

# HOUSE OF REPRESENTATIVES SELECT COMMITTEE ON REGIONAL AUSTRALIA

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## Questions on Notice

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**Addressed to Tourism Accommodation Australia**

**Hearings held Thursday 28 May 2020.**

### **Question 1**

1. In relation to Austrade's Regional Tourism Infrastructure Investment Attraction Strategy, would Tourism Accommodation Australia (TAA) like to see this strategy continue?

Yes, TAA would like to see this strategy continue as tourism infrastructure in regions will assist in driving the visitor economy and create jobs that are needed in regional Australia.

- a. Could TAA give some examples of investments that they believe have been particularly effective?

Not at this time - It is Tourism Accommodation Australia's understanding that the ARIIA investment information is not publically available however we suggest this question be posed directly by the Select Committee of Regional Australia to Austrade & Tourism Australia.

- b. If the ARIIA Strategy was extended, does TAA believe different regions should be highlighted or is focus still required on the eight regions currently identified?

Tourism Accommodation Australia believes that the strategy should be extended further to include regional areas of NSW & VIC that were severely affected during the 2019 – 2020 bushfire season.

Recommended regions for future highlight include:

- Greater Blue Mountains Area – NSW
- Eurobodalla Shire - NSW
- Gippsland - VIC
- Hume - VIC

It is imperative that Kangaroo Island remain as part of the regions currently focused on as the island was heavily impacted by the bushfires.

### **Question 2**

2. TAA said it has been involved in the Visa Benchmarking Study, which is being undertaken by the Department of Home Affairs. On that basis, can TAA provide the Committee with some further information, namely:

- a. How has TAA been involved?

TAA sits on the Tourism Visa Advisory Group (TVAG), facilitated by the Department of Home Affairs along with other industry leaders and stakeholders including Tourism Australia and Qantas. TAA acts within an advisory capacity on the project and provides input into the Visa Benchmarking Study as requested. The last TVAG meeting was hosted on 1 May 2020 with the next set for 24 July 2020 in Canberra

b. When was the last update TAA received?

During the last TVAG meeting on 1 May 2020, we were advised that Minister Tudge had confirmed that the Visa Benchmarking Study was to go ahead. There were five key points outlined during the meeting as a focal point of the benchmarking study:

- Improving the arrival experience – smartgates etc.
- Visa fees – i.e. ensure Australia to be competitive – review of pre & post Covid19
- Visa processing, automating visas for India arrivals
- NZ Transit Visa
- Improving WHM visa competitiveness (ultimately linked to tourist visas)

c. Has TAA been given an indicative timeline for the study's completion?

At this point, TAA has not been given an indicative timeline for the study's completion although hoping for quarter 4 2020.

### Question 3

3. What does government need to do to support regional tourism, in the COVID environment, when international tourists will be very limited?

#### **Tourism Voucher Scheme**

The Northern Territory Government has recently implemented a \$5.2 million voucher initiative in providing more than 26,000 vouchers worth \$200 for Territorians to put towards a tourism experience, accommodation, hire car etc. This is certainly a strategy that should be activated nationwide to drive regional tourism whilst we await international border openings. For more information on the scheme, click [here](#).

#### **Tourism Australia**

TAA believes it is imperative that Tourism Australia's remit within domestic travel continues well beyond COVID-19. An overarching domestic marketing campaign executed from a national level will assist driving regional travel through domestic markets to ensure longevity of regional health as international tourism returns to pre-COVID19 levels.

The below resources Tourism Australia has created on domestic markets are extremely valuable for industry, this support is necessary for regional tourism post COVID.

[- Updated high value traveller factsheets for each of Tourism Australia's key markets](#)

[- New domestic market performance page](#)

[- New Australia traveller profile page](#)

[- Additional domestic aviation Statistics information.](#)

[- Australian Travel Status Map](#)

[- Road trips map](#)

[- Road Trip Itineraries](#)

[- 2020 Media Kit](#)

- a. Secondly, post-COVID, how do we go about dispersing international visitors for longer stays?
- Working closely with Tourism Australia and the State Tourism entities to market tourism/accommodation packaging in regions
  - Ensure our airlines prices are competitive/value for money to allow more dispersal to occur – this may require government subsidies for the airlines
  - Government to incentivise international visitors to disperse with rebates for money spent in regions

#### Question 4

In your submission you suggest that regulation of short-term accommodation platforms, like Airbnb, Stayz et cetera, would be preferred. I'm interested in whether there are any international regulatory models that you might be able to recommend, and their benefits et cetera.

Tourism Accommodation Australia recommends the regulatory model San Francisco has implemented for short-term accommodation rentals. Property owners or tenants who wish to host short term rentals in San Francisco must meet all the below eligibility requirements, these have been tabulated along with the associated benefits.

