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SUPPORT NEEDED FOR ACCOMMODATION HOTELS

Peak industry bodies, Tourism Accommodation Australia and the Accommodation Association said the extension of restrictions in NSW will leave many accommodation hotels struggling to survive without government support.

TAA CEO Michael Johnson said while he understood the NSW government's stance and the need to prioritise health, the sector was struggling to cope.

"It is going to be another difficult month with the recommendation for people to work from home, no dancing or singing, no night clubs and the two square metre rule for indoors," said Mr Johnson.

"This will ensure Sydney stays very quiet for another month with hotels already running at less than 30 per cent occupancy and haemorrhaging money each week."

Accommodation Association CEO Richard Munro said the industry understands decisions have to be made in a crisis, but they come at a cost.

"We understand the decision, but these decisions come with consequences," said Mr Munro.

"A hit to consumer sentiment is a direct hit to our members business and there is literally little to no support."

A poll by Tourism Accommodation Australia conducted last week found 82 per cent of NSW members had been forced to limit their services, included by capping occupancy and closing bars and restaurants.

Just under 80 per cent of businesses faced chronic labour shortages at 69.7 per cent reported extremely low occupancy rates at 39.4 per cent.

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