



AUSTRALIAN HOTELS ASSOCIATION

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25 January 2024

Hon Dr Jim Chalmers MP
Treasurer
Parliament House
Canberra ACT 2601

Dear Treasurer,

Pre-Budget Submission 2024

Please see the submission below.

1 BACKGROUND

The Australian Hotels Association (AHA) is an organisation of employers in the hotel and hospitality industry registered under the *Fair Work (Registered Organisations) Act 2009*. Its diverse membership includes pub-style hotels, bars, taverns, restaurants plus three, four and five-star international accommodation hotels located in each state and territory. The size and scope of the AHA hotel industry includes:

- Over 5,000 businesses
- Generating over \$12,000,000,000 economic benefit
- Providing over 300,000 jobs
- Providing over 150,000 accommodation rooms across the country
- Supporting over 50,000 community groups

2 ACCOMMODATION & FOODSERVICE INDUSTRY

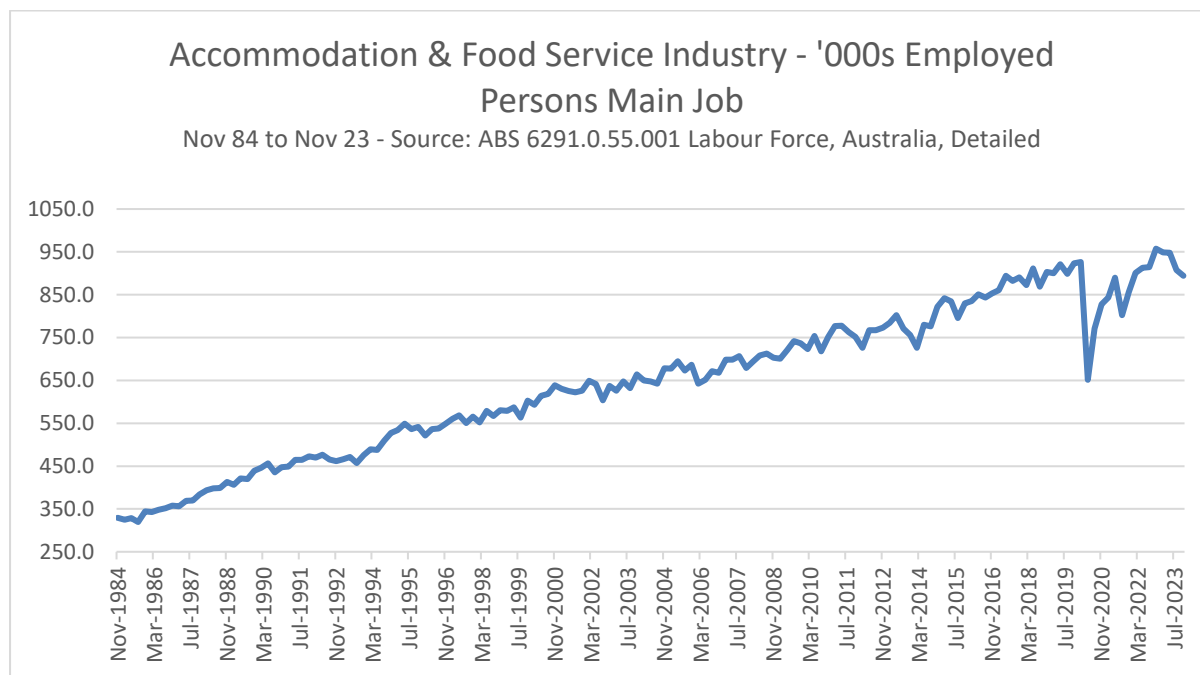
The ABS records data for hotels as part of its wider research of the Accommodation and Food Service sector.

2.1 EMPLOYMENT

As at November 2023, there were 894,400¹ people who identified that their main job was in the accommodation and food service industry, of which hotels, motels, pubs and taverns are a significant part. As Figure 1 shows, the growth over the last forty years has been considerable, with job numbers returning to pre-pandemic levels at the end of 2022 and only recently falling slightly.

¹ ABS, 6291.0.55.001 Labour Force, Detailed, Nov 2023

Figure 1. Employment in Accommodation & Food Service Industry



The accommodation and food service industry workforce is 54% female. This ABS quarterly labour force data source also provides information on the age distribution of workers. The age distribution of workers by industry shows that the accommodation and food services industry had the highest share of youth workers of all industries (48% of employees are aged 15-24 years).

