



Restaurant
& Catering

MEDIA RELEASE
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IMMEDIATE

SHORTFALL OF SKILLED WORKERS TO IMPACT HOSPITALITY SECTOR

An additional 123,000 workers will be required in the tourism and hospitality sector by 2020 according to the Australian Tourism Labour Force Report released today. The report highlights chronic labour shortages gripping the hospitality sector that will impact productivity and growth if not addressed, according to peak industry association Restaurant & Catering Australia (R&CA).

The Deloitte Access Economics report identified a current gap of 38,000 staff, with this number expected to widen to 123,000 by 2020. Of this shortfall 59,600 or 48 per cent of demand will be for skilled workers. Demand will be strongest for chefs and café and restaurant managers, requiring approximately 7,600 and 5,400 workers respectively.

R&CA CEO John Hart says the report is a sobering reminder of one of the greatest challenges facing the sector.

“Skills shortages slow productivity and dampen growth prospects. We are an expensive aspirational tourist destination. We must deliver exceptional visitor experiences and customer service to meet the expectations of discerning international visitors. We will fail if we do not have appropriately skilled workers to deliver these experiences.

“Without an available source of skilled and unskilled labour the sector will struggle to reach its target of doubling overnight visitor expenditure to \$140 billion by 2020,” Mr Hart says.

Mr Hart says contrary to the Australian Tourism Labour Force Report the café, restaurant and catering sector has experienced increased shortages in skilled labour.

“R&CA’s 2015 Industry Benchmarking Report revealed an increase in the number of businesses experiencing ‘extreme’ difficulty filling positions, up from 22.3 per cent to 24.6 per cent. There was also a decrease in the number of businesses indicating they were experiencing ‘no difficulties’ finding staff. Chefs and cooks remain the most difficult positions to fill.

“Department of Employment projections indicate that employment growth in the café, restaurant and takeaway food services sector is expected to reach 16.9 per cent or 93,600 jobs by November 2019. This is double the employment growth projected to November 2018. Hospitality businesses will be hardest hit by labour shortages,” Mr Hart says.

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The Deloitte Access Economics report also found the inability to find workers with the right skills was the main reason for difficulties recruiting staff. Mr Hart says the report highlights the need for labour market reform, including improvements to the vocational education system.

“The issue of labour shortages is not new. We need a paradigm shift in thinking around skilled migration and training of the local labour force.

“Chronic labour shortages mean programs such as the Skills Pathways Project and Discover Hospitality are so important. Discover Hospitality links suitable candidates with prospective employers and provides mentoring support to apprentices while completing their training.

“We need to keep these workers engaged in the sector for longer by providing a fulfilling and meaningful career in hospitality,” Mr Hart says.

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