

Admin, LACO

Subject: FW: Submission to the Short Stay Accommodation inquiry by Heritage Trail Lodge-sub 55

From: Heritage Trail Lodge

Sent: Wednesday, 16 January 2019 3:47 PM

To: Committee, Economics & Industry Standing

Cc:

Subject: Submission to the Short Stay Accommodation inquiry by Heritage Trail Lodge.

The Heritage Trail Lodge is a bed & breakfast accommodation business located at 31 Bussell Hwy Margaret River about 300 metres before the bridge, which is the entrance to the town. The Lodge is a 4 star rating property and was built in 1997 and consists of 10 suites (cabins) plus a conservatory where the breakfast is served and an office with owners accommodation.

Our business employs 4 part-time cleaners and a maintenance contractor. The business is managed by myself and my wife 7 days per week and we have a relief management person for days off and when we go on holidays. We have various suppliers which include.....South West Wholesale, Berry Farm, Margaret River Nuts & Cereals, Margaret River Bakery, Home Hardware, Coles & IGA.

We are part owners with 3 other partners and have operated the business for the past 7 years. We have enjoyed good occupancy levels but have noticed a drop off in our occupancy over the last 3 years at an average of 5% per year and continuing.

We have concluded that the reason for the drop off in our occupancy levels has been the substantial growth in Airbnb occupancy levels throughout the region. We now have a night manager living at the Lodge and we moved into a 5 acre property 2 years ago about 8 minute drive from town. We noticed the increase of Airbnb in the area where we live. We are surrounded by properties that are owned by Perth investors who rent them out for short term accommodation. These properties are 4-5 acres but you can still hear the weekend parties from the short term stays.

Whilst our turnover and occupancy has gone down we still need to pay all the regulatory costs for our business. The increased water rates, land rates and taxes relating to an accommodation business. National Tourism Accreditation requirements which cover human resource management and operational procedures plus operational health and safety procedures to enable continued accreditation with the Tourism Council. The cost of annual inspection from the shire for health & Safety and to maintain our certificate of registration of a Lodging house. We have to maintain a certificate of registration for a Food business and certificate of Insurance for public liability of \$10,000,000 plus workers compensation for \$50,000,000 common law liability and of course building insurance.

We need to maintain the property for fire regulatory purposes with the necessary equipment including Fire extinguishers, fire hoses and fire blankets in the kitchen. There is a fee for having this equipment inspected annually by 'Chubb Australia'.

We are not against Airbnb but we believe there must be a level playing field. I would not like to see the continued growth in Airbnb properties to the extent where it creates a shortfall of long term rental accommodation in the area which will affect the people that live and work in the region. These short term Airbnb properties should be registered and subject to the same regulatory requirements, rates and taxes etc. that we as a normal accommodation business comply with.

Regards, Terry & Helen Langlois



HERITAGE TRAIL LODGE
margaret river

Helen & Terry Langlois
Heritage Trail Lodge
31 Bussell Highway
Margaret River WA 6285
Ph: 9757 9595 Fx: 9757 9596
Em: enquiry@heritage-trail-lodge.com.au
Web: www.heritage-trail-lodge.com.au