

Admin, LACO

Subject: FW: Submission to the Short Stay Accommodation inquiry**From:** Rolf Chorley**Sent:** Monday, 17 December 2018 1:28 PM**To:** Committee, Economics & Industry Standing**Subject:** Submission to the Short Stay Accommodation inquiry

Dear Committee

Thank you for your time in reading my submission.

I am the Director for my business 'Hillarys Harbour Resort' (HHR), for 12 years HHR is a proud WA owned and operated business that believes in the values of working for and with the local community.

I understand, as Airbnb recently highlighted in the media, I'm not the Hyatt, Hilton or Westin's of this world however in my 35 years of Hospitality, including the 12 years of running my own hospitality business, big Hotel operators are not the only operators in our industry hurting and concerned with the future of Airbnb platforms. In my years of Hotel Management I have never come across a more unfair playing field when it comes to Airbnb. In the past we have been able to compete in a like for like market however given Airbnb platforms don't have the costs, are unregulated, operate outside their permitted use with no tax rules is unfair.

My Apartment Hotel commenced operation in 1997 with 58 one, two and three bedroom fully self-contained apartments with a RAC rating of a 4 ½ stars. At the height of the business HHR employed 25 to 30 staff on a full time, part time and casual basis. The resort has always employed local staff and local contractors to help manage the business and infrastructure. Daily, weekly and monthly contractor agreements are in place to ensure the business maintains the standard required when running an accredited accommodation, tourism business.

Other than payroll and contractor payments my business also contributes to the community and state all corporate and local taxes, local and state memberships, phone and IT solutions, accounting responsibility, marketing, legislation guidelines, human resources, training providers, sponsorship and promoting other local business. HHR has a leased reception building that is open 0800–1900 daily offering tourism options and brochure stands, we have a full time management couple that reside in the managers apartment above reception for 24/7 after hours safety, service and care, we also engage a local security company to complete random nightly patrols. HHR also has a leased housekeeping room for team member morning briefings, linen storage, housekeeping trolleys, chemical storage and all the furniture, fittings and equipment to maintain fully the self-contained apartments. All rosters, training, daily procedures and occupational health and safety are managed and maintained by my reception manager and operations manager and their supervisor's. For the wellbeing of my guests and staff it is sometimes overwhelming the costs in order to maintain a professional hospitality business.

Since the commencement of platforms like Airbnb, a large proportion of the individual apartment owners in this complex have walked away from HHR Management. These owners along with the vast number of other private local houses, units and apartments now run their own short term accommodation 'unregistered' Hotel business and taking advantage of the unregulated and operational costs, effectively these individual operators are now in competition with my business however can charge unbelievable discounted rates given their lack of costs (including GST). HHR in comparison to 1997 now has 35 apartments with 15 to 17 staff members, HHR revenue, occupancy and average daily room rate is significantly lower due to competing with this new market and our nightly rates date back to 2007/2008. If the current trend continues and more Airbnb properties pop up in our complex and the local area, as they are now, highlights that HHR can-not survive and Perth faces a Hotel closure in one of its major tourist destinations.

In summary:

1. How is it continually permitted for these 'unregistered' business to continue to operate in the same market but not have the same regulations, compliance costs and licensing responsibilities. HHR would like to see Parliament regulate the fairness for all permitted use short stay providers.
2. How does unregulated properties with a permitted use of residential be allowed to advertise shorter than a 90 day (3 month) rental. HHR would also like Parliament to stop the use of an Host's renting out their entire 'residential property' as short term accommodation.
3. If Parliament regulates and permits Airbnb to continue, Hosts are not allowed two or more properties, effectively stopping operators to run their own off site Hotel business with-in or outside of a Hotel.

It must be noted with HHR having a reception office and staff onsite, Airbnb Hosts are operating on the back of my Hotel infrastructure and service because we are here 24/7 and not working from home, being service orientated people and out of a duty of care we have to help, which comes at my cost and takes us away from my business, which again it's not a fair playing field.

Yours sincerely

Kind regards

Rolf Chorley

Director

Terence Group Pty Ltd (also trading as Hillarys Harbour Resort)



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