31st October 2017

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SUBMISSION ON SHORT-TERM HOLIDAY LETTING IN NSW OPTIONS PAPER
July 2017

The Caravan, Camping & Touring Industry & Manufactured Housing Industry Association of NSW (including Caravan & Camping Industry Association, Manufactured Housing Industry Association and Land Lease Living Industry Association) is this State’s peak industry body representing the interests of holiday parks, manufacturers and retailers of recreational vehicles (RVs) (motorhomes, campervans, caravans, camper trailers, tent trailers, 5th wheelers and slide-ons) and camping equipment, residential land lease communities and manufacturers of relocatable and manufactured homes.

We currently have, as members, over 722 businesses representing all aspects of our industry, with 474 being operators of holiday parks and residential land lease communities (including caravan parks and manufactured home estates).¹

The geographical breakdown of our park and residential land lease community members is:

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Far North Coast &amp; Tweed</td>
<td>52</td>
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<tr>
<td>North Coast</td>
<td>71</td>
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<tr>
<td>New England (North Western NSW)</td>
<td>16</td>
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<tr>
<td>Manning/Forster</td>
<td>24</td>
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<tr>
<td>Newcastle &amp; Hunter</td>
<td>56</td>
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<tr>
<td>Central Coast</td>
<td>32</td>
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<tr>
<td>Sydney &amp; Surrounds</td>
<td>26</td>
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<tr>
<td>Leisure Coast (Illawarra and Shoalhaven)</td>
<td>48</td>
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<tr>
<td>South Coast (Eurobodalla and Sapphire Coast)</td>
<td>65</td>
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<tr>
<td>Central NSW</td>
<td>22</td>
</tr>
<tr>
<td>Murray &amp; Riverina</td>
<td>31</td>
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<tr>
<td>Canberra &amp; Snowy Mountains</td>
<td>12</td>
</tr>
<tr>
<td>Outback NSW</td>
<td>4</td>
</tr>
<tr>
<td>Interstate</td>
<td>15</td>
</tr>
</tbody>
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¹ In NSW, residential parks, including caravan parks with a mixture of tourist and permanent residents and manufactured home estates, are known as residential land lease communities under the Residential (Land Lease) Communities Act 2013.
As an important stakeholder in the regulation of holiday parks and residential land lease communities, we welcome the opportunity to comment on the Short-term Holiday Letting in NSW Options Paper (Options Paper).

Introduction

Caravan and holiday parks are very important to the tourism economy. The caravan and camping industry continues to be one of the fastest growing domestic tourism sectors in Australia and has over 25,000 direct employees. New South Wales (NSW) is Australia’s favourite State for caravanning and camping, with a 32% share of visitor nights and a 34% share of visitors.\(^2\)

In the year ending December 2016 NSW received a total of 4 million domestic caravan and camping visitors spending over 17 million nights in caravan and camping accommodation. This injected $3 billion in economic value to NSW.\(^3\)

Regional NSW is the main destination for domestic caravan and camping visitors to the State, having accounted for 94% of visitors and 95% of nights. In the YE Dec 2016, Regional NSW received nearly 3.8 million domestic caravan and camping visitors who stayed 16.1 million nights and spent $2.9 billion in the State.\(^4\)

With caravanning and camping accommodating almost 23% of the visitor holiday nights in regional NSW,\(^5\) it is an important part of the tourism infrastructure and a key sector to assist in the Government’s action plan to double overnight expenditure in NSW by 2020.

And there is still room to grow. Every night there are around 50,000 short term and camp sites available across the commercial park network. The national occupancy rate is just 54%.\(^6\)

Short-term Holiday Lettings

Short-term holiday lettings (STHL) in NSW are direct competitors to villas, cabins and safari tents in caravan and holiday parks. Generally, they offer similar amenities and are often situated in picturesque locations with access to local shops, restaurants and places of interest.

Healthy competition is a plus for any industry and we are not against STHL. In fact, we believe it’s important that a full range of services and experiences be available in the tourism sector, so that it can continue to appeal to a broad and growing market.

However, our position is that overnight accommodation in NSW should only occur in areas that comply with all relevant planning and operational regulations, intended specifically to ensure the preservation of the environment, regulate local business operations, respect local residents and protect the safety of visitors.

With STHL currently subject to little or no regulation, unlike traditional hotels, motels and holiday and caravan parks, the NSW Government is allowing STHL to compete unfairly with...

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\(^2\) International Visitor Survey and National Visitor Survey, YE December 16, Tourism Research Australia
\(^3\) Ibid
\(^4\) Ibid
\(^5\) Ibid
\(^6\) Caravan Industry Association of Australia (formerly Caravan, RV & Accommodation Industry of Australia), BDO Economic Report Value of Commercial Caravan Park to a Local Community 2012
their local businesses by providing similar services without similar compliance and financial obligations.

We accept that guests staying in STHL properties also contribute to the economy, spending money in local cafes, restaurants and other places of interest. However, the contribution of legitimate tourism businesses likely outweighs this spend.

In addition to visitor spending in cafes and other local businesses, holiday and caravan parks inject a significant amount of their own capital into their local communities. They support other local tourism infrastructure through cross-promotion and by providing an environment that enhances the tourism appeal and amenity of the local township. They buy goods and services locally, employ local people and pay council rates. They also pay additional fees to councils for their approvals to operate and inspection fees, such as building, sewerage and food safety.

A BDO study, commissioned by our national association the Caravan Industry Association of Australia (formerly Caravan, RV & Accommodation Industry of Australia Ltd (CRVA)) demonstrated that for every $100 taken by a caravan park, $138 in economic benefit flows on to the local economy.

If they can't be provided an equal playing field, these businesses will not be able to compete, and hence they will go out of business, with a resulting loss to the town of valuable tourism infrastructure. There is a need to review, implement and monitor planning laws so that the negative impacts currently affecting legitimate, regulated accommodation providers like caravan and holiday parks, do not continue.

We accept that the peer to peer economy and the expanding STHL market is contributing to the diversity of the tourism sector. The regulatory framework therefore needs to support industry innovation, including new offerings, while ensuring fair competition and appropriate building and safety standards are met.

**Freedom Camping – Similar Issues to STHL**

Like STHL, our industry is facing the same issues in relation to freedom camping in Australia.

Copies of our position papers in relation to freedom camping and councils competing unfairly with local businesses are attached for reference.

Freedom camping is essentially staying in a free or low-cost camping location, outside of commercial caravan parks and camping grounds.

Freedom camping typically occurs in locations such as beside a river, the ocean or in a bush setting, but also occurs in roadside rest areas, showgrounds, Crown reserves and other land made available by local councils and private landowners. In most cases, the land is not approved for this purpose.

Recreation vehicles (RVs) with on-board facilities such as showers, toilets and waste water holding tanks are contributing to the popularity and practice of freedom camping, which is spreading throughout Australia with countless websites, discussion boards, blogs and books dedicated to it.

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7 *BDO, Economic Benefit Report – Commercial Caravan Holiday Park to a Local Community, October 2012*

Freedom campers argue that they don’t need the facilities in commercial caravan parks and camping grounds and therefore they don’t need to stay there. However, the reality is they do need to regularly dispose of waste, refuel and restock water supplies.

