



30 August 2023

Chris Aston

A/Deputy Director-General

Planning Group

Department of State Development, Infrastructure, Local Government and Planning

BestPlanning@dsdilgp.qld.gov.au

Dear Mr Aston,

Re: Short-term rental accommodation review

The Queensland Tourism Industry Council (QTIC) welcomes the invitation to provide feedback to the Department of State Development, Infrastructure, Local Government and Planning regarding the *Short-term rental accommodation review*.

QTIC is the peak industry body and leading advocate for the tourism, hospitality, and events sectors in Queensland, committed to the growth and sustainability of the state visitor economy. As a not-for-profit, membership-based organisation, we take pride in ensuring that the concerns and needs of our members and the broader tourism industry inform all relevant policy debates and that businesses have strong representation in decision-making processes. By promoting the value and importance of tourism in government forums and to the wider community, we help to create a vibrant, diverse industry that benefits all.

QTIC supports recommendations made by the University of Queensland in the review, adding the following feedback developed in consultation with members.

Recommendation 1: Implementation of STRA registration system that parallels experience in other Australian states

Enabling LGA efforts to acquire comprehensive data is a much-needed step, with the potential to yield valuable insights and inform effective decision-making.

1. Code of Conduct and centralised reporting system for non-compliance with Code of Conduct

- QTIC is chiefly concerned with ensuring Queensland remains a go-to destination and that operators have the resources to meet evolving consumer demands. A well-designed Code of Conduct would capture and absorb STRA not already engaged with the broader tourism industry and offer greater access to the tools to support an economically sustainable state visitor economy.
- An additional challenge lies in communicating the benefits of accreditation to accommodation operators – any STRA registration system should integrate and promote existing tourism industry accreditation programs to facilitate best practice.
- A Code of Conduct would greatly assist with improving the overall guest experience, ensure guest safety, preserve and enhance the local amenity, and contribute to maintaining and strengthening perception of the tourism industry.
- Development of a Code of Conduct should involve close consultation with tourism industry associations and the accommodation sector to avoid duplication and ensure STRA offerings that are already regulated are not subject to additional administrative or financial burden.

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- Licensing and pre-existing regulations set Management & Letting Rights (MLR) businesses apart as an STRA offering, requiring continual training. This barrier to entry standardises processes, protects consumers via clear opportunities for redress, and holds operators accountable to lot owners, and compels them to act in accordance with consumer and property legislation. Onsite management also facilitates close engagement with guests, residents, local councils, and the tourism industry alike.

2. Residents' portal with advice about STRA rules that apply to a property

- Implementation of the Noosa model can effectively mitigate tensions existing between STRA operators and communities or body corporates in their proximity. This is partially due to the requirement of a 24/7 complaints hotline number – caravan parks in most LGAs already have an obligation to provide this service and many hotels offer it as part of their business model and commitment to guests.
- A residents' portal should also acknowledge that local councils have the power to implement localised measures to address any concerns relating to STRA, make amendments to planning schemes, or introduce new rates categories.

Recommendation 2: No support for statewide STRA restrictions

- Considering the variable impact on LGAs, each with differing demographics, place-based approaches over state-wide restrictions is a sensible approach.
- However, the introduction of statewide standards for safety, such as the STRA fire safety standards in New South Wales, would be beneficial.¹ This criteria should apply to all accommodation types as it is in place to protect consumers, residents, and the environment.

QTIC also acknowledges report commentary regarding data shortcomings but seeks clarification on the following:

- The rental vacancy rate prior to the onset of the COVID-19 pandemic should have been factored into the report, to develop a holistic picture of changes over time and better understand the subsequent pressures placed on residential housing supply, the tourism accommodation sector, and housing requirements for the tourism workforce.
- It is unclear whether MLR is captured by the definition used for commercial STRA listings. MLR encompasses a substantial portion of Queensland tourism accommodation stock (in addition to residential and mixed-use arrangements)², and the economic contribution of the sector should not be overlooked.
- The report scope and inclusion of platforms that promote camping on private land is also uncertain, despite the significant growth witnessed by this model in recent years.

