

INQUIRY INTO TOURISM IN LOCAL COMMUNITIES

Organisation: Backpacker Operators Association NSW Inc.
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**BACKPACKER OPERATORS
ASSOCIATION NSW INC**

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The Director
General Purpose Standing Committee No. 3
Legislative Council
Parliament House
Macquarie Street
Sydney NSW 2000

Submission to the General Purpose Standing Committee No.3 of the Legislative Council Enquiry into Tourism in Local Communities

BOA NSW June 2013

The Backpacker Operators Association (BOA) NSW Inc was formed in 1992 to address issues facing the industry. Today BOA has over 75 members and has grown to represent the interests, and address concerns of all backpacker operators throughout regional New South Wales and Sydney. BOA's members are individuals, small, medium and large operators from all sectors of the industry including accommodation providers, travel agents, tour operators, transport providers, media publishers, communication providers and entertainment organisers.

BOA works to facilitate the collection and expression of representative opinion regarding relations with the government and the backpacker industry to provide BOA members with an avenue of approach to government departments and authorities on all relevant matters and issues.

BOA is a member of the Tourism Industry Council of NSW (TIC) and works closely together with DNSW to promote NSW and in particular regional NSW as an attractive destination for mostly international backpackers that visit Australia.

After consultation with our members, BOA would like to bring two issues to the attention of the Committee:

1. Unregulated tourism

Illegal backpacker hostels and residential apartments that are illegally used for short term accommodation constitute a very real fire and health risk and are usually overcrowded. Illegal accommodation providers give the industry a bad name and are often a nuisance to the local residents. Furthermore, illegal hostels are unfair competition to legal hostels as these have to comply with all regulations at high costs where illegal hostels do not.

BOA encourages its members and the broader public to report illegal hostels on its website (<http://www.boansw.org.au/contact-us/dob-in-an-illegal-hostel.html>) and every year about a dozen premises are reported to BOA. BOA communicates these reports to local Councils but it is our experience that Councils lack the tools to adequately deal with suspected illegal accommodation providers. BOA suggests the following initiatives to the Committee.

- Laws to prevent illegal backpacker hostels advertising for business in shops, public places, bus stops and newspapers. This would help starve illegal operators of customers.

- Prescribing the maximum number of people who can be accommodated under a lease for a residential building at one time.
- Using the Local Environment Plans (LEPs) to impose conditions to discourage the use of residential buildings as backpacker accommodation.
- Changes to the Local Government Act to enable local councils and Fire Brigades to enter and inspect suspected illegal backpacker operations.

2. Licensing processes for activity operators in NSW

Activity operators such as surf schools, kayak operators and other operators that make use of public space are extremely important for the regional dispersal of backpackers in NSW. International Backpackers are a market segment that is keen to travel to remote and regional areas as long as there is either (harvest) work for Working Holiday Makers or interesting leisure/adventure activities.

BOA understands the need by Councils to provide a balance between business activities, general community use and ensuring ecological sustainable use of Council-managed land and beaches and that there needs to be a tendering and licensing system in place. It is of concern that there is no uniform approach to the licensing and tendering process by the various Councils in NSW.

A number of BOA's members who are activity operators have asked that we bring the following concerns to the attention of the Committee:

- There are no terms and conditions governing licensing renewals upon expiration, rendering businesses potentially worthless beyond their tenures
- Any options for mid to long-term investment or growth by these businesses are virtually removed due to their short-term licensing periods
- Longer term marketing strategy and permanent employment options are hindered
- There is no opportunity to assign licenses during the term leaving the business essentially unsaleable

BOA suggests to the Committee that it reviews the tendering and licensing process for activity operators in consultation with peak bodies such as Surfing Australia.

Please don't hesitate to contact BOA to discuss these or any other matters affecting the backpacking industry in Australia.

Yours sincerely

Robert Henke
Hon Secretary BOA NSW