Like our position on STHL, our Association is not against the concept of freedom camping. We believe it’s important that a full range of services and experiences be available in the caravan and camping sector and we celebrate the growth of the RV industry and its increasing popularity, especially amongst the retiree market. It’s a terrific way for people to experience the best of NSW and Australia.

However, camping in NSW should only occur in areas that comply with all relevant planning and operational regulations, designed specifically to ensure the preservation of the environment, regulate local business operations and protect the safety of visitors.

We also do not believe that local councils should be providing free/low cost overnight camp sites, waste disposal facilities and water replenishment sources to RV travellers where approved commercial caravan parks and camping grounds are already providing services to this market. In most cases when this occurs, councils are competing unfairly.

Local commercial caravan park operators cannot compete when councils are providing services free of charge or at non-commercial rates and in direct competition with them. Our Association is not against competition, but we do seek a level playing field and we believe the principle of competitive neutrality should be applied.

The local baker does not have to compete with councils giving away free bread to visitors, nor does the greengrocer compete with them giving away free fruit and vegetables. Why then is it ok for the small business caravan park operator to compete with their council giving away free or deeply discounted camp sites?

In exploring approaches to provide the best regulatory framework for STHL, we also call on the NSW Government to do the same in relation to freedom camping.

**Impacts Associated with STHL**

The main impacts of concern identified by members of our Association are party houses, noise, waste and parking, but most of all issues around hazards and evacuation and inequality between STHL and regulated providers.

In NSW, caravan and holiday parks must be compliant with the *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005* (LG Regulation). The LG Regulation is directed at preserving and protecting the environment and securing the safety of users and sets standards for:

- the design, construction, maintenance and operation of manufactured home estates, caravan parks and camping grounds
- the design, construction and installation of manufactured homes and other moveable dwellings (such as cabins), and
- the promotion of the health, safety and amenity of the occupiers of those dwellings.

Local councils are required to approve the operation of these businesses and to regularly inspect them to ensure they continue to comply with the standards and specifications set out in the law. Among other responsibilities, caravan and holiday parks are required to comply with specific setbacks and separation distances, the provision of fire hydrants, fire hose reels and there is a cap on the number of persons per dwelling site or camp site. These businesses must also comply with work health and safety requirements in NSW, have appropriate insurance and meet disability access requirements.

In many cases, dwellings used for STHL in NSW are not approved for this purpose and do provide adequate facilities, such as fire escapes and other fire safety measures that are compulsory for commercial operators. This recently came to the fore on 10 September 2017, when six members of a Malaysian family of 10 were taken to hospital after a fire broke out in a three-story Airbnb rental in Christchurch.⁸

The rise of websites like Airbnb and Stayz have made it easy for property owners and accommodation seekers to connect with each other, which has caused the STHL market to expand. However, this wide scale non-compliance is a major issue that should concern consumers, operators and governments.

If tourists are staying in a STHL dwelling, then for the sake of their own safety and the preservation of the environment and social amenity, they should be staying in a STHL dwelling that has the proper approvals, facilities and processes to manage this use.

**Self-Regulation**

Self-regulation alone will not be enough to address the issues presented by STHL that are of concern to all parties, particularly in relation to inequality between STHL and regulated providers.

Self-regulation can also be open to abuse where there is limited enforcement and would still allow STHL operators to compete on unfairly against licensed operators. The financial and social contributions by legitimate tourism businesses, as outlined above, also remain important considerations.

As indicated by the Options Paper, there may be a place for a strong and unified industry body for STHL with broad membership and compliance measures (such as a code of ethics, mandatory training, etc), but this is likely to be more successful within a fit for purpose regulatory framework in order to increase industry standards beyond minimum requirements.

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STHL in Strata Properties

We concur with the NSW Business Chamber that owners’ corporations should be allowed to manage the impacts associated with STHL, rather than prohibit STHL in their buildings. This should include:

a) more powers to manage and response to adverse behaviour,

b) making lot owners/occupants jointly and severally liable for the conduct of occupants (except where reasonable steps have been taken by lot owners to prevent adverse conduct) and

c) allowing owners’ corporations to seek orders from the NSW Civil and Administrative Tribunal for increased contributions, compensation and/or civil penalties in more extreme cases (i.e. party houses).

Regulation through the Planning System

The feedback from members of our Association is that STHL should be identified as complying development or development requiring consent, taking into account the following factors identified in the Options Paper:

a) Total number of days per year a dwelling can be used

b) Number of consecutive days a dwelling can be used

c) Length of stay in a dwelling

d) Number of bedrooms (or number of occupants)

e) Presence of hosts

We do not agree that there should be different planning frameworks in regional and metropolitan areas. Most members of our Association are located in regional NSW and they are seeking a level playing field. Further, if one purpose of regulation is to maintain the safety of guests then location should have no impact on this important issue.

Further, we support calls by the NSW Business Chamber and the Accommodation Association of Australia (AAoA) to reduce the regulatory burden faced by other accommodation providers, including caravan and holiday parks.

For example, in response to the Department of Planning & Environment’s Improving the Regulation of Manufactured Homes, Caravan Parks, Manufactured Home Estates & Camping Grounds Discussion Paper, November 2015, we submitted that controls placed on safari tents, or other semi-permanent structures, in caravan and holiday parks should take a performance-based approach and be classified as exempt development, as per the existing exemption that applies to tents in clause 75 of the LG Regulation.

A whole of industry review is needed to determine how best to level the playing field between traditional accommodation providers and STHL providers. Thus, we support the suggestion

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9 Tourism Industry Division (NSW Business Chamber), Submission to the Short-term Holiday Letting in NSW Options Paper, October 2017, p 6.
of the NSW Business Chamber that the Government task the Independent Pricing and Regulatory Tribunal (IPART) to undertake a detailed review on the levels of regulatory burden faced by accommodation providers and made recommendations on practical changes to reduce this burden.10

Other Considerations

Compliance and enforcement

Whatever level of regulation is applied to STHL, it is imperative that local councils are sufficiently empowered and resourced to implement the regulatory regime, provided the process of compliance and enforcement focuses on outcomes rather than ‘red tape.’

Our experience with freedom camping is that most councils in NSW do not have the manpower to properly enforce local planning laws against illegal camping operations and in some cases, councils are facilitating this non-compliance.

To assist with resourcing, STHL providers should be required to contribute a proportionate amount towards the operational costs of the regulatory regime.

Responsibilities of booking platforms

As identified in the Options Paper, online advertising and booking platforms such as Airbnb and Stayz, have facilitated the expansion of STHL significantly over recent years and will continue to do so.

We are sympathetic to AAoA’s position that such entities are “‘free-riding’ on Australia’s tourism industry.”11 These entities should also be required to contribute a proportionate amount towards the operational costs of the regulatory regime (i.e. taxation on income earned through activities in Australia).

In addition, following the development of a fit for purpose regulatory regime, these entities should have a responsibility to verify that relevant approvals (where required) are in place before a STHL listing is accepted and published.12 Such a requirement would greatly assist in ensuring compliance and the administrative burden is likely to be proportional to the benefits it is seeking to achieve.

CONCLUSION

We reiterate the significance of caravan and holiday parks to the tourism economy and our position that overnight accommodation in NSW should only occur in areas that comply with all relevant planning and operational regulations. The regulatory framework needs to support industry innovation, including new offerings, while ensuring fair competition and appropriate building and safety standards are met.

