Submission No 143

ADEQUACY OF THE REGULATION OF SHORT-TERM HOLIDAY LETTING IN NEW SOUTH WALES

Organisation: Tourism Snowy Mountains

Name: Mr Neil Thew

Position: Executive Officer

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6 November 2015
The Chair,
Committee on Environment and Planning,
Parliament House
Macquarie St
Sydney, NSW 2000

Re: Legislative Assembly Committee on Environment and Planning Inquiry into the Adequacy of Regulations of Short-term Holiday Letting in NSW

Dear Mr Brookes,

Tourism Snowy Mountains (TSM) have been asked to comment on this inquiry given its status as the appointed Regional Tourism Organisation (RTO) for the Snowy Mountains.

Short-term holiday letting is a key component and significant facilitator of the visitor economy in the Snowy Mountains region.

The majority (probably 80%) of available accommodation beds in the region, particularly in the towns adjoining the ski fields, comprise private accommodation such as apartments, lodges, bed and breakfasts, ski clubs and spare rooms (plus, the growing number of free camping sites must be considered here as well).

DNSW visitation data for the Snowy Mountains region has shown a decline in the past three to four years and appears to be in line with the emergence of online accommodation booking and hosting services such as Stayz and AirBnB that focus primarily on private accommodation options for visitors to book; revolutionising the industry.

It should be noted that the Kosciuszko National Park (KNP) recorded 1.49 million paying visitors in 2014 (the KNP located in the middle of the Snowy Mountains region), however DNSW December quarter 2014 year on year results show that only 1.1 million visitors came to the entire region. How can it be that more, *paying through entry gates*, people visited the KNP than were measured coming to the entire region? So, are the Tourism Research Australia figures that DNSW draws from accurate from the National Visitor Survey? It appears not.

TSM would welcome a mechanism for measuring bookings that occur through online booking portals that delivered better data for DNSW and also a small booking fee be placed on each transaction that went to the RTO so that it can continue to promote and improve the region as a preferred destination. Attracting more visitors to the region could potentially mean "export" income earning for NSW and stem, to an extent, the flow of visitors to New Zealand in winter and other destinations in Asia and the Pacific regions throughout the year. At present TSM receives no tourism levy of any description to fund its activities unlike the Sapphire Coast, the Gold Coast and Far North QLD do.

It's a fact of life that the "share economy" is here to stay, evidenced by AirBnB's emergence to be a major accommodation booking hub in just two years, or by the impacts that UBER has made to the taxi industry. Both these systems are servicing consumer wants and are improving their experiences. The government should play some part in ensuring that the products comply with certain safety standards and that some tax or a portion of transactional / booking fee revenues goes to the communities in which the service providers operate and not entirely out to the multi-national online accommodation providers.

One concern we have is that the inquiry could lead to prohibiting or reducing the use of privately owned accommodation facilities for commercial purposes. If this was to occur then the Snowy Mountains region would be severely impacted in a negative way.

TSM welcomes this inquiry and looks forward to being kept advised on its progress.

Kind Regards,



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