

Admin, LACO

Subject: FW: Inquiry into Unregulated Short Stay Accommodation- sub no. 157

From: Cecily Hancock

Sent: Friday, 25 January 2019 2:41 PM

To: Committee, Economics & Industry Standing

Subject: RE: Inquiry into Unregulated Short Stay Accommodation

To the Committee

Bay Village Resort & Spa* Dunsborough has been a part of the 'landscape' of Dunsborough for some 30 plus years and has naturally experienced the highs and lows of both the Tourism industry and the natural impact of the prevailing economy throughout this time.

In more recent years, particularly the past 5-10 years we have experienced the effects of the rise in ordinary homes being made available, initially primarily encouraged by real estate, to participate in the holiday rental market, which has and continues to severely impact on the traditional accommodation market provided by hotels, resorts, genuine bed and breakfast establishments and motels. Where we once experienced stays of 2-3 weeks at a time during the holiday periods, this has reduced significantly to stays of 3-4 days, the longer stays having clearly gone to holiday homes in the area.

Overall, it is evident that holiday homes have been left largely un-policed by government and local shires and only in recent times as a result of an outcry from neighbours and accommodation industry providers has there been any action from local shires to try and address this absolute proliferation of rentable homes into the holiday market place.

With the arrival of Air BnB into the Australian marketplace this has provided the very platform to make it so easy for owners to advertise their homes and reap a tidy reward for very little effort themselves and for no rules and regulations being imposed on them that regular accommodation providers need to adhere to in order to run their businesses. We understand as many as 40% of enquiries to purchase real estate in this region is with a view to renting the purchase on Air BnB as an investment.

Clearly Air BnB have seen and seized the opportunity to take advantage of this very easy market to tap and should too be investigated fully to ensure they are contributing to our economy by way of taxes and not taking all their profits off-shore. They should not be able to accept listings from home owners who do not meet the stringent criteria, that shires/councils should be imposing and policing (which is not currently happening) in order to limit this unchecked growth.

Could it be that this is an attractive revenue stream for shires/councils and by imposing more strict standards would dilute a possible source of revenue for them – I would think this is highly likely!

It is high time local councils/shires policed this problem with intent and not just with a cursory fee on home owners wanting to rent their investment properties (in most instances, rather than just a room, or part of a house which seemed to be the genuine founding idea of a listing on Air BnB, which has now been lost).

It should be a fair playing field for both already registered hotels, resorts etc and for this newly created holiday rental market to meet the same commercial rates and taxes applied by the shire; the same fire and safety standards; strict building codes; noise observance levels; building and public liability insurances and so on. The majority of resorts, hotels, motels etc are also required to abide by shire imposed short-term holiday rentals, ie, not allowing rentals for longer than 3 months, yet this emerging market can take its pick of either residential or short stay! By stopping this unfair proliferation of holiday rentals will ultimately deter such organisations as Air BnB actively pursuing this market segment.

Your urgent attention to the above to introduce mandatory licensing and checks with appropriate terms as above will see existing registered accredited accommodation providers (who have invested heavily over many years) hopefully regain some of their lost market share and make the industry a fairer playing field for all.

Your sincerely

Kim & Cecily Hancock

Bay Village Resort & Spa* Dunsborough

www.bayvil.com