By Bassel Tallal, National General Manager for Advocacy and Public Policy

Following a successful and busy 2022, the Association and our advocacy function continues to be focused on representing our members and the industry's interests.

During January and February, our team worked diligently to complete several submissions to the Federal Government. These submissions covered critical issues affecting the accommodation industry, aimed at ensuring that the government considers the needs of our members in 2023 and beyond. We are proud to report that we completed a total of four joint submissions with AHA/TAA, including a Migration System for Australia's Future, 2023 - 2024 Permanent Migration Program, Online Bookings - Restrictions on Tourism and Accommodation Providers Setting Prices, and 2023 - 2024 Federal Pre-Budget Submission.

Please find a summary of the submission below with key recommendations.

Our political engagement is ramping up for 2023, and we have held several one-on-one engagements in Victoria, New South Wales, and with the Federal Government.

Following the re-election of the Victorian Andrews Labor Government, our key stakeholder ministers remained the same, but there was a substantial change in staffing. We are working to re-establish our network across the government to ensure our members are well represented.

In the lead-up to the New South Wales election, the Association is engaging with both sides of politics. Recently, TAA NSW and AA jointly hosted a Hunter Valley and Newcastle GMs Luncheon at Oaks Cypress Lakes Resort, featuring the Tourism Minister, the Hon. Ben Franklin, Glenn Caldwell GM DSSN, and senior members of the PGA Tournament. The main concern raised with the NSW Minister was the issue of affordable housing for staff, especially in regional areas and coastal holiday destinations. Minister Franklin, whose electorate includes Byron Bay, has a deep understanding of this challenge. The NSW government is aware of the issue and acknowledges its intricacies. We continue to engage on this topic across the country, raising the significant impact it is having on our members and their workforce.

The Association was delighted to share the good news with our members late last year that, after months of direct engagement with the Queensland Government and through sister associations, the Government did not support a recommendation for a visitor levy in the Towards 2032 report. As with all issues like this, we adopt a "watch and act" position, as the threat of local governments taking this into their own hands to raise revenue is a real possibility, and we need to be ready to act. Engagement with the Queensland government will continue on this issue.

In conclusion, we have a big 2023 ahead of us, and we are looking forward to working with you all, our corporate partners, and other industry peak bodies to ensure that our membership receives the support and recognition they deserve. Thank you for your continued support, and please do not hesitate to contact me if you have any questions.

Public Policy Submissions

A Migration System for Australia's Future
The submission to the Department of Home Affairs intends to address the primary questions relating to developing a new migration strategy for Australia, noting the challenges presented by Covid-19 restrictions and the needs identified in the recent Jobs and Skill Summit. It was a joint submission including the views of the Australian Hotels Association, Tourism Accommodation Australia and the Accommodation Association.

Key Recommendations:
Our submission made the following recommendations for implementation to aid the hospitality and accommodation industry's ongoing pandemic recovery to ensure Australia's migration system is fit for purpose and can meet the needs of the industry in the coming decades:

1. That skilled migration in the following occupations are provided with a maximum stay of four years (plus the option to renew for an additional 4 years) and a pathway to permanent residency: Café and Restaurant Manager, Hotel or Motel Manager, Accommodation and Hospitality Manager nec., Cook, Pastry Cook, and Hotel Service Manager.
2. International students working in the hospitality industry be permitted to continue to work up to 30 hours per week until June 30, 2024;

3. That an ANZSCO review is undertaken as soon as possible to ensure the 2023/24 migration program and skills lists are responsive to the needs of the labour market, and ongoing funding is provided to allow for regular reviews of ANZSCO.
4. That the Skilling Australians Fund levy be halved to $600 per year for small business and $900 for large business for each sponsored temporary migrant.
5. That the Skilling Australians Fund levy be refunded in all cases where a skilled migration application is not successful.
6. That the Temporary Skilled Migration Income Threshold (TSMIT) – currently $53,900 is increased at a level that will not inadvertently exclude occupations in the accommodation and hospitality industry that might otherwise be eligible for skilled migration. This will ensure hospitality roles in cooking and supervisory roles can be sponsored. Wages will still be determined by the Annual Market Salary Rate (AMSR)
7. That the maximum validity of the 485 visa Graduate Work Stream be increased from 18 months to four years.
8. That the permanent skilled migration cap is increased to 210,000 and the distribution between skilled and family migrants be restored to 2/3 to 1/3.
9. That the temporary Hotel and Accommodation industry labour agreement is turned from temporary to ongoing and that reputable industry organisations with high levels of industrial compliance among their membership sponsored visa applications are expedited.
10. That temporary migration is still a critical component of the accommodation and hospitality Labour Force to address seasonality, regional workforce requirements and the flexible working hours required for industry. To this end, promotional funding in required to attract Working Holiday Makers back to our shores.

Online bookings – restrictions on tourism and accommodation providers setting prices
The submission was compiled reflected the views of our smaller and independent accommodation providers and has been created by the Associations to provide our views on the specific issues around ensuring smaller and independent accommodation providers can set their own prices.

Key Recommendations:
1. Banning the use of ‘price parity clauses’ in contracts with online booking platforms to allow accommodation providers to set their own prices.
2. Establishment of a code of conduct, that will ensure booking platforms comply to meet agreed standards.

2023 – 2024 Federal Pre-Budget Submission
The joint submission by AAoA and TAA was lodged with Treasury. The submission focused on the two Association’s policy priorities ensuring the Accommodation sector achieves sustainable recovery and growth: Measures to address workforce challenges, Support Domestic Tourism and The Return of International Travellers and Insurance Reform.

Key Recommendations:
Measures To Address Workforce Challenges
- That the temporary Hotel and Accommodation industry labour agreement is turned from temporary to ongoing and that reputable industry organisations with high levels of industrial compliance among their membership sponsored visa applications are expedited.
- International students working in the hospitality industry be permitted to continue to work up to 30 hours per week until June 30, 2024.
- That the permanent skilled migration cap is increased to 210,000
- Skilling Australians Fund levy be halved to $600 per year for small business and $900 for large business for each sponsored temporary migrant, in recognition of the already significant costs associated with accessing overseas labour.
- That the Skilling Australians Fund levy be refunded in all cases where a skilled migration application is not successful.

Support Domestic Tourism and The Return of International Travellers
- Ensure funding for Tourism Australia is $250 million to support offshore marketing campaigns in key international markets particularly now as it is so competitive.
- Commit to expanding the business events bid fund, which ensures Australia remains competitive in attracting high-yielding business events for the future which will still be critical for our recovery.

- The Business Events Bid Fund should be extended to smaller events being proposed in regional destinations with a minimum of 200 international attendees.
- Continue the prioritisation of funding for tourism infrastructure projects under all existing hard and soft infrastructure grants.
- Accelerate depreciation in regions for the purposes of upgrading/refurbishment of tourism assets including hotels and attractions.

Insurance Reform

- Monitor and if needed regulate insurance classes to ensure certainty and affordability for the accommodation and hospitality sector.
- Consider other alternative risk mitigations such as advance deposit schemes that underwrite the tourism and events supply chains.
- Adequately fund a Discretionary Mutual Fund (DMF) to cover risk for the leisure industries that include parts of the tourism sector and critical to the accommodation and hospitality industry.

Regards,
Bassel Tallal