

Jenny Mannering

From: Destination Bay of Fires bookings <bookings@destinationbayoffires.com>
Sent: Friday, 10 August 2018 4:53 PM
To: SSA
Subject: Legislative Council Select Committee - Short Stay Accommodation in Tasmania / Destination Bay of Fires

To: The Secretary
Legislative Council
Parliament House Hobart

RE: Legislative Council Select Committee - Short Stay Accommodation in Tasmania

To Whom It May Concern,

I am providing this submission to the Legislative Council Select Committee regarding Short Stay Accommodation in Tasmania as a small business owner of a holiday accommodation management business based on the East Coast of Tasmania in Binalong Bay.

I currently manage a portfolio of 15 holiday accommodations that come under the short stay accommodation banner.

My small business began in 2010 and has grown gradually to this amount of accommodations. There are 5 more properties we are working with to make available as holiday accommodations in the near future. We provide a full management service to these accommodations including marketing and promotion, managing online bookings, providing cleaning and property maintenance, supplying of linen and towels and attending property issues and guest call outs.

The accommodations in the current portfolio all hold visitor accommodation permits care of the Break O'Day Council. These accommodations are available to be booked on-line via Air BnB, Homeaway.com and our own website Destination Bay of Fires.

Over the last 8 years myself and the property owners have had first hand experience with meeting the requirements to obtain the Break O'Day council visitor accommodation permit. These requirements have varied over time, with requirement changes recently having significant negative impacts on our ability to simply operate as a holiday accommodation.

It is of great concern to me that the current legislation and discussion of short stay accommodations in Tasmania is not acknowledging or recognising particular aspects relevant to holiday house rentals in regional areas. In particular designated holiday destinations such as St Helens and Binalong Bay in comparison to larger metropolitan areas such as Launceston and Hobart.

In response to the particular reference points that the Select Committee will be addressing :

Our accommodation portfolio has grown, as has the market for short term accommodations in our area. The North East of Tasmania has been experiencing steady growth in visitor numbers since 2009 with potential for even further expansion of annual visitor numbers due to the tourism developments creating further appeal e.g. mountain bike trails, possible dive wreck, etc.

As with other seasonal holiday orientated locations, our area on the East Coast experiences high demand of accommodation and use of infrastructure mainly over the warmer part of the year. The remainder of the year the area has a significant reduced amount of residents that contribute towards the local economy and use of the regions infrastructure. This is unlike larger metro areas that do not depend on seasonal holiday makers and travellers to support their local economy.

With this in mind property owners have less ability to derive revenue from their investment properties again compared to investment property owners in metro areas.

The ability for holiday houses to be made available as short stay accommodation assists with providing the means for a large number of the visitors to our area to stay in the region and contribute to the local economy. There are insufficient hotel and motel options available to visitors and holiday makers during the peak season.

On-line booking of these holiday houses streamlines the administration process, assists with promotion within in the immediate market and creates healthy competition via the guest reviewing culture.

These on-line booking systems cover all aspects of the booking process from merchant transactions to the terms and conditions guests and accommodation owners abide by and agree to when entering into a transaction.

I appreciate that short stay accommodation in Tasmania in some areas may have a direct impact on the residential housing sector.

There has been many significant factors leading to the negative impacts on the residential housing sector over a long period of time in Tasmania.

The contributing factors differ greatly between regional areas with fluctuating seasonal populations compared to metro areas experiencing increases in visitor numbers.

Use of properties as short stay accommodations in our area allows the property owners to use their own property when preferred.

There is simply not enough demand for residential housing in our regional area to warrant reducing the amount of short stay accommodations available.

Short stay accommodation in our area creates variety in the accommodation market to offer a range options. This encompasses budget and value accommodation options right through to exclusive boutique top end properties. This also caters for the varying market segments of solo travellers and couples through to large families or multiple families.

In our area not all of these market segments are catered for by motel and hotel options.

The properties within our portfolio are managed as commercial premises.

With recognising our accommodations as commercial enterprises we acknowledge the standards and regulations that have to be in place to host paying guests.

These standards and regulations cover such things as insurance, guest safety measures and procedures to ensure the well being and safety of each guest whilst being hosted in one of our accommodations.

Through constant risk analysis we identify the objectives of our standards and regulations to protect all interested parties ie. Guest, Property Manager, Property Owner.

I constantly struggle to identify the clear objectives of many regulations that short stay accommodations in Tasmania have to adhere to under the statewide planning and building regulations that are imposed by our local council.

The changes that affect new short stay accommodations that took effect July 2017 discriminate a property owners ability to earn revenue via their investment.

These regulations range from a property being too large, to a properties wastewater system being recognised for less persons capacity if the property is used as a short stay accommodation.

Investors are purchasing investment properties in growth areas with the intention of short stay accommodation, only to be enlightened to property-use restrictions after the purchase of the property has settled.

There is a immense lack of transparency from all aspects of the regulation of short term accommodation.

I have too many examples to note in this submission of inconstancies between regulation requirements and reasonable objectives to achieve when simply endeavouring to provide holiday accommodation options to the many visitors to our area.

Our regional area has very limited work opportunities for it's permant residents.

The tourism and visitor industry provides employment and genuine potential for economic growth.

Our business is extremely seasonal, but we are still able to provide casual employment to 4 other persons as well as build a strong means to provide our own lively hood.

We emphasis that 'the coast is open for business' often, but are having our hands tied by the current issues and lack of clarity regarding the regulation of short stay accommodation.

I welcome the opportunity to further discuss these issues with the relevant parties to represent the short stay accommodation industry from the perspective of our specific area in the North East of Tasmania and from the perspective of regional industry operators compared to the short stay accommodation industry in metro areas of Tasmania.

Thank you for the opportunity to convey my perspective and experiences via this submission.

Please feel free to contact me regarding these issues or with any queries.

Kind Regards

Matt Gibson

Destination Bay of Fires

t: 0474 025 708

bookings@destinationbayoffires.com

www.destinationbayoffires.com



Postal Address: PO Box 438 | St Helens, TAS 7216 | Australia