Australian Restaurant & Cafe Association Ltd. (ARCA)

4 November 2025

To: The Joint Standing Committee on Migration

Re: Inquiry into the Value of Skilled Migration to Australia

The Australian Restaurant & Cafe Association Ltd. (ARCA) welcomes the opportunity to contribute to this important inquiry. As the peak national body representing restaurants, pubs and cafes across the Accommodation & Foodservice Industry, ARCA advocates for over 55,000 venues that collectively employ more than 500,000 Australians. Our membership includes independent operators, multi-site groups and some of Australia's most recognised restaurant, pub and cafe brands, employing tens of thousands of chefs, cooks, managers and hospitality professionals nationwide.

Skilled migration remains vital to the health of the hospitality sector and the broader economy. Restaurants and cafes rely on access to qualified and experienced international workers to fill chronic shortages in key occupations such as chefs, cooks, restaurant and café managers, and specialty kitchen staff. These roles are not only essential to business operations but also to preserving Australia's world-class dining culture, training local apprentices and maintaining the viability of regional and suburban hospitality venues.

Through this submission, ARCA will outline the economic, social and cultural contributions of skilled migration to the hospitality industry; identify constraints in the current migration framework; and propose practical, evidence-based solutions to strengthen Australia's skilled migration program for the benefit of employers, workers, and the communities they serve.

a) The ongoing economic, social and cultural value of skilled migration to Australia

Skilled migration continues to be a cornerstone of Australia's economic and social development, contributing to growth, resilience and national identity. Economically, skilled migrants enhance productivity by filling structural gaps in key industries such as healthcare, education, construction, hospitality, technology, and advanced manufacturing—sectors where domestic labour supply alone cannot meet demand. Their participation in the workforce expands tax revenue, supports regional growth, and sustains the funding of public services. Skilled migrants also bring entrepreneurship and innovation: nearly one in three Australian small businesses is owned or co-owned by someone born overseas, and their global experience helps local firms adopt new technologies, diversify supply chains and access export markets.

Socially and culturally, skilled migrants enrich Australia's multicultural fabric, introducing new ideas, languages, and traditions that strengthen community cohesion and cultural literacy. Their presence broadens the national outlook, improves intercultural understanding, and enhances the creative and culinary industries that define Australia's lifestyle brand globally. Skilled migration also fosters demographic balance, offsetting an ageing workforce and

ensuring the sustainability of essential services in both metropolitan and regional areas. In hospitality, for example, skilled chefs, managers and baristas from around the world sustain operations, mentor apprentices and bring authentic culinary experiences that attract domestic and international visitors alike.

Beyond economics, skilled migration reinforces Australia's soft power by linking communities through diaspora networks that support trade, diplomacy, and innovation exchange. Migrants' professional and cultural contributions strengthen Australia's reputation as an open, competitive and welcoming nation. Together, these dimensions underscore that skilled migration is not merely an economic lever but a nation-building instrument that enriches Australia's prosperity, diversity and resilience for generations to come.

b) The effectiveness of current skilled migration settings in meeting the current and future needs of the states and territories, while recognising the ongoing need for housing and infrastructure

Current settings only partially align intake with where and when skills are needed because the system moves slower than the economy. Processing times, static occupation lists and fragmented jurisdictional roles mean states face simultaneous shortages and oversupply across different roles. Employers—especially in SMEs and service sectors like hospitality, aged care, construction and education—struggle to plan because intake volumes, criteria and lead times change more quickly than leases, fit-outs and project pipelines. At the same time, housing supply and infrastructure capacity are not consistently factored into visa planning, so even well-targeted intakes can intensify rental pressure and commute bottlenecks in hot spots while regional centres with vacancies and spare capacity miss out.

A more effective approach is dynamic and place-based.

