



SANCTUM BOUTIQUE APARTMENTS

Tasmania Short Stay Levy Submission

My wife and I own and have operated Sanctum Boutique Apartments in Hobart approaching 9 years. Sanctum offers visitors to Tasmania the choice of two luxurious self-catering heritage apartment style accommodation types. We are an accredited award winning Tasmanian owned Tourism business having won Gold in the Tasmanian Tourism Awards, received a Judges Highly Commended at the Australian Tourism Awards and are year after year consistently awarded the Gold List of Australian Accommodation accreditation. As a small business we employ a manager, cleaning contractor, our laundering is contracted to another small Tasmanian business and where possible we support other small Tasmanian businesses for linen and supplies. We are disappointed with the continued negative focus by all levels of government at our style of genuine tourism offering.

Firstly, it was the Hobart City Council that doubled rates on short stay accommodation to reduce the flow of short stay planning applications. From my observation of advertised applications there seems to be little impact from this move, applications continue to be advertised. For transparency Sanctum was already paying the equivalent of commercial rates so this move by the council at the time did not impact us.

The proposed Short Stay Levy will only make it harder to do business rather than easier for our segment of Tourism. Potential Guests to Sanctum may look at other style accommodation options that are not having the Levy imposed on them, or worse still for us short stay accommodation that does not attract the Levy. They may even consider looking at visiting another State that is not applying a short stay levy, given the additional cost and current cost of living pressures. This Levy will add another barrier and cost, additional to the cost of travelling to Tasmania if short stay accommodation is the visitor's predetermined choice.

Consideration also needs to be given to Tasmanian Residents that choose to travel within our State and stay in short stay accommodation, as they will also be penalised by the Levy. These residents may also look to different style of accommodation that doesn't attract the Levy again penalising the genuine tourism business that provides standalone short stay accommodation.

I do understand that the Short Stay Levy Bill 2025 will be leveled on the guests not the short stay business.

This Levy is very unfair when it is not being applied to all accommodation businesses who are competing for the same Tasmanian Tourist dollar.

If the Levy is introduced it will disadvantage one segment of Tasmanian Tourist accommodation, it will not allow us to compete on an equal footing and certainly is not a fair go! Despite our best efforts in trying new approaches to entice visitors to Tasmania and Sanctum, business has been quite subdued post COVID, and this is not isolated to our business, other Tasmanian Tourism Accommodation businesses have also reported subdued trading, especially over our winter period.

The Levy will also add another level of Government reporting to our small business, given we will need to remit the Short Stay Levy on a quarterly basis for all direct bookings through our website.

To provide additional background to 156 Harrington Street Hobart (Sussex House) I would like to list the following: -

In 1985 the property ceased to be a residence and was converted to professional rooms.

We purchased the property in 1998 continuing the use of professional rooms.

In October 2017 we commenced a major refurbishment of Sussex House to convert it from professional rooms. The aim to offer visitors to Tasmania and Tasmanian's Luxurious Heritage Apartment Accommodation located within walking distance of all that Hobart has to offer. At the time all necessary approvals were applied for and approved.

We are now the longest owners of Sussex House.

For over 40 years Sussex House has been a non-domestic residence.

The Bill will discriminate between very similar businesses that offer short stay accommodation purely given the fact that some owners of short stay accommodation offer breakfast and live onsite, albeit in a separate dwelling and may or may not be a genuine Tasmanian Tourism business.

I make the genuine Tasmanian Tourism business point quite strongly, we are engaged with Tourism Tasmania, Tourism Industry Council Tasmania, Destination Southern Tasmania, Quality Tourism Accredited, Rainbow Accreditation and engage regularly with colleagues in the Tasmanian Tourism Industry.

In my opinion rather than tinkering around the edges as all levels of Government have been doing with Short Stay Accommodation for some time now, they need to collaboratively engage with the community, Tourism and Hospitality to come up with a workable solution that does not disadvantage one segment of Tourist accommodation against another.

Sanctum Boutique Apartments is asking the Tasmanian Government to ensure when this Bill goes to Parliament that amendments are introduced to deliver a level playing field for Genuine Tourism Short Stay Accommodation businesses and that no Tasmanian Tourism Accommodation business is disadvantaged versus another.

Yours sincerely

Paul J Wagner

Managing Director
Sanctum Boutique Apartments