This was 3 times higher than the average for all other industries, which was 15% in August 2023. The accommodation and food services industry conversely had the lowest share of older workers (14% of employees aged over 50 years), compared with 30% for all other industries. These shares are largely unchanged from pre-pandemic figures.²

It is important to note that this employment data underestimates the total number of people employed in our industry as it categorises the labour force according to their main job. As there are many people working in hospitality who supplement their household income through a second job, the total number of employees who derive valuable income from our sector is much higher.

This is borne out by the ABS data on multiple job holders, with the share of secondary job-holders in tourism in the June quarter 2023 at 8.6%, representing 61,100 secondary/tertiary jobs, compared with an all industry share of 6.7%.³

According to the ABS Labour Force Survey, the top 5 occupations in demand in the Accommodation and Food Service industry include important accommodation job roles of Waiters, Kitchenhands, Bar Attendants, and Chefs.

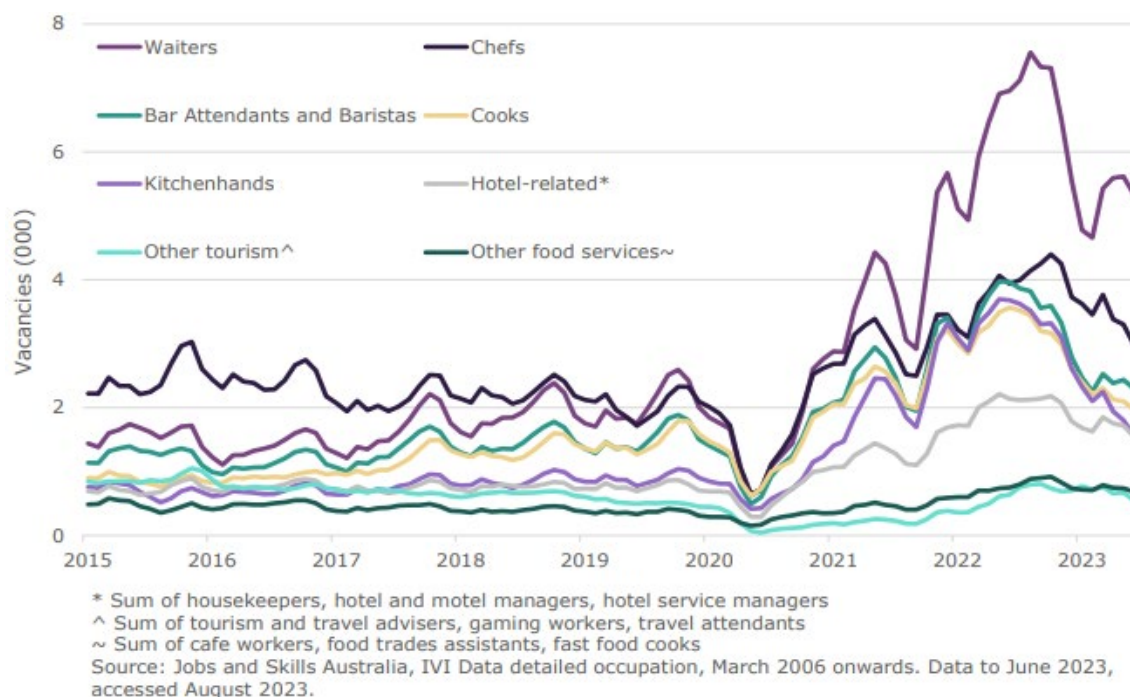
Employment projections to 2026 indicate that accommodation and food services is one of only four industries that will account for a third of all jobs growth, with the net growth for accommodation

² ABS Labour Force Detailed as commented on by Tourism Research Australia (2023), *Tourism Workforce Report* October 2023, [Tourism workforce report | Tourism Research Australia](#)

³ As quoted by TRA (2023) *Tourism Workforce Report*, op cit.

and foodservice projected to be 112,400. Net employment growth is going to be particularly strong for Chefs (up 11,200 or 13.9%)⁴

Demand for workers in our industry is reinforced by on-line job vacancy figures advertised for tourism related occupations as illustrated from the graph below extract from the Tourism Research Australia, *Tourism Workforce Report*.



