



24 January 2019

Dear Committee

laeisc@parliament.wa.gov.au

### **Unregulated Short stay accommodation**

Thank you for the opportunity to provide comment as part of the WA Parliamentary inquiry.

#### **Our Business**

Motel Le Grande, 479 Albany Hwy, Albany WA 6330

We are a Family owned small business operating a motel and restaurant in Albany. We built the motel property and opened for business in 1999.

We operate a four star motel, with 53 rooms comprising of one, two and three bedroom units, with self contained. We cater for the corporate traveller, families and tourists.

We have a licensed a la carte restaurant, open 7 days per week, both to house guests and the general public. We offer room service and a la carte dining to our guests.

We employ 25 full time, part time, and casual staff including 2 apprentice chefs. We also have school based trainees during the school year. We sponsor and support local sporting clubs/events/charities.

We buy 90% local for all our products/goods/maintenance/cleaning/repairs/hire/food/beverages.

The first 15years of trading through hard work and a hands on approach provided us with a strong corporate trade, school holiday trade throughout the year, busy with families and tourists alike.

2016/2017 noted a shift in the accommodation bookings from the standard motel room to more of selfcatering and or with living areas.

Only 20% of our rooms catered for these requests. On this basis we decided that we needed to increase the number of apartments to complement and stay current in our motel business.

As we have a large area of undeveloped land at the motel site and we had plans drawn for a new apartment development.

In 2018 we noticed a significant decrease in our occupancy (upto 10%) both for motel style and self catering accommodation. We noticed a rise of Airbnb accommodation in our area and we are sure this has attributed to losing many apartment accommodation bookings we would normally receive. With this decrease we halted plans for the extension and major investment. This downturn on occupancy has in effect reduced the number of staff we can afford to employ. We have employed upto 30 local staff members in previous years. All of the hype for "Airbnb" had effected our business and we noticed that frequent holiday makers would only stay with us if the Airbnb they stayed at was not available.

Summer 2018/2019 has been positive and we have decided to move forward and we will submit the proposed apartment plans in the next few weeks to the City of Albany for approval. I attached a copy of our proposed development for your information. We continue to increase our online presence to stay vigilant and we have had to keep our room rates the same for the last 3 years to keep our market share.

Our water rates/city rates/insurance/health compliances/payg/gst/superannuation obligations have not changed with Airbnb and private home accommodation. These costs continue to rise in cost irrelevant to other accommodation and we have to pay them if we want to stay in business, employ local people in Albany. We have had to reduce the amount of sponsorship we offer in the community.

Our property is industry rated each year and we must work hard to maintain our rating to keep our business going.

I would like to see Airbnb/private accommodation:

- registered and accountable as we are in the motel industry
- fully compliant as per city zoning
- insured and noted on insurance policies for public liability
- city/water/insurance rates to reflect short term accommodation use
- pay their share of gst.

Thank you for the opportunity and I welcome any contact going forward from the committee.

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