

We are the owners of

guesthouse well located, walking distance to the main street. The property has been operating since 1988 and has been an active member of the local RTO, Chamber of Commerce, Tourism Council Member and Hosted Accommodation Australia. Our guests come from all parts of the world but this year we have noticed that we have virtually no intrastate guests this summer period. The majority of our guests this year are European or interstate visitors.

We are appealing to this Committee to take note of the world wide problems that have arisen from the unfettered growth of platforms which encourage the reprehensible letting of properties which are unregistered and often in residential areas where they are ignoring council codes and causing problems for neighbours and communities. If allowed to go unchecked it is straining housing affordability and rental stress.

Japan has taken steps to prohibit such platforms and many cities around the world are attempting to limit the number of days that a property can be let however ensuring compliance can create more issues as one platform Airbnb does not release any data to enable tracking of compliance.

We call for support for legitimate business owners from the Government by

The development of a clear policy requiring all short term accommodation premises to be licensed and regulated and subject to the same financial imposts and obligations and required to adhere to industry standards.

- **All properties must be registered with identification and fee payable to fund compliance monitoring**
- **Short stay accommodation must meet fire, safety, building and insurance requirements appropriate to all other accommodation providers**
- **All OTA platforms to stop listing illegal and non-compliant rentals and share relevant data with authorities**
- **Residential zones and long term rentals must be protected. Neighbours must be empowered and allowed to have a say**

Ideally we would love to see all OTA's and all short term accommodation providers doing business in Western Australia be required to make financial contribution to Local Tourists Associations to provide continuing visitor servicing. It is a very real fear of ours that they are losing viability as the Airbnb hosts are not supporting tourism initiatives but derive a huge benefit....it is inequitable and unsustainable.

In our own situation we employ a housekeeper (casual) a gardener and relief managers as well as local bookkeeper and accountants. Our linen is processed at the local steam laundry. Our provisions are from the Margaret River Bakery, Cowaramup Butchers, Yahava Koffeeworks. Margaret River Free

Range Eggs, and numerous other local small businesses including electricians, plumbers and the local Retravision!

The last 18 months have been the most challenging trading period we have experienced in our 14 years and it is having a very serious flow on effect to our business activity within the community.

In 18/19 we experienced a significant drop in occupancy as measured against 16/17 and during that period listing on Airbnb for this region have gone from 400 to 2000 rooms available.

	2016/17	2018/19
July	62.90	35.48
August	56.25	39.10
September	78.89	48.89
October	78.89	66.11
November	82.88	72.78
December	78.47	53.33

. Our business inputs are increasing with higher tariffs for water, electricity and rates. Insurance goes up but we have had to reduce our tariffs in order to compete with the hundreds of beds which are now operating within our region many of whom are unregistered and operating outside the permitted use of property.

We struggled this year to meet our obligations to pay Tourism Council annual subscription but feel it is important to be an accredited business with high standards of practice. It is very disheartening when the very Government which oversees these programs on the one hand can even consider allowing a platform to flourish where there are no safeguards for the guests or owners, such as Airbnb and Stayz which do not vet what type of business they promote. Public Liability, adherence to fire and food safety, paying GST, superannuation, CGT, commercial tariffs for Rates, Water and Electricity...are just a few examples of where we are supporting government activity at Local, State and Federal levels with higher tariffs which unregulated competitors are not required to.

It is to the point where we struggle to provide employment for our Housekeeper...and she is in turn trying to provide for her family. Our program of upgrading facilities is on hold and even providing employment to contractors such as gardeners, and tradesmen has to be carefully considered. It is catch 22. The hours of employment have dropped making it very marginal for our employee.

Our spending in the town is reduced which has a flow on affect with our suppliers many of whom are finding it very difficult and referrals to ancillary tourism businesses such as tours, wineries and restaurants are consequently fewer. We are active members of the Margaret River Chamber of Commerce and it is very apparent that many businesses in town are feeling the pinch as business activity further declines. At the same time we read that Tasmania, Queensland and Victoria are enjoying a boom in tourism numbers our state tourism is clearly not which further compounds our insecurities.

The proliferation of rooms available on Airbnb has now reached a point where there are more than 2000 listings in our region more than 88% are for whole of house lets. When Airbnb spokespersons talk to the press they talk about home sharing and people letting their spare room. It is evident that that is a very small proportion of the listings and provided those are well managed we have no issue. However we have numerous cases of tourists arriving at Airbnb properties and finding that they have been let down by the standards and we have subsequently been able to give them a good

standard of room. Back sheds decked out as lodgings' dirty premises, unlit external areas, poorly maintained water supplies are some of the complaints we have been told of. We worry about the negative impact some of these encounters have in making a bad impression of the region and damage to our reputation.

There may not be an industry here if things continue drifting as they are. If you lose larger properties such as hotels, motels and long term hosted accommodations how do you attract and grow tourism. Individual rooms on platforms such as Airbnb and Stayz can be complimentary offerings however they come and go at the vagaries of their owners and don't ensure that in 5 years' time they will still be operating.

As members of Tourism Council WA, Margaret River Chamber of Commerce and Industry, Margaret River Busselton Tourism Association, Hosted Accommodation Australia and Accommodation Owners Margaret River our commitment to professionalism cannot be questioned and our concerns for the long term viability of our industry cannot be underestimated.