In June 2023, 65% of accommodation and food services employers reported they were recruiting or had recently recruited staff.⁶ Compared with other industries, the recruitment rate of accommodation and food services firms has been consistently higher since June 2022.⁵

2.2 ECONOMIC CONTRIBUTION

According to the ABS, the industry value add for the Accommodation and Food Service Industry in 2021-22 was \$45.7 billion, higher than pre-COVID levels in 2018-19. According to the ABS Tourism Satellite accounts, for pre-COVID 2018-19 the gross value-add to tourism by sectors represented by the AHA was \$10.6 billion.

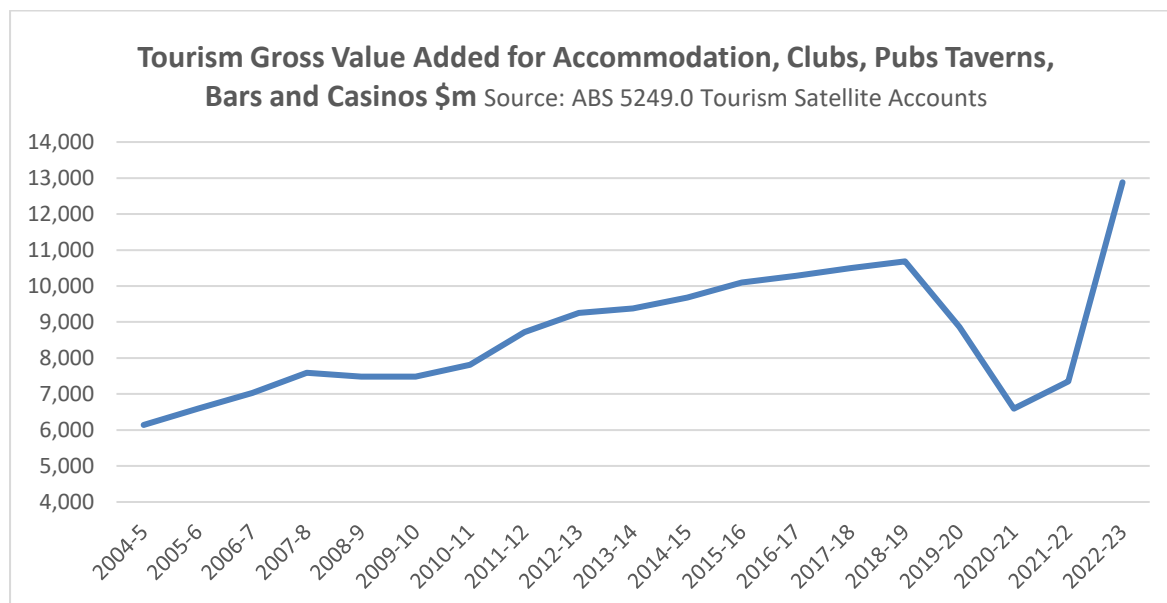
As can be seen in Figure 2 below, the impact of COVID was profound, with the contribution to tourism dropping to a low point of \$6.6 billion in 2020-21, before recovering some lost ground to \$7.3 billion in 2021-22⁶ and more recently surpassing previous contribution levels with \$12.9 billion in 2022-23, over 21% higher than pre-COVID level.

⁴ National Skills Commission, Employment Projections, [Employment Projections | National Skills Commission](#), accessed 30 August 2023

⁵ TRA (2023) op cit.

⁶ ABS, 5249.0 Australian National Accounts, Tourism Satellite accounts 2022-23 released 6 Dec 23

Figure 2. Direct contribution to tourism by Accommodation, Clubs, Pubs, Taverns, Bars and Casinos



3 ENERGY

3.1 ENERGY- THE ROLE OF NATURAL GAS

The Government is currently reviewing its future gas strategy. The AHA is concerned at moves to limit or cease the availability of gas for commercial kitchens. The AHA is concerned that if the availability of gas is ceased or limited to commercial kitchens, then there will be numerous negative economic impacts on the sector. This includes a reduction in meals served leading to less revenue and less employment.

Size and scope

In the accommodation and food service sector, there are more than 94,000 businesses where over 760,000 workers identify as working in the food service industry. Nearly all Australian hotels use gas stoves and ovens to prepare meals. Only a handful use other heat sources such as induction. In the hotel sector alone nationally, 4.1 million meals are served per week.

Benefits of cooking with gas v electricity

In commercial kitchens such as a hotel, gas is preferred to any other heat source:

- Gas is cheaper than electricity – especially during peak electricity usage times
- Gas is by far the preferred heat to cook meals in commercial kitchens as it delivers meals more quickly and cost effectively than alternate methods
- Gas is more dependable as it can be used in blackouts or “brown outs”
- Gas emits lower volumes of heat to the surrounding environment and cools down immediately after you switch it off
- Gas spreads heat more uniformly than induction
- Gas provides instant heat and does not take time to warm up, thus enabling food to be prepared faster

- A shift away from gas in kitchens will force venues to have meals more “ready-made” and not at the high standards of freshness and quality Australians deserve

What else needs to be considered?

