



Australian Restaurant & Cafe Association Ltd. (ARCA)

Submission to Jobs & Skills Australia

Date: 31 May 2024

About ARCA

The Australian Restaurant & Cafe Association Ltd. (ARCA) is a Member based not-for-profit Industry Association and is the strongest voice for the Restaurant & Cafe segment of the Accommodation & Foodservice Industry, representing the \$64 billion sector that employs 450,000 Australians across over 54,000 restaurants & cafes in Australia. Our Members include many of the leading restaurants & cafes in Australia, which employ thousands within the Restaurant & Cafe segment.

Executive Summary

This submission addresses the critical shortage of chefs, cooks, and restaurant/cafe managers in the Australian workforce, focusing on the current state of the industry and projecting future trends for 2024 and beyond. Drawing upon a diverse array of data sources including the Australian Bureau of Statistics (ABS), Seek.com.au, ARCA Member Surveys, NCVER, and other relevant sources, this submission provides evidence-based insights into the challenges faced by the sector and offers recommendations to address these shortages effectively.

Introduction

The shortage of skilled professionals in key roles such as chefs, cooks, and restaurant/cafe managers pose significant challenges to the Australian labour market, impacting the sustainability and growth of the Restaurant & Cafe segment of the Accommodation & Foodservice Industry. This submission aims to provide a comprehensive analysis of these shortages, supported by data-driven insights sourced from reputable sources.

Data Sources and Methodology

The data presented in this submission are sourced from multiple reliable sources, including the ABS, Seek.com.au, ARCA Member Surveys, NCVER, and other industry reports. Quantitative information is benchmarked to the Australian and New Zealand Standard Classification of Occupations (ANZSCO) 2022 edition. Qualitative insights are derived from industry surveys, case studies, and interviews with key stakeholders. All data sources and methodologies used in this submission are transparently disclosed to ensure the credibility and reliability of the findings.

Current State of the Industry

According to ABS data¹, turnover in cafes, restaurants and takeaway food services has grown 38.11% since March 2019, and is currently over \$64 billion annually in Australia, driven by factors such as population growth, changing consumer preferences, tourism and menu price inflation.

¹ ABS, [Retail Trade Australia](#), Released 30/04/2024



ABS data² also notes there are currently 54,285 cafes & restaurants operating in Australia, or 49.3% of the total Accommodation & Foodservice Industry (110,175 businesses). This number is flat from FY2022, though up 16.48% from ABS data³ from 2019.

However, this growth has outpaced the supply of skilled professionals, leading to acute shortages in occupations such as chefs, cooks, and restaurant/cafe managers. Seek.com.au⁴ as at 27 May 2024 reports 7082 job postings for chefs, 5287 for cooks, and for 5739 restaurant/cafe managers indicating high demand from employers across the country. These shortages have remained steady since July 2023, after declining from peaks post COVID.

According to Seek.com.au⁵, open chef roles in Australia average \$70k-\$75k, open cook roles in Australia average \$65-\$75k, open restaurant manager roles average \$75k-\$85, and open cafe manager roles average \$70-\$75k. well above the Median weekly earnings for all employees in Australia of \$1300 per week and in line with the Average Weekly Earnings in Accommodation & Foodservice of \$1397 according to the ABS⁶. In addition, Home Affairs recently provided an updated on the increase in the Temporary Skilled Migration Income Threshold (TSMIT) to \$73,150⁷

Key Challenges

Several challenges contribute to the shortage of chefs, cooks, and restaurant managers in the Australian workforce:

Skills Mismatch: There exists a significant gap between the skills possessed by job seekers and those demanded by employers in the Accommodation & Foodservice Industry. This mismatch exacerbates the shortage and hinders the recruitment of qualified professionals. Recent graduates of Food Trade vocational courses possess early career skills, noting that for a majority of the open positions for chefs, cooks and restaurant/cafe managers, per the listings on Seek.com.au⁸, prior experience is required to obtain those roles.

