



## **Restaurant & Catering Australia**

Restaurant & Catering Australia is the peak national organisation representing the interests of restaurateurs and caterers.

The Association is a federation of State Associations that work together on matters of national importance. The State Associations have a combined membership of 5,800.

### **The Restaurant Industry in 2004**

The Australian Bureau of Statistics reports some 28,900 restaurant, café and catering businesses that are registered for GST. Of these businesses 57% turn over between \$100,000 and \$499,000 and 94% turnover under \$500,000. There are eight businesses that turn in excess of \$20 Million<sup>1</sup> (see Figure 2).

The year 2004 was certainly a year of contrast for the restaurant industry. According to the ABS the industry went from the nine months of high turnover to three months (October through December) where turnover dropped below 2003 levels<sup>2</sup>.

Strong turnover in October-November 2003 (due to the Rugby World Cup) contributed to artificially high revenues at that time. It is therefore not surprising that 2004 levels dipped below 2003. December 2004 was, however, lower than 2003, without this distortionary effect.

Despite the overall positive revenue growth, the large price increases in major inputs (food and labour) have further undermined profitability in this period. Profitability, for the predominant licensed restaurant category, was in 1998-99, cited by the ABS at 3.9%<sup>3</sup>. This is likely today to be 1.5% on turnover (before tax).

This document contains the Restaurant & Catering Australia Position on the following :-

**Workplace Relations**  
**Employment, Education & Training**  
**Taxation Treatment of Business Meals**  
**GST Simplification**  
**Superannuation**  
**Domestic Tourism**  
**Food Safety**  
**Other Key Issues**

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<sup>1</sup> ABS Business Counts, March 2002, Restaurant & Catering Australia

<sup>2</sup> Australian Bureau of Statistics, Retail Trade Data, December 2004

<sup>3</sup> ABS Café and Restaurant Series, 1998-99

# Workplace Relations

## Position

- The process of individual and collective agreement should be fostered and promoted throughout the industry and adequately resourced to ensure greater take up.
- That the process of award simplification and consistency be continued. The needs of small and medium size businesses are given active consideration in all matters concerning unfair dismissal legislation.
- That there should be greater harmony across the national workplace relations system.
- That greater national consistency should be achieved in workers compensation and workplace safety laws.
- The process of setting the Safety Net Wage should require the consideration the impact of increases on impacted industries on a case by case basis and apply differential increases based on their specific economic conditions.

## Rationale

- The restaurant and catering industry operates within an industrial system that is characterised by complex, numerous and often outdated industrial instruments and arrangements.
- For the industry to move forward progress must be made towards a system that is less regulatory and focussed upon providing a genuine safety net only. A system that is less prescriptive, simple and flexible than that which is currently on offer. A system that is characterised by the ability of employers and employees to negotiate all but the most basic under pinning employment entitlements.
- Specifically reform must recognise the "24/7" nature of the restaurant and catering industry. Reform to traditional penalty rates structures must be addressed as a matter of urgency. Such reform must be premised on the argument that acknowledges the role that the restaurant and catering industry plays in modern Australian life, providing a unique service that is requested, required and expected at times outside of the traditional Monday-Friday nine to five working week. Employers in the industry need to be rewarded for providing this role and not penalised for the provision of their services and the employment opportunities that they create.
- The industry needs to progress its ability to understand and implement workplace agreements (both collectively negotiated and individually) into the future if it is to take advantage of the benefits that they bring forward. Workplace agreements provide a level of flexibility that is simply not available through traditional award structures.
- The myriad of awards that exist in the industry lack consistency of definition, application of respective provisions and clarity. While they continue to provide the "bar" against which individual and collective agreement making is measured within the industry progress in this area will remain limited and fragmented. However this complexity needs to be addressed as a separate issue and not allowed to delay the uptake of agreement making in the industry.