It is not just the cooking process that needs to be considered by government. Other areas of hospitality businesses affected include:

- The replacement and running costs and efficiency of other gas systems such as heating for winter and hot water systems
- Cost and practicality of businesses having to upgrade from single phase to three phase electricity
- Untested functionality, availability, and cost of electrical commercial grade cooking equipment

Small Business Energy Incentive

On 30 April 2023, the Australian Government announced it will provide businesses with an annual turnover of less than \$50 million with an additional 20% deduction on spending that supports electrification and more efficient use of energy. The measure will help small businesses make investments like upgrading to induction cooktops. The maximum bonus tax deduction is \$20,000 per business, which for most hotel kitchens will not cover the cost of replacing gas with induction cook tops. Eligible assets or upgrades will need to be first used or installed ready for use between 1 July 2023 and 30 June 2024.

As this measure is still before the Senate, the likelihood of take up by businesses this financial year is likely to be negligible. If the Government wishes food service businesses to migrate away from gas to electricity, compensation schemes for upfront costs must be meaningful and equitable.

Recommendations

The AHA recommends:

- The Australian food service sector needs dedicated consideration by government – which is not yet apparent
- Australian hotels and the broader food service sector want to retain gas as their preferred cooking method – there is no viable equivalent yet
- Gas provides a more reliable and cheaper source of energy than electricity and produces better meals
- The same level of importance assigned by government to the manufacturing industry should be applied to commercial kitchens
- Any scheme proposed to migrate commercial kitchens away from gas should be cost neutral to the business

3.2 TRANSITION TO RENEWABLE ENERGY

The AHA is a leader in the transition to renewable energy. The Federal Government has a commitment for Australia to achieve a 43% reduction in emissions by 2030. Apart from likely limited rooftop solar, many small and medium businesses are not able to directly source renewable energy.

AHA NSW has devised a world-first way for single businesses to aggregate their power needs so as to:

- Enable multiple businesses to participate in directly sourcing renewable energy as their majority source of energy
- Source energy at prices far lower than standard commercial agreements

AHA NSW is embarking on the second round of its world first aggregated renewable energy power purchase agreement (PPA). The Queensland Hotels Association is embarking on its first PPA.

- 260 hotels in NSW signed up to the first PPA
- This represents a collective load of approximately 150,000 MWh/annum (or 150 GWh)
- This is the equivalent energy supply of 10,000 Australian households per year

Economic Savings include:

- The PPA includes a fixed price for the procurement of solar-generated energy, and a floating price for the non-solar component. For 2022 and 2023, the average price under the PPA is 9.87c/KWh
- A recent competitive quote from a large multi-hotel owner for 1 July 2022 – 20 June 2024 include a peak rate of 36c/KWh, a shoulder rate of 25c/KWh and an off-peak rate of 18c/KWh
- For one of the hotels in this portfolio, the PPA results in savings of 47% over this competitive offer.
- A typical monthly bill under the PPA is \$6,569, compared with \$12,452 under the market offer. This represents annualised savings of \$70,592.

Environmental Benefits/Savings include:

- Participating hotels are contracted to purchase 100% of their annual electricity load from local NSW solar farms in Parkes and Griffith
- 150,000 MWh/year procured from the solar farm by AHA members lead to a saving of 123,000 tonnes of CO₂ equivalent per year

Recommendations

The AHA recommends:

- Amending Australian Consumer Law to enable small/medium enterprises to join renewable energy power purchase agreements (currently prohibited due to laws limiting maximum fixed terms)
- If the government is to press businesses to transition from gas to electricity, ensure subsidies are in place to ensure they are not financially worse off
- Provide hospitality businesses with financial assistance to undertake energy audits identifying inefficiencies

4 TAXES

4.1 FREEZE LIQUOR EXCISE

The AHA recommends the Government freeze the excise rate for all liquor at its current rate for 12 months. the following is relevant:

- The increase in beer tax announced to take effect on 1 February 2023 will mean that the tax has gone up by around 8 per cent in the past six months.
- Hotels are having to pass on almost 90 cents of tax on every pint of beer they pour.
- We estimate that these increases will cost a small pub around \$5,400 a year and come after several years of difficult trading conditions associated with COVID-19 restrictions.

