc.gov.au/ongoing/productivity-insights/bulletins/quarterly-bulletin-september-2023/bulletin-september-2023.pdf>.

¹⁶ Ibid.

¹⁷ Productivity Commission (Cth), *Quarterly Productivity Bulletin – March* 2024, (Bulletin, March 2024) 5 < https://www.pc.gov.au/ongoing/productivity-insights/bulletins/quarterly-bulletin-march-2024>.

¹⁸ Australian Bureau of Statistics, *Australian National Accounts: National Income, Expenditure and Product Quarterly estimates of key economic flows in Australia, including gross domestic product (GDP), consumption, investment, income and saving* (Web Page, December 2023) https://www.abs.gov.au/statistics/economy/national-accounts-national-income-expenditure-and-product/latest-release.

¹⁹ Productivity Commission (Cth) (n 17) 5.

have long-term sustained growth in labour productivity, increased investments and efficiencies by businesses will contribute to this increase.

[15] Provided that a core objective of Australia's migration system is to raise living standards by boosting productivity, meeting skills shortages and supporting exports, ²⁰ skilled migrants will *immediately* assist our industry and increase productivity – meeting that core objective of the Australian Government.

INDUSTRY CONSIDERATIONS

[16] The Accommodation and Food Services Industry employed a total of nearly 912,000 people in February 2024.²¹ This is the seventh (7th) highest recorded figure in 40 years.²² Employment in the Industry is projected to grow by approximately 5.5% in February 2024 to 961,900 in 2026.²³

SECTOR CONSIDERATIONS

[17] Cafes, Restaurants and Takeaway Food Services is the largest sector in the Accommodation and Food Services industry, employing 72.3% of workers.²⁴ Employment in the Accommodation and Food Services sector grew in overall terms for the 20 years to February 2023, and is projected to grow further by 59,400 (or 6.3%) over the four years from 2024 to 2028.²⁵

2025 CORE SKILLS OCCUPATIONS LIST (CSOL)

[18] The following occupations for our industry that are benchmarked to the Occupation Standard Classification for Australia (OSCA) in 2024 for the consultation are as follows:

- 161631 Senior Chef;
- 471532 Café or Restaurant Supervisor; and
- 161232 Catering Manager.

²⁰ Commonwealth of Australia, Migration Strategy (Report, December 2023) 12.

²¹ Australian Bureau of Statistics, *Labour Force, Australia, Detailed – Industry, Occupation and Sector.*²² Ibid.

²³ Australian Bureau of Statistics, Labour Force Survey, *Detailed, November 2021, seasonally adjusted and Jobs and Skills Australia, 2021 Employment projections for the five years to 2026.*

²⁴ Australian Bureau of Statistics, Labour Force Survey, Detailed, February 2023, seasonally adjusted.

²⁵ Ibid.

[19] From the Australian Bureau of Statistics (ABS), the following are provided for the roles:

471532 Cafe or Restaurant Supervisor

Supervises the operation of a cafe, restaurant or related establishment to provide dining or

takeaway services.

Bar Supervisors are excluded from this occupation. Bar Supervisors are included in

Occupation 471531 Bar Supervisor.

Alternative title

Food and Beverage Supervisor

Skill level: 3

Main tasks

Supervises the daily operation of a cafe or restaurant

· Supervises and supports the scheduling and rostering of staff

• Maintains quality standards for the service of food and alcoholic and non-alcoholic

beverages

· Assists with training and developing Cafe Workers, Waiters and other staff

Ensures staff comply with all licensing and registration requirements

• Conducts venue opening and closing procedures, including the handling of cash

• May prepare and serve food and alcoholic and non-alcoholic beverages to patrons

161631 Senior Chef

Manages and oversees the operation of kitchens in a dining or other food service

establishment.

Chefs are excluded from this occupation. Chefs are included in Occupation 321131 Chef.

Specialisations

Executive Chef

Head Chef

Sous Chef

Skill level: 2

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Main tasks

- Develops and monitors kitchen budgets, considering labour, ingredient and equipment costs
- Designs and plans menus based on seasonal trends, customer preferences and costs
- Oversees the recruitment, development and training of Chefs and other kitchen staff
- Assigns tasks and responsibilities to Chefs and Cooks
- Oversees the preparation and presentation of dishes
- Uses and teaches advanced culinary skills and techniques required to prepare menu pieces
- Inspects ingredients and dishes to ensure quality standards are met
- Enforces strict adherence to health and safety regulations in the kitchen

161232 Catering Manager

Organises and controls the operations of a catering business to provide catering services to clients, including for special events and functions.

Specialisation

Banquet Manager

Skill level: 2

Main tasks

- Manages event schedules and food preparation timelines to ensure the smooth operation of a catering business
- Manages budgets and financial aspects of a catering business and promotes catering services to attract new clients
- Liaises with clients to determine specific food requirements and preferences
- Oversees the preparation of food and beverages, and purchases supplies for catering events according to dietary requirements
- Arranges for the timely delivery of catering services to a function or event, including setting up equipment to serve food and preserve its temperature
- Manages and supervises staff, including hiring, training and performance evaluation, and ensures compliance with food safety and hygiene regulations

 Maintains records of events, expenses and client information, and finalises transactions between customers and the business

INDUSTRY CONSIDERATIONS

471532 Cafe or Restaurant Supervisor

[20] R&CA submit that for an employee to be a café or restaurant manager, a skill level 2 is required. This means that the minimum qualification must be at a Diploma level. When compared to the appropriate lever of training in the *Restaurant Industry Award 2020 (RIA)*, it is generally understood that a 'food and beverage supervisor' is of a similar standing. A food and beverage supervisor 'means an employee who has the appropriate level of training, including a supervisory course, and who has responsibility for the supervision, training and co-ordination of food and beverage staff or for stock control for one or more bars.'²⁶ A food and beverage supervisor is classified as a level 5 occupation under the *RIA*. In comparison, food and beverage employees who are level 2 require an AQF Certificate II to be a level 3.²⁷

[21] For new entrants to the industry to attain the qualifications and skills to be a café or restaurant manager, would take a number of years. Businesses can benefit from the immediate employment of qualified and experienced employees through migration.