First, move from static occupation lists to a live, data-driven targeting model that blends Jobs and Skills Australia insights, real-time vacancies, training commencements and completions, and state nominations—refreshed quarterly and visible on a public dashboard. Second, pair visas with "regional compacts" in which states and territories specify priority roles, minimum service coverage (for example, kitchens, classrooms, clinics and construction sites), and local settlement capacity indicators such as vacancy rates, dwelling completions and public transport load. Third, adopt service-level agreements that guarantee decision times for priority roles and accredited employers, with premium fast-track lanes where integrity history is strong and wages meet transparent safeguards. These steps align timing, role selection and geography with on-the-ground realities.

Housing and infrastructure need to be designed into the migration settings, not treated as downstream constraints. Intake planning should use simple capacity triggers—if rental vacancy rates or student enrolments breach agreed thresholds, the composition and geography of intake shifts rather than relying on blunt national caps. Federal-state matching grants can help councils expand enabling infrastructure—planning approvals, transport frequency, TAFE capacity and childcare places—in suburbs and regions nominated for higher skilled intakes. In parallel, targeted incentives for build-to-rent, key-worker housing and regional relocation (including stamp duty concessions or payroll tax rebates for employers who place workers where housing is available) reduce pressure in overheated markets and accelerate settlement where it is sustainable.

Finally, settings must lift productivity and local training alongside migration. Trusted-employer sponsorship tied to training plans, dedicated visa pathways for critical enablers (chefs,

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construction trades, nurses, early childhood educators, digital, energy and engineering roles), quicker skills recognition with supervised practice, and stackable micro-credentials close the time-to-work gap while protecting standards. Settlement supports that actually drive retention—spouse employment assistance, English and recognition of prior learning, transport concessions in the first six months, and regional mentoring—turn arrivals into long-term contributors in the places that need them most. Together, these reforms convert a patchwork system into a responsive, transparent and capacity-aware framework that meets state and territory needs without overloading housing and infrastructure.

c) The scope to more effectively target skills gaps and shortages in critical sectors to improve services that benefit Australian communities

Australia's skilled migration framework must evolve from a reactive, list-based system to a proactive, intelligence-led model that accurately matches skills to real-time labour needs. Currently, delays in updating occupation lists, inconsistent skills recognition, and slow visa processing times limit the responsiveness of the system. As a result, critical sectors such as healthcare, education, construction, technology, and hospitality continue to experience chronic shortages that undermine service delivery, business continuity and community wellbeing. The restaurant and cafe sector, for example, still faces persistent shortages of qualified chefs, cooks and venue managers—roles that are essential to both economic output and Australia's tourism and cultural identity.

To more effectively target these gaps, the system should integrate **real-time labour market intelligence** from sources such as Jobs and Skills Australia, ABS data, and employer demand indicators from taxation and payroll systems. This data could feed into a **dynamic occupation database**—updated quarterly rather than annually—allowing policy and visa settings to reflect emerging shortages before they become structural. Critical sectors such as healthcare, education, construction and hospitality could also benefit from **sector-specific migration compacts**, co-designed with industry and unions, that set out targeted visa streams, agreed wage floors, training obligations, and settlement support to ensure migration complements, rather than substitutes, domestic workforce development.

The introduction of **fast-track visas for verified priority occupations** would further streamline entry for roles where shortages are nationally recognised and time-sensitive—such as registered nurses, early childhood educators, chefs, aged care workers and digital engineers. These should be accompanied by **trusted employer programs**, reducing red tape for businesses with strong compliance histories and genuine skill needs. This approach would reward integrity and efficiency while improving labour mobility and workforce stability in essential sectors.

A major barrier to targeting skills effectively is the **recognition of international qualifications and prior learning**. Australia could adopt a unified national framework for skills recognition, aligned with international standards and backed by digital credential verification. Partnerships between TAFEs, RTOs, and professional bodies could deliver short bridging programs—allowing migrants to meet Australian licensing requirements within weeks, not months. This reform would rapidly deploy skilled professionals into critical community services such as healthcare, education, construction, and hospitality, where local training pipelines cannot immediately meet demand.