- For agreement making to be successful, by means of penetrating large numbers within the industry, adequate resources must be devoted to encouraging the uptake of such agreements. The need to sell the philosophy and concept equally, if not more important, than the resources need to support the physical process.
- For the restaurant and catering industry to reach its maximum potential the issue of unfair dismissal must be addressed on two levels. The first is fundamentally enshrined in the legislation that houses unfair dismissal. This legislation must be simplified, take into account the small business nature of the industry and provide a better balance between the obligations and responsibilities of employers and employees. It must provide a period of extended probation that ensures that employers retain the right to make sound decisions based on business and economic considerations and not fear of repercussions from external legislation such as unfair dismissal.
- The inconsistencies in the national and state systems create regulatory burden, by requirements of restaurateurs and caterers working with multiple systems. This burden must be reduced and the propensity for forum shopping minimised through a proactive concerted effort to harmonise the system.
- The need for national consistency in workers compensation and workplace relations safety laws is an issue of macro concern for the restaurant and catering industry.
- With each jurisdiction having a different system of administration and entitlement, current arrangements complicate and impede the fair and efficient administration of workers compensation for the industry. Despite an increasing focus on workplace safety the industry continues to experience increasing cost for the total premium charges levied and these premiums tend to vary greatly across jurisdictions.
- The capacity of a labour intensive sector such as restaurant and catering to meet increased labour costs must be considered on its merit and not just within the context of broader economic climate. With tight margins and low productivity growth, acceptance of this fundamental principle is important to the future success of the restaurant and catering industry. With increases to award rates affecting overtime and penalty rates, annual leave loadings, payroll tax, superannuation and workers compensation the compounding effect is always likely to be greater than the all industry average and this must be recognised.

## Background

- There are 28,900 restaurants in Australia.
- The restaurant industry turned over \$11.9 Billion in the 2003/04 financial year.
- The average restaurant turns over \$411,700 per annum and nets 1.5% (or \$6,176) before tax.
- The Australian restaurant industry employs 239,000 people in Australia, 53.5% of whom are casual.
- Employment growth to November 2003 was an 8.1% increase on the number employed 12 months earlier.
- Casualisation has been increasing by some 0.25% per annum for the last six years.
- 12% of AWAs approved in the last 3 months have been in the café and restaurant industry.
- Businesses in the accommodation, cafes and restaurants industries are the most likely businesses to have employees earning the minimum wage.

Created May 2004 as modified February 2005

# Employment Education & Training

## Position

Restaurant & Catering Australia recommends that government and industry should work together to:

- Decrease the wastage in the training effort through the adequate selection of individuals to undertake training whether in the school systems or through other means. Screening of aptitude and attitude must form part of this process.
- Review the administrative and employer incentive arrangements, surrounding the New Apprenticeship Scheme, with a view to minimising the burden on employers and should be modified to (a) focus on occupations in skill shortage and (b) encourage the retention of an apprentice by the employer who has invested in their training particularly in the first two years.
- Encourage State Training Agencies to recognise and fund appropriate assessment pathways to hospitality qualifications.
- Overhaul the promotion of training options, the consultation of operators and the very language used by the training system to make it more customer focused.
- Implement a consistent national quality assurance model to ensure that:
  - Individuals delivering training (that leads to a VET Qualification) have recent relevant industry experience as well as a qualification in training delivery.
  - The establishment and enforcement of requirements for skills, knowledge and facilities, for employers that take on apprentices / trainees.
  - The framework better addresses the differential quality of vocational training delivery in all sectors (from School to Higher Education).
- Pilot a streamed offering of Hospitality VET in Schools, where students are screened for aptitude for the industry and those who demonstrate aptitude are able to undertake a complete vocational qualification (including work placement) and others are directed toward a non-VET hospitality program.
- Increase the access and availability of careers information to those other than school leavers (eg mature aged) through the development of resources directed at the target market and having these resources available through Job Network Agencies, Centrelink Offices and a link to the "My Future" website.
- Explore the options for funding of hospitality training courses including:
  - the application of fees to diploma and advanced diploma courses, which would be payable through the HECS system.
  - redirection of the current funding of diplomas into priority areas identified by industry such as up-skilling current employees, funding of Certificate IV in commercial cookery, funding of individual units of competence identified as priority areas by industry.