[22] The impact of the removal of Café and Restaurant Managers from the CSOL in December 2024, has generally resulted in an increase in business owners either stepping back into the business, or working more hours to cover a manager.

[23] There is a difference from the ordinary narrative where a fluctuation in internet vacancies depicts the same outcome, as employers are often not advertising for roles because assessing the high volume of unsuitable applicants when they are already time poor and stretched for resources, placing them under additional stress.

[24] In businesses where traditional progression in roles may have existed, they appear to be more difficult to continue the progression because of the additional responsibilities required, the training and development of those, and the long-term aspirations to remain in the role.

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²⁶ Restaurant Industry Award 2020 [MA000119] (at 9 April 2024) sch A.2.5 ('RIA').

²⁷ Ibid cl 2 (see Definitions).

161631 Senior Chef

[25] The pathways to becoming a 'Chef' or a 'Cook' are reliant on the successful completion of an apprenticeship to a Certificate III in Commercial Cookery. Historically, between the period of 1996 and 2014, commencements in food trades were growing, with a sharp drop during Covid. However, there was an increase in the commencements in 2021-2022 as the sector engaged with new apprentices and the support of BAC payments. The Accommodation and Foodservice sector's workforce comprise of 22% of Cooks and Chefs

[26] In 2023-24 to 31 December 2023, a total of 2,050 primary visa applications were granted for the Accommodation and Food Services Industry.²⁸ This is despite 2,390 applications that were lodged.²⁹ Immediately, the variation of 16.5% (340 applications) demonstrates the demand for skilled labour that was not met in the industry that had the fourth highest primary applications lodged at 9.1%, and an increase in applications lodged by 21.6% from 2022-23.³⁰

[27] From the 2,050 primary visa applications that were granted in 2023-24 to 31 December 2023,³¹ 49.75% were for a 'Chef' (1,020 applications), and 20.5% were for a 'Café or Restaurant Manager' (420 applications).³² When compared to the top 15 nominated occupations for a primary visa holder in Australia as at 31 December 2023 by nominated position, the occupation for a 'Chef' was the highest with 4,700 visas from 67,760 people. In other words, 6.9% of all occupations for a primary visa holder in Australia was for a 'Chef'.³³

[28] Also listed on the top 15 nominated occupations for primary visa holders in Australia as at 31 December 2023, were a 'Café or Restaurant Manager' with 1,270 visas (1.87%), and a 'Cook' with 1,190 visas (1.75%).³⁴ All of these occupations amount to a total of 10.5% of all occupations for primary visa holders in Australia as at 31 December 2023.³⁵ Further, all these occupations account for 92.75% of the total number in the 'Accommodation and Food Services' sponsor industry for the number of primary visa holders in Australia as at 31 December.³⁶

²⁸ Australian Government - Department of Home Affairs, *Temporary Resident (Skilled) Report*, (Report, 31 December 2023) 7< https://www.homeaffairs.gov.au/research-and-stats/files/temp-res-skilled-quarterly-report-31122023.pdf (*'Skilled Report'*).

²⁹ Ibid 2.

³⁰ Ibid.

³¹ Ibid 7.

³² Ibid 11.

³³ Ibid 14.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

161232 Catering Manager

[29] The broad scope of a catering business, when assessed in context, highlight that often those smaller catering businesses are owner operated. Smaller catering businesses tend to have specialised services or cuisines. It is also common that those businesses will predominantly provide food for events.

[30] However, leaning into this space, there has been a significant trend of smaller operators of a premises, like a café or restaurant, who have started to provide catering in addition to their primary and established business, as a means to diversify and increase revenue.

[31] These catering businesses, may be more consistent with providing 'catering services', predominantly being only food supplied for functions and events.

[32] Catering businesses that have a greater scope of services, and who have the quality and reputation for outstanding food and service, tend to be those who have success only as specialists in the entire outsourced experience.

[33] Sophisticated and premium culinary and event experiences provided by highly skilled and professional employees, must be expressed as a separate and different standard. In context, with restaurants, there are larger and premium fine dining establishments, and smaller local family owned; the diversity and broad spectrum is easier to distinguish.

RECOMMENDATIONS

[34] R&CA highlight the ongoing challenges with skills shortages in our sector and the lowest productivity for our industry covering nearly 1 in 5 employees on a modern award.

[35] R&CA recommend the following:

- Occupations of Cook and Pastry Cook (3223) and Chef (321131) are retained on the Core Skills Occupation List;
- Occupation of Café and Restaurant Manager (161231) is added to the Core Skills Occupation List;
- Occupation of Café or Restaurant Supervisor (471532) is on the Core Skills Occupation List;

- Occupation of Senior Chef (161631) is on the Core Skills Occupation List;
- Occupation of Catering Manager (161232) is on the Core Skills Occupation List.

[36] R&CA thank Jobs and Skills Australia for their consideration, and welcome engagement on