As pubs are still trying to rebuild and pay back debt after Covid, and consumers are faced with rising living costs, this would assist consumers and the Australian hospitality industry. A 12-month freeze would have the following benefits:

- Not force hotels to pass a tax increase onto consumers, thus increasing the cost of living
- Not create a further price distinctive for people to visit their local hotel, thus decreasing business sustainability and confidence

4.2 REMOVE FRINGE BENEFITS TAX ON HOSPITALITY

The Australian Hotels Association (AHA) proposes structural reform of Fringe Benefit Tax (FBT) to enable all taxpayers who carry on a business:

- Be allowed to claim a tax deduction and GST inputs on meal and beverage entertainment
- Together with allowing a credit for the related GST and not requiring any FBT for the business owner or their employees.

Costs estimated by EY to range from \$171m to \$286m⁷, but would deliver the following positive impacts over three years:

- Impact on GDP – ranging from \$539m to \$850m
- Impact on employment FTE – ranging from 3,844 to 4,230
- GDP per dollar of cost to government – ranging from \$1.89 to \$3.25

The current structure of FBT:

- Stifles expenditure in hospitality businesses, thus suppressing employment in the hospitality and accommodation sectors – sectors hard hit by COVID
- Is unfair and favours large scale sophisticated employers at the expense of smaller employers.

At the expense of smaller businesses, FBT favours large scale businesses which have had the:

- Expertise to devise work arounds aimed at defeating the intent of the FBT scheme

⁷ EY Summary report to the AHA, Economic impact of stimulus for the Accommodation and Food Service Sector, January 2021

- Scale and financial ability to re-develop their business premises as first-class hospitality venues

The arguments against suspending FBT are often based on the “equity principle”. Unfortunately, the equity principle of FBT has been circumvented largely by those who it was intended to capture. Many large-scale firms provide employee benefits ‘in house’ which would otherwise attract FBT, e.g.,

- Board room lunches
- Baristas
- Car parking

This circumvention gives those firms with the scale to avoid FBT an unfair advantage over smaller to medium enterprises which do not have the required scale or capacity. Exempting businesses and workers from FBT on meals, entertainment and accommodation will provide a much-needed stimulus creating instant jobs to a sector hard-hit by the pandemic. Exempting all business from FBT will increase the number of functions and events held in hospitality businesses. This will:

- Enable employers to provide more hours and more stable employment
- Increase GDP
- Remove the current inequity between businesses of different size

Recommendations

The AHA recommends:

- Freeze liquor excise
- Remove FBT on hospitality

5 INCREASING WORKFORCE PARTICIPATION

5.1 ENSURE AVAILABLE AND AFFORDABLE CHILDCARE

The hospitality and accommodation sector is proud of the high participation of females in the industry (55%). However, it was reported in 2022 that 272,000 people across the country were not in the labour force due to caring for children. The main barrier to the return to work of many women in the hospitality and accommodation sector is available and affordable childcare. At the highest levels of our Associations, we are taking steps to increase the number of females at the executive, board and council levels.

5.2 INCREASE HOUSING AVAILABILITY AND DECREASE COST

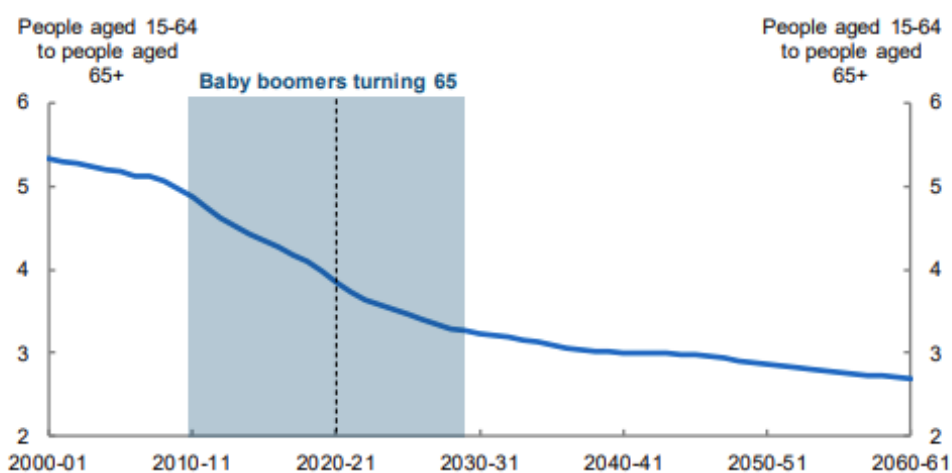
The availability and cost of housing is having a significant impact on connecting employees with employers. Ongoing rental increases across Australia are pricing especially lower income workers out of the market. The rental prices in major cities across Australia have steadily increased over the past three years, in some cases by as much as 28 per cent. This problem has exacerbated in regional centres where residential housing stock has shifted to short-term letting on platforms such as Air BnB, leaving very little housing for workers and their families.

