



AUSTRALIAN HOTELS ASSOCIATION

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11 December 2015

The Committee Secretary
Senate Education and Employment Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Via email: eec.sen@aph.gov.au

Dear Members of the Committee

RE: Senate Education and Employment Standing Committee feasibility of, and options for, creating a national long service standard, and the portability of long service and other entitlements

The Australian Hotels Association (AHA) is a member of the Australian Chamber of Commerce and Industry (ACCI) and ACCI has provided a submission to the Senate Education and Employment Committee in relation to the feasibility of, and options for, creating a national long service standard, and the portability of long service and other entitlements.

The AHA support the submission made by ACCI in relation to this feasibility study being undertaken by the Committee.

Any questions or discussions with the AHA pertaining to this matter should be directed to the undersigned on _____ or to

Yours faithfully,

JOHN SWEETMAN AM
National Workplace Relations Director

About AHA

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 membership of more than 5,000 licensed hotel businesses includes pub-style hotels plus three, four and five-star accommodation hotels located in each state and territory. The AHA has branches located in every Australian capital city and a Canberra-based national office.

The hotel industry is a significant employer, with more than 278,000 persons employed between the pub sector (188,000)¹ and the accommodation sector (90,000)², and an annual wages and salaries contribution of \$5.41 billion.

Although some hotels are large-scale operations with hundreds of employees that form part of national or international chains, many AHA members are small, locally owned businesses serving their surrounding communities. In 2005-06 only 145 of 65,197 businesses in the ABS Accommodation, Cafes & Restaurants sector employed more than 100 people.³

AHA members operate highly labour-intensive businesses and as such are significantly impacted by cost increases relating to employment. The Australian Fair Pay Commission identified that wages amount to 24 per cent of total expenses in the hospitality industry compared to the average across all industries of 15.8 per cent.⁴ The average member therefore has relative wage costs that are nearly 52 per cent higher than the average Australian business.

¹ PricewaterhouseCoopers (2009) *Australian hotels: More than just a drink and a flutter*

² Australian Fair Pay Commission (August 2008), *Accommodation, Cafes and Restaurants Industry Profile, Research Report No.1/09*

³ Australian Bureau of Statistics (2007), *Australian Industry 2005-06*

⁴ Australian Fair Pay Commission (August 2008), *Accommodation, Cafes and Restaurants Industry Profile, Research Report No.1/09*, p31