

Admin, LACO

Subject: FW: Submission to the Short Stay Accommodation inquiry- sub 59**From:** Rod Lisson**Sent:** Thursday, 17 January 2019 8:56 AM**To:** Committee, Economics & Industry Standing**Cc:** Manager**Subject:** Submission to the Short Stay Accommodation inquiry

Dear Committee,

My name is Rod Lisson. I am the owner of LiTech Resorts which owns and operates the management rights to Footprints at Preston Beach.

This resort has 77 2 bedroom chalets in a zoned Short Term rental accommodation area. I own the management rights to the property as well as all of the administration buildings, café, a caretakers house and one of the units. These units can not be lived in due to their zoning and are rented out by LiTech Resorts as hotel/resort accommodation. We charge commission for managing these chalets and of course pay GST on the services as well as all other applicable taxes.

We employ up to 20 staff at any one time mostly based in Preston beach of the Mandurah area at Full Hospitality rates including penalty entitlements and superannuation. We are very careful to make sure all of our staff are not underpaid in any way and pride ourselves on being an above board employer.

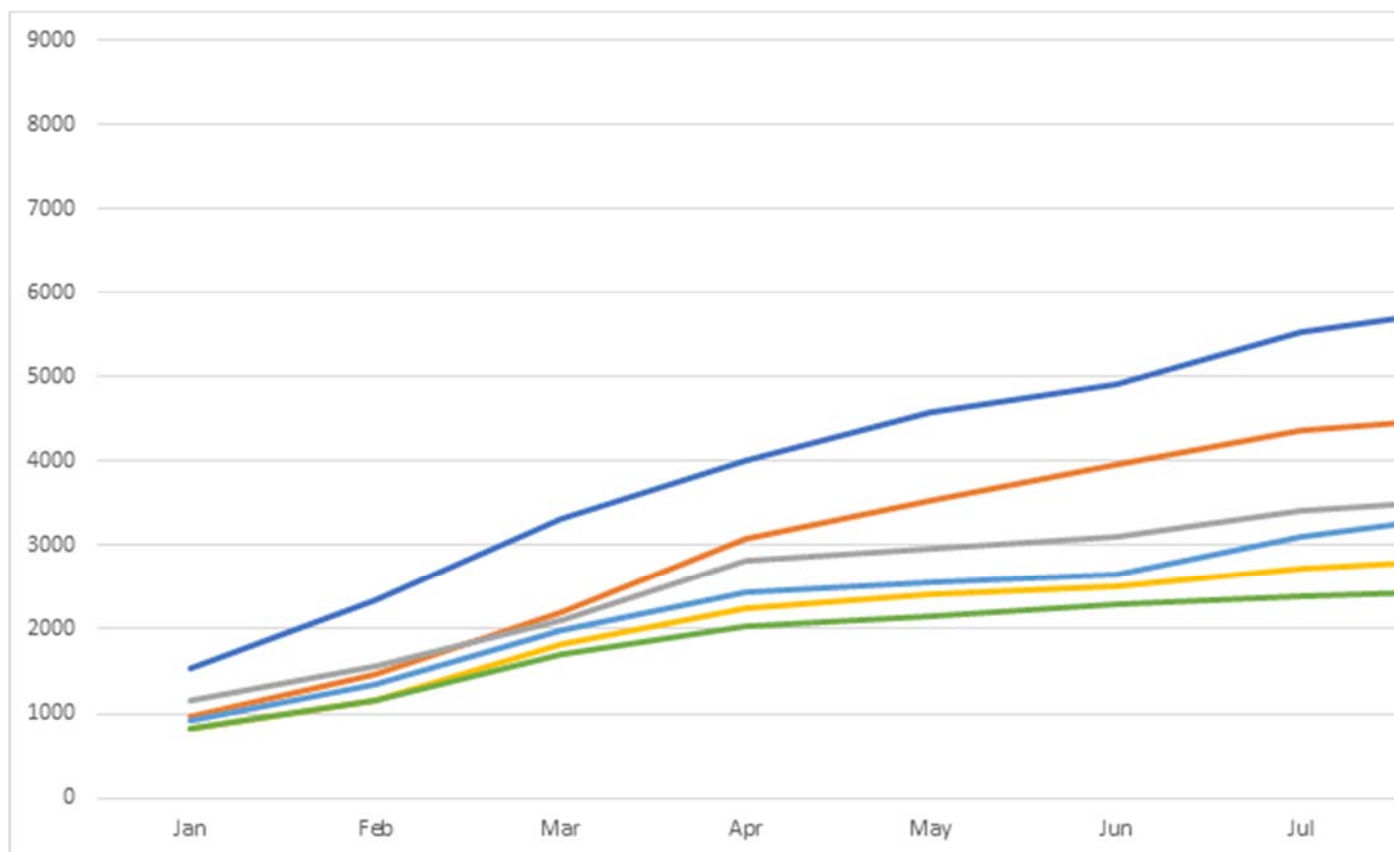
Preston beach is a holiday town and is mostly made up with holiday homes. These are generally vacant for more than 75% of the year. In recent years it has become the norm for people to rent out their entire holiday homes and hotel style accommodation using various online booking sites. This trend allows them to receive income for these properties without incurring the expenses we are required to such as –

- GST
- Wages
- PAYG
- Payroll Tax
- Superannuation
- Sick leave
- Long Service Leave
- Insurances
- Industry association fees
- Shire fees
- Staff training
- Liquor Licensing
- First Aid facilities

As such these forms of accommodation have an unfair advantage and are making it nearly impossible to afford employment of staff. Companies such as ours are required to pay staff under the HIGA award which has seen wages increase by some 6% in the last 2 years alone. This is obviously created by government to ensure fair payment for fair work. This does however mean that companies like ours cannot compete with local operators who pay themselves less and also pay cash to any temporary workers (Usually welfare recipients) they use on the side.

We are now also having to compete with a glut of accommodation that was never designed, zoned or insured to be short stay accommodation.

In recent years we have improved the quality of our resort, now returning a 4.2 Tripadvisor rating with a similar average across all other rating sites. We are advertising more and yet have seen a steady decline in room nights as illustrated by the following graph. (Numbers on the left are total room nights.)



As you can see, where we were once able to secure over 8000 room nights in a calendar year, we are now struggling to reach half of that. Some of this is a result of poor tourism figures in WA however we sincerely believe a lot of this can be attributed to AirBNB style rentals. These are killing our industry and will cause the loss of many more jobs if allowed to continue.

We have now cut every cost possible, streamlined every service and are still running at a significant loss. I have been personally supporting the resort for the last 3 years, but can't continue indefinitely. These people with holiday homes have not invested in hotel accommodation or infrastructure and should not be allowed to rent them as such.

We are a member of the AHA and fully support the regulatory action plan being proposed by this organization.

Kind Regards,
Rod

Rod Lisson
CEO
Footprints at Preston Beach

www.footprintsprestonbeach.com.au