## Rationale

- Potential staff with the right attitude and the lack of appropriately skilled applicants are significant barriers to employing more staff, for restaurateurs. The attitude of potential staff is a much greater deterrent (over 3.5 out of 5) than skills.

- If restaurant businesses are to employ more people, applicants must more closely meet their needs in terms of attitude and appearance, whilst continuing to place importance on technical skills
- The restaurant industry has very significant shortages of skilled staff. *A Recipe for Change*, a report commissioned by the National Industry Skills Initiative<sup>4</sup>, suggests that the industry more broadly requires an additional 2,000 cooks. Based on data assembled by Restaurant & Catering Australia these 2,000 cooks are likely to be matched by 2,000 Service Staff, 2,500 Kitchen hands and 1,500 Supervisors.
- The Traineeship and Apprenticeship schemes are ideal ways in which employing restaurateurs and caterers can ensure that training delivery (and the qualification outcome) are realistic through the involvement of the business in training delivery and assessment.
- Funding arrangements impact on the success or otherwise of assessment pathways to a qualification. The training system acknowledges that individuals should be able to achieve a qualification by an assessment pathway, but such a pathway does not receive equitable funding to an institutionally delivered qualification.
- Growth in entry level training opportunities in the restaurant and catering industry will require an enhanced level of engagement of individual businesses and the training system. This will only happen if the training system becomes more accessible. The promotion of training options, the consultation of operators and the very language used by the training system need to be more customer focussed.
- The Training Package regime has to a large extent solved the definition of skills with the industry. The level of funding to hospitality programs has also gone a long way to quenching the industry's thirst for adequately trained staff. The implementation of the Training Package has however been let down by the system that enshrines it. Of particular concern, around the quality of delivery is the quality of teaching staff.
- The revised industry advisory arrangements, instituted in 2003/04 are as yet untested<sup>5</sup>. The provision of industry advice is a very important component of the VET system. These new arrangements must be carefully monitored to ensure that they are responsive and based on practical industry advice.

## Background

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- The average restaurant turns over \$411,700 per annum and nets 1.5% (or \$6,176) before tax.
- The Australian restaurant industry employs 239,000 people in Australia, 53.5% of whom are casual.
- Employment growth to November 2003 was an 8.1% increase on the number employed 12 months earlier.
- (141,800 individuals) are undertaking training in tourism, hospitality or personal services<sup>6</sup> and over one quarter (14%) of all units of competency achieved.
- All industry average for degree and graduate qualifications is 21.5%, whereas the hospitality industry average is 5%
- 28,807 students undertook Hospitality courses whilst at school in 2001.

Created 25 September 2003

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<sup>4</sup> A program funded by the Commonwealth Department of Education, Science and Training

# Taxation Treatment of Business Meals

## Position

- Restaurant & Catering Australia is proposing a much simpler system that would see business meals free of FBT.
- Specifically, Restaurant & Catering Australia seeks to reduce, but not completely eliminate, the tax-induced cost-disadvantages faced by businesses in relation to business meals as well as simplifying the system for compliance/administration reasons.
- The industry body recommends that: **All business meal expenditure should be removed from FBT coverage and made non-deductible**<sup>7</sup>.

## Rationale

Business meals provided to employees are generally NOT fringe benefits they are a legitimate part of doing business – they are a business cost.

The current legislation governing the taxation treatment of business meals is overly complex. In 2001 Access Economics stated that 'In its tax treatment of business meals, Australia leads the world in complexity, in discriminating against business dining as a legitimate business input and, as a result in inefficiency, and in unfairness'.<sup>8</sup>

There are three key problems with the current legislation, as follows:

- It does not recognise that business meals are legitimate, necessary, business costs;
- It results in the over-taxation of all but those on the top marginal tax rate;
- It is very complex and leads to very high compliance costs.