10 Ibid. p 7.
11 AAoA, Submission no. 180, NSW Legislative Assembly Committee on Environment and Planning inquiry into the adequacy of the regulation of short-term holiday letting in NSW, p 6-7.
12 The same requirement should be applied to other entities facilitating short term accommodation (e.g. booking platforms promoting freedom camping).
As an important stakeholder in relation to the regulation of holiday parks and residential land lease communities in NSW, we are keen to continue to participate in any further discussions and ask that we be noted as a stakeholder so that we continue to be included in all future communications and meetings.

Thank you for your consideration of the issues we have raised.

Should you wish to meet and/or discuss any aspect of this submission please contact Bob Browne, General Counsel on (02) 9615 9920 or email bob.browne@cciansw.com.au.

Yours sincerely

Lyndel Gray
Chief Executive Officer
FREEDOM CAMPING - SOME KEY FACTS TO CONSIDER

By way of background, we are the State’s peak industry body representing the interests of over 700 member businesses - caravan and holiday parks, manufacturers and retailers of recreation vehicles (RVs) (including caravans, motorhomes, campervans, camper trailers, tent trailers, 5th wheelers and slide-ons), camping equipment, residential land lease communities and manufacturers of relocatable and manufactured homes.

Our Association is not against the concept of freedom camping or free camping. We believe it’s important that a full range of services and experiences be available in the caravan and camping sector, so that it can continue to appeal to a broad and growing market.

However, our fundamental position is that camping or staying overnight in NSW should only occur in areas that comply with all relevant planning and operational regulations, designed specifically to ensure the preservation of the environment, regulate local business operations, respect local residents and protect the safety of visitors.

KEY FACTS

- Freedom camping not only happens in locations such as beside a river or in a bush setting but also in roadside rest areas, showgrounds, Crown reserves and other land made available by local councils and private landowners. Unfortunately, in many cases, the land is not approved for this purpose. This non-compliance is a major issue that should concern consumers, operators and Governments.

- Our industry has major concerns when local councils provide free overnight camp sites, sewerage and waste disposal facilities, and water replenishment sources, to RV travellers in areas where approved commercial caravan parks and camping grounds are already providing these services.

- In such cases, we maintain that councils are competing unfairly with their local small businesses by providing similar services for free or below cost.

- Local commercial caravan park operators cannot compete when councils are providing services in direct competition with their small business enterprises.

- Our industry is not against competition, but we do seek a level playing field. Also, we consider the principle of competitive neutrality should be applied.
Further, there are already a range of compliant free and low cost camping options available to freedom camping travellers. These include national parks, state forests, primitive camping grounds, and approved showgrounds and reserves.

The latest RVs with on-board facilities such as showers, toilets and waste water holding tanks are contributing to the popularity and practice of free or ‘freedom’ camping.

Freedom campers argue that they don’t need the facilities in commercial caravan parks and camping grounds and consequently they shouldn’t have to stay there. However, the reality is they do need to regularly dispose of waste, refuel and restock water supplies.

Another reality is that most RVs are not ‘self-contained’.

There are currently over 600,000 registered RVs in Australia. The vast majority of these RVs (90%) are made up of caravans (including camper trailers, tent trailers, etc) where the largest percentage of these continues to be in the 500 – 1000 kg category, with over 67% weighing less than 1.5 tonne.

Grey water from caravans generally spills straight onto the ground, increasing nutrient loads into local soils and waterways.

Only 10% of total registered RVs in Australia are campervans and motorhomes (or around 60,000), and not all of these are ‘self-contained.’

RV tourists in vehicles that are ‘self-contained’ are therefore only a very small segment of the overall RV market.

Without the cooperation of an RV owner, it is difficult to verify if an RV is truly ‘self-contained’ and due to limited resources, such inspections are unlikely to be undertaken by council rangers or other local authorities.

Nevertheless, in some regional areas, local councils have approved camping on council land by ‘self-contained RVs.’ One example is Wilks Park in Wagga Wagga, where Council resolved to transform Wilks Park into a Primitive Camping Ground in late 2012. Under the conditions of consent for the camping ground, ‘self-contained’ vehicles are permitted to use Wilks Park as a short stay stopover point, at no cost, for a maximum period of 72 hours.
However, we continue to receive reports that RVs which are not ‘self-contained’ (as understood in that particular approval) continue to stay on the site and the 72 hours period is frequently breached.

Council maintains that it monitors the area, but compliance and enforcement resources are limited. Therefore, we maintain that there is a fundamental flaw with an approval such as this.

Nevertheless, all RVs require their tanks to be filled (fresh water) and the grey water (shower and sink) emptied into a suitable waste facility and the black water (toilet waste) emptied into suitable sewerage facilities. Approved and properly managed facilities need to be available to RVs that are staying in an area for an extended period of time. Caravan parks provide these facilities as part of their operations.

OTHER ISSUES FOR CONSIDERATION BY COUNCILS

We know that local councils are being pressured to provide free camp sites to attract freedom RV travellers.

Our position is that local councils should only step in if services being demanded are not being provided by the private sector, but just because a subset of the travelling public wants services for free/low cost this does not equate to a market failure.

We encourage Councils to undertake an audit of what caravan & holiday parks, national parks, state conversation areas, state forests and camping grounds already exist in their LGA and what range of services are already being offered to service the needs RV travellers. In many instances, there are a wide range of services being delivered at various price points already, and it’s simply a matter of better communicating the range of options available – which can be done via Visitor Information Centres, websites and brochures.

Councils may also consider working collaboratively with their local caravan & holiday parks & camping grounds and the wider tourism industry, to develop programs that entice budget conscious travellers to their area. For example, instead of establishing and funding the provision of “free” services in competition with businesses, councils’ might develop and fund programs that enable discount site vouchers to be obtained from VICs and redeemed at local businesses.

There are many solutions that can be explored to attract incremental business to local government areas rather than just giving away free camp sites (or other services) and competing unfairly with local businesses.
FACTS ABOUT OUR INDUSTRY AND ITS ECONOMIC IMPORTANCE

- Caravan and holiday parks are an extremely important part of the tourism economy. Our industry continues to be one of the fastest growing domestic tourism sectors in Australia, and New South Wales is Australia’s favourite State for caravanning and camping.

- Last year, there were more than 4 million overnight caravan and camping trips and around 17 million nights spent in caravan and camping accommodation. This injected more than $2 billion in economic value to NSW.

- Caravanning and camping also accommodates 29% of the visitor holiday nights in Regional New South Wales making it a vitally important part of the tourism infrastructure.

- Every night, there are around 50,000 short term and camp sites available across our commercial park network in NSW, however with a national occupancy rate of just 54%, there is still room for growth.

- 73% of our parks and camping grounds offer facilities to accommodate large RVs, so there is no shortage of site options for travellers touring around the state.

About Us

We are the Caravan, Camping and Touring Industry and Manufactured Housing Industry Association of New South Wales (CCIA). The Association is made up of caravan and holiday park businesses, manufacturers and retailers of recreation vehicles (motorhomes, campervans, caravans, camper trailers, tent trailers, 5th wheelers and slide-ons) and camping equipment, residential land lease communities and manufacturers of relocatable and manufactured homes and those that provide services to these industries.

