

**SHORT-TERM RENTAL ACCOMMODATION BILL 2024**

*Introduction and First Reading*

Bill introduced, on motion by **Mr J.N. Carey (Minister for Planning)**, and read a first time.

Explanatory memorandum presented by the minister.

*Second Reading*

**MR J.N. CAREY (Perth — Minister for Planning)** [12.51 pm]: I move —

That the bill be now read a second time.

Western Australia's short-term rental accommodation—STRA—market has expanded and evolved significantly over the past 10 years, particularly with the emergence of online platforms such as Airbnb, Stayz and Booking.com. Short-term rental accommodation is the common name given to dwellings built for residential purposes that are offered for short-term letting, either as hosted accommodation, whereby the owner resides in the premises, or as un-hosted accommodation, whereby guests have exclusive use of the premises. The Cook government acknowledges the important role that STRA plays in WA's overall tourism; however, the impact that this popular type of accommodation has had on some local neighbourhoods and communities cannot be ignored. Currently, limited data is available to inform policy regarding STRA. The proposed registration scheme will, for the first time, provide accurate and up-to-date data.

In November 2023, the Cook government announced reforms that strike a balance between supporting STRA operators to provide a range of temporary accommodation options for tourists and other travellers and the supply of long-term rental housing throughout Western Australia. The reforms announced include the establishment of a mandatory statewide registration scheme for all STRA properties; new planning requirements for STRA premises in the Perth metropolitan area, including the need for development approval for un-hosted STRA properties that operate for more than 90 nights in a 12-month period; and an incentive scheme, open for at least six months, to encourage property owners to return their STRA properties to the long-term rental market.

The establishment of a statewide registration scheme and the updating of planning requirements for Western Australian properties was recommended by the parliamentary inquiry into short-stay accommodation in September 2019. This inquiry was tasked with identifying ways to create a more level playing field between STRA providers and traditional accommodation providers that is balanced and appropriate, particularly in regional communities where STRA is an integral part of the tourism offering. As there is no single solution to ease the current rental housing shortage, the STRA incentive scheme was an innovative initiative aimed at bringing some short-term rentals back to the long-term market through a \$10 000 incentive as an alternative to more punitive measures used in other jurisdictions.

The provisions of the Short-Term Rental Accommodation Bill 2024 will apply to residential premises that are let on a short-term basis, where no guest is accommodated for more than three months within a 12-month period and will not include traditional forms of accommodation such as hotels, motels and caravan parks that are already regulated under existing legislation and planning schemes. The scheme will apply to hosted and un-hosted STRA, irrespective of how it may be used from time to time—holiday or tourism, business, medical or other purpose. However, it will not apply to premises that have a dedicated purpose of providing refuge, emergency, respite or disability accommodation.

Accommodation providers will be required to register all STRA properties in WA and to display their registration number in any STRA advertisement. Offences will apply to accommodation providers who let and/or advertise their premises without registration. The obligation to display a registration number will be imposed on any advertisement for STRA, irrespective of the medium used. This requirement will also apply to booking platforms such as Airbnb, Stayz and other web-based booking sites, as well as print, online, television and other advertising media. Offences will apply to advertising publications and booking platforms that advertise unregistered STRA premises.

While other jurisdictions such as Barcelona and San Francisco—very lovely places to visit—currently use licensing to control the growth, location and form of STRA that is available, the proposed statewide registration scheme is based on a light touch approach whereby an accommodation provider is required to provide basic information to complete their registration. This includes the address, whether the accommodation is hosted or un-hosted, the number of bedrooms and the maximum number of guests who can be accommodated, and information about development approval if approval is required for the proposed use by an existing planning scheme at the time of registration. I note that is very important. Consistent with a light touch approach, the registration process will be simple, low cost and straightforward, for not only accommodation providers, but also local government and booking platforms that will also be able to interact with the online system.

There will be a six-month transition period from 1 July 2024 when the register is expected to commence before registration becomes mandatory from 1 January 2025. The initial registration fee will be waived in the three months

after commencement to encourage industry participants to register early and avoid a spike in registrations at the end of 2024. Applicants who take advantage of free registration will not have to pay any fees until they renew their registration in 2025.

The bill will establish compliance mechanisms, including monetary penalties and a power for the commissioner to suspend or cancel registration on various grounds, such as when a registered property does not have the required development approval or has failed to comply with a condition of that approval, when the property is strata titled and by-laws do not permit STRA, when the operator requests cancellation, or when there has been a breach of other state or local laws such as laws relating to pool fencing, food safety or noise restrictions.

Further, the bill provides for the commissioner to treat a certificate from a “designated officer”—for example, an employee from a local government authority—for the purpose of suspending or cancelling a registration as conclusive evidence of the facts as stated in the certificate, provided the commissioner is satisfied that the accommodation provider was afforded procedural fairness in the investigation to which the certificate relates. This will ensure that, for example, local governments will retain oversight of STRA operating in their area, allowing them to address the specific needs of their communities. If a local government has determined that a STRA should not operate because of a failure to comply with a development approval or local law, the commissioner will not need to reinvestigate the circumstances before cancelling registration.

In line with the light-touch approach, there will be no determination of applications by the commissioner; rather, the commissioner must register premises and allocate a register number if the application for registration has been made in accordance with all prescribed requirements. If the application is not accepted because requirements prescribed by the system have not been met, the applicant will be able to contact the Consumer Protection division for advice, and if still not satisfied as to the reason that the application has not been accepted, request a review by the commissioner, who may make a determination to accept or reject the application.

Local governments will be provided with, or will have access to, details of all new STRA registrations in their area and—this is critical—will be able to check the development approval information on the register against the requirements that attach to the proposed use and initiate suspension or cancellation of registration if necessary. Penalties of up to \$20 000 for an individual or \$100 000 for a corporation will apply to the provision of false or misleading information in the application process.

The bill also provides capacity for the public to confirm that a specific property is registered on the STRA register and to ascertain the concentration of STRA properties registered in a specific local government area. I believe this will be strongly welcomed by many local communities and residents in Western Australia. There is provision for a code of conduct to be prescribed by regulation; however, the Cook government considers it is appropriate to consider the need for a code in the future once sufficient data is available from the register to determine whether it is necessary. Once the register commences, local governments will still be able to maintain local laws to address amenity issues relating to STRA in their area, provided they are not inconsistent with the statewide register. Local laws made in respect of the registration of STRA will be inoperative to the extent that they seek to fulfil the same function as the statewide register.

Mandatory registration will benefit all key players in the short-term rental accommodation sector. The information gathered by the register will help state and local government for the first time to establish a clear picture of the STRA sector in WA, including how many there are, where they are located and how they are used. It will also provide the community with information about what short-term rental accommodation exists in their area. It will benefit guests, allowing them to confirm that their chosen STRA is registered, and benefit prospective property owners seeking to make an informed purchase within a particular area and affected neighbours wanting amenity issues caused by STRA addressed. Mandatory registration will make it easier for local governments to identify unregistered STRA so that they can facilitate consistent and effective enforcement, and will also increase accommodation providers’ awareness about the need to comply with local laws and planning controls.

Extensive consultation has been undertaken with industry, key stakeholders and the community to develop this bill, which will create a more level playing field with traditional accommodation providers and ensure that regulation can be put in place to manage impacts on neighbourhoods and housing supply for local communities. I am confident that the provisions of this bill strike the right balance between better regulation of short-term rental accommodation throughout WA and the rights of individual property owners, while also supporting the objectives of both state and local governments.

I commend this important bill to the house.

Debate adjourned, on motion by **Mr P.J. Rundle (Deputy Leader of the Opposition)**.