## Meals are Legitimate Business Expenses

- Even though most meal expenses are a genuine cost of doing business, they incur FBT.
- Not allowing a deduction of meal expenses at the same rate as other legitimate business costs, distorts the economy.

## FBT over taxes most Australians

- FBT at 48.5% over-taxes 87% of the Australian population.

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<sup>5</sup> The amalgamation of National ITABs into Skills Councils, convening of the National Skills Forum and the disbanding of State ITABs

<sup>6</sup> Australian Vocational Education and Training, Students and Courses 2002: In detail, NCVET

<sup>7</sup> To confirm the legitimacy of a business expense, it is proposed that the reforms are limited to situations where an ABN is exchanged as part of the transaction, including where the business representative is the holder of a company credit card or where a company has a direct account with a restaurant.

<sup>8</sup> Access Economics Report commissioned By Restaurant & Catering Australia, Jan 2001: The case for, and economic effects of, *part*-recognition of business entertainment as legitimate business inputs or expenses for taxation purposes

## **FBT is very complex**

- There are 39 different ways of treating a business meal for taxation purposes.
- Small Businesses use hotels, restaurants and cafes as their boardroom. The very businesses that can not afford additional taxation or being disadvantaged.
- FBT reforms would generate 7,500 jobs in the hospitality industry.
- Food producers, processors and suppliers to the industry can expect a volume increase of between 0.05% and 0.19%.
- Since the huge downturn in commercial business in 1987 when FBT was introduced on business meals, the restaurant & catering industry has been advocating a way to get business back to the dining table. The imposed disincentive to dine out was compounded upon the introduction of GST due to input credits not being able to be claimed on business meals. The GST was tagged 'not a tax on business' but it was a tax on business meals.

## **Background**

- Businesses across the board face not only the increased cost of a meal brought about by FBT, but an overlay of lack of deductibility and very significant compliance costs. Estimates provided to Restaurant & Catering Australia suggest that for every \$1 collected in FBT business incurs 50c in compliance cost.
- In 1999 the Review of Business Taxation (the Ralph Review) recommended that Business Meals should be made FBT free and non-deductible as a means of reducing the compliance burden of this aspect of taxation.

The Ralph proposal addressed the three key problems with the taxation treatment of business meals, as detailed above, as follows:

- The high compliance cost is addressed by the removal of FBT and the consistent non-deductibility of both components of business meal expenditure.
- Removal of FBT eliminates the over-taxation of those not in the high tax bracket.
- Whilst not completely addressed, the proposal does recognise that business meals are legitimate business expenses by not treating them as a fringe benefit.
- ECONTECH estimates that the reforms (in the Ralph Review Option) will increase overall industry output by 0.9% and increase employment by 0.2%.
- The removal of FBT on business meals reduces business costs across the economy. These savings flow through to a reduction in the price to consumers, lowers consumer prices which translates into higher living standards under the Ralph option (an improvement in annual living standards at around \$0.6 million).

*Created January 25 2005*

# GST Simplification

## Position

Businesses with mixed inputs (such as restaurants, cafes and caterers) should be able to elect to utilise a simplified accounting method that approximates input credits.

Small businesses should receive some compensation for their meeting the administrative requirements of the GST.

## Background & Rationale

In order to progress the passage of the GST through the Senate the Federal Government was forced to compromise on the GST and in so doing was forced to exempt food from the GST. Whilst negotiated on social equity grounds, this had unforeseen consequences on restaurant and catering businesses of making their GST compliance more difficult.

In a report published by Prof. Jeff Pope in 2002 it was suggested that the cost of compliance for an average sized small business was in the order of 0.45% of turnover. On the basis of ABS data<sup>9</sup> this would place the average compliance cost for a business the size of an average employing restaurant business (\$558,500) at \$2,513.25 per annum.