Demographic Trends: The above, combined with a declining enrolment and high drop-out rate in Food Trade has resulted in a shrinking talent pool, intensifying competition for skilled professionals. According to NCVER data⁹ there has been a 38% drop in Commencements in Food Trades compared to 2023, and a 10.8% drop since 2019, the only Trade Occupations to show a decline versus 2019.

² ABS, [Counts of Australian Businesses, including Entries and Exits](#), Released 22/08/2023

³ ABS, [Counts of Australian Businesses, including Entries and Exits](#), Released 20/02/2020

⁴ Seek.com.au

⁵ [Seek.com.au](#)

⁶ ABS, [Employee Earnings and Hours](#), Australia, Released 24/01/2024

⁷ [News page \(homeaffairs.gov.au\)](#)

⁸ [Seek.com.au](#)

⁹ [NCVER data](#), Apprentices and trainees 2023 September quarter, Commencements time series for trade occupations, Australia - 12 month series



Commencements time series for trade occupations, Australia - 12 month series

12 months ending 30 September

| Trade occupations | 12 months ending 30 September | | | | | % change | |
|---|-------------------------------|---------------|----------------|----------------|---------------|-------------|--------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2019-2023 | 2022-2023 |
| Automotive and Engineering Trades Workers | 18 340 | 15 655 | 24 530 | 25 335 | 23 735 | 29.4 | -6.3 |
| Construction Trades Workers | 19 840 | 17 115 | 31 400 | 29 490 | 24 125 | 21.6 | -18.2 |
| Electrotechnology and Telecommunications Trades Workers | 13 860 | 11 780 | 18 940 | 21 225 | 18 255 | 31.7 | -14.0 |
| Engineering, ICT and Science Technicians | 2 670 | 2 120 | 7 530 | 8 650 | 3 180 | 19.1 | -63.3 |
| Food Trades Workers | 6 020 | 4 555 | 7 695 | 8 655 | 5 365 | -10.8 | -38.0 |
| Other Technicians and Trades Workers | 6 795 | 5 815 | 11 840 | 10 610 | 7 485 | 10.1 | -29.5 |
| Skilled Animal, Agricultural and Horticultural Workers | 3 825 | 3 275 | 6 695 | 6 035 | 4 310 | 12.6 | -28.6 |
| Total | 71 350 | 60 315 | 108 630 | 109 995 | 86 450 | 21.2 | -21.4 |

Member Surveys

ARCA conducted an online based quantitative Member Survey with an n=181 where 44% are Small & Medium entities and 56% are Large business and currently employ 569 chefs, 237 cooks, and 147 restaurant/café managers in their businesses. The average hourly wage for this cohort ranges between \$36-\$40 per hour (\$1386-\$1540 per week) or \$72k to \$80k. The survey indicated that 33% of the respondents employed 25% of their staff as chefs, cooks & restaurant/cafe managers, 45% indicated that 26%-50% of their staff were chefs, cooks & restaurant/cafe managers, 11% indicated that 51%-75% of staff held these roles and 11% noted that 76%-100% of their employees are chefs, cooks & restaurant/cafe managers.

Highlighting the continued shortage of chefs, cooks, and restaurant/cafe managers, 66% of respondents indicated that up to 25% of their workforce is currently a migrant or sponsored employee and 34% indicated that between 26%-50% is currently a migrant or sponsored.

Currently this cohort of respondents indicated that in FY2025, they expect an additional 1680 employees as they expand their businesses and expect an additional need of 1250 employees in FY2026.

Jobs & Skills

Australian Restaurant & Cafe Association Ltd. (ABN 46 677 038 505)

Lvl 32, 101 Miller Street North Sydney NSW 2060



While the below data is produced and displayed by Jobs & Skills Australia, is it paramount to our Recommendation to highlight that according to the Jobs & Skills own Skills Shortages Analysis¹⁰ that there remains a shortage of chefs & cooks throughout Australia. Additionally, the current job listings on Seek.com.au and expected future need of restaurant/cafe managers indicate that the current shortages in locations listed below will only expand, especially given recent announcements by the Government to restrict international students and working holiday makers. The below data should not be excluded from the rationale for ARCA's Recommendation, nor the Jobs & Skills determination factors.