Requirement	Benefit
Only permanent residents of San Francisco are allowed to be short-term hosts. To be a permanent resident, you must reside in your unit for at least 275 nights per year. Absentee owners who live in San Francisco less than 275 days per year are not eligible to engage in short-term rentals.	Permanent residents are allowed to rent out only their primary residences, but not locations in which they don't live, or second or vacation homes.  An owner of a multi-unit building may only register and rent the specific residential unit in which he or she resides. However, bedrooms in the same unit may be rented and listed separately.
Hosts are required to be covered by liability insurance with at least \$500,000 in coverage. Alternatively, they may offer their units for rent through a hosting service that offers at least this much coverage.	Lamenting guest and host safety in the event of an accident
Hosts are also required to post a clearly printed sign	Fire safety requirements adhered to via

inside the front door of the unit showing the location of all fire extinguishers in the unit and building, gas shut off valves, fire exits, and pull fire alarms.	imagery to ensure guests who may not speak or read English are able to understand
If a tenant registers his or her rental unit with the Office of Short-Term Rentals, the Office will send the landlord a letter notifying the landlord of the tenant's intention to be a host.	Transparency between tenant and landlord is upheld.
All hosts must register with the <u>San Francisco Treasurer and Tax Collector</u> and obtain a business registration number, also called a Business Account Number or BAN. Such registration is free & must be renewed each year.	Ensures all taxes are paid accordingly and that each host is registered as approved. Renewals each year are imperative should there be a change in property owner or tenant.
Hosts are also required to register with the Office of Short-Term Rentals and pay a \$250 fee. Such registration may be done <u>online</u> , by <u>mail</u> , or in person – once approved the registration is valid for 2 years.	Short-term rentals will be listed and tracked by the city in a registry. The registry listings are available to the public, with the permanent resident names redacted.
San Francisco's short-term rental law limits rentals where the host is not present in the unit to a maximum of 90 days per year.	Violators who continue to rent out their apartments beyond the 90 days are subject to a daily fine of \$484 for first offenders and up to \$968 for repeat offenders.
Individual hosts are required to keep track themselves and self-report the number of days a unit is rented as a short-term rental. Tenants are required to file such a report with the Office of Short Term Rentals each calendar quarter.	Host generated reporting system to ensure compliance of maximum amount of rental nights.
Hosts who are tenants in rent controlled units are not allowed to charge their guests more rent in any month than they are paying to their landlord. Tenants who violate this provision may be fined up to \$1,000 per day and could have their units de-listed.	Ensuring guests are not paying a tenants rent
The 14% San Francisco hotel tax--called the "Transient Occupancy Tax"--must be collected from renters and paid to the city.	Any such host who earns more than \$40,000 per year must obtain a certificate of authority to collect taxes from the Treasurer & Tax Collector and pay the tax monthly; others may pay the tax annually.
Hosts are required to report an inventory of their business personal property and potentially pay a tax on that property annually.	Tax evasion on earnings are undermined.

Tourism Accommodation Australia also recommends the regulatory model Barcelona has implemented for short-term accommodation rentals.

Requirement	Benefit
In order to operate a short-term rental in Barcelona (or elsewhere in Catalonia), a home's owner must apply to have their property approved and categorised as a "tourist household". This categorisation is necessary if the provider offers rentals for less	Registration system sustained by the owner and officiated by the City Government.

than 31 days.	
<p>Before one can apply to have their home categorised as a tourist household, they must submit a certificate of occupancy through the Catalanian government. Once submitted, one must then apply to have their property inspected, approved, and categorised as a tourist household.</p> <p>The application has a fee of €144.45 per property, with the second property's application fee reduced by 50% to €72.23.</p>	Inspections assuring guest safety and compliance prior to the certification and categorization.
<p>One must declare the operation of their tourist household. The application fee for this declaration varies by city, with the fee in Barcelona being €227.00.</p>	Declaration of tourist household undermining secret listings or rentals in large buildings
<p>Once declared, the home owner will receive a registration number from the Registry of Tourism of Catalonia (RTC). This registration number must be displayed on all listings of the property.</p>	Required registration for purposes of listing and affirming it's approved certification
<p>Home owners are given login access to a Barcelonan government platform to submit visitor and lodger information.</p> <p>Short-term rental operators must submit information about each booking's lodgers, including their name, contact information, passport number, and the duration of their stay.</p>	Government run registration and tracking system to ensure compliance of maximum amount of rental nights.
<p>Along with this, the homeowner must have an emergency contact number and the property's registration number clearly visible and available at all times, and have official complaint sheets available for guests.</p>	Assuring guest safety in the first instance.
<p>Short-term rental operators in Barcelona are required to collect tourist taxes to remit to the city, and must pay taxes on their short-term rental income.</p> <p>Depending on the services provided by an Airbnb, there may be a requirement to register a short-term rental as a business venture and pay VAT on any short-term rental income on a quarterly basis.</p>	Tax evasion on earnings are undermined.