This gives us the collective strength of more than 700 caravan, camping, RV, park and manufactured housing businesses throughout NSW. We actively work for members to encourage and promote the use of touring products, caravan parks and residential land lease communities across government, businesses and the general public.

Disclaimer

The staff at CCIA have used their best endeavours to ensure that all the information contained in this document is correct at the time of publication and that the information has been obtained from reliable sources. We are not responsible for any errors or omissions, or any outcomes as a result of a use of this information. The information is provided for general guidance on industry issues only and should not be used as a substitute for legal or other professional advice.

Printed: Wednesday, 3 May 2017
Councils competing with local small business operators

Councils are being lobbied to provide free overnight camp sites, waste disposal facilities and water replenishment sources, to recreation vehicle (RV) travellers to entice them to visit their towns. Councils are being told that if they do not provide these services, then travellers will by-pass their destinations. Various Councils now allow free overnight camping/parking within their districts despite the fact that there are already approved commercial caravan parks in operation.

In New South Wales, all areas used for overnight camping must be compliant with the Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005. This is directed at preserving and protecting the environment and securing the safety of users. Local councils are required to approve their operation and to regularly inspect these caravan parks and camping grounds to ensure they continue to comply with the standards and specifications set out in the law. This regulatory regime is contained within the Planning and Local Government laws in NSW.

There is a need to monitor the implementation and operation of the regulations so that the industry is not compromised. It is important that things are not done to negatively impact on legitimate, regulated caravan parks and camping grounds.

However, the unrealistic demands of a small sector of the travelling public, who want free camping facilities and services to be provided by Councils in urban areas in direct competition with the commercial sector, are leading to an erosion of this important tourism sector.

There are costs associated with compliance requirements, in addition to the cost of installing free dump points and the provision of water and waste facilities. Ultimately these costs are being borne by the local ratepayers when Councils decide to offer services to RV travellers for free or at non-commercial rates.

There is no shortage of caravan parks and camping grounds across NSW offering a range of price points and facilities to satisfy ever increasing demand. Nonetheless, there is a growing trend to ‘freedom camp’ on land which is not approved for camping. This is being allowed to flourish through a lack of enforcement of the regulations and some Council’s encouraging the use of unregulated areas, including Crown reserves, such as showgrounds, for overnight (or longer) use by motorhomes and caravans free of charge or for a nominal fee.

Local commercial caravan park operators cannot compete when Councils are providing services free of charge or at non-commercial rates in direct competition with them. Our Association is not against competition, but we do seek a level playing field. We oppose the provision of campsite
services by Council's that do not take account of their regulatory environment, including the need to be competitively neutral.

Our Association represents the interests of over 400 commercial caravan parks located throughout NSW. These caravan park businesses inject capital into their local communities, support other local tourism infrastructure, buy local products, services and produce, employ local people and pay council rates.

Continuation of these unfair and uncompetitive practices by Councils will ultimately lead to the closure of caravan parks in regional towns, and the withdrawal of valuable tourism infrastructure and services. Local businesses will not be able to inject capital to maintain and upgrade their facilities and new investment in tourism infrastructure will not be attracted to the region.

Caravan parks and camping grounds already offer low cost overnight camping options for travellers. In NSW the price of sites might range from $25 - $40 each night outside of the peak holiday seasons. These tend to be the times that retired RV owners travel.

However, provision of services for free, or at rates in the vicinity of $10 - $15 per night as requested by some RV travellers, is not possible. Such rates do not reflect the business costs associated with maintenance, staffing, provision of water, electricity and sewerage services and compliance with government regulation.

In NSW there are various types of parks offering differing standards of facilities. Every night there are around 50,000 short term and camp sites available across our commercial park network. The national occupancy rate is 54%. So, outside of peak holiday periods, there is plenty of availability for RV travellers. Importantly, 73% of our parks offer facilities to accommodate large RVs.

We strongly oppose the endorsement or provision of non-compliant camp sites by Councils, or other entities, in direct competition with compliant caravan parks.

There are numerous examples in NSW where the operation or promotion of free camping facilities has had significant negative impacts on local small businesses.

It should also be noted that there are significant risk and liability issues faced by Councils when they operate and promote non-compliant facilities.

Commercial caravan parks and camp grounds provide important tourism infrastructure, particularly in regional areas of Australia. Caravan parks have invested extensive capital into businesses that provide an environment that enhances the tourism appeal of the local township, as well as its local amenity.
A BDO\(^1\) study, commissioned by our national association, Caravan Industry Association of Australia (formerly Caravan, RV & Accommodation Industry of Australia Ltd (CRVA)) demonstrated that for every $100 taken by a caravan park, $138 in economic benefit flows on to the local economy. So, there is tangible evidence that commercial caravan parks are an important part of their local economies.

A further BDO study\(^2\) showed that there is a vast difference in the amount spent in a town by commercial campers versus free campers. Commercial campers spend an average of $576 per stay compared to an average of $213 spent by free campers. This means commercial campers inject 2.7 times more money into the local town than free campers.

Rather than competing with local small businesses, Councils might consider investing in partnership promotions with local operators and tourism organisations and offering specially priced rates for specific periods or campaigns.

Investing in such activities would also alleviate the need for Councils to maintain their own facilities, and they could inject these costs into a partnership project to help drive visitors into established and compliant local tourism infrastructure.

We note two important Council decisions in NSW in relation to the provision of free facilities:

- In March 2013 Ballina Shire Council resolved not to support the provision of free camping and dump point facilities because of the negative impact this was likely to have on existing licensed operators. The preferred option was to support existing accommodation providers. It was noted in the meeting minutes that Council’s Tourism Section believes “It is also difficult to justify the provision of infrastructure when there is no readily available measure to account for the economic benefit of this market. More importantly, the provision of ‘free camping’ could negatively impact on established caravan and camping businesses”.

- In February 2013, Destination Tweed reported to Tweed Shire Council on the benefits and constraints of Tweed Shire joining the Campervan and Motorhome Club of Australia (CMCA) RV Friendly Town Scheme. Destination Tweed concluded:
  - “The reality is that the key tourist markets that contribute to the tourist economy are not the RV tourist.”

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\(^1\) BDO Advisory (SA) Pty Ltd (BDO) was engaged by Caravan, RV and Accommodation Industry of Australia (CRVA) to develop “Economic Benefit Report – Commercial Caravan and Holiday Park to a Local Community” October 2012

\(^2\) BDO Advisory (SA) Pty Ltd (BDO) was engaged by Caravan, RV and Accommodation Industry of Australia (CRVA) to develop “Economic Benefit Report – Spending Patterns of Commercial Campers and Non – Commercial Campers” May 2013

“The focus of Destination Tweed is on higher yielding markets, those that come to the region for longer stays, pay for accommodation, eat out and spend money within the community.”

“The risk that Council takes by engaging in becoming RV friendly is – what stops RV’s from pulling into free spots at 5pm, using the facilities that are supplied free of charge, before heading out at 7am the next morning to head to their next destination, without actually having spent a cent in the region.”

“The full costs involved to become RV friendly would be burdened by the Tweed Shire Council and require funds to be allocated in order to achieve at a minimum the essential criteria.”

