



tourismcouncil
the voice of tourism western australia

7 October 2011

Ms Renae Jewell
Committee Clerk
Standing Committee on Uniform Legislation and Statutes Review

By email: rjewell@parliament.wa.gov.au

Submission to the inquiry into Residential Tenancies Amendment Bill 2011

The *Residential Tenancies Act 1987* is significant to the tourism industry, as it defines and regulates the use of tourism infrastructure. In doing so the Act affects tourism competitiveness and investment. Tourism Council WA appreciates the opportunity to make the following submission regarding the *Residential Tenancies Amendment Bill 2011*.

Tourism Council WA

Tourism Council WA is the peak body representing tourism businesses, industries and regions in Western Australia. The Council promotes the value of tourism, facilitates sustainable tourism development and advocates industry policy on behalf of members.

Tourism in Western Australia

The Western Australian tourism industry is a major contributor to the state economy. In 2008-9 direct and indirect tourism expenditure contributedⁱ:

- \$5.92 billion in Gross State Product (GSP) – 3.4 per cent of total GSP.
- 73,300 employees – 6.3 per cent of total state employment.

Tourism is predominantly comprised of small and medium enterprises in industries such as accommodation, hospitality, transport, retail, education and recreation. Tourism is also labour intensive and geographically diverse; creating jobs in inner city, regional and remote areas.

Definition of Tourism

Tourism is defined by the Australian Bureau of Statisticsⁱⁱ as the activities of visitors, who are any person “taking an trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited”.

It should be noted that visitors are not limited to those on ‘holiday’ but include persons visiting a destination for any purpose. A person is also a visitor for up to a year. The definition of visitor is important for the purposes of the *Residential Tenancies Act 1987*. A visitor is, by definition, not a resident and vice versa. Tourism Council WA contends that visitors should not be covered by the *Residential Tenancies Act 1987* because they are not residents.



Tourism and the Residential Tenancies Act

Tourism Council WA believes that the purpose of the *Residential Tenancies Act 1987* is to regulate residential tenancies, and contends that the Act should not cover visitor accommodation and guest services.

Sections 5(2)(e) and 5(4) of the *Residential Tenancies Act 1987* exclude persons occupying premises for a *holiday* for a period up to three months from the application of the Act. Section 5 (3)(a) also excludes *any part of a hotel or motel* from the Act.

Tourism Council WA believes that these exclusions to the application of the Act are overly specific, ill defined and may be read as extending the application of the Act to regulate some visitor accommodation as well as residential tenancies. Our specific concerns are:

- *Hotel and motel* are only two forms of visitor accommodation. They are not defined in the Act but do have distinct meaning in other state law, regulation and policy. All other forms of visitor accommodation should also be excluded, including: serviced apartments, backpacker hostel, bed and breakfast, resorts and farm stay.
- A *holiday* is only one purpose for a visitor. A visitor is not a resident, irrespective of the purpose of the trip. The operation of the Act should not depend on a person's purpose as a visitor only on the nature of the accommodation that they occupy.

Proposed Amendment

Tourism Council WA believes that the *Residential Tenancies Act 1987* should only apply to residential use and should not apply to visitor accommodation and guest services. Tourism Council WA propose:

- Deleting s5(2)(e) and s5(4) and hence removing reference to the purpose of *holiday* and limitation of 3 months; and
- Amending s 5(3)(a) by replacing *hotel and motel* with "visitor accommodation"; and
- Prescribing the meaning of visitor accommodation in the regulations to include: hotels, motels, serviced apartments, backpacker hostel, bed and breakfast, resorts and farm stay.

The effect of these proposed amendments would be to limit the application of the Act to residents by excluding persons occupying visitor accommodation irrespective of their purpose of their trip. Thank you for considering this submission and please contact me if you require further details.

Yours sincerely,



Evan Hall
Chief Executive Officer

ⁱ The Centre for Economics and Policy, *Tourism Satellite Accounts 2008–09: The Economic Contribution of Tourism to Australian States & Territories*

ⁱⁱ Australian Bureau of Statistics, *Tourism Satellite Account*, Australian National Accounts, 5249.0