

Admin, LACO

Subject: FW: Submission to Inquiry into Airbnb- sub no. 128

From: Sally Kelly

Sent: Thursday, 24 January 2019 4:44 PM

To: Committee, Economics & Industry Standing

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Hello

We make the following submission to the Inquiry into the impact of unregulated short stay accommodation in WA.

We have operated a serviced apartment hotel business at 150 Great Eastern Highway in Ascot for fifteen years, since the property was built in 2003.

Assured Ascot Quays has 67 apartments and is rated 4.5 star.

We operated a restaurant and function venue as an integral part of the hotel for fourteen years. The accommodation side of the business supported the Food & Beverage division for many years, however the reduction in profitability of the accommodation division over the last few years (due to large reduction in the average rate of rooms sold) meant we could no longer sustain the F & B division and had to close it just over 12 months ago.

Before closure of the restaurant and function venue we employed approximately 60 people and we currently employ just over 40 people. We employed apprentice chefs, and have had a policy of training and promoting from within. We have a policy of employing local contractors wherever possible.

Construction of new hotel and serviced apartment complexes within the Perth metropolitan area over the last few years has provided a large increase in hotel rooms which has lead to a very competitive marketplace. This should be good for marketing the City as a tourist destination, but provides a challenge for hoteliers as we try to operate in a market of heavily reduced room rates.

The unregulated short stay accommodation such as Airbnb has had an impact for many years but in the current marketplace it is more evident to us and we have been surprised to discover how many of the listings are for entire homes or apartments and are not home hosted or shared accommodation. This puts them in direct competition with us but without the same required overheads, they have an unfair advantage.

We pay payroll tax, GST is included in all our room rates, and the council rates payable on the apartments are at commercial level.

When following up quotes that have not converted to bookings, some clients have confirmed they have booked an Airbnb property at a lower rate.

We would like to see the following implemented to address unregulated short stay accommodation:

- Home sharing properties must be registered with a fee payable to fund compliance monitoring
- Short stay accommodation must meet fire, safety, building and insurance requirements appropriate to short term rentals
- Require Peer to Peer platforms to stop listing illegal and non-compliant rentals and share relevant data with authorities

Sally Kelly
Managing Director

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*Staying in a serviced apartment offers guests the **f r e e d o m o f s p a c e**.*

No need to balance laptops, coffee cups and dinner plates on the bed any longer when staying in a hotel room.

Our apartments offer fully equipped kitchens, dining furnishings, desks and work areas, in room laundry facilities, Free WIFI and Free Onsite undercover parking for all guests included in the rate.

Our 1, 2 and 3 bedroom apartments are also great for working corporate clients that need to have private bedrooms away from main areas to meet with colleagues whilst in Perth. Small meeting facilities are also available.



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