

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

10th April 2019

Dear Ms Shaw,

Thank you once again for the opportunity for both Sam McDonagh and myself to appear before the Committee in Perth on the 20th of February this year.

This letter is in response to your letter dated 25th February 2019, where you followed up with a number of questions we took on notice at the hearing. Please find below each of those questions, along with our answers:

1. (p5) The number of WA properties on the Airbnb platform that "are not homes; they are proxies for hotel rooms or regulated short-stay accommodation"?

As indicated in our evidence, overwhelmingly Airbnb hosts in Western Australia are people who are sharing their own homes (the homes they live in), also known as their primary or principal places of residence. In addition, there are hosts who share residences which may be holiday houses — for example, up and down the coast — which are placed on Airbnb to allow guests to use them when the owners are not. Airbnb also allows investors and traditional hospitality providers — for example, hotels, motels and traditional bed and breakfast hosts — to list on Airbnb, and there are a number of hosts who fit into that category in Western Australia.

It is important to note that only 13% of Airbnb "entire homes" in Western Australia are booked for more than 180 nights per year, including holiday homes and traditional accommodation providers that list their inventory as "entire homes" on the Airbnb platform.

As demonstrated by David from Cottesloe who attended the hearing on the 20th February, many of those with more than one or two listings, rather than being owners of multiple properties, are in fact local property managers who manage other people's holiday homes on their behalf. Historically, the practice of marketing and managing holiday homes when owners aren't using them has been undertaken by local real estate agents and included advertisements in local newspapers or other traditional media. With the advent of platforms like Airbnb, this practice has moved to an online space for the marketing of holiday homes to travellers from around the world.

Further, the number of listings a host has, does not necessarily mean the host has listed multiple dwellings with distinct addresses, or that an entire home listing is a dwelling that has been converted from the long-term rental market to the short-term rental market. For example, a host may choose to list a private room/s in their own primary place of residence more frequently, whilst occasionally listing their entire home whilst they are away on their own holiday. This would also apply to a space that is entirely self-contained within a host's primary place of residence, such as a granny-fat or a self-contained studio. This situation produces two listings (or possibly even more) for one address, including for dwellings that are the principal place of residence for the host.

There is a lot of false information and claims provided by some of the traditional industry lobby groups about this issue, however they cannot be supported by the facts. To that point, Airbnb would like to draw to the Committee's attention the response given to a Question on Notice in the Legislative Assembly of the Western Australian Parliament which is relevant to this discussion. Please find attached to this letter the relevant extract from Hansard.

Also relevant to the Committee's consideration is the number of third-party websites and organisations which "scrape" data from Airbnb's website and present this information as an accurate representation of the Airbnb community. We would strongly encourage the Committee to disregard this "data", because it is neither accurate nor reliable.

There is no reliable way for scraping companies to use data scraped from Airbnb to provide a methodically rigorous and trusted overview of the Airbnb community. Scraped data is questionable and wholly unreliable for the following reasons.

Confusing entire home listings with entire homes: A listing, even an entire home listing, is not equal to a dwelling or a home. An "entire home listing" might in fact be a granny flat or other self-contained space, and as such it is not an apples for apples comparison.

Blocked vs booked: Scraped data cannot accurately differentiate between a listing that is booked or rented and a listing that is simply blocked out. A host may decide to block their calendar for a variety of reasons — most notably because they are at home (not travelling) and so it's not available to guests. Alternatively, hosts may have their homes blocked because their home is being renovated, or friends or family are staying over. This means scraped data overestimates how often listings might be booked for. Furthermore, many hosts, particularly those who do not share as regularly, do not necessarily keep their calendar up to date. As such, just because a place is available to book does not mean it definitely is available to book as a host's individual circumstances can change without this being reflected in their calendar.

<u>Yield and income earned:</u> Just as there is no reliable way for scraped data to work out booked nights, there is no reliable way for scraped data to work out price per night, income per month or "yield".

<u>Multi-listings</u>: Multi-listings is an unreliable statistic for three reasons. First, a host may have one or more listings at just one property. For example, a host may choose to list a private room or rooms in their own home, whilst occasionally sharing their entire home whilst they are away. Whilst there are two listings, there is only one property. Second, some hosts with multiple listings may in fact be property managers or real estate agents. Some people are turning to managers and agents to manage the sharing of their home whilst they are away. A manager or agent may have dozens of listings but these could well be owned by dozens of individual owners. Third, an increasing number of small traditional accommodation providers are using Airbnb as a distribution channel.

In addition to these points, some of these "data scraping" companies are in fact anti-Airbnb activist organisations, with an objective to limit and restrict home sharing. This motive further tarnishes their already unreliable data sets.

2. (p7) Provisions required by the Tasmanian Government of the declarations for home owners completing a self-assessment form for local councils that will allow them to rent their non-primary place of residence via the Airbnb platform?

Airbnb appreciates the need for government authorities to understand the profile of properties where the host does not reside, for example a holiday home. This is why we have supported the Tasmanian Government's approach which allows for hosts of residential premises of more than four bookable rooms, or investment properties or holiday shacks (not occupied by the owner) that have a gross floor area of not more than 200m2 used for visitor accommodation to be permitted under the planning framework. These types of properties require a self-assessment form to be completed by the host.

The applicant is required to lodge a form and make a declaration against a self-assessment to provide local government authorities with relevant information regarding the property — which provides local government authorities with information regarding the location of those properties — and that the property satisfies certain other criteria. The cost of this application is up to \$250.00. For the Committee's benefit, a copy of the

Visitor Accommodation Use in Existing Habitable Buildings Standard Application Package is attached to this letter.

Airbnb has been able to support this approach by the Tasmanian Government because it is coupled with fair and progressive home sharing rules, is scaled (doesn't apply to most primary places of residence), simple, low cost and quick. Rather than creating a "barrier to sharing", this approach facilitates home sharing and provides local governments with the data and tools they need to monitor home sharing for (mainly) non-primary places of residences.

3. (p9) Provision of data in regard to WA properties hosted on the Airbnb platform by local government region?

Whