



Key News Update

September 2018

Message from the CEO, Richard Munro One Step Closer on OTAs



The number one issue affecting our members is the impact two big online travel agencies (OTAs) are having on their business. This was sourced from a survey of 6500 businesses that we talk to and the impact is profound.

The biggest issue we have is price parity or in simple terms, a business operator cannot advertise a room-rate on their own website which is lower than the room-rate listed on an OTA. The reason this is the case is in 2016, the Australian Competition and Consumer Commission (ACCC) were told by the OTAs that no-one would book with them if they price parity was banned. This single decision gave unprecedented powers to these two global behemoths to ramp up, advertise and drive a wedge between our guests and the businesses you run.

A lot has transpired since then and we are still waiting for the outcome of the ACCC's latest investigation into this issue. It's vital the competition regulator overturns what was a farcical decision that heavily favoured these offshore "wrecking balls" over compliant Australian businesses.

The Accommodation Association continues to strongly advocate for change. Occasionally a member will tell me we are being too harsh and the OTAs are doing a great job for their business, which I accept. I will say, however, that we are simply fighting for your right as a business owner to make the decision, not have the decision made for you. I accept that if a business wants to run 100 per cent of their bookings via OTAs, then that is your decision, but conversely, you should have the right to set your own prices and be able to offer the lowest rate direct to your guests.

You might be aware that prominent Australian [Dick Smith has mounted his own campaign](#) which is encouraging consumers to book direct. It has struck a chord and following on from this, it is up to operators to convert the phone calls into bookings by offering exceptional customer service and a reward to guests for making contact by phone rather than clicking on to the OTAs and seeing large chunks of commission go offshore untaxed.

There is a lot more to come on this issue and rest assured, the Accommodation Association is fighting hard for your rights. The best way to support us is to become a member today. We are growing as an association as our industry moves to a tier one sector of the economy and your membership is the best signal to government that we have a credible voice which is worth listening to.



Shop Small is Back!



Australians told to call hotels, rather than rely

Shop Small encourages Card Members in your neighbourhood to support local businesses. Welcome more of your best possible customers with Shop Small, back again this November.

Participate in the nation-wide program that helps drive Card Members to your business with a 'Spend \$20, get \$10 back'¹ offer, on American Express. [Click here for more details and get involved!](#)

on booking sites, for cheaper rates

Rod Sims, the Chairman of the Australian Competition and Consumer Commission, has advised all Australian consumers to start calling hotels directly to ask for better deals. Dick Smith, along with the AAA's Richard Munro, are also calling on consumers to boycott the booking sites because they "extort" small businesses.

[Read more on this pressing issue here.](#)



SHOP SMALL THIS NOVEMBER Find out more



New Award Entitlement - Family and Domestic Violence Leave



From 1 August 2018, all permanent and casual employees covered by a modern award, including the Hospitality Industry General Award are entitled to take unpaid leave when they need to deal with the impact of family and domestic violence.

[Further details here.](#)



Hostplus Best in Show with 12.5% MySuper Return

Industry superannuation fund for hospitality, tourism, recreation and sport, Hostplus announced a leading interim return of 12.5 per cent to its MySuper (Balanced) fund members, after investment fees and tax, for the 2017-18 financial year. This return blitzed the median 9.2 per cent return of SuperRatings' top 50 funds, placing Hostplus as the number one performing MySuper (Balanced) fund in Australia over one, three, five, seven and 15 years (to 30 June 2018).

[Click here to read more about SuperRatings and Hostplus' performance.](#)



Wherever life takes you
We go with you

Wherever you go, take a top performing super fund.

[Find out more >](#)

*Click here for details. Host-Plus Pty Limited ABN 79 008 634 704



CBA Renews Partnership, New Merchant Rate Now Available to Members

On behalf of our AAoA Members, we have negotiated with our valued business partner, CommBank, a new member only rate on their credit card and debit card merchant fees, effective from



When is a lease not a lease?



With the IFRS 16 Leases fundamentally changing

Members who currently have their CommBank merchant facility linked to the AAoA group offer will not need to do anything to receive this new pricing. You should receive a letter directly from CommBank with further details of these changes, and when they will apply to you.

For more information, please contact AAoA on P: 02 8666 9015 or E: mail@aaoa.com.au

the manner in which lessors account for leases, only 'leases' as defined in the IFRS 16 will be impacted. So what is the definition of a lease and when is a lease not a lease?

[Click here to find out more.](#)



How Your Hotel Soap Can Save Lives

Every year hotels around the world send millions of bars of partially used or discarded soap into overflowing landfill. Five years ago, witnessing the waste in the hospitality industry, CEO and Founder of the charity Soap Aid, Mike Matulick had a vision to change the way hotels treated waste soap and save children's lives through improved hygiene.

Find out more about Soap Aid and [how you can get involved here.](#)



Silver Chef Joins as Bronze Sponsors of the Accommodation Association

The Accommodation Association would like to welcome **Silver Chef** as bronze sponsors of the Accommodation Association.

Silver Chef is Australia's only dedicated hospitality equipment funder. Committed to helping customers achieve their ambitions for more than 30 years, the team is entrenched in the world of hospitality and passionate about seeing businesses big and small thrive.

Visit silverchef.com.au to see how they can assist your business.



Distribution - the never ending cycle of risk management

Distribution channels have generated considerable benefits for accommodation operators, but at the same time have introduced a number of challenges. While the accommodation industry manages its market demand and pricing strategies in this competitive space, it can sometimes feel like a struggle to effectively manage the distribution of products.

[Click here to read the remainder of this article.](#)



Funding for Women's Leadership Development

Women currently working in the hospitality and tourism sector have a final opportunity to register their interest in a scholarship worth up to \$8,000 to support participation in a leadership development program.

Funding must be apportioned by the end of September and it is unsure when these grants will be available again. Find out more and register your interest by completing the Expression of Interest form here prior to 5pm on September 21:

www.wla.edu.au/funding



Upcoming Events - 2018

- 27th September - Future Melbourne Forum (VIC)
- 22nd October - Advocacy Update with Accommodation Association CEO in Hobart (TAS)
- 7th November - Canberra Hotel Market Update (ACT)
- 27th November - Mackay Regional Forum
- Regional Forums in Ballarat, Bendigo, Cairns and Coffs Harbour

For more information on any of the above events, please contact events@aaoa.com.au

New AAoA Members

On behalf of the AAoA Board and team, we would like to welcome our newest members -

- Quality Inn & Suites The Menzies (VIC)
- Quality Inn & Suites Traralgon (VIC)
- Eaglehawk Motel (VIC)
- Pan Pacific Melbourne (VIC)
- Novotel Surfers Paradise (QLD)
- May Park Executive Apartments (VIC)
- Granite Belt Motel (QLD)
- Bundalong Holiday Resort (VIC)
- Jasper Hotel (VIC)
- Milano Serviced Apartments (VIC)

[Join Now](#)

1. Registered Card Members who spend \$20 or more in a single eligible transaction between 1st – 30th November 2018 at participating eligible small businesses will get \$10 back. The offer can be redeemed once per participating small business, up to 5 times. Shop Small Participation Eligibility Criteria Applies. To find out more call 1800 112 639.



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