

Australian Restaurant & Cafe Association Ltd. (ARCA)

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Submission to the Department of Employment and Workplace Relations

Australian Apprenticeship Priority List Consultation

From: Australian Restaurant & Café Association Ltd (ARCA)

Introduction

The Australian Restaurant & Café Association (ARCA) represents more than 1,150 restaurants and cafés nationally, employing tens of thousands of Australians and contributing significantly to the economy, regional vibrancy, and food culture. For our sector, Cookery and food trade occupations (Chefs, Cooks, Pastrycooks, Café/Restaurant Managers, Senior Chefs, and Sommeliers) are the backbone of business viability. Persistent shortages in these occupations are well documented by Jobs and Skills Australia and continue to constrain growth, limit productivity, and threaten business survival.

It is essential that **Cookery remains on the Priority List**. Apprenticeships are the primary pathway into the profession, yet completions are low, wages are modest compared to other trades, and retention challenges remain acute. Without targeted incentives, the pipeline of skilled food trade professionals will further erode, undermining food security, tourism, and the dining economy.

Responses to Consultation Questions

1. Core purpose and scope of the Priority List

The Priority List must support occupations facing **persistent and nationally significant skills shortages** where an apprenticeship is the principal or preferred entry pathway. For restaurants and cafés, this includes all Cookery occupations. The scope should remain broad enough to capture shortages in essential service industries—not only construction or ICT but also hospitality, which underpins Australia's cultural and economic fabric.

The Priority List must safeguard occupations where apprenticeships are the **primary entry pathway** and where shortages are **persistent and nationally critical**. Cookery fits this definition.

According to NCVER¹, trade apprentices and trainees in food trades consistently have the lowest completion rates across all trade categories. While commencements rose slightly in 2024, completion remains weak, leaving restaurants and cafés unable to meet demand. This persistent gap highlights the importance of keeping Cookery on the list to secure funding and incentives that encourage both commencements and completions.

2. Defining Australia's economic and social equity objectives

Economic and social objectives should be defined using a **combined framework**:

- Economic priorities: aligned with the National Skills Agreement (NSA) and the Employment White Paper, including food security and service industries.
- **Social equity priorities:** Closing the Gap, gender equality, youth employment, and regional vibrancy.

Feasibility of macro-economic conditions: yes, incentives should flex to downturns. For example, in downturns, hospitality apprenticeships provide young Australians with a pathway into stable employment.

Excluding occupations with low wage premiums (such as Chefs and Cooks) would be perverse. These are exactly the occupations where incentives make the greatest difference, because the incentive represents a larger share of the apprentice's total reward. Removing them would collapse the pipeline of new entrants.

Economic objectives should explicitly include **food service and hospitality**, given the sector's \$65bn+ contribution to GDP and essential role in food security. Social equity objectives should recognise that Cookery apprenticeships:

- Employ a high proportion of **young people and migrants**, providing pathways into secure work.
- Are key to regional economies, where hospitality is often the largest private-sector employer.
- Support gender participation, with food trade apprenticeships seeing higher rates of female engagement than most other trades²³.

Removing Cookery would contradict the Employment White Paper's objective of **inclusive full employment** and the NSA's priority of **food security**.

3. Flexibility of the Incentive System

The system should be able to flex up and down in response to shifting conditions, but

¹ Apprentices and trainees 2024: December quarter - Australia

² Apprentices and trainees 2024: December quarter - Australia

³ Accommodation and Food Services | Jobs and Skills Australia

stability is also crucial. ARCA recommends:

- Annual base review with the option of mid-year adjustments during major macroeconomic shocks (e.g. pandemic, severe downturn).
- **Grandfathering protections** so apprentices are not penalised mid-training.

Cookery apprenticeships are highly sensitive to economic cycles—during downturns, commencements fall sharply, while demand for skilled Chefs remains constant. NCVER data shows that hospitality apprentice commencements dropped significantly during the COVID downturn, with recovery lagging other trades.

ARCA recommends incentives be able to flex upwards during downturns, particularly in low-wage premium trades like Cookery, where incentives strongly influence employer behaviour.

4. Process for identifying and updating the List

ARCA supports:

- Annual comprehensive update (January).
- Quarterly monitoring for new qualifications, with transparent criteria for inclusion.
- A formal consultation process with industry bodies like ARCA to ensure real-time industry shortages are reflected.

The list should be updated:

- **Annually**, with quarterly monitoring to capture new qualifications.
- Informed by labour market data + NCVER apprentice outcomes. For example,
 NCVER data confirms Cookery completions sit far below other trades, reinforcing its ongoing shortage.

ARCA supports a **formal consultation process** so real-world feedback from industry can be balanced with statistical analysis.