“Given at this point in time these facilities are provided successfully by the private sector at no cost to the rate payer, it would arguably be better for Tweed Shire Council to encourage private investment and development.”

Conclusion:

Local Councils’ operation of free or deeply discounted camping grounds, in competition with private sector investors, does not provide the level playing field needed for small businesses to continue to operate and flourish. The serious issues of competitive neutrality must be considered.

Commercially operated caravan park and camping grounds are significant providers of tourism infrastructure, particularly in regional and remote areas. These operators have and continue to invest extensive financial and human capital into local communities, enhancing the tourism appeal and amenity of the local township.

We urge Councils to implement and enforce the regulatory regime for caravan parks and camping grounds. We ask them to carefully consider all the potential impacts and costs, and undertake a full analysis to determine if there is in fact a market failure, before entering into competition with small business operators in their areas. In this way, we can stop non-compliant offerings that work against regional economies and consequently support legitimate offerings provided by properly compliant caravan park and camping ground businesses.

Further documents are attached for your reference:

- PLANNING NSW CIRCULAR
- CROWN LANDS PLANNING CIRCULAR – STATEMENT FROM JOINT WORKING GROUP INCLUDING TOURISM NSW, CCIA AND CMCA
- CCIA NSW POSITION PAPER ON FREEDOM CAMPING AND DUMP POINTS
- INDUSTRY PROFILE DOCUMENT
About Us

We are the Caravan, Camping and Touring Industry and Manufactured Housing Industry Association of New South Wales (CCIA). The Association is made up of caravan and holiday park businesses, manufacturers and retailers of recreation vehicles (motorhomes, campervans, caravans, camper trailers, tent trailers, 5th wheelers and slide-ons) and camping equipment, residential land lease communities and manufacturers of relocatable and manufactured homes and those that provide services to these industries.

This gives us the collective strength of more than 700 caravan, camping, RV, park and manufactured housing businesses throughout NSW. We actively work for members to encourage and promote the use of touring products, caravan parks and residential land lease communities across government, businesses and the general public.

Disclaimer

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Printed: Wednesday, 3 May 2017
Illegal Camping

The purpose of this circular is to remind councils, event organisers, touring groups and others that, with limited exceptions, carrying out or providing for camping (eg. in caravans, campervans, motorhomes or tents) on council or other land requires council approval.

Introduction
The NSW planning and local government legislation both have a role in the regulation of camping. Compliance with the regulatory requirements for camping in that legislation promotes camping that is safe, enjoyable, equitable and sustainable.

Approvals required for caravan parks and camping grounds
Under State Environmental Planning Policy No 21 – Caravan Parks (SEPP 21), the use of land within a local government area for a caravan park or camping ground may, unless prohibited by another plan, be carried out only with the development consent of the council. However, SEPP 21 does not require development consent for a caravan park or camping ground on land dedicated or reserved under the National Parks and Wildlife Act 1974 (NP&W Act).

In addition, operating a caravan park or camping ground is an activity requiring council approval under Section 68 of the Local Government Act 1993 (LG Act) unless excepted by the Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005 (LG Regulation 2005), other legislation1 or a local approvals policy2.

Approval to operate a caravan park or camping ground is usually subject to a condition that the park or ground must be designed, constructed, maintained and operated in accordance with the relevant requirements of the LG Regulation 2005. It contains requirements for minimum size for a caravan park, dwelling site and camp site sizes, setbacks, roads, utility services, fire hose reels, shower and toilet facilities, laundry facilities, management and other matters.

Special provision is made in the LG Regulation 2005 for operating ‘primitive camping grounds’. This type of camping ground is generally remote from urban areas, and under the Regulation is required to have only a limited range of facilities. Requirements include that the ground must be provided with a water supply, toilet and refuse disposal facilities as specified in the approval for the ground. Such fire fighting facilities as may be specified in the approval are also to be provided.

Normally the installation of caravans, campervans or tents in a caravan park or primitive camping ground, and the installation of campervans or tents in other camping grounds, does not require council approval. The installation of caravans, campervans, tents and annexes in caravan parks and camping grounds must, however, comply with the relevant requirements under the LG Regulation 2005 (eg. see clause 132 regarding primitive camping grounds and clauses 161-173 regarding other camping grounds and caravan parks). For example, certain separation distance requirements apply for reasons of safety and privacy.

Section 78A of the Environmental Planning and Assessment Act 1979 allows an applicant (other than the Crown) in a single development application to apply to use land for a caravan park or camping ground, and operate a caravan park or camping ground.

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1 For example, an approval under Section 68 of the LG Act is not required for (and the LG Regulation 2005 does not apply to) a caravan park or camping ground on land dedicated or reserved under the NP&W Act 1974.
2 A local approvals policy adopted under Part 3 of the LG Act may specify the following: the circumstances in which a person would be exempt from the need to obtain a particular approval of the Council for activities governed by the LG Act; the criteria which a Council must take into consideration in determining whether to give or refuse an approval under the LG Act; and other matters relating to approvals.
Temporary caravan parks and camping grounds

A temporary caravan park or camping ground requires development consent and approval to operate. As with permanent parks and grounds relevant requirements in the LG Regulation 2005 concerning tents, caravans and annexes in caravan parks and camping grounds must also to be complied with.

Before granting consent to a development application, or approving a LG Act application, for a temporary caravan park or camping ground, a council should be satisfied that for the duration of park’s or ground’s operation provision of a water supply and toilet and refuse facilities will be adequate. Councils should also assess whether firefighting facilities are needed and whether any other facility or measure may necessary to promote the health, safety and amenity of the occupiers.

Under the LG Regulation 2005, a temporary caravan park or camping ground operated for a period of 6 weeks or less, solely in connection with use of the land for a sporting, recreation or cultural event, does not have to be designed, constructed, maintained and operated in accordance with Subdivisions 1-8 of Division 3 of Part 3 of the Regulation (see clause 73(3)). This means, for example, that the park or ground may be excused from having permanent amenities.

Problems caused by illegal camping

Councils are encouraged to be proactive in preventing illegal camping. The reasons for this include:

- if inadequate facilities are provided or the standard of operation is unsatisfactory, the health and safety of campers will not be assured. This may be especially so in relation to fire safety;
- use of an illegal caravan park or camping ground may cause disturbance to adjoining land users, especially if there are adjoining residential areas. This disturbance may be associated with noise, scattering of rubbish, or inadequate toilet facilities or provision for greywater disposal. Environmental damage may also eventuate;
- illegal camping subjects commercial businesses running approved caravan parks and camping grounds to unfair competition, contrary to Competitive Neutrality Guidelines. This is the case even if the unauthorised camping is not provided free or with subsidisation. Under the local government regulations, caravan park approval holders are required to provide certain facilities and comply with an extensive range of standards related to health, safety and amenity considerations.

Examples of enforcement options

If development for a caravan park or camping ground occurs on land where that use is prohibited, or requires but does not have development consent, a council may initiate the giving an order no 1 under section 121B of the EP&A Act to cease that use.

This order could be given to the owner of the premises or person using the premises for the purpose of a caravan park or camping ground (eg. the operator). Normally, before an order is given, the person who gives it must give a notice of intention in accordance with 121H.