5.3 EXEMPT EMPLOYMENT INCOME FROM THE AGE PENSION MEANS TEST

Australia has a structural problem with an increasing aged population and a decreasing workforce to support those in retirement and on the pension. Today, we have nearly 4 people aged 15-64 for every person aged 65 and over. Within 40 years, there will be just 2.7 people aged 15-64 for every person aged 65 and over.

Australia needs to act now and remove the disincentives for older people to continue participation in the workforce if they wish to do so. The AHA proposes the Government exempt employment income from the Age Pension means test to boost work force participation and help meet the nation's critical labour shortages.

Chart 2.17 Old-age dependency ratio



Note: Number of people of traditional working-age (15-64) for every person aged 65 and over.

Source: ABS National, state and territory population, September 2020, and Treasury.

The current worker shortfall could be reduced by:

- Permitting pensioners with limited wealth to work without penalty by exempting employment income from the Age Pension income test.
- The exemption could be targeted by using the assets test to limit eligibility.

The policy could be applied to the whole economy or targeted at sectors with critical labour shortages, in particular hospitality. The benefits include:

- Addresses critical workforce shortages by encouraging pensioners to remain in the workforce, re-join the workforce or work more hours.
- Increases income for low-wealth pensioners, especially women.
- Increases superannuation balances for low-wealth pensioners, especially women.
- Improves health and wellbeing through ongoing workforce engagement.

5.4 PILOT NEW “PLACE BASED” REGIONAL MATURE AGED WORKER PROJECT

The AHA recommends piloting new regional “place-based” approaches tapping into mature aged residents who are not currently in the labour force to draw them into hospitality work by matching their availability to employer needs.

Workforce participation by people aged 55-64 varies significantly across regional Australia. There are major economic benefits from increasing participation – even slightly. This project seeks to address chronic shortages in the regional hospitality workforce by re-engaging some of these residents into tailored hospitality work shaped to suit their interests and availability.

A case study by the Regional Australia Institute research from 2017 estimated on the Central Coast of New South Wales, a 3 per cent increase in the participation rate of 55–64 year-olds could increase total local income by \$33 million per annum. A similar increase in Victoria’s Hume and Loddon Mallee regions could deliver \$80 million additional income per annum. In 2016 there were over 350,000 regional residents aged 55-64 who were not in the labour force.

5.5 MATURE AGED WORKER AWARENESS CAMPAIGN

The AHA recommends an awareness campaign highlighting the “soft” skills many mature aged people have and their adaptability to the hospitality and retail industries. The AHA believes there is an underutilisation or underemployment of mature aged people with valuable “soft” skills which can be transferred to industries such as hospitality. The objective is to have mature aged people who have not considered the hospitality industry for employment, to take on casual or part time employment.

In particular, we believe there is a cohort of retired or semi-retired mature aged Australians **not** listed with Centrelink who may be open to work but have not realised that their life and work skills are transferrable. For example, mature aged people who have retired from careers in the trades, management may not have realised how easily they can transfer to hospitality – and how valuable their “soft” skills are. There would also be benefits relating to being more active and socially engaged via workplace participation.

5.6 BOOST ADULT APPRENTICESHIPS

Levels of hospitality occupation commencements have dropped from 15,000 to 5,500 despite the incentives and income support being offered. We understand there is a declining trend in the numbers of adult apprentices. This is largely a result of:

- the discontinuation and changes to incentive arrangements for adult apprentices and existing workers under the Commonwealth Australian Apprentices Incentives Program (Hargreaves & Blomberg 2015); and
- the decision of the Fair Work Commission to increase minimum wages for adult apprentices from 1 January 2014. Prior to 2014, the minimum wages applying to apprentices was the same regardless of age.

