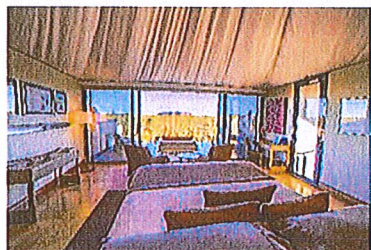




Australian Hotels Association Northern Territory Branch – Accommodation Division

Submission: Alcohol Policies and Legislation Review



Contact:

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AHA NT Accommodation Division Submission - Alcohol Policies and Legislation Review

Sent via email - Alcohol.Review@nt.gov.au

AHA NT – Accommodation Division

The Australian Hotels Association is the peak industry Association for the hospitality, representing hotels, as well as 3, 4 and 5-star accommodation hotels, motels and serviced apartments in Australia's \$7.8 billion accommodation sector.

The Accommodation Division of the AHA NT Branch is part of the National Accommodation Division (NAD), with Craig Jervis, our NT representative sitting on the NAD National Board.

The AHA NT Accommodation Division is also represented by Tourism Accommodation Australia (TAA), which is a division of the National AHA.

Background

AHA represent over 5000 employers of labour in the hospitality and tourism industry spread through branches in every state and territory across Australia. Our members employ 270,000 workers, generate over \$12 billion of economic benefit and support in excess of 50,000 community groups.

The tourism accommodation sector supported some 184,110 jobs in 2015-16 (85,710 jobs through direct impacts and 98,399 jobs through flow-on impacts).

In the NT the tourism industry contributes an estimated \$1.765 billion in total gross value added (GVA) to the NT economy, the third highest contributor behind construction and mining. Hospitality and Tourism makes up 11.6% of the Territory workforce, providing over 16,000 jobs for Territorians, with commercial accommodation being one of the largest groups of employers in the sector.

In many regional and remote areas of the Northern Territory, accommodation properties are owned by Indigenous Corporations and have a high percentage of Indigenous employees.

Tourism has been earmarked as one of the 5 'growth sectors' by the NT Government in their recent 'Economic Development Framework'. In this Framework the Government states:

"To grow the tourism industry, government and industry need to work together to improve existing products and to identify, develop and promote opportunities for tourism infrastructure and products to ensure we meet visitor expectations and continually strive to improve the visitor experience."

Introduction

According to the Survey of Tourism Accommodation 2015-16 (ABS) there were 8,943 hotel rooms available in the NT, as at 30 June 2016, comprising of a diverse range of properties, property owners and operators.

The majority of accommodation hotels operate under a 'Public Hotel' administrative liquor licence category. According to the NT Government's licensing database, there are 39 'Public Hotel' licences currently operating.

There is an expectation from both international and domestic visitors that when staying at a 4 or 5 star hotel they are provided with common services and products, for instance a mini bar in their room, a hotel bar that they can relax in following a conference or business meeting, or a restaurant where they have the ability to entertain guests as required.

In order to create a sustainable industry, accommodation hotels must be able to continue to meet guests' expectations, and not be penalised for doing so.

Annual Liquor Licence Fees

The Accommodation Division of the AHANT strongly opposes the introduction of annual liquor licence fees or risk-based licensing fees.

The AHA/TAA have opposed and sought exemptions for our Members from annual liquor licensing fees and/or risk-based licensing fees being proposed in other jurisdictions around Australia.

We believe that because of the ancillary nature of liquor being sold by accommodation hotels, as compared to their other primary services and the fact that accommodation hotels already have high operational and regulatory costs, annual liquor licensing fees or risk-based licensing are not justified.

Under the current regulatory regime, accommodation hotels in the Northern Territory already pay the following:

- GST on all liquor sales
- GST on all food sales
- GST on all room sales
- Annual Commercial Visitor Accommodation Business registration and renewal
- Annual registration and renewal of Food Business Licence
- Annual registration and renewal of Fish Retailers Licence
- Annual registration and renewal of Apparatus Licence
- Annual music licensing (APRA PPCA) fees
- Annual renewal of the following insurances -Public Liability Insurance, Workers Compensation, Building Insurance, Industrial Special Risk Insurance
- Company Tax
- Payroll Tax
- Superannuation
- Local Government Rates
- Stamp Duty
- Power and Water.

Current Sewerage Fees – accommodation hotels are currently charged for their sewerage on a 'per facility' basis, regardless of actual usage. For high occupancy hotels, this is not a problem, but for accommodation hotels who experience a large decline in occupancy rate over the 'low' tourism season, paying the same charges per facility regardless of actual usage is an enormous expense when they can least afford it.

The Accommodation Division of the AHANT argues that annual liquor licensing fees or risk-based licensing fees would also further increase the divide between 'regulated' accommodation rooms and 'unregulated' commercial accommodation rooms e.g. rooms managed by sites such as AirBnB, as unregulated rooms do not operate a liquor licence, but can provide their guests with liquor.

