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POLICY & ADVOCACY UPDATE

Issue #50, 17 July 2025

- PM's China visit ramps up tourism potential
- Chef apprenticeship numbers continue to fall
- AA out and about at State member events
- Capital city hotel performance in first half of 2025
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As a service to members, back issues of this fortnightly Advocacy Update, can be found [here](#).

PM's China visit ramps up tourism potential

In the last few days Tourism Australia has signed two Memorandums of Understanding with major Chinese travel partners, both witnessed by Prime Minister Anthony Albanese during his state visit. The first is with global online travel agency Trip.com Group where the three-year agreement will see the delivery of increased destination marketing activity and the creation of new travel packages to encourage more visitors to plan and book holidays to Australia. The picture below courtesy of TA shows the PM alongside Tourism Australia Executive General Manager Global Markets and Business Events, Robin Mack and representatives from Trip.com. The second agreement with China Media Group will leverage CMG's extensive media ecosystem, spanning television, radio, digital, and social media platforms, to co-create and distribute compelling content that brings Australia's unique travel experiences to life.

In our media release on the signing of the agreements AA welcomed the focus on tourism during the PM's visit to China, with Accommodation Australia CEO James Goodwin saying, "It's great to see the Prime Minister strengthening the relationship with China and prioritising our travel and tourism sectors". James noted that in the year ending March 2025, Chinese tourists generated over \$9.2 billion in tourism revenue, and they spent over 7 million nights in Australian hotels and resorts. A return to anything close to the pre-pandemic visitation could yield a further \$5 billion in revenue. The full media release can be seen [here](#).



Chef apprenticeship numbers continue to fall

The National Centre for Vocational Education Research (NCVER) apprenticeship data for December quarter 2024 released last month shows that there has been a slight increase in the number of Food Trades (chefs, bakers, butchers and pastrycooks) commencements, up 3.3% compared with the same quarter in 2023, but 20% below the commencements in 2022 when COVID related incentives made a major difference. The number of food trades workers in training is down to 11,390, 5.9% less than a year ago as those who commenced during the subsidised period work their way through the system. Specifically for commercial cookery, the picture is more concerning, as the table below shows. There are only 6,180 in training as at 31 December 2024, compared with 6,535 in Dec 2023. Commencements have also fallen, down 6.7% to 5,865 for the quarter. The only glimmer of positive news is the rise in Certificate IV trades, but the numbers are still very low. In relation to the one-year hospitality traineeships, as AA had predicted, the loss of employer incentives on 1 July 2024 has resulted in a significant reduction in traineeship commencements and there were only 7255 hospitality trainees as at 31 December 2024, compared with 9,490 the previous year and 13,740 in December 2022 when the wage subsidies were in place.

NCVER Chef Apprentices in training Dec 2020 to Dec 2024						
	2020	2021	2022	2023	2024	2024 v 2023
Chefs Cert IV	380	505	595	500	705	41.0
Cooks Cert III	6785	7120	7025	6035	5475	-9.3
Total	7165	7625	7620	6535	6180	-5.4
NCVER Chef Apprentices commencements year to 31 Dec						
Chefs	215	305	410	250	390	56.0
Cooks	6785	7120	7025	6035	5475	-9.3
Total	7000	7425	7435	6285	5865	-6.7
NCVER Hospitality Traineeships in training Dec 2020 to Dec 2024						
Cert I to Diploma	10110	13320	13740	9490	7255	-23.6

Across all industries, trade commencements decreased by 13.9%, with the largest decreases being automotive, engineering and construction trades workers. There were also large falls (18.7%) in traineeship (non-trade) commencements, and a 19.1% drop of those in training, led by falls in clerical as well as the community and personal services sector. Construction, health and community services are on the government priority list, indicating that it is clear that the current apprenticeship settings are not working. Across both apprenticeships and traineeships, the biggest falls in numbers in training were seen in the ACT, Tasmania and NSW.

AA out and about at State member events

Over the last two weeks, the AA CEO James Goodwin and I have been fortunate to attend a number of member events across Australia. AA Victoria, NSW and QHA all held member update forums, where speakers covered a range of issues such as technology, political environment, workplace regulation, migration and the economic outlook. James also visited the NT, meeting with local leaders of the accommodation sector and Hospitality NT CEO Cathy Simmonds, as well as Adelaide, meeting with AHA SA CEO Anna Moeller and the new accommodation manager in SA AHA, Ben Patten.



Picture on right, courtesy of AA Victoria, shows Catherine Burnett (Director of Ferntree migration), Dougal Hollis AA Vic CEO, James Goodwin CEO of AA, myself, Matt Dawson from AHA Vic and Alys Witmitz AA Vic at the recent Strategy and Policy member forum.

Capital city hotel performance in first half of 2025

Preliminary capital city STR data for the six months to June 2025 show that average occupancies were higher in all cities, although as shown in the graph below the average did fall in the Gold Coast due largely to the cyclone effect in March. The average daily rate picture was more mixed, with the percentage change compared to the first six months in 2024 was down in Sydney, Melbourne, Adelaide, Darwin and Canberra. Brisbane was the best performer for ADR, up 6.1%, with Perth up 5.4% and Hobart 3.8% for the six months to June compared to 2024.