An adult apprentice is an apprentice who is 21 years of age or over at the commencement of their apprenticeship. Adult apprentices represent about 28% of trade apprentices. Adult apprentices are a different group from younger apprentices:

- Generally have greater skills prior learning and experience in the labour market and education sectors, as indicated by both the higher proportions of older apprentices who are existing workers and hold a qualification at certificate III or above.
- More likely to be undertaking training at a higher level than younger apprentices and are more likely to complete their apprenticeship.

5.7 RETAINING APPRENTICES

The AHA supports the Governments plan for 6 monthly \$2,000 payments for the life of apprenticeships in sectors with labour shortages such as hospitality and accommodation.

Apprentice enrolment and completion rates are declining. There is also a structural and critical need for chefs in the hospitality and accommodation sector. For Food Trade Workers, there were 13,070 in training in a trade occupation as at 31 December 2021. To satisfy current and future demand, we require at least 20,000. The proposal by the government would assist in lowering the current dropout rate in our sector, especially in the early years of training.

Projected Attrition Rates within:	6 months	1 Year	2 Years	3 Years	4 Years
Food Trades	27%	41.9%	54.6%	58.7%	59.2%
Hospitality Service Workers	31%	48.4%	57.0%	58.3%	58.4%

Possible reasons for the high dropout rate are set out below:

- Competition from other industries such as Uber drivers, retail assistants, logistics (packing, sending, online shopping). Many of our entry level employees are being drawn into these industries. This is because of the scarring experience of lockdowns and snap lockdowns - State governments gave employees the impression that employment (and wages) in our industry was not guaranteed. Employees commence in our industry, but then find an easier and “more secure” job elsewhere.
- Critically, in this tight labour market apprentices and trainees can find higher wages by switching employers within our industry. Employers are taking on workers who haven’t completed their qualifications simply because they need staff. Workers have already learnt the foundational skills, and employers are taking the risk that the workers can learn the rest “on the job”. Staff are commanding higher wages without completing their qualifications, and so stop their apprenticeship/traineeship.
- In the hospitality and accommodation industry, apprentices/trainees start with very few skills. The greatest productivity growth of an apprenticeship/traineeship comes at the start. Therefore, commencements are the most important measure. The rate of dropouts significantly plateaus after 2 years.
- In a tight labour market, more workers have pre-employability issues which mean their longevity in employment is short. This may explain the high dropout rate within 6 months.

5.8 APPRENTICE INCENTIVES

The changes made to apprenticeship incentives in the last two years have been disastrous and support needs to be reassessed. Commencements for the year to June 2023⁸ were down 40.1% compared to 2021/22. Commencements for food trades apprenticeships were down 44.5%, and for traineeships across all industries 48.9%. The traineeship commencement numbers are now below 2019 levels, which was prior to the additional subsidies provided during the pandemic. These figures are only going to become worse as the withdrawal of much of the traineeship support including to our sector will have had the biggest impact post July 2023.

For our main trade qualification, as at June 2023, there were 11% less food trades apprentices in training compared with 2022, and 20% less than 2019. This is disastrous for an occupation in national shortage now and predicted to grow from 119,700 chefs now to 136,800 chefs by 2033 (net 17,100).

⁸ The latest release available from NCVER, *Apprentices and Trainees 2023 June Quarter*.

The wage subsidy for apprenticeships and traineeships should be 30% as a minimum in the first year. This public investment is justifiable as:

- Apprenticeship models of training and work-integrated learning are proven to be a high-quality mechanism of skills acquisition and in turn productivity improvement.
- Traineeships are an excellent form for school to work transition, providing secure employment as well as a post-school qualification.
- Traineeship models are ideal for disadvantaged groups including long-term unemployed and people with disability as they incorporate support structures beyond the workplace.
- Wage incentives are proven to work in increasing the number of apprenticeship and traineeship opportunities. There has been a long-term correlation between incentives and numbers of apprentices, dating from when incentives first were introduced, and then the changes made in 2012 all the way through to the more recent changes made for the pandemic and post pandemic. Employers respond to incentives and provide opportunities when the support is sufficient to overcome the reluctance to put someone on who has no relevant skills on commencement.