Finally, a coordinated national effort between government, business and training providers is needed to align migration with long-term workforce planning. By linking skilled migration to

domestic training incentives—such as apprenticeship subsidies and micro-credential programs—Australia can ensure migration fills gaps today while building a sustainable local workforce for tomorrow. Together, these reforms would move skilled migration from a blunt, administrative process to a **strategic tool for economic resilience, community wellbeing, and national productivity**.

d) The scope for skilled migration settings to more effectively support Australian businesses, boost productivity and encourage innovation

Skilled migration will lift productivity most when it is fast, predictable and tied to genuine capability gaps that unlock investment. Today, long and uncertain processing, fragmented skills recognition, and one-size-fits-all sponsorship rules slow down hiring decisions, raise risk premiums and delay technology adoption—especially for SMEs that lack HR scale. A redesigned system should make time-to-deployment the north-star metric, while hard-wiring integrity and wage safeguards so migration complements, rather than substitutes for, local training. For restaurants, cafes and other service businesses, the productivity dividend shows up as steadier rosters, lower turnover, better training throughput, and the confidence to expand hours, menus and sites.

The first solution is a tiered, trusted-employer framework with guaranteed decision SLAs. Accredited sponsors that meet clear compliance, wage and training benchmarks should receive streamlined checks, digital self-service renewals and 10–20 business-day decisions for priority roles. Sponsorship should be portable across a group's ABNs and sites to suit multi-venue operators, with simple change-of-role notifications rather than full reapplications. Transparent wage floors linked to award plus margins deter undercutting while giving employers certainty. A public dashboard should track processing times, refusal rates and integrity actions by stream, keeping pressure on system performance.

Second, make skills recognition rapid and consistent through a national digital credential spine. Pre-verify common overseas qualifications and experience profiles for priority occupations, publish "bridging maps" that show exactly what training or supervised practice is needed to reach Australian standards, and deliver those micro-bridges through TAFE/RTO partners in weeks, not months. For hospitality, fast, modular recognition for chefs, cooks and venue managers—paired with short, job-embedded units on food safety, WHS and local procurement—would cut onboarding time dramatically while lifting compliance and quality.

Third, link visas to productivity and innovation outcomes that matter to the economy. Create sector compacts—hospitality, construction, care, digital, energy—co-designed with industry and unions, with clear intake targets, wage guards, training ratios and settlement supports. Offer payroll tax or visa levy rebates where employers hit agreed training and retention milestones for Australians (for example, apprentices completing Certificate III/IV), and allow trusted employers to sponsor small, time-boxed "innovation roles" that implement new systems: POS/AI demand forecasting, kitchen workflow digitisation, energy-efficient equipment, or food-waste analytics. The test is measurable uplift—higher revenue per labour hour, lower spoilage, improved safety and satisfaction—verified through simple before/after reporting.

Fourth, smooth pathways that match business planning horizons. Graduates, trainees and provisional visa holders in priority roles should have predictable steps to longer stays where performance and wages meet thresholds, removing churn that erodes productivity. Allow flexible part-time and split-shift patterns within visa conditions so rostering reflects real

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demand curves, and enable short regional stints with relocation support to spread capability where housing and jobs exist. Settlement supports that drive retention—spousal employment assistance, English and recognition of prior learning, childcare access in the first months—pay for themselves through lower turnover and fewer repeat sponsorships.

Finally, focus compliance where it counts and reduce friction elsewhere. Use data-matching to identify underpayment risks, randomise audits for deterrence, and keep sanctions sharp for bad actors while shielding high-integrity employers from repetitive paperwork. Publish simple industry playbooks—by role and award—so SMEs can get sponsorship, wages, penalties and record-keeping right the first time. For restaurants and cafes, the combined effect is practical: faster access to experienced chefs and managers, steadier teams who mentor locals, and the confidence to invest in tech and training that lifts service quality and margins—turning skilled migration from a stop-gap into a productivity engine.

e) Strategies to enhance public awareness and understanding of the role of skilled migration in Australia

Public confidence grows when people can see, measure and locally experience the benefits of skilled migration. A national, plain-English communications program should pair transparent data with relatable stories that show how migrants keep essential services running, help small businesses grow and train Australians. A live "Skilled Migration Outcomes" dashboard—updated quarterly—can display where arrivals are working, wage safeguards in place, compliance actions taken, apprenticeship and trainee numbers supported, and regional retention rates. Publishing this information alongside simple explainers on how occupations are targeted, how salaries are protected above award, and how integrity is enforced demystifies the system and undercuts misinformation.