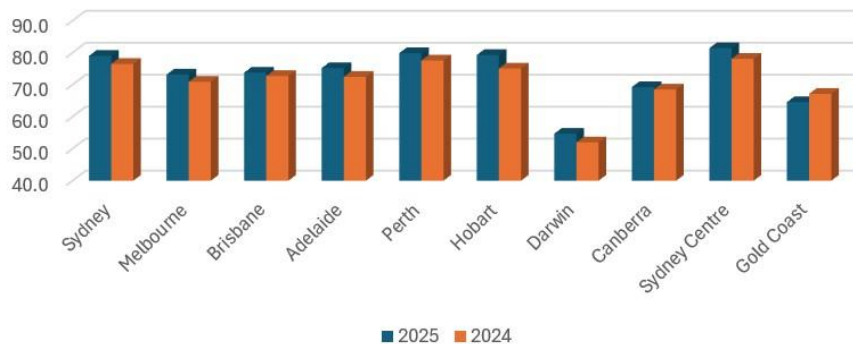
The British and Irish Lions tour is proving to be very favourable to cities hosting matches, with the main Wallaby matches still to come. Although the day translations are a bit tricky year to year, the story revealed by the STR weekly data is indicative of the positive impact of the tour:

- Perth 28 June match – occupancy was up 10% on same time last year, and ADR up 12%. Perth's first week in July has also been outstanding, Occupancy 15% up to 84%, and ADR up 10%.
- Brisbane 2 July – average occupancy only up 2.4% but ADR up 28%

- Sydney, 5th July – occupancy over 90% and ADR up 8.4%
- Canberra 9th July – occupancy over 95% and ADR up 8.3%
- Adelaide 12th July – occupancy 95% and ADR up a staggering 85.4% - with major increases also on 11th with over 90% occupancy.

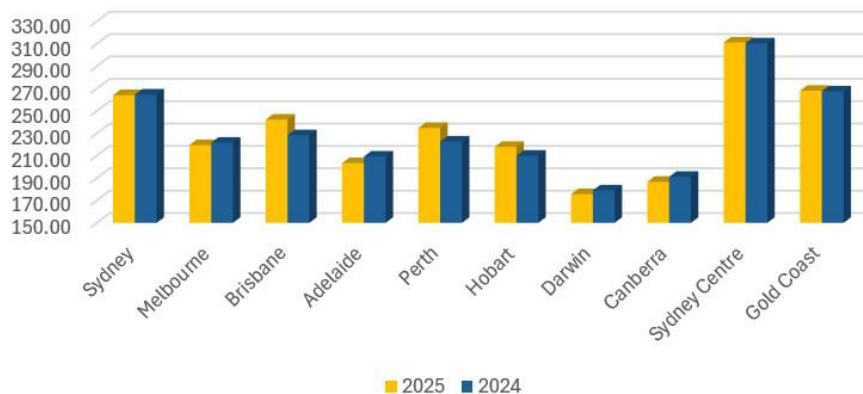
Capital City Average Occupancy rates 6 months to June 2025

Source: STR prelim capital city data



Australian Capital Cities plus Gold Coast Hotel Average Daily Rate 6 months to June 2025

Source STR

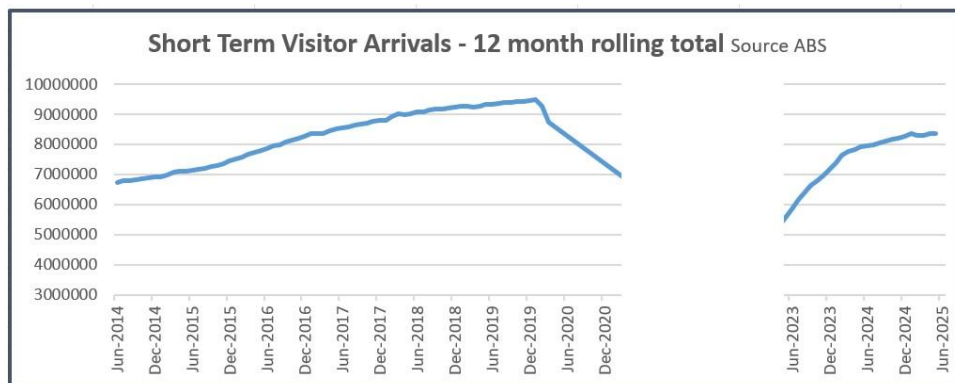


Overseas arrivals for May 2025

There was a modest increase in short-term visitor arrivals of 1.7% to 611,180 in May 2025 compared to the same month last year. This arrival number is still 8.5% below pre-COVID, when 668,280 short term visitors arrived in Australia in April 2019. New Zealand was the largest source country in May 2025, accounting for 19.0% of all visitor arrivals. NZ was followed by China, from which arrivals are continuing to ramp up, and then India. Of the top ten origin countries, only India, the UK and Philippines had more arrivals in May compared with May 2019 and last year. In May 2025 there were 39,210 international

student arrivals to Australia, an increase of 1,200 students compared with the corresponding month of the previous year. The number of student arrivals in May 2025 was 14.4% higher than the pre-COVID levels in May 2019.

The 12-month rolling total arrivals tell a more useful story, illustrating how far we still need to go to return to pre-COVID visitors, particularly for holidaymakers. In the year to May 2025, there were 8.37 million arrivals up by 5.6% on the year to May 2024. As the graph below shows, you need to go back to 2017 to see a similar yearly total (excluding all of the COVID-impacted years). For international holiday makers the picture is even more sobering as you need to go back to 2016 to see a yearly total at a similar level to the 3.63 million holidaymakers that arrived in the year to May 2025 (as a comparison, holiday arrivals in the year to May 2019 totalled 4.4 million). The need to increase the number of holiday arrivals further reinforces the importance of increasing Tourism Australia's funding to excite more interest in travelling to Australia.



Drop me an email at policy@accommodationaustralia.org or give me a call on 0418 277 919 if you have any national policy issue that you think AA should be following up. If you know an AA member who is not receiving this advocacy report but wants to, then encourage them to email me and we can add them to the distribution list. Back issues of the fortnightly advocacy updates can be found [here](#).

Kind Regards

Jenny Lambert OAM

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Accommodation Australia