The AHA recommends measures to increase the participation and skills of Australian workers:

- Increase the capacity of women to return to the workforce by ensuring affordable and available childcare
- Increase the level of mature aged employment income for the age pension
- Pilot new regional mature aged “place-based” approaches
- Initiate an awareness campaign amongst the mature aged highlighting the transportability of their “soft skills” to sectors such as hospitality and accommodation
- Incentives to encourage businesses to employ mature aged apprentices
- Implement workplace internships for the most disadvantaged
- Increase the mobility of workforce mobility of younger Australians by expanding “gap year” schemes
- Fix the employment service provider model
- Increase housing availability and decrease cost
- The Federal and State Governments to take actions to increase housing affordability and to decrease housing cost.
- That apprenticeship employer incentives should be a minimum of 30% wage subsidy in year 1 – for 12 months for apprenticeships 3 years and over, and for 6 months otherwise

6 USING MIGRATION TO FILL WORKER SHORTAGES

6.1 THE NEED FOR SKILLED MIGRATION

Hiring Australian workers is always the priority for hospitality businesses. Hiring Australians is a more sustainable solution to workforce shortages. However, the hospitality industry is suffering from a shortage of more than 50,000 workers as set out below.

Occupation	Vacancies ⁹
Chef	8,262
Sous Chef	2,036

⁹<https://www.seek.com.au/> 23 January 2024

Chef de Partie	2,408
Kitchen Hand	6,503
Pastry Chef	1,697
Restaurant Manager	3,318
Restaurant Assistant Manager	1,126
Café Manager	1,126
Waitstaff	5,480
Barista	11,149
Bartender	6,197
Host	2,097
Housekeeper	3,971
TOTAL	55,370

6.2 HIRING AUSTRALIANS FIRST

Our members objectives are always to:

- hire Australians first
- and only then fill skill and labour shortages with immigration

We are aware employing migrant workers cannot be at the expense of Australians. We appreciate we must get the balance right. The greatest incentive to training and hiring Australians first is the time and cost involved of hiring skilled overseas workers. We note:

- Whereas an Australian can often start work immediately or after a brief notice period, bringing in workers from overseas can take two to nine months
- Apart from advertising costs and sometimes re-location costs, there are basically no costs to hire an Australian worker. In contrast, the cost of bringing an overseas skilled worker is immense

Cost estimate to bring Chefs and Cooks from overseas	Chef cost \$	Cook cost \$
Skills Assessment per applicant	3,280	3,280
English Test	400	400
Relocation Accommodation - 14 days	1,400	1,400
DHA Nomination Application fee	333	333
MLTSSL - DHA Visa Application fee	6,298	2,640
POEA/OEC per applicant (authority to leave Philippines)	520	520
Skilling Australians Fund (N.B. 1,818.18 per year)	7,172	3,636
Migration agency fees (application and nomination)	3,945	3,657
Airfare (one way)	2,000	2,000
Recruitment fee	5,000	3,000
Total	30,348	20,867

Always in the first instance hospitality businesses seek to hire Australians first. Unfortunately, many of the roles on offer are not taken up by Australians. For example, over the last 12 months there have been at least 8,000 chef roles available on Seek. We recognise that as part of the social licence of filling such roles by migration, business must contribute to the training of Australians. Businesses contribute by way of their own training schemes but also via contributions to the Skilling Australia Fund. For cooks and chefs, the contribution ranges from \$3,636 and \$7,172.

Recommendations

The AHA recommends:

- Benchmark Australia's competitiveness on pricing and ease of application for visas as compared to the countries we compete with e.g., (Canada, NZ, UK)
- Establish a scheme to assist businesses to employ refugees
- Skilled migration in the following occupations are provided with a maximum stay of four years (plus the option to renew for an additional 4 years) and a pathway to permanent residency: Café and Restaurant Manager, Hotel or Motel Manager, Accommodation and Hospitality Manager, Cook, Pastry Cook, and Hotel Service Manager.
- International students working in the hospitality industry be permitted to continue to work up to 30 hours per week until June 30, 2024;
- That an ANZSCO review is undertaken as soon as possible to ensure the 2023/24 migration program and skills lists are responsive to the needs of the labour market, and ongoing funding is provided to allow for regular reviews of ANZSCO.
- That the Skilling Australians Fund levy be halved to \$600 per year for small business and \$900 for large business for each sponsored temporary migrant.
- That the Skilling Australians Fund levy be refunded in all cases where a skilled migration application is not successful.
- That the temporary Hotel and Accommodation industry labour agreement is turned from temporary to ongoing and that reputable industry organisations with high levels of industrial compliance among their membership sponsored visa applications are expedited.
- Retain the existing requirement for working holiday makers seeking a 2nd or 3rd year visa must spend 88 days in regional and remote locations.

Yours faithfully,



STEPHEN FERGUSON
NATIONAL CEO