Based on data provided to the R&CA, the average restaurateur or caterer spends \$552 per month (or \$6,600 per annum) on GST compliance<sup>10</sup>.

It is reasonable to assume that the difference in the two estimates is brought about by the mixed-inputs experienced by restaurants, cafes and caterers.

Restaurants, cafes and caterers spend more than double the amount on GST compliance than other businesses BECAUSE OF THE MIXED-INPUT nature of their business.

In part this additional complexity is reflected in the number of restaurant businesses using professionals to complete their GST returns. 81% of restaurateurs and caterers engage an accountant to complete their Business Activity Statement<sup>2</sup>.

## Solution

Restaurant & Catering Australia believes that every effort should be made by Government to minimise the burden that small business face through their role collecting the GST. In particular the Association believes that the burden faced by businesses with mixed inputs should be minimised through some simplification regime.

A simplified accounting method has been established for food retailers with mixed sales (such as health food shops and bakeries), in acknowledgement that accounting for GST is more difficult in environments where some sales attract GST and some do not. The same complexity applies to circumstances where inputs are mixed, yet no simplified accounting method exists.

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<sup>9</sup> Café and Restaurants Industry, Australia, 1998-1999

<sup>10</sup> Restaurant and Catering Operations Report, 3<sup>rd</sup> Edition, 2003

## Detail

Small restaurant and catering businesses should be able to elect one of two methods to estimate the value of their inputs. They could elect:

- A business norms method (based on an industry average proportion of GST applicable and GST free inputs) ;
- A snapshot method (based on analysis over a given time frame).

In all cases the focus of implementation should be on providing assurity to the business. Restaurateurs, café and catering business owners must be able to rely on the estimate when lodging their GST returns.

To provide this assurance, a formal election could be notified to the Tax Office (as currently is the case for the Retail Simplified Accounting method).

To arrive at the business norm Restaurant & Catering Australia would work with the ATO to arrive at an average proportion of inputs that are GST free and those that are taxable supplies.

If choosing the SNAPSHOT method, individual business would elect two periods in which to take a snapshot of all purchases. Collateral would need to be produced, in conjunction with the Association, to educate businesses in 'taking a snapshot' and / or deciding upon which method to use.

### *EXAMPLE*

*A restaurant in Hobart turns over \$1.5 Million per annum.*

*The restaurant spends \$340,000 each year on food. Of this 80% is GST free.*

*Other expenses in the business (aside wages) total \$585,608.*

*This business spends \$13,000 per annum on accounting services.*

*This business could estimate that 6.4% of their purchases can be claimed as a GST input credit.*

*This could be determined by looking at purchases made over two periods (one two weeks and one four week) and then notifying the ATO of the results of the analysis.*

*This simplification is estimated to save \$2,500 in accounting fees and 9 hours per week of the owners time.*

*Created 25 September 2003  
as modified November 2003*

# Superannuation

## Position

That Government change the current superannuation arrangements such that :-

- The superannuation guarantee threshold is raised to \$1800 per quarter (from \$450 per month) and that it be indexed to CPI.
- That superannuation contributions for working holiday makers be contributed to a training and education fund.
- Minimum notification requirements (of the Superannuation Guarantee) be amended such that notification of less than full time employees only be required annually with PAYG Payment Summaries.

## Rationale & Background

Australia's retirement income policy must be improved if it is to adequately provide for the needs of an aging population. It is also clear that , in low margin labour intensive business such as restaurants and catering organisations, further increases to the employer contribution to superannuation can not be sustained.

Alternatives must be found to fund Australia's retirement. Employers are currently making the lion share of contribution. It is now time for a shared approach including employers, employees and government.

This shared approach should adopt three key principles as follows :-

## Eliminating the wastage

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There are some key areas of leakage in the current superannuation arrangements. One of the significant areas of wastage is the payment of superannuation contributions for individuals who never collect the amounts deposited. In general this is either because the amount of the contribution is so small that it is not worth the hassle of rolling it over into another fund (or the amount has been 'eaten-up' by administration fees), or, in the case of working holiday-makers they are unable to collect the monies from outside Australia.

