

15 May 2019

Our Ref: 05-036-03-0016 CH

Ms J.J. Shaw MLA
Chair
Economics and Industry Standing Committee

Sent via email: laeisc@parliament.wa.gov.au

ATTN: Dr David Worth

Dear Ms Shaw,

Parliamentary Inquiry – WALGA hearing – additional questions

Thank you again for the opportunity to present at a public hearing of the Standing Committee's Inquiry into Short-Stay Accommodation. In your letter of 18 February 2019 you requested the Association provide a response to five additional questions. Responses to these are provided below.

Question 1: Your assessment of the level of noncompliance to local government responsibilities and regulations for short-stay accommodation.

It is difficult to gauge the level of non-compliance with the current local planning frameworks on any topic. The Association did provide estimates within our written submission, from the City of Busselton's experience and based on their registered holiday homes versus the number of properties promoted on sites such as Airbnb. Where Local Governments do not have a holiday homes register, the ability to even gauge a rough estimate is more difficult.

Local Governments take their statutory responsibilities seriously. Where a Local Government has a matter of planning compliance brought to their attention a Local Government will take the appropriate action in line with their internal procedures and policies. However, the decision to undertake compliance is always at the discretion of the Local Government, and the circumstances and nature of the compliance will determine the actions of the Local Government.

Question 2: What has been the reaction to residents to the introduction of differential rates in Fremantle and Busselton?

The Association sought the opinions of the City of Fremantle and the City of Busselton in response to this question, as they are the only Local Governments that have implemented differential rating for short-stay accommodation in Western Australia. In response to the query, both Local Governments noted that there was initial concerns from registered holiday home providers about the additional costs associated with the change. However these concerns have not been sustained. Further there was strong support from traditional holiday accommodation providers for this change.

Question 3: The response from WALGA members to the situation where an owner-occupier (single, couple or family) who reside in their homes as their principal place of residence, and wish to list their home on a short-stay platform for rental whilst they are away on holiday.

The response from Local Governments will vary based on the policy framework they currently have in place. By definition, the letting of a residence for profit for a short period of time as described in the question would meet the definition of tourist accommodation. In many Local Governments this would meet the more specific definition of 'Holiday Home'. Where the home is not let for profit, such as in a 'home-swapping' situation then this would likely not fall under a tourism land use definition.

Question 4: The types of local government regulations which should apply to the whole home or principal place of residence being rented for short-term accommodation?

The Association's formal position notes that the exact detail of local controls should be left in the hands of the respective Local Government, with additional guidance from the State Government needed to remove ambiguity from the system. Therefore, the Association does not have a formal position on the preferred planning mechanisms that should apply to a principal place of residence being rented short-term for stay-stay accommodation. As was noted in our testimony to the Committee there are a range of attitudes currently held by Local Governments, these range from a 'hands-off' approach, by way of example the City of Mandurah, to a formal registration of such activities and applying for development approval in the City of Busselton. In both situations, the Local Government has prepared an appropriate policy setting following consultation with their communities and engagement with their holiday providers.

Question 5: Are there any differences in terms of policy issues in the provision of short-stay accommodation in the State's North West?

With regard to question 5, The Association communicated with our membership in the Pilbara Region to ascertain their views on this question. The Association received a response from the Town of Port Hedland. It is noted that they have lodged a submission with the Inquiry and these comments should be read in conjunction with the Town's formal position. I draw the Committee's attention to recommendation 2 of the Town's submission which makes reference to the need to ensure that the definitions of tourist and workforce accommodation remain suitably differentiated to ensure that land permissibility is clear.

The Town also made reference in their response to the Association that current economic conditions have greatly reduced housing affordability stress in the region overall.

Lastly, please note that WALGA's State Council formally endorsed the Association's Interim Submission on 27 March 2019. In making its decision the State Council made the following modification to the interim submission,

"Making it clear that a distinction under the City of Busselton planning scheme with respect to accommodation permissibility within the tourism area (as noted on page 203) turn on whether it is hosted as opposed to simply the provision of breakfast."

Thank you for the opportunity to provide additional clarity on this issue, if you require further information regarding this matter, please contact Jo Burges, Executive Manager People and Place on

Yours sincerely,



Joanne Burges
Executive Manager, People & Place