5. Non-apprenticeship pathways

Occupations with viable non-apprenticeship pathways should not dilute the Incentive System. Incentives should remain focused on occupations like Cookery where apprenticeships are the **dominant and preferred pathway**.

Cookery has no viable non-apprenticeship pathway of scale. While short courses exist, the AQF III Commercial Cookery apprenticeship remains the dominant and preferred training model. Therefore, incentives should remain concentrated here.

6. Capturing new/emerging occupations

The Priority List should include a mechanism for pilot programs or "emerging stream" apprenticeships—for example, **Smart Kitchens**, **Culinary Sustainability**, **or Digital Hospitality Operations**—that align with future needs while maintaining Cookery as a core.

Hospitality is evolving, with smart kitchens, sustainability, and digital service roles emerging. However, **these are layered onto core Cookery occupations**, not replacing them. Apprenticeships must adapt to include sustainability and technology units, but the **foundation trade of Cookery** must remain the anchor.

7. Jurisdictional/regional element

Yes. Many shortages are **more acute in regional Australia**, where cafés and restaurants cannot compete with metro wages or benefits. A regional weighting to incentives would help address food service shortages outside capital cities.

Regional Queensland, WA, and NT continue to report the most severe shortages in Chefs and Cooks. NCVER⁴ notes that **regional apprenticeship completions are significantly lower than metro completions** across food trades. A jurisdictional weighting would directly support regional café and restaurant survival.

8. Narrower vs broader approach

A narrower list that excludes Cookery would devastate hospitality. Incentives must continue to apply where there is:

- Persistent shortage (Chefs and Cooks have been in shortage for 15+ years).
- National significance (restaurant & café food service contributes over \$65 billion to GDP).
- Strong apprenticeship alignment (Cookery is VET-led).

A narrow approach that drops Cookery would be catastrophic:

- Cookery has been on the shortage list for over **15 consecutive years**.
- Venues already close at rates higher than pre-COVID, with lack of skilled kitchen staff a top driver.
- Cookery completions are among the lowest of all trade groups, and incentives remain essential to keep employers engaged.

9. Identifying different types of shortages

⁴ Apprentices and trainees 2024: December quarter - Australia

Yes. For Cookery, shortages are not only in attraction (commencements) but in **completion and retention**. Incentives should reflect this—for example, higher support payments at the 3rd and 4th year of a Chef apprenticeship, when drop-out rates spike.

Cookery shortages are multi-dimensional:

- Attraction: Many school leavers view hospitality as unattractive compared to higher-paying trades.
- **Completion:** NCVER confirms food trade completion rates are consistently below 50%, versus 56–60% in other trades.
- **Retention:** Graduates often leave the industry within 5 years, citing work-life balance and wages.

Incentives should therefore focus not just on commencements but **completion and retention**, with stronger support in later years.

10. Expanding beyond Major Groups 3 & 4

ARCA supports a cautious expansion, but **Cookery must remain central under Major Group 3**. If expansion occurs, criteria should include:

- Mandatory apprenticeship pathway.
- Evidence of national shortage.
- Direct alignment with government economic and social priorities.

While expansion into other groups may be justified, Cookery must remain in Major Group 3. Apprenticeships are the only realistic pathway for food trades, and NCVER data shows their **critical shortage trajectory** will persist well into 2030.

Conclusion

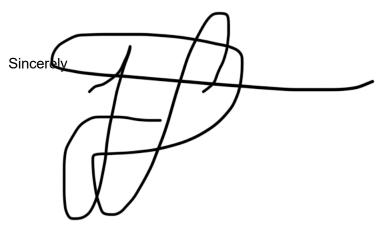
The restaurant and café industry cannot function without a steady supply of skilled Cooks, Chefs, Pastrycooks, and Café Managers. These are not "nice-to-have" roles—they are critical to food security, tourism, regional economies, and everyday Australian life. If Cookery were removed from the Priority List, apprenticeship commencements would collapse, employers would struggle to train new staff, and shortages would worsen. This would directly undermine the government's objectives of food security, youth employment, and regional vibrancy.

For restaurants and cafés, Cookery is not an optional occupation—it is the **engine of the industry**. The NCVER December 2024 data confirms that:

- Food trades have among the lowest completion rates of all trades.
- Regional completion rates lag metros.
- Cookery shortages have persisted for over a decade.

If Cookery were removed from the Priority List, apprenticeship commencements would fall, employers would disengage, and Australia's ability to maintain food security, tourism, and cultural vibrancy would be directly undermined.

ARCA urges the government to retain Cookery and related food trades on the Australian Apprenticeship Priority List.



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