Even in the face of changed legislation (enabling and promoting the collection of contributions by working holiday makers) very few collections are being made.

This wastage should be eliminated. In these cases the employer is making a financial commitment for no end gain. It is therefore recommended that

- a. The superannuation guarantee threshold be raised to \$1800 per month (from \$450 per month) and that it be indexed to CPI.
- b. That superannuation contributions for working holiday makers be contributed to a training and education fund.

## Sharing the load

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Since the Superannuation Guarantee Levy was introduced in 1992, employers have been carrying the burden of the required increase in retirement savings for Australians. This burden can not be increased to a level that will satisfy the need for retirement income without placing the continued viability of the businesses at risk. It is therefore time to look at how the burden might be better spread among all the stakeholders.

It is therefore recommended that Government consider compulsory employee superannuation – this could be initiated at some time in the future when a tax cut is made possible and some proportion of the individual benefit could be allocated to Superannuation.

In considering employee contributions, government should address the method of collection and consider initiatives such as collection with withholding tax. The level of burden on business should not be increased through this process. In addition, the benefits of employee 'ownership' of superannuation should be carefully thought through as a benefit of this approach.

## Minimising Employer Administrative Burden

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The administrative burden of superannuation was rated number one in a recent analysis of the compliance burden facing restaurant businesses<sup>11</sup>.

In recent times this burden has increased rather than decreased in the face of legislative changes made to the Superannuation Guarantee Legislation.

Labour intensive businesses such as restaurateurs and caterers, will be particularly hard hit by the reporting requirements built into the changes. Further, in industries where a substantial proportion of the workforce are less than full time (again such as restaurant and catering businesses) the burden is disproportionate (only 25% of the workforce in these businesses are full/time).

Restaurant and Catering businesses estimate that up to 80% of notifications of superannuation contributions may be returned should the requirement proceed.

Restaurant & Catering Australia calls on the Australian Government to make allowance for these businesses and require that minimum notification requirements (under the Superannuation Guarantee) be amended such that notification for less than full time employees only be required annually with PAYG Payment Summaries.

*Created February 2002  
as modified 25 September 2003*

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<sup>11</sup> Office Of Small Business ,Regulatory Compliance Case Studies Pilot, Hospitality Sector Report, May 2003

# Domestic Tourism

## Position

- That the scope of Tourism Australia should continue to cover both International and Domestic Tourism.
- That the funding commitment made to Tourism, for 2004 - 2007, be honoured.

## Rationale

- Takeaway and restaurant meals accounted for \$11.2 Billion in tourism consumption in 2002-3 with \$9.5 Billion of that being from domestic tourists.
- See Australia has significantly contributed to the 5.7% rise in domestic tourism consumption in this period. For meals alone this increase accounted for \$509 Million (including \$46.2 Million in GST).
- Without the additional income from the increase, the average restaurant businesses' profitability would be some 25% worse off (in a tourism precinct). This increase would also be equivalent to over 1,000 additional jobs in the restaurant / catering industry.
- Increasing the proportion of household spend, that is on tourism, has a number of very positive impacts on the economy. The tourism industry (in particular the hospitality sector thereof) is one of the most labour intensive industries in Australia and therefore every dollar spent creates more jobs than if spent on other products / services.
- In addition these jobs are predominantly lower skilled jobs AND are spread throughout the length and breadth of the nation. In short, tourism spend is good for employment, good for the regions and good for Australia.
- In addition to the positive employment impacts, the restaurant and catering industry is all but 100% Australian owned and operated. All expenditure, by domestic tourists, in restaurants is retained in Australia. Further, the low level of profitability means that 98.5% of revenue received is spent in the Australian economy.

