

**Accommodation Registration Bill 2012**

**SECOND READING SPEECH**

Hon Roland Kun MP

21 December 2012

Mr Speaker,

It gives me great pleasure to introduce to the House today a Bill for a new Act, the *Accommodation Registration Bill 2012*.

The Bill relates to the scheme of registration of accommodation houses and the bed tax that is provided for by the current *Accommodation Registration Act 2006*. The Bill seeks to improve the scheme to such an extent that it is desirable to simply replace the current Act with a new one.

The Bill proposes to expand the accommodation to which the scheme applies to include all accommodation provided for fee or reward of an amount per night that will be prescribed by the Regulations. It is proposed to make that amount \$50 or more per accommodation unit per night. This will capture all types of accommodation such as small accommodation operations and individual houses without capturing accommodation provided, for example, at Location, unless the amount of rent is in excess of \$50 per night.

Registration will remain at the core of the scheme but the onus of registration will switch to the operator of an accommodation house, not the owner as currently is the case. The suitability of the operator and premises are to be determined by the Secretary according to criteria specified in the Bill, such as the fitness of the accommodation for human habitation.

Registration enables the Secretary to require and maintain high standards for operators and premises through a power to impose, vary or remove conditions of registration and to suspend or cancel the registration of an accommodation house.

The Bill retains the bed tax which the Government intends to reduce given the expanded scope of the scheme. The bed tax is currently set at \$10 per person per night, which in the case of double occupancy or more, such as for families, is too high. By reducing the bed tax, rents will not be increased significantly, but the revenue stream of the tax will be unaffected given its wider application.

The Bill proposes that Bed tax will be imposed on a per night, per accommodation unit basis. Regulations will provide a sliding scale of bed tax from \$5, for a nightly tariff or equivalent, of \$50-\$60, up to a maximum of \$10 for a nightly tariff of \$100 or equivalent, or more.

At the heart of the new scheme is the mandatory notification to the Secretary of certain information, including a monthly return that outlines the occupancy of the accommodation house and the amount of bed tax that is due. If an operator fails to make a monthly return the Secretary is empowered to make a default assessment of bed tax which then becomes a debt due to the Republic. Additionally, an operator will be required to keep certain records for 5 years and allow the Secretary to attend and inspect those records at anytime.

Importantly, the Bill provides for the appointment of authorised officers who may exercise a range of powers such as requiring the production of accommodation records and inspection of premises. This is an important feature that will support compliance with the scheme by accommodation providers.

With the monthly returns, the default assessments and the authorised officers, the scheme is well equipped to be implemented and enforced.

Additionally, for the purposes of compliance, the Bill provides a number of significant offences that will be applied to accommodation operators who do not comply with the scheme and penalties are linked to the size of the accommodation house. For example:

- a person who operates an unregistered accommodation house will be liable to a penalty of up to \$20,000;
- a person who operates an unregistered accommodation house after being ordered by the Secretary to cease such operation will be liable to a penalty of up to \$7,000 for each day of contravention;

The proposed scheme is also a fair scheme and decisions of the Secretary may be appealed by a person who is aggrieved by such a decision. There will be an initial review by the Minister followed by an option to appeal to the Supreme Court.

Mr Speaker, the explanatory memorandum describes in detail each provision of the Bill.

I commend the Bill to the House.