



POLICY & ADVOCACY UPDATE

Issue #19, 18 April 2024

- AA provides industry input to apprenticeship inquiry
- STRA legislation passes WA parliament
- AHA/AA appear at parliamentary inquiry into Northern Australia workforce development
- Accommodation sector employment numbers increase
- February overseas arrivals data
- International visitor data by country of origin
- New Business Events data

AA provides industry input to apprenticeship inquiry

As reported in the last advocacy update, the federal government is currently undertaking a significant inquiry into apprenticeship incentives, led by former President of the Fair Work Commission, Iain Ross and former education departmental head, Lisa Paul. Last week AA Chair, David Mansfield and I attended a consultation session on this important issue, expressing the importance of sufficient incentives to ensure that employers continue to engage apprentices and trainees. The recent significant decline in apprenticeship numbers is of great concern and will result in current and future skill shortages. AA will be making a written submission to the inquiry, and as part of gathering up-to-date member experiences, I have organised on-line member sessions. If you wish to participate in the one tomorrow dealing with apprenticeships and the migration core skills list, or one of Monday focusing on chefs, then contact either myself at policy@accommodationaustralia.org or Lorelle at mail@accommodationaustralia.org to receive a copy of the agenda and zoom link.

STRA legislation passes WA parliament

Laws requiring all Short-Term Rental Accommodation (STRA) in Western Australia to be included on a new register have passed through the WA State Parliament. The new legislation also supports proposed changes to planning requirements, requiring unhosted STRA properties in the Perth metropolitan area to have development approval if rented out for more than 90 nights in a 12-month period. Planning approval for unhosted STRA properties located elsewhere in WA, including the Peel region will be at the discretion of local governments. As part of the STRA reforms announced last year, the WA government offered a \$10,000 incentive for short term rental property owners to switch back to long term rental. Over 200 owners have taken up that incentive to date. At the time of the reform announcements, CEO of AHA WA, Brad Woods, said "For too long, unregulated short-stay accommodation has been left unchecked, leading to the loss of long-term housing stock, community disruption and unfair competition with licensed accommodation", but noting that "these reforms are a step in the right direction, rather than the end solution."

AHA/AA appear at inquiry into Northern Australia workforce development

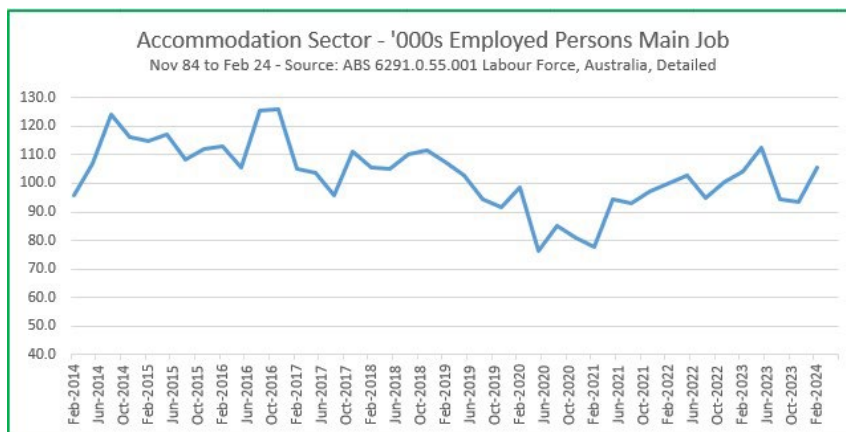
Yesterday the AHA CEO, Stephen Ferguson, Cairns Hilton GM Scott Wilson, and I appeared before the Parliamentary Joint Select Committee on Northern Australia in Cairns. We highlighted key issues impacting the development of our workforce in Northern Australia, including training, apprenticeships, migration, and the difficulty attracting a workforce into regional north Australia. Stephen Ferguson particularly stressed the importance of sponsorship of key occupations including chefs and hotel managers as well as the 88-day rule for second and third-year working holiday makers. In responding to a question from the panel about previous successful indigenous employment programs run by Hilton, Scott Wilson acknowledged their success, but also said that indigenous employees needed more role models at the senior level of the industry so that employees can aspire to take the next step up. I talked about the importance of incentives to employers for taking on apprentices and how the numbers have been impacted when incentives were reduced or removed. A number of other



important issues were canvassed in the useful exchange. We will be following up our appearance with further written evidence in support of our comments.