Although the report indicates that short-term rental listings have limited effect on overall rental affordability, the larger concern of inadequate housing supply persists. A tightened rental market leaves potential tenants competing for a dwindling supply of vacant properties. In June 2023, the overall Queensland vacancy rate sat at 1.0% (well below a 'healthy' market classification), with some regions sitting at 0.1-0.2%.³ In addition, rising rental prices have resulted in some 59.12% of renters in Queensland experiencing rental stress.⁴

There is an urgent need to mitigate housing issues as they compound existing workforce shortages. The scarcity of affordable housing options effectively pushes the local workforce out of the market and regions, diminishing the capacity of tourism operators to fulfil ongoing staffing needs. This not

¹ New South Wales Government (2023), [Short-term rental accommodation – Fire safety standards for STRA](#), accessed 20 August 2023.

² ResortBrokers (2022), [Management Rights Report 2022](#), accessed 25 August 2023, p. 7.

³ Real Estate Institute of Queensland (2023), [Green shoots emerge in Queensland's rental vacancy rates](#), accessed 14 August 2023.

⁴ Digital Finance Analytics (2023), [A deeper dive on mortgage stress](#), accessed 14 August 2023.

only puts businesses at risk of closure and impacts the quality of tourism services but jeopardises the reputation of key tourism destinations.

The Queensland tourism industry constitutes 6.7% of total state employment with 206,200 direct and indirect jobs⁵, generating \$32.9 billion in overnight visitor expenditure as of YE March 2023.⁶ Looking ahead, projections indicate that employment in accommodation and food services will have the third fastest growth of all industries in Queensland by 2025-26.⁷

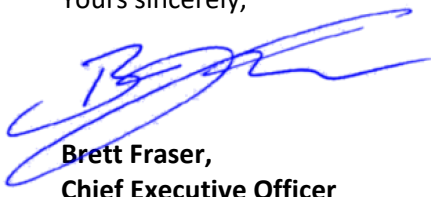
Coupled with the impending Brisbane 2032 Olympic and Paralympic Games and bold industry targets aiming for \$44 billion OVE by 2032, balancing adequate housing supply, a skilled industry workforce, and capacity to meet future demand are crucial to the success of the Queensland visitor economy.

QTIC makes the following recommendations to increase residential housing supply:

- Consideration for funding models such as the Victorian Government \$150 million *Regional Worker Accommodation Fund*.⁸
- Work closely with LGAs to prioritise community engagement, ensuring any initiatives or legislative change can be adapted to local contexts and address specific community requirements.
- Foster public-private partnerships between all levels of government, the private sector, and tourism and housing industry stakeholders to jointly invest in projects catering to workforce housing needs, e.g. complexes near major event venues or destinations that are heavily reliant on tourism.
- Review and adapt regulatory frameworks to facilitate development of affordable housing options and streamline approval processes, taking a long-term view.
- Collaborate with accommodation partners, including industry associations and organisations representing hotels, resident managers, caravan parks, and other short-stay providers on supply of short-term accommodation to meet visitor demand.
- Incentivise and support implementation of housing co-operatives or not-for-profit residential housing solutions that are people-focused, incorporate sustainability, foster community, and facilitate active/public transportation connectivity, similar to the Nightingale model.⁹

QTIC looks forward to contributing to any future discussions arising from this review and engaging in a positive, productive dialogue with the Department of State Development, Infrastructure, Local Government and Planning. For further discussion regarding points raised by this feedback, please contact QTIC on (07) 3236 1445 or email policy@qtic.com.au.

Yours sincerely,



Brett Fraser,
Chief Executive Officer

⁵ Tourism Research Australia (2023) [State Tourism Satellite Account 2021-22](#), accessed 7 August 2023.

⁶ Tourism and Events Queensland (2022) [Queensland tourism economic key facts](#), TEQ, accessed 7 August 2023.

⁷ Jobs Queensland (2023), [Anticipating Future Skills Series](#), Queensland Government, accessed 25 August 2023.

⁸ M Neal and R Kirkham (2023), [Vic towns with creative staff housing solutions look for share of new regional worker accommodation fund](#), 21 July, ABC News, accessed 21 July 2023.

⁹ Nightingale Housing (2023), [Nightingale Housing – Homes built for people, not profit](#), accessed 25 August 2023.