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## **CRITICAL SKILLS SHORTAGE BITING HOSPITALITY**

The skills shortage is so acute in places like the Sydney CBD that many accommodation hotels stopped selling rooms over Easter, while in some regional areas hoteliers are doing all they can to “beg, borrow or steal” chefs and cooks, a Federal Parliamentary Joint Standing Committee on Migration was told today.

Tourism Accommodation Australia CEO Michael Johnson told the Committee traditionally busy periods were now dreaded by some operators as they could not attract enough staff to fully service their operations.

“On the Easter weekend for example some Sydney hotels stopped selling rooms as they simply did not have the staff,” Mr Johnson said.

“In an odd way it’s almost lucky Sydney occupancies are currently so low as we don’t have the skills set to meet demand.”

Australian Hotels Association CEO Stephen Ferguson said the lack of skilled positions like chefs, cooks and front-line staff was causing havoc.

“This was a problem before COVID and it is even worse now due to the lack of international students, working holiday makers and temporary visa holders,” Mr Ferguson said.

“Some of our most successful hotel groups are currently more than 50% down on job applications for the same time last year – this is at the same time as we have an unemployment rate of more than 5%.

“In regional areas, where the tourism trade is actually picking up, we have hoteliers wanting to beg borrow or steal chefs and cooks to meet demand – the situation really is that acute.”

Mr Ferguson said while the priority was always to hire Australian workers action needed to be taken to increase the number of overseas workers.

“Our number one first priority is to hire Australian workers – it always will be,” he said.

“But the reality is the local workers wanting to do jobs like chefs and front-line staff simply aren’t there in many areas.

“There are huge financial incentives for us to hire local – and they remain. To bring in an overseas worker costs a business anything from \$10,000 to \$25,000 when you factor in visa fees, skills assessments, migration lawyers etc and you have to wait for three months and then repeat it all again in two or four years. It’s not something entered into lightly but the fact is many hospitality businesses have no other option.”

AHA and TAA are calling for:

- Cooks and chefs to be added to the Priority Migration Skilled Occupation List

- Hospitality (including accommodation) to be listed as a critical sector for the purposes of the subclass 408 Temporary Activity Visa.
- International students working in hospitality to be permitted to work more than 40hrs per fortnight.
- WHM VISA holders working in tourism to be able to work for the same employer for more than six months in rural and remote areas of Australia.
- Enable pathways for permanency for temporary skilled workers currently in Australia.

In a recent AHA survey 73% of respondents reported their businesses were suffering because of a shortage of skilled workers, more than 66% needed chefs.

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