Storytelling must be local, practical and sector-specific. Partner with councils, chambers, industry associations (including ARCA), unions and community organisations to produce short videos, social posts and local media pieces that profile real workplaces—a regional cafe that extended hours thanks to a qualified chef mentoring two apprentices; an aged-care facility stabilised by overseas nurses; a construction firm delivering more homes with migrant tradespeople training locals. These narratives should be multilingual and distributed across mainstream media, ethnic media and digital channels, with ready-to-share toolkits for small businesses so they can champion their own stories on Instagram, Facebook and LinkedIn.

Integrity messaging needs to be as visible as the benefits. A "Fair Work & Fair Go" strand should explain wage floors, labour-hire licensing, whistleblower channels and recent enforcement results, coupled with rapid myth-busting when rumours circulate (e.g., that migrants depress wages or displace apprentices). Establish a single complaints front door with triage to the right regulator and publish resolution times and outcomes. For trusted employers with strong compliance histories, highlight accreditation publicly; for non-compliance, communicate sanctions to demonstrate consequences. This balance reassures communities that the program protects standards while meeting skill needs.

Education and community engagement should begin early and reach widely. Schools, TAFEs and universities can host "Careers & Capability" sessions where migrant professionals and local employers co-present on pathways, apprenticeships and micro-credentials, showing how migration complements domestic training. Regional "open workplace" days—cafés, restaurants, clinics, workshops—let residents see teams in action and meet the people behind the services they rely on. Faith groups, sporting clubs and multicultural associations

can co-host welcome and networking events that accelerate social integration and spousal employment—key drivers of retention and community acceptance.

For small businesses, provide a practical communications kit: templated "Meet the Team" posters, table-talkers and receipts blurbs that explain how skilled staff help keep doors open and prices stable; website copy that outlines training commitments and apprenticeship targets; and QR codes linking to the national outcomes dashboard. In hospitality specifically, pair these with menu notes on local sourcing, food-safety standards and apprentice mentorship to demonstrate that migration lifts quality and builds Australian skills on the job.

Finally, measure and iterate. Track sentiment through quarterly polling at national and LGA levels, media tone analysis, ethnic-media reach, dashboard traffic, complaint resolution times, and business participation in storytelling campaigns. Set targets—improved public understanding of safeguards, higher recognition of local success stories, faster complaint resolution—and publish progress. Where sentiment lags or housing pressures rise, pivot intake composition and communications to address local concerns, working with state housing and planning agencies so communities see that migration settings are responsive to capacity. This closed feedback loop—transparent data, local stories, visible safeguards and continuous adjustment—builds durable trust in skilled migration as a pillar of Australia's prosperity.

f) Approaches taken in other countries with similar migration objectives — expansion, solutions and sources

Canada (Express Entry + Provincial Nominee Programs)[1]. Canada runs an adaptive, points-based national pool (Express Entry) and lets provinces nominate candidates to meet local needs (PNP). Express Entry ranks candidates on a transparent Comprehensive Ranking System and invites them in periodic rounds; provinces can nominate into this pool or run parallel non-Express-Entry streams to target shortages and retain arrivals regionally. The model blends national standards with place-based control and frequent draws that let policy react to labour market shifts.
Practical takeaways for Australia: mirror the dual track—keep a national, points-style stream for portability and integrity, while expanding state/territory nomination quotas tied to real-time local data and retention outcomes (e.g., bonus points or faster PR for regional commitment).

