

**IN THE FAIR WORK COMMISSION**

**SUBMISSION**

**Application to vary the Restaurant Award for award flexibility**

**AM2021/58**

**An application to vary the Restaurant Industry Award 2020 (AM2021/58) to include a new Schedule R – Award flexibility for COVID-19 pandemic recovery**

**FILED ON BEHALF OF RESTAURANT AND CATERING INDUSTRIAL**

**7 JULY 2021**

## **Restaurant and Catering Industrial**

1. Restaurant & Catering Industrial (“RCI”) provides a short written submission in response to the updated information note regarding the Accommodation and food services that was published by the Fair Work Commission on 5 July 2021. RCI is the national industry association representing the interests of more than 48,000 restaurants, cafés and catering businesses across Australia. The café, restaurant and catering sector is vitally important to the national economy, generating over \$35 billion in retail turnover each year as well as employing 580,000 people.
2. RCI delivers tangible outcomes to small businesses within the hospitality industry by influencing the policy decisions and regulations that impact the sector’s operating environment. RCI is committed to ensuring the industry is recognised as one of excellence, professionalism, profitability and sustainability. This includes advocating the broader social and economic contribution of the sector to industry and government stakeholders, as well as highlighting the value of the restaurant experience to the public.

## **Effects of COVID-19 pandemic**

3. The updated information note notes that in 2021, restrictions have been re-imposed including lockdowns in Victoria, NSW, Queensland, Western Australia and Northern Territory. These lockdowns closed hospitality venues except for takeaway services while there are density and capacity limits in South Australia. These measures reiterate that there are ongoing challenges to the COVID-19 pandemic including variants such as Delta which was the cause of recent community transmission in June and July 2021. This continues to be a reality of the pandemic with other more recent variants such as the Lamda variant of COVID-19 which have been identified to be circulating throughout the world.
4. The updated information note also provided recent data which demonstrated that from December 2020 to June 2021, the accommodation and food services when compared to all industries were disproportionately affected in their change of revenue. In addition, the changes in operating hours due to COVID-19 reaffirmed the disproportionate impact of COVID-19 with fewer than 10% of businesses in Accommodation and food services were ‘operating as normal’ between mid-June and mid-September 2020.
5. The correlation between the economic recovery with the easing of restrictions is highlighted in the updated information note which also found that during the

second wave of new cases in Victoria, the turnover recovery stalled with ongoing restrictions from the subsequent waves of community transmission.

6. In June 2021, the information note stated that a higher proportion of businesses in Accommodation and food service would be in a difficult or very difficult to meet financial commitments over the next 3 months at 25% which compared with 16% for all industries. There is also a lower proportion who indicated that it would be “easy” or “very easy” to meet financial commitments over the next 3 months with 28% for accommodation and food services when compared to 41% for all industries.
7. The latest data in accordance with the updated information note recognised that up until the week ending 5 June 2021, the number of jobs across all industries was 2.3% higher than mid-March 2020 levels which is contrasted with Accommodation and food services where it was still 12.3% below the mid-March levels.
8. Overall, the updated information note reiterates the views of RCI that the accommodation and food services industry continue to be disproportionately affected by the pandemic. The ongoing variants of COVID-19 resulting in further government lockdowns and restrictions continues to impede the economic recovery and exacerbate the two-speed economy that is occurring in Australia. As new variants of COVID-19 spread in the community, the Accommodation and food services sector continue to be the severely affected.

If you wish to discuss RCI's views further, do not hesitate to contact the Industrial Relations Department by email on [ir@rca.asn.au](mailto:ir@rca.asn.au).

**Filed on behalf of RCI by**

**Nigel Ward**

**CEO and Director**

[nigel.ward@ablawyers.com.au](mailto:nigel.ward@ablawyers.com.au)

**Tom Green**

**Head of Policy, Government and Public Affairs**

[tom@rca.asn.au](mailto:tom@rca.asn.au)

**Brendon Zhu**

**Senior Advisor – Industrial Relations and Policy**

[brendon@rca.asn.au](mailto:brendon@rca.asn.au)

**7 July 2021**