The screenshot shows the Jobs & Skills Australia website interface. At the top, there are logos for the Australian Government and Jobs and Skills Australia, along with navigation links for Topics, Data, News, Research, and Engage. The main content area features a search bar with the term 'cook' and a 'Filter' button. Below the search bar, there are filters for 'Shortage' (Shortage, Regional Shortage, No Shortage) and 'Future demand' (Above, At, Below economy-wide average). The search results are displayed in a table with columns for ANZSCO Occupation, National, and various states (NSW, VIC, QLD, SA, WA, TAS, NT, ACT). The results show two occupations: 'Cook' (ANZSCO 351411) and 'Pastrycook' (ANZSCO 351112), both marked as 'Shortage' (S) in all listed regions.

| ANZSCO Occupation | National | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
|-------------------|----------|-----|-----|-----|----|----|-----|----|-----|
| 351411 Cook | S | S | S | S | S | S | S | S | S |
| 351112 Pastrycook | S | S | S | S | S | S | S | S | S |

The screenshot shows the Jobs & Skills Australia website interface. At the top, there are logos for the Australian Government and Jobs and Skills Australia, along with navigation links for Topics, Data, News, Research, and Engage. The main content area features a search bar with the term 'chef' and a 'Filter' button. Below the search bar, there are filters for 'Shortage' (Shortage, Regional Shortage, No Shortage) and 'Future demand' (Above, At, Below economy-wide average). The search results are displayed in a table with columns for ANZSCO Occupation, National, and various states (NSW, VIC, QLD, SA, WA, TAS, NT, ACT). The results show one occupation: 'Chef' (ANZSCO 351311), marked as 'Shortage' (S) in all listed regions.

| ANZSCO Occupation | National | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
|-------------------|----------|-----|-----|-----|----|----|-----|----|-----|
| 351311 Chef | S | S | S | S | S | S | S | S | S |

¹⁰ [Skills Shortages Analysis | Jobs and Skills Australia](#)



Shortage: S Shortage R Regional Shortage NS No Shortage More help

Future demand: Above economy-wide average At economy-wide average Below economy-wide average

restaura Direct matches only Filter Sort Occupation (A-Z)

ANZSCO Occupation FUTURE DEMAND National NSW VIC QLD SA WA TAS NT ACT

141111 Cafe or Restaurant Manager NS NS NS NS NS NS S S NS

Recommendation

To address the current and projected shortage of chefs, cooks, and restaurant/cafe managers, the following recommendations are proposed:

Chefs, cooks and restaurant/cafe managers must remain on the Core Skills Occupations List (CSOL) to ensure that the Restaurant & Cafe Segment of the Accommodation & Foodservice Industry is able to fill the tens of thousands of open chefs, cooks and restaurant/cafe managers roles and grow into FY2025/2026 and beyond.

Conclusion

The shortage of chefs, cooks, and restaurant/cafe managers poses significant challenges to the Australian workforce and the sustainability of the Restaurant & Cafe segment of the Accommodation & Foodservice industry. By leveraging data-driven insights and stakeholder feedback, concerted efforts must be made to address these shortages. Jobs & Skills Australia is encouraged to consider the Recommendation outlined in this submission to inform its decision-making process regarding the Consolidated Sponsored Occupations List (CSOL) and support the long-term viability of the industry in Australia.

ARCA appreciates the opportunity to provide this recommendation and our rationale. For further enquiries or information please contact:

Australian Restaurant & Cafe Association Ltd. (ABN

Wes Lambert CPA, FGIA, CAE, MAICD

CEO

info@arca.org.au

Lvl 32, 101 Miller Street

North Sydney NSW 2060

Australian Restaurant & Cafe Association Ltd. (ABN 46 677 038 505)

Lvl 32, 101 Miller Street North Sydney NSW 2060