New Zealand (Green List tiers)[2]. NZ publishes a living "Green List" of priority occupations with two clear pathways: Tier 1 offers a Straight-to-Residence route; Tier 2 provides a Work-to-Residence path after a period in role. The list links occupations to explicit qualifications/registration requirements and is presented in plain language so employers and candidates quickly see eligibility.
Practical takeaways for Australia: publish a dynamic, qualifications-linked priority list (updated quarterly) with explicit "fast track" versus "work-to-residence" lanes and embedded skills-recognition guidance.

United Kingdom (post-2024 Skilled Worker regime)[3]. The UK replaced its Shortage Occupation List with the **Immigration Salary List**, moving to salary-based thresholds benchmarked to going rates and removing many shortage discounts. This sharpened wage

[1] Immigrate through Express Entry - Canada.ca
[2] Green List roles — jobs we need people for in New Zealand :: Immigration New Zealand
[3] Skilled Worker visa: immigration salary list - GOV.UK

safeguards but, per official guidance and industry reporting, materially tightened access for some mid-skill roles when thresholds rose. The lesson is to pair salary floors with careful calibration and stability to avoid demand whiplash.

Practical takeaways for Australia: maintain clear wage floors to protect standards, but consult widely and phase changes to avoid sudden access shocks for priority services (care, construction, hospitality).

Germany (Skilled Immigration Act + "Opportunity Card")[4]. Germany's recent reforms added the **Chancenkarte (Opportunity Card)**—a points-based job-seeker visa that allows qualified third-country nationals to live in Germany for up to 12 months while searching for work, with points awarded for qualifications, experience and language. The broader Act also streamlines routes for recognised skilled workers and clarifies recognition pathways. Communication is highly centralised via "Make it in Germany," which sets expectations for candidates and employers.

Practical takeaways for Australia: pilot a limited job-seeker stream for pre-verified candidates in critical roles (e.g., chefs, aged-care nurses, electricians) paired with short bridging and employer-match services, while keeping strong integrity checks.

A hybrid model Australia could adopt (actionable solutions)

1. **Data-driven target lists with tiered pathways (NZ-style clarity, Canada-style flexibility).** Publish a **Priority Skills List** mapped to qualifications/registration and split into **Fast-to-PR** and **Work-to-PR** tiers; refresh quarterly using Jobs and Skills Australia data, vacancy signals and state nominations. (Modelled on NZ Green List and Canada's responsive draws.)

2. **State/Territory Compacts (Canada PNP logic).** Allocate larger, predictable nomination quotas to states/territories tied to measurable retention, regional placement and settlement capacity (housing, TAFE seats, transport). Bonus places for regions meeting retention benchmarks after 24 months.

3. **Calibrated wage safeguards (UK lesson).** Keep transparent wage floors indexed to award + margins or market medians, but phase any increases and allow sector-specific calibrations where sudden hikes would jeopardise essential services, publishing impact assessments in advance.

4. **Rapid skills recognition + bridging (Germany/NZ practicality).** Stand up national micro-bridging for priority roles (e.g., food safety/WHS modules for chefs; supervised practice for nurses) delivered through TAFE/RTOs, with a single digital credential spine that mirrors Germany's user-friendly guidance.

5. **Pilot an Opportunity-Card-style job-seeker visa.** Limited, points-based 6–12 month job-seeker visas for pre-verified candidates in hard-to-fill roles, coupled with employer-matching and settlement supports; automatic closure if labour-market or housing indicators breach thresholds. (Adapted from Germany's Chancenkarte.)

6. **Transparent operations and comms.** Emulate NZ and Germany's clear, public-facing portals with role-by-role requirements, processing SLAs, and live dashboards of outcomes, compliance and retention to build trust and reduce search costs for SMEs.

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[4] https://www.make-it-in-germany.com/

Together, these elements—Canada's provincial alignment, New Zealand's tiered clarity, the UK's wage-guard discipline (applied carefully), and Germany's recognition and job-seeker innovation—form a coherent, Australian-fit system that is responsive, capacity-aware and pro-productivity.

Thank you for the opportunity to provide this submission, we look forward to working with you on solutions.

Should you require any further information or clarification, I am available to discuss the above or any other queries regarding this support. Thank you for your time.

Sincerely

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