Accommodation sector employment numbers increase

After almost nine months when the ABS employment data has been showing a decline in employment in the accommodation sector, the latest detailed labour force data shows employment in our sector on the rise. Employment in accommodation in February 2024 rose to 105,700 from 93,500 in November 2023. We have been questioning these data fluctuations with the ABS as the growth in the sector and business activity in the last year were not being reflected in the numbers. It is good to see some reversal in the numbers, although employment numbers are still not at the level they were prior to COVID.



February overseas arrivals data

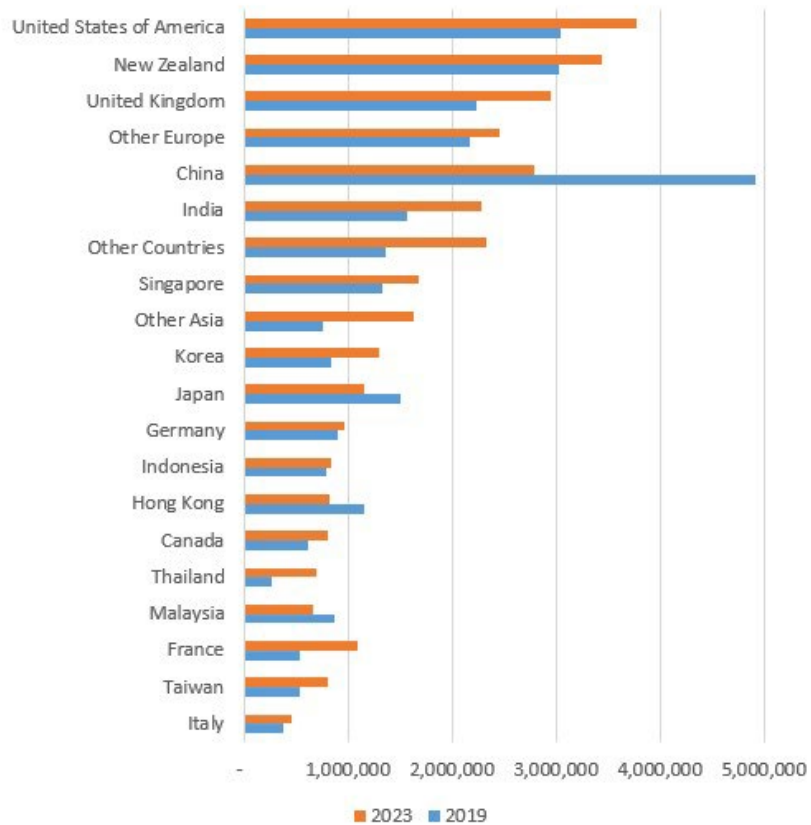
The latest statistics from the ABS for February 2024 showed that 857,950 short-term visitors arrived in Australia, an annual increase of 257,240 trips over February 2023. Although this is still short of the 927,240 arrivals in February 2019, the gap is closing. The month was also interesting in that it saw the return of Chinese travellers to top spot for arrivals. Relatively speaking, visitors from South Korea, India and Vietnam did well as they arrived in larger numbers than pre-COVID. 40% of arrivals were on holiday, closely followed by 37% visiting friends and relatives. In February 2024 there were 175,950 international student arrivals to Australia, an increase of 33,370 students compared with the corresponding month of the previous year, but 4.3% below the student arrivals in February 2019. This shows that the government crackdown on international education providers and slowdown in student processing is starting to bite.

International visitor data by country of origin of visitor nights

In the second part of the deeper dive into quarterly international visitor data, the latest International Visitor Data from Tourism Research Australia indicates that the hotel sector is seeing the largest number of customer nights coming from tourists from the USA with almost 3.8 million nights spent in hotels in the year to December 2023. In calendar year 2023, New Zealanders spent over 3.4 million nights, and 2.9 million nights by visitors from the UK. The largest drop off in visitor nights since pre-COVID is unsurprisingly nights spent by Chinese visitors, although hopefully this will start to turn around with the increasing numbers of recent Chinese arrivals (see above story). Japanese, Malaysian and visitors from Hong Kong have also not recovered to pre-COVID levels.



International Visitor nights In a Hotel/Resort/Motel
Year to December, Source TRA IVS



Drop me an email at policy@accommodationaustralia.org or give me a call on 0418 277 919 if you have any national policy issue that you think AA should be following up. If you know an AA member who is not receiving this advocacy report but wants to, then encourage them to email me and we can add them to the distribution list.

Kind Regards

Jenny Lambert OAM

National Policy & Research Advisor

Accommodation Australia