



10 August 2018

**Submission to the Legislative Council Select Committee  
Short Stay Accommodation in Tasmania**

I write to advise of the board and management of the East Coast Regional Tourism Organisation's views on short stay accommodation in Tasmania, particularly as it pertains to the east coast.

We wish to comment on two of the points in the Terms of Reference:

**The growth of short stay accommodation in Tasmania and the changing character of the market including recent trends in online letting of short stay accommodation;**

Travellers from across the world have embraced the Airbnb model as an alternative accommodation option to traditional hotels and motels. We believe it is important to meet traveller expectations and to support the ability of travellers to choose their preference in the type of accommodation and means of booking.

The east coast of Tasmania is the 6<sup>th</sup> most tourism dependant region in Australia (*source: Tourism Research Australia*) and this, coupled with the government's focus on regional dispersal of visitors, means that the short stay accommodation market is vital to the ongoing success and growth of the east coast as a tourism destination.

The growth in tourism on the east coast in recent years has created very successful outcomes for the communities along the east coast, including growth in jobs, new business opportunities and a vibrant tourism industry. The traditional hotel, motel and B&B's have benefited from this trend but do not provide enough rooms to accommodate the growth we have been experiencing.

The region would not have generated such successful outcomes without the expansion of the industry to include homeowners sharing rooms or, in some cases entire houses or second homes ("shacks") via online booking sites like Airbnb and Stayz. Many of these properties have traditionally been used as shacks and have remained vacant when not in use by their owners.

**The impact of short stay accommodation on the tourism sector;**

While we believe we must provide travellers with the accommodation options they seek, we also believe there needs equity across all providers of similar types of accommodation and regulation, which must not be onerous, should be applied equitably across all suppliers of like product.

An unintended consequence of the growth in visitors has meant that we are faced with a shortage of accommodation for longer term rental which has impacted the ability of businesses to attract long-term workers. Some of this is because of tourism accommodation, but there are also workers in the area for short-term projects who are taking up the available housing stock. This is an important issue that is holding back local businesses ability to create more employment opportunities and attract longer-term workers to the region.

The new model has not only had implications on the availability of permanent rentals but it has changed the dynamics and makeup of small towns on the East Coast. Investors are buying shacks for the sole purpose to rent on the short-term market. This flows through to other sectors – for example the Bicheno primary school would have 10% more children if long term rentals were available, and with those additional children, would be eligible for more funding.

We believe that government can play a key role in solving this issue. One solution for this issue could be the release of crown land for use specifically for long-term accommodation with interest rate and/or rate relief incentives.

Yours sincerely,



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