



2 December 2025

Hon Andrew Giles MP
Minister for Skills and Training
Parliament House
CANBERRA ACT 2600

via email minister.giles@dewr.gov.au

Dear Minister

Apprenticeship Incentives for Chefs and Cooks

As you are aware, one of the most concerning issues for our members across the accommodation and pub sectors is the shortage of cooks and chefs. In that context, we are deeply concerned with the decision taken this week to halve the apprenticeship incentives that relate to the food trade apprenticeship effective 1 January 2026.

The retention of incentives at the current level only for those occupations on the Key Apprenticeship Priority List (clean energy and construction) effectively lessens the priority of important occupations such as chef and will be highly detrimental to the skills development and productivity of the hotel sector.

Currently a hotelier employing an apprentice chef receives \$5,000 in the first year, and the apprentice receives \$5,000 over the first two years. These payments recognise both the initial costs of supervising an inexperienced apprentice in year one, and at the same time the cost to the apprentice of undertaking a work and learning contract. The proposed new incentive structure will see these payments halved to \$2,500 for the employer and \$2,500 to the apprentice.

This year, the AHA and Accommodation Australia has undertaken extensive consultation with members which indicates that even the existing incentive is insufficient to cover the training cost of employing an apprentice. According to the latest NCVER data, we have seen the number of chef apprentices in training drop by 10% and, of even greater concern, the number of commencements in the key chef qualification fall by almost 20% this year compared to last. Our consultations seek to find solutions that go beyond government policy and incentives to the heart of the occupation itself, but there is no doubt that the feedback has reinforced the importance of the funded employer incentives and the need for them to be increased. In that context, the announcement to reduce the incentive is a bitter blow as the halving of the apprentice incentive will only make these figures more alarming, and the chef shortage more acute.

As we have raised with you directly, and in our submissions, we are concerned that prioritising some industries such as construction and clean energy over others ignores the interconnection within the economy. Chefs prepare food in hospitals, aged care homes, and in restaurants and cafes where other workers eat. It was previously a Labor Government economic and social priority to develop skills across the economy and ensure more people receive post-secondary qualifications. We note with concern the latest NCVER LSAY data which shows that in 2024 33% of 24 year olds do not have a post-secondary qualification – a rise of ten percentage points from 2012 and 2018, largely driven by the fall in those that have completed an apprenticeship. Decisions such as the one taken this week fly in the face of these previous goals and will see a further reduction in engagement between industries such as ours and the vocational training system.



We have always found our dialogue with you to be constructive and meaningful and so look forward to discussing our concerns and hope that the government sees merit in better supporting our industry.

Yours sincerely,

STEPHEN FERGUSON
NATIONAL CEO AHA

JAMES GOODWIN
NATIONAL CEO AA