

Admin, LACO

Subject: FW: Airbnb issues- sub no. 35

-----Original Message-----

From: Brian King

Sent: Wednesday, 9 January 2019 9:48 AM

To: Committee, Economics & Industry Standing

Subject: Airbnb issues

G'day Committee

Airbnb is adversely affecting our business due to its many unfair advantages.

We have owned the lease for the Jurien Bay Hotel Motel since May 2013. Despite Jurien growing as a tourist destination our accommodation revenue has declined over that period by an average of \$3000 per week or 30%. This is largely due to the proliferation of Airbnb options in Jurien.

We are finding that our traditional market, contractors in particular, who previously stayed with us are now being booked into Airbnb houses for the few days they are in Jurien. We often can't match these prices, and when we do our profit margins low. These houses aren't lived in by a single mum letting out a spare room to help make ends meet, they are empty houses dedicated to the Airbnb business.

We know this because we speak to our regulars in an effort to retain them.

We are used to families booking holiday homes for school holidays, and we are used to bed and breakfast homes typically run by a couple who provide a bedroom and meals to supplement their living and to foster friendships. It is empty Airbnb houses being run as pseudo motels that is unfairly hurting us. They run on very low costs compared to the running costs, compliance costs, rates and taxes we pay. The playing field is uneven.

A new motel has very recently opened in Jurien which is added competition for us, but we can compete with them because their cost structures are similar to ours.

Cheers

Brian King

Director

Jurien Bay Hotel Motel

Sent from my iPad