MEDIA RELEASE
A Bed Tax? No way

The Australian Hotels Association (SA) and its accommodation division, the Tourism Accommodation Association (SA) are strongly opposed to the Minister for Tourism, Leon Bignell's consideration of a bed tax as 'floated' in the media today.

General Manager of the Association, Ian Horne said that a broad range of accommodation providers from international 4 and 5 star venues, regional hotels and motels and boutique accommodation operators were against any application of a levy, tax or surcharge that applies to beds, the use of beds or the occupancy of a room.

"It's another unnecessary cost and administrative burden for accommodation providers," Mr Horne said.

"Ask those at the coalface – those who sell beds - and they'll tell you, no matter how commendable the motivation is, that an additional tax, levy or surcharge is not the answer. Taxes create disincentives, are inequitable and generate resentment "

Mr Horne said the industry was keen to talk about marketing and promotional strategies to maximise the many millions spent on infrastructure including the Adelaide Oval and Convention Centre expansion but was very concerned the Minister would even consider an additional tax rather than building effective, long term strategies.

"No other State has such a bed tax and there's good reason for that, they are widely unpopular with industry operators, investors and visitors" he said.

"These sorts of measures just create further red tape and cost for an industry that is already burdened by compulsory levies, a numerous taxes and the highest work cover levies of any state.

"The industry has long played its part in contributing to the economy and the promotion and marketing of the state. Rather than hitting-up their guests, surely there are more creative ways to fund tourism promotion."

The AHA and TAA have called on the Minister to bury, once and for all, any talk of a bed tax, levy or surcharge.

For more information, please contact:

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