Trading Hours

The Accommodation Division of the AHANT supports the status quo of all current trading hour conditions.

The trading hours of accommodation hotels are dependent on the needs and use of their guests' services, such as internal bars and restaurants. Also 'Public Hotel' liquor licences allow for bona fide lodgers to have access to liquor, through mini bars and alike, at all times, which the TAA supports.

Liquor Licence Categories

The Accommodation Division of the AHANT supports a liquor licence classification system, which incorporates more defined liquor licence categories, into the Liquor Act.

Responsible Service of Alcohol

Given the high regulatory environment that accommodation hotels operate under, the Responsible Service of Alcohol obligations that accompany a hotel's liquor licence are strictly adhered to by all staff and hotel management.

The Accommodation Division of the AHANT supports the universal RSA qualification and notes that in addition to the RSA, many accommodation hotels also implement and operate 'house policies' in regards to the safe and responsible consumption of liquor to hotel guests.

Education of Tourists

The Accommodation Division of the AHANT believes there needs to be more information readily available for tourists when they arrive to the Northern Territory about the jurisdiction's liquor licensing laws, so that they are aware of what they can and can't do in regards to consuming and purchasing liquor.

At the moment, there is a little bit of information here and there, but it is spread across multiple websites and doesn't capture all relevant liquor licensing legislation that domestic and international tourist may need to know, particularly when they are travelling to regional and remote parts of the NT.

Public Drunkenness

Unfortunately there is a real problem of public drunkenness that is impacting our tourism industry in all major NT towns during all hours of the day and night.

Although a complex social issue, the alcohol-fuelled anti-social behaviour is extremely confronting to not only hotel guests, but to staff as well. The Accommodation Division of the AHANT is concerned about the seemingly ease of access and over supply of liquor from liquor outlets to often homeless or displaced people congregating in the streets and parks in Darwin, Katherine, Tennant Creek and Alice Springs.

The reputational impact on our tourism industry resulting from this issue is of great concern. The Accommodation Division of the AHANT supports programs such as 'Return to Country' program, alcohol rehabilitation facilities, sobering up shelters and night patrol. We would like to see the night patrol extending to day time hours and more Government action in general on this matter. Dealing with this problem would improve tourists' experiences in our region and is also consistent with achieving growth in the tourism sector, as projected by both the Territory and Federal Governments.

Transport

Accommodation hotels continue to have issues with booking commercial passenger vehicles for guests on Friday and Saturday nights and during major events and festivals. There seems to be insufficient number of commercial passenger vehicles during these 'peak' periods and this causes frustrations from hotel guests.

Furthermore, the AHA NT have previously raised issues on the hygiene and safety of some taxis being used, as well as the lack of knowledge of some taxi drivers on locations of some of the NT's well known tourist attractions. All of these transport matters have been previously raised during the Department of Transport's Review in to Commercial Passenger Vehicles.

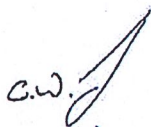
Conclusion

The Accommodation Division of the AHANT and our Members are seeking a sustainable and commercial viable industry in order for the sector to continue to contribute to the NT's tourism industry and continue to privately invest in our current properties through refurbishments and the development of new products and services.

As an important contributor to the NT economy, it is vital that accommodation hotels are not penalised with more taxes and fees for offering an internationally competitive product.

We look forward to your favourable consideration of the above and welcome the opportunity for further consultation.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'C.J.' followed by a stylized flourish.

Craig Jervis
NT Representative to the National Accommodation Division (NAD)

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke.

John Lucas
AHA NT Accommodation Division Board Member



AHA NT Accommodation Division Members

Alatai Holiday Apartments
Alice in the Territory
Aurora Alice Springs
Aurora Kakadu Resort
Ayers Rock Residents Club
Bluestone Motor Inn
Cicada Lodge
Crab Claw Island Resort
Darwin FreeSpirit Resort
Desert Gardens Hotel
Desert Palms Alice Springs
Diplomat Motel
DoubleTree by Hilton Alice Springs
DoubleTree by Hilton Esplanade Darwin
DoubleTree by Hilton Darwin
Emu Walk Apartments
Groote Eylandt Lodge
H Hotel
Hilton Darwin
Kakadu Lodge
Knotts Crossing Resort
Lasseters Hotel Casino
Mediterranean All Suite Hotel
Mercure Kakadu Crocodile Hotel
Outback Pioneer Hotel
Palms City Resort
Paraway Motel
Rydges Palmerston
Sage Resort Darwin
Sails in the Desert Hotel
SKYCITY Darwin
Voyages Ayers Rock Resort
Wildman Wilderness Lodge