## Background

- 8.9% of students (141,800 individuals) are undertaking training in tourism, hospitality or personal services.
- The restaurant industry turned over \$11.9 Billion in the 2003/04 financial year.
- The average restaurant turns over \$411,700 per annum and nets 1.5% (or \$6,176) before tax.
- The Australian restaurant industry employs 239,000 people in Australia, 53.5% of whom are casual.

*Revised October 2004*

# Food Safety

## Position

That the FSANZ proposal to implement mandatory food safety plans be changed (as a result of the current further studies and evaluation) and a new approach be developed that encourage food safety plans being developed as best practice or punitive measures and food handler training be mandated.

That the role of FSANZ be changed to one of standards setting only and that processes be put in place to ensure that this occurs in consultation with industry.

That appropriate arrangements be introduced to ensure that standards that are adopted can be properly enforced.

That a commitment be made to the accurate measurement and evaluation of the incidence of food-borne illness in Australia and the effect of standards implementation on the same.

## Rationale

- FSANZ has based standards on the premise that 11,000 cases of food-borne illness occurs everyday, whereas the Department of Health is quoting 100,000 cases a year or less than 275 cases a day.
- No satisfactory evidence has been provided to support the proposition that elements of the standard 3.2.1 will reduce the cases of food-borne illness.
- Implementation and on-going compliance costs (of the standards) are overly onerous on small restaurant and catering businesses.

## Background

Restaurant and Catering Australia has been working with a number of food service industry organisations in addressing the pending food hygiene standards. They include the Australian Hotels Association, Hotel, Motel and Accommodation Association of Australia, Council of Community Clubs of Australia and New Zealand, Tourism Council Australia, Food Retailers Association, Master Fish merchants Association, Catering Institute of Australia, Baking Industry Association (NSW) Employers and the Australian Bed & Breakfast Council.

The above organisations have supported a more feasible and cost effective approach that will still lead to improvements in food safety, but not at any price. The main components of this approach are:

- Put in place an appropriate measurement system that ensures that Australia can properly assess the costs and benefits of the changes being proposed.
- Implement a cost effective national registration process for food businesses which ensures that businesses operating illegally, such as backyard caterers and unaccredited tourism operators, are highlighted to the consumer and the enforcement agencies.

- Develop up sector guidelines on food safety based on Good Hygiene Practices, being sufficiently specific to provide proper guidance to operators and inspectors/auditors alike. Property resource the development of these guidelines and have a plan for their distribution to the many businesses unrepresented. These guidelines would form the basis for the inspection/audit event.
- Enforce food safety plans as a punitive measure if businesses are not complying with the industry sector guidelines.
- Further piloting of food safety plans in a wide range of settings and properly assessing the results.
- A properly resourced education campaign encouraging both supervisors/operators and handlers to undertake food safety training, including compliance issues of premises and equipment standards.
- Better resourcing by federal and state governments of local government enforcement strategies.
- A proper review of the food safety strategies to occur 3 to 4 years after gazettal and assessment made by all parties as to the necessity and feasibility of a more widespread adoption of food safety plans.

This approach will receive widespread support and will make implementation of improve food safety at the retail foodservice level both achievable and cost effective.

Restaurant & Catering Australia believes that a requirement for training of all food handlers, to a minimum standards, would have far greater impact on the standard of food safety than any form of administrative initiative (such as mandatory food safety plans).

*Revised 31<sup>st</sup> March 2005*

# Other Key Issues

As a federation of state associations that all work together on national issues on behalf of their members, Restaurant and Catering Australia acknowledges that State Associations will have their own views of particular aspects of each of these matters. The positions expressed below are those on which commonality of view exists Nationally :-

## **Smoking**

That the Association encourage all Governments to ban smoking from all enclosed public places without exception where food and drink are consumed, and where people work.

## **Licensing / Accreditation / Certification**

That the association have a policy in support of a competency based occupational licensing scheme.

## **Quarantine**

That all imported produce be subject to rigorous testing, to Australian standards, to ensure it is disease free.