



30 September 2016

Research Director  
Finance and Administration Committee  
Parliament House  
George Street  
by email

Dear Chair and Committee Members

Thank you for the opportunity to make a submission to the inquiry on the Industrial Relations Bill 2016. Our submission is in regard to the bill's proposal to amend the Holidays Act 1983 to make Easter Sunday a public holiday from 2017.

Caravan Industry Association of Australia is the peak national body for the caravanning and camping industry in Australia. We operate as a not-for-profit organisation with a membership base comprising the individual state caravanning and camping associations, including the Caravan Parks Association of Queensland, who we work collaboratively with on matters concerning the caravanning and camping industry in Australia.

The total value of the caravanning and camping industry to the Australian economy annually is an estimated \$19.02 billion.

Approximately 3,500 caravan and camping industry businesses directly supply product to consumers, covering the entire supply chain from manufacturers to suppliers, retailers, repairers and accommodation providers and directly employs over 53,000 workers, 25,000 of those in the caravanning and camping sector.

We would like the Committee to be aware of and consider the negative impact that many of the Caravan Parks Association of Queensland's members, who are caravan park owners and operators large and small from all corners of the State, will be facing if the proposal to amend the Holidays Act 1983 to make Easter Sunday a public holiday from 2017 is legislated.

Currently Caravan Park owners and operators are already facing paying public holiday penalty rates on Good Friday, Easter Saturday and Easter Monday. On these days Parks face having to pay their Part-time or Full time cleaners and other workers a minimum of \$44.25 an hour and Casuals \$48.68 an hour to clean each cabin.

At such rates operators face making very little profit or even a loss after cleaning their cabins, which regularly take an hour to clean, at these rates with the nightly charges averaging between \$100-150 once other ancillary and regulatory costs have to be met.

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### Current Consequences of Penalty Rates

Under the current workplace regulations, it is difficult for caravan park operators to provide cabin accommodation at the service levels required to operate on a 24/7 basis because the cost of doing so on public holidays is often prohibitive.

To ensure that costs are met many Caravan Park operators now seek to have longer stay bookings at the expense of short stay visitors. A family who chooses to stay in a cabin over Easter are likely to have their cabins cleaned on the Thursday prior to Good Friday and again on Easter Sunday.

Minimum cost per hour around Easter	
Easter Thursday	\$17.70
Good Friday	\$44.25
Easter Saturday	\$44.25
Easter Sunday	\$30.98
Easter Monday	\$44.25

Many operators will seek to make a slim profit on Easter bookings (one of their busiest times for bookings) by avoiding having to pay the 50% loading for Part-time or Full time cleaners or the 275% loading for Casuals on Good Friday, Easter Saturday and Easter Monday.

### Likely consequences of making Easter Sunday a public holiday from 2017

To cover the difference of having to pay \$44.25 per hour on Easter Sunday, operators will have to little choice but to either:

Consequence	
1 Increase the price of staying in a Cabin	Reduces the incentive of Australians and foreign visitors to visit Caravan Parks.
2 Take fewer but longer stay bookings.	Reduces available overall supply
3 Reduce cleaning times	Reduces the quality of experience and satisfaction for Australians and foreign visitors visiting Caravan Parks.
4 Reduce the number of cabins available	For Caravan Parks in places that are overnight stays on the way to high tourist areas, and therefore unable to rely on longer stay bookings, will reduce the number of cabins available to those they can make a profit on.

With around 90% of all visitor nights in the sector being spent in regional Australia, the sector is a large economic contributor to regional, rural and remote Australia. Therefore any of the above consequences will have a disproportionately negative effect in Queensland, Australia's most decentralised state.

Domestic and International visitors generated 49.7 million nights in caravan parks and camping grounds around Australia. This contributed AU\$8.6 billion of visitor expenditure to the economy. With 11 million overnight caravan and camping trips (domestic and international) being undertaken throughout Australia in 2015 – a 7% increase from 2014, caravan and camping can continue to be a growth driver in regional Queensland at a time when it is transitioning away from the resource economy.

Caravan Parks are a good employer of entry level and unskilled or semi-skilled employees, who can use the skills they learn to improve their productivity and subsequent career opportunities. However increasing workplace costs affecting their productivity and profitability limits the growth prospects of caravan parks in terms of giving employees extra hours or increasing the numbers they employ. Last years submission by the NTA to the productivity commission stated that “with the current and ongoing concerns nationally about high rates of youth unemployment, there is the potential for tourism and hospitality to increase its ability to employ and train young people if there is a reasonable rather than restrictive regulatory framework in place, that takes account of the nature of this sector's 24/7 business needs, and the large number of small businesses in the sector.” This is a position that the Caravan Industry Association of Australia agrees with and believes that increasing costs on Caravan Parks operators is counterproductive in this regard.

Caravan parks are strong contributors to their local economies, in addition to the non-financial contribution they make through the provision of service such as tourist information, for every \$100 of revenue received by the park \$138 of direct economic benefit flows through the local economy. So any reduction in supply or demand caused, due to increased regulatory costs such as increased loadings for Easter Sunday and in terms of a flow on in increased prices, are likely to decrease these positive flow on effects to the local economies as a whole where they are based.

We therefore respectfully urge the Committee to reconsider making Easter Sunday a public holiday from 2017.

Yours faithfully,

Julian Harniman

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Websites

Consumer: [www.letsgocaravanandcamping.com.au](http://www.letsgocaravanandcamping.com.au)

Corporate: [www.caravanindustry.com.au](http://www.caravanindustry.com.au)



## Vision

To lead and champion a robust, compliant & sustainable caravanning & camping industry.

