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ROAD MAP FOR ACCOMMODATION INDUSTRY RECOVERY

With a federal election looming, Accommodation Australia has laid out what the sector needs to help it overcome staffing and cost of living pressures and return to pre-pandemic profitability.

As part of its extensive pre-budget submission, Accommodation Australia has outlined 24 recommendations across six broad categories, including; skills, migration, tourism, short term rental reforms, energy, and tax and small business support measures.

“Our sector is predicted to grow by 59,400 jobs in the next five years and we can barely keep up with staffing as it is,” Accommodation Australia CEO James Goodwin said today.

“We need changes to skilled visas and rules around Working Holiday Makers, but more importantly we need help getting young Australians into the industry.

“We need to increase employer incentives for food trade apprentices and to re-introduce hospitality traineeship incentives,” he said.

Mr Goodwin said the sector is being kept afloat by “sugar hits” from major events and seasonal boosts but is otherwise hampered by a disappointing number of international tourists and increasing cost of living pressures.

“Operating and compliance costs have risen dramatically, and the data indicates that these are increasingly being absorbed by the hotels and motels,” said Mr Goodwin.

“Overall, the picture for the accommodation sector is one of recovery but there is uncertainty about the future and we want to ensure whoever is in government, our needs and the needs of our workforce are laid out front and centre.”

Mr Goodwin said more funding for Tourism Australia was important as well as more robust airline competition, given that international tourists are still only 88% of pre-pandemic levels. He also said we need a national framework for the regulation of short-term rental accommodation (STRA), like AirBNB and Stayz.

“At a minimum this should include the registration of all short term rental properties, a cap of 90 days per year with scope for local governments to impose lower caps and DA approval for properties who seek to rent out above the cap.”

“This will help return housing to the long-term rental market which is particularly important in busy tourist areas where our hotels cannot employ people because they have nowhere to stay.”

Mr Goodwin said the cost of energy was an unavoidable and growing concern among accommodation providers.



“We ask whoever forms government after the election to implement improved tax incentives and subsidies as well as continue to work with state and territory governments on support programs to alleviate energy costs and maximise efficiency,” said Mr Goodwin.

“Hotels also need continued access to gas. Gas is not only actively used in hot water heating in hotels, it is by far the most used energy source for cooking. Moves by some jurisdictions to limit access to gas have caused a great deal of concern.”

Accommodation employs more than 110,000 people as a main job nationwide and tens of thousands more as supplementary employment.

More than 57% of the workforce is female, 40% of the jobs are outside capital cities, and last financial year the Accommodation and Food Services industry added over \$60 billion to the Australian economy.

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