Given the provisions in section 626 of the LG Act, if a person operates a caravan park or camping ground without required prior approval under Part 1 of Chapter 7 of the LG Act, that person is guilty of an offence. Court action could be taken in respect of this. The maximum penalty the court may impose for an offence of this type is 50 penalty units ($5,500).

Council approval not required for certain exceptions

There are a number of circumstances in which camping in caravans, campervans or tents elsewhere than in a caravan park or camping ground does not require council approval under the LG Act.

1. Exceptions under LG Regulation 2005

For land elsewhere than in a caravan park or camping ground, the LG Regulation provides the following conditional and unconditional exemptions from the requirement for council approval.

Conditional exemptions

Under the LG Regulation 2005 council approval is not required for the installation of:

- up to two caravans, campervans or tents on any land (with the landowner’s permission), provided they are not occupied for more than two days at a time and are not occupied for more than 60 days (in total) in any 12 month period
- one caravan or campervan on land on which there is a dwelling house, provided the caravan or campervan is occupied by the owner of the dwelling house or members of the household, and the caravan or campervan is maintained in a safe and healthy condition
- a caravan or campervan on agricultural land, provided the caravan or campervan is occupied by seasonal workers on the land.

Unconditional exceptions

The LG Regulation 2005 (clause 78) provides that installing a caravan, campervan or tent on a Crown reserve or in a State forest does not require LG Act approval. Instead, the Crown Lands Act 1989 and the Forestry Act 1916 apply respectively.

Information about camping in Crown reserves and where to find Crown land holiday parks is available from the NSW Land and Property Management Authority (see www.caravanandcampingnsw.com.au). Enquiries about camping in NSW state forests may be made to Forests NSW (T: 1300 655 687) or see www.dpi.nsw.gov.au/forests/recreation.
2. Other exceptions

**National Parks**
The use of caravan parks, campervans and tents on lands reserved or dedicated under the NP&W Act is regulated under that Act. Approval under the LG Act is not required for those uses on those lands.

Information on camping opportunities within lands subject to the NP&W Act may be obtained from the National Parks and Wildlife Service (see [www.environment.nsw.gov.au](http://www.environment.nsw.gov.au) and select Visiting a Park).

**Roadside rest areas**
Camping in a roadside rest area may be permitted, unless a ‘no camping’ or ‘no overnight stays’ sign has been placed there by a council or the Roads and Traffic Authority (RTA) (or other relevant authority). Enquiries about the use of rest areas along roads administered by the RTA may be made to that agency.

**Further information**
For further information on the regulation of caravan parks and camping grounds see the Department of Planning website at [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au)


If you have queries about this Planning Circular please contact the Department’s Information Centre 02 9228 6333 or email [information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au).

**Authorised by:**
Sam Haddad
Director-General
NSW Department of Planning

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*Important note:* This circular does not constitute legal advice. Users are advised to seek professional advice and refer to the relevant legislation, as necessary, before taking action in relation to any matters covered by this circular.

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*Disclaimer:* While every reasonable effort has been made to ensure that this document is correct at the time of publication, the State of New South Wales, its agencies and employees, disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document.
The purpose of this paper is to clarify for Local Councils and other organizations with an interest in operating caravan parks and camping grounds, the position of the Land and Property Management Authority in respect of the use of Crown reserves for operating caravan parks and camping.

Introduction

The Land and Property Management Authority (the Authority) is committed to sustainable tourist destinations that cater for caravans, campervans, motorhomes, tents and other moveable dwellings. However, the Authority cannot, nor does not, condone illegal caravanning and/or camping on Crown land. All facilities on Crown land advertised for public tourist accommodation, including showgrounds, must be approved.

Position

i. Approval to Operate

The approval to operate a caravan park and/or a camping ground in NSW (either on Crown land or freehold land) is required under:


ii. Approval to Develop

State Environmental Planning Policy No. 21 – Caravan Parks (SEPP 21) requires that “development for the purposes of a caravan park may be carried out only with the development consent of the [local government] council”. Note that the definition of “caravan park” includes a camping ground.

However, if a caravan or camping ground is prohibited under another plan, for example, a council’s local environmental plan, SEPP 21 does not change that position.

Also, the establishment of a new caravan park or camping ground on Crown land requires the Authority’s consent (land owners consent) which is subsequently submitted with the development application.

The local Council is the consent authority for development under SEPP 21 and for an approval to operate.

Endorsement

This position paper is endorsed by the following Government Agencies and Organisations:

- NSW Department of Planning
- Tourism New South Wales
- Local Government & Shires Association
- Caravan & Camping Industry Association of NSW
- Campervan & Motorhome Club of Australia

Further Information

Further information may be obtained by contacting the Crown Lands Division, LPMA, Level 4, 437 Hunter Street, Newcastle NSW 2300; or www.lpma.nsw.gov.au.
Freedom Camping and Public Access Dump Points

What is Freedom Camping?

Freedom camping is essentially staying in a free or low cost camping location, outside of commercial caravan parks and camping grounds.

Freedom camping typically occurs in locations such as beside a river, the ocean or in a bush setting, but also occurs in roadside rest areas, showgrounds, Crown reserves and other land made available by local councils and private landowners. In most cases, the land is not approved for this purpose.

Recreation vehicles (RVs) with on-board facilities such as showers, toilets and waste water holding tanks are contributing to the popularity and practice of freedom camping, which is spreading throughout Australia with countless websites, discussion boards, blogs and books dedicated to it.

Freedom campers argue that they don’t need the facilities in commercial caravan parks and camping grounds and therefore they don’t need to stay there. However, the reality is they do need to regularly dispose of waste, refuel and restock water supplies.

Our Position

Our Association is not against the concept of freedom camping. In fact, we believe it’s important that a full range of services and experiences be available in the caravan and camping sector, so that it can continue to appeal to a broad and growing market. We celebrate the growth of the RV industry and its increasing popularity, especially amongst the retiree market. It’s a terrific way for people to experience the best of New South Wales and Australia.

However, camping in New South Wales should only occur in areas that comply with all relevant planning and operational regulations, designed specifically to ensure the preservation of the environment, regulate local business operations and protect the safety of visitors.

We also do not believe that councils should be providing free/low cost overnight camp sites, waste disposal facilities and water replenishment sources to RV travellers where approved commercial caravan parks and camping grounds are already providing services to this market. In most cases when this occurs, councils are competing unfairly. Local commercial caravan park operators cannot compete when councils are providing services free of charge or at non-commercial rates and in direct competition with them. Our Association is not against competition, but we do seek a level playing field and we believe the principle of competitive neutrality should be applied.
Although caravan parks already offer travellers very affordable prices (on and off season) there are a range of compliant free and low cost camping alternatives available to freedom campers. These include national parks, state forests, primitive camping grounds and purposely approved showgrounds and reserves.

Key facts

- NSW State Government legislation sets stringent laws under which commercial caravan parks and camping grounds need to operate. These laws help ensure the preservation of the environment and the safety of guests.
- Caravan parks in NSW are required under law to have a dump point if they are in a location that is connected to sewer.
- Governments at all levels normally only provide services when there is market failure – i.e. the market is inefficient because commercial businesses are failing to supply, or under-supplying, these services.
- The caravan and camping industry continues to be one of the fastest growing domestic tourism sectors in Australia. NSW is Australia’s favourite State for caravanning and camping, with 34% of all trips taken in Australia heading to NSW or 4 million trips.
- National Visitor Survey (NVS) results for December 2016 reveal a staggering 17 million visitor nights were spent in NSW caravan and camping accommodation in the past year, a 19% growth in nights in the state.¹
- Most importantly, caravan parks accommodate 29% of holiday visitors to our regional and rural areas of the State making them a vitally important part of the tourism infrastructure and a key sector to assist in the Government’s action plan to double overnight expenditure in NSW by 2020.
- There is still room to grow. Every night there are around 50,000 short term and camp sites available across our commercial park network. The national occupancy rate is 54%. So, outside of peak holiday periods, there is plenty of availability for RV travellers. Importantly, 73% of our parks offer facilities to accommodate large RVs.

¹ National Visitor Survey – Tourism Research Australia (year ended December 2016)
Councils providing free services in competition with caravan park operators

- Caravan parks are very important small businesses in regional towns.

- However, it’s extremely difficult for legitimate caravan parks and camping grounds to attract business when councils are offering free or deeply discounted services in direct competition with them.

- The local baker does not have to compete with councils giving away free bread to visitors, nor does the greengrocer compete with them giving away free fruit and vegetables. **Why then is it ok for the small business caravan park operator to compete with their Council giving away free or deeply discounted camp sites?**

- Caravan park owners invest significant capital into businesses that provide an environment that enhances the tourism appeal of the local township, as well as its local amenity.

- If they can’t be provided an equal playing field, these small businesses will not be able to compete, and hence they will go out of business, with a resulting loss to the town of valuable tourism infrastructure.

- There is tangible evidence that commercial caravan parks are an important part of their local economies - employing local people, paying local rates, and buying goods and services locally. As such, creating a business environment that allows local caravan park operators to flourish should be a priority for local councils.

- A BDO\(^2\) study, commissioned by our national association the Caravan Industry Association of Australia (formerly Caravan, RV & Accommodation Industry of Australia Ltd (CRVA)) demonstrated that for every $100 taken by a caravan park, $138 in economic benefit flows on to the local economy.

- A further BDO study\(^3\) showed that there is a vast difference in the amount spent in a town by commercial campers versus free campers. Commercial campers spend an average of $576 per stay compared to an average of $213 spent by free campers. This means commercial campers inject 2.7 times more money into the local town than free campers.

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There is no such thing as a free dump point or water service

- Dump points are properly designed facilities intended to receive and appropriately dispose of wastewater from RVs to the local sewage system. Therefore, the resources needed to ensure their proper function can be significant.

- The Environmental Protection Authority (EPA) issues environmental protection licenses (EPLs) to local sewage operators. These operators, which are the local councils in many smaller towns, are responsible for what goes into their systems to make sure they are able to comply with the requirements on their licence. They are required to actively manage the potential for inappropriate discharges to sewer systems and should have requirements in place to monitor discharges to dump points. They should also have security arrangements in place. Where licence holders manage the possibility of inappropriate substances being disposed of through contractual arrangements, this places further requirements on the host of a disposal point.

- As indicated by the EPA, all EPL licence holders must comply with the conditions of their licence, prepare pollution incident response management plans; publish and/or make pollution monitoring data available, pay annual administrative fees and submit annual returns. The provision of a “free” and unsecured dump point increases this burden.

- As such, there is a cost for the installation, monitoring, maintenance and insurance of ‘free’ dump points and water facilities used by RV travellers. When these services are being provided free of charge to travellers by councils, it is the local ratepayers who are funding their cost.

- The expectation that dump point facilities should be available to RV users free of charge is unrealistic – home owners pay for sewer and water services, and many local tips charge for the dumping of waste: why should RV users expect to be able to dump their waste free of charge?

Grey Nomads and the truth about “self-contained” RVs

- As at January 2016 there were 615,301 registered RVs in Australia. This includes 554,344 caravans (including camper trailers, tent trailers, etc) and 60,957 campervans/motorhomes.

- Accordingly, the vast majority of these RVs (90%) are made up of caravans and the largest percentage of these continues to be in the 500 – 1000 kg category, with over 67% weighing less than 1.5 tonne.

- These RVs are not ‘big rigs’ and they are not ‘self-contained’ as they are generally not fitted with grey water storage.
A small 10% of total registered RVs are campervans and motorhomes with just over 60,000 registered throughout the whole of Australia. Small campervans are also not “self-contained”. Only larger motorhomes are, and they make up less than 10% of total registered RVs.\(^4\)

Travellers in “self-contained” RVs are therefore only a very small segment of the RV tourism market.

**Non-compliant camping grounds and potential environmental impacts**

- Free dump points and water provision can be the catalyst for the establishment of non-compliant camping, resulting in significant damage to the local environment and social amenity.
- Non-compliant camping sites are known to spring up around free dump point facilities. Unfortunately, many are operating without regulation to ensure environmental protection, and do not have the mandated safety requirements under which legitimate caravan parks and camping grounds need to operate to safeguard their guests.
- As most caravans are not fitted with grey water holding tanks, discharge of grey water from sinks, laundries and showers via hoses under caravans and other RVs increase nutrient loads into local waterways causing significant algal blooms including Blue Green algae (Cyanobacteria) which is known to be toxic to humans and cause death in wildlife, stock and domestic pets.
- Compaction of soils from stationary large vehicles and vans contributes to erosion, soil degradation and silt accumulation in waterways.
- Flora and fauna are at risk through loss of habitat and damage/attack from domestic pets accompanying campers.
- On the other hand, compliant caravan parks and camping grounds engage pet policies to avoid such issues and dump points within a secure caravan park environment assist in guarding against the potential misuse of facilities, thus preventing environmental degradation.

**Past Council Decisions Against Free Facilities**

- In March 2013, Ballina Shire Council resolved not to support the provision of free camping and dump point facilities within the Shire due to the negative impact this may have on existing licensed operators. The preferred option was to support existing accommodation providers.

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\(^4\) BDO, *Caravan and Campervan Data Report, October 2016*
Council’s Tourism Section believed that the RV market would continue to visit the Ballina Coast & Hinterland regardless of a dump point or RV friendly status and that it was difficult to justify the provision of infrastructure when there is no readily available measure to account for the economic benefit of this market.

- On request from Tweed Shire Council in February 2013, Destination Tweed reported on the benefits and constraints of Tweed Shire joining the CMCA RV Friendly Town Scheme. Destination Tweed concluded that the key tourist markets that contribute to the tourist economy in Tweed are not the RV tourist and that its focus is on higher yielding markets - those that come to the region for longer stays, pay for accommodation, eat out and spend money within the community.

The risk of RV’s from pulling into free spots at 5pm, using the facilities that would be supplied free of charge, before heading out at 7am the next morning to head to their next destination without actually having spent a cent in the region, was highlighted.

It was also noted by Destination Tweed that the full costs involved to become RV friendly would be burdened by the Tweed Shire Council and funds would need to be allocated in order to achieve at a minimum the essential criteria. Because these facilities are already provided successfully by the private sector, at no cost to local ratepayers, it would arguably be better for Tweed Shire Council to encourage private investment and development.

**Conclusion**

Freedom camping can attract RV tourists to areas that they would not otherwise stay, however increased visitor numbers does not automatically result in increased visitor spend.

Further, where there are legitimate caravan parks and camping grounds in the area, the practice of councils providing free and low cost campgrounds directly and negatively impacts these businesses, many of which are small and family owned. They don’t just lose business – employees can also lose their jobs and towns lose the money that these businesses would otherwise inject via employment and purchasing goods and services.

Local councils and ratepayers are also directly affected. Notwithstanding any dollars spent in town by freedom campers on things like fuel and groceries, councils must still dip into ratepayer funds to pay for and manage these free or low cost camping areas as well as be exposed to liability for any harm caused to people and property, including uncontrolled environmental degradation. Prime parking areas and public land can also become choked with freedom campers in holiday season, creating a nuisance for local residents.
Unfortunately, in endorsing or providing freedom camping on land not designed or designated for that purpose for little to no cost, councils are also competing unfairly with their local caravan park and camping ground businesses – breaching their national competition policy and competitive neutrality obligations. Worse still, planning laws for which councils are responsible for compliance and enforcement are undermined.

We therefore urge local councils to implement and enforce the regulatory regime for caravan parks and camping grounds. We ask them to carefully consider all the potential impacts and costs, and undertake a full analysis to determine if there is in fact a market failure, before entering into competition with small business operators in their areas. In this way we can stop non-compliant offerings that work against regional economies and consequently support legitimate offerings provided by compliant caravan park and camping ground businesses.

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Printed: Wednesday, 3 May 2017
The caravan, motorhome and camping industry is one of the fastest growing domestic tourism sectors in Australia and NSW is leading the way, attracting 34% of all domestic visitors and visitor nights.

Importantly, caravan parks account for 29% of domestic nights in commercial accommodation in Regional NSW.

In the past 12 months, the industry has enjoyed significant success with a growing number of Australians registering recreational vehicles and enjoying caravan or camping holidays.

Holidays are the major focus of caravan and camping trips in NSW with most people staying between 2 and 7 nights.

### NSW Caravan & Camping Industry Profile 2017

- **Caravan and Camping in NSW**
  - 4 Million overnight caravan & camping trips*
  - 17 Million visitor nights*
  - 134,611 RV Registrations in NSW
  - 15,348 Campervans
  - 119,263 Caravans

### NSW domestic caravan and camping visitors by purpose of trip

- **Holiday**: 78%
- 10% visiting friends and relatives
- 9% business
- 3% other reason
- 2% in transit

### NSW domestic caravan and camping visitors by length of stay

- 17% 1 night
- 21% 2 nights
- 25% 4-7 nights
- 16% 3 nights
- 12% 8-14 nights
- 8% 15 nights or over

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*National Visitor Survey - Tourism Research Australia (December 2017)*

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Contact Details

- Rosehill Gardens Racecourse, Gate 1, Grand Avenue, Rosehill NSW 2142
- Post: PO Box H114. Harris Park NSW 2150
- Phone: 02 9615 9999  Fax: 02 9615 9998   Email: admin@cciansw.com.au
Caravan and camping is enjoyed universally. Active seniors and family groups are important market segments for the caravan and camping industry.

### NSW domestic caravan and camping visitors by age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Overnight Trips</th>
<th>Nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>16%</td>
<td>11%</td>
</tr>
<tr>
<td>20-29</td>
<td>30%</td>
<td>43%</td>
</tr>
<tr>
<td>30-44</td>
<td>28%</td>
<td>23%</td>
</tr>
<tr>
<td>45-54</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>55+</td>
<td>7%</td>
<td>23%</td>
</tr>
</tbody>
</table>

### NSW domestic caravan and camping visitors by travel party type

<table>
<thead>
<tr>
<th>Travel Party Type</th>
<th>Overnight Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travelling alone</td>
<td>14%</td>
</tr>
<tr>
<td>Adult couple</td>
<td>27%</td>
</tr>
<tr>
<td>Family group</td>
<td>23%</td>
</tr>
<tr>
<td>Friends or relatives travelling with children</td>
<td>8%</td>
</tr>
<tr>
<td>Friends or relatives travelling without children</td>
<td>25%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

### NSW domestic caravan and camping visitors by lifestyle group

<table>
<thead>
<tr>
<th>Lifestyle Group</th>
<th>Overnight Trips</th>
<th>Nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young single living at home, living alone or in shared accommodation</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Young/midlife couple, no kids or midlife single</td>
<td>33%</td>
<td>42%</td>
</tr>
<tr>
<td>Parent with youngest child aged under 15 or youngest child aged 15+ still living at home</td>
<td>20%</td>
<td>14%</td>
</tr>
<tr>
<td>Older working single or married person, older non-working single or married person</td>
<td>34%</td>
<td>34%</td>
</tr>
</tbody>
</table>
Caravan and camping has a small but growing international market with the 20-29 age group most likely to choose this accommodation option and backpackers accounting for 46% of all international caravan and camping visitors in NSW.

NSW international caravan and camping visitors by country of origin

<table>
<thead>
<tr>
<th>Country</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>18%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>17%</td>
</tr>
<tr>
<td>France</td>
<td>9%</td>
</tr>
<tr>
<td>USA</td>
<td>9%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>7%</td>
</tr>
<tr>
<td>Other Europe</td>
<td>7%</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>26%</td>
</tr>
</tbody>
</table>

NSW international caravan and camping visitors by age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>7%</td>
</tr>
<tr>
<td>20-29</td>
<td>13%</td>
</tr>
<tr>
<td>30-44</td>
<td>9%</td>
</tr>
<tr>
<td>45-54</td>
<td>52%</td>
</tr>
<tr>
<td>55+</td>
<td>21%</td>
</tr>
</tbody>
</table>

NSW international caravan and camping visitors by length of stay

<table>
<thead>
<tr>
<th>Length of Stay</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-7 nights</td>
<td>33%</td>
</tr>
<tr>
<td>8-14 nights</td>
<td>27%</td>
</tr>
<tr>
<td>15-30 nights</td>
<td>17%</td>
</tr>
<tr>
<td>31 or more nights</td>
<td>23%</td>
</tr>
</tbody>
</table>
NSW’s North and South Coast regions are the most popular caravan and camping destinations, with the Hunter and Central NSW also popular. Many people visit more than one region during their trip.

### NSW domestic caravan and camping visitors by tourism region visited

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Coast NSW</td>
<td>28%</td>
</tr>
<tr>
<td>Central NSW</td>
<td>10%</td>
</tr>
<tr>
<td>Hunter</td>
<td>11%</td>
</tr>
<tr>
<td>New England North West</td>
<td>8%</td>
</tr>
<tr>
<td>The Murray</td>
<td>6%</td>
</tr>
<tr>
<td>North West</td>
<td>6%</td>
</tr>
<tr>
<td>Sydney</td>
<td>6%</td>
</tr>
<tr>
<td>South Coast</td>
<td>21%</td>
</tr>
</tbody>
</table>

Our Association has over 720 member businesses throughout NSW. Our member include the owners and operators of caravan and holiday parks; manufacturers, dealers and retailers of caravans, motorhomes, camper trailers, camping equipment and accessories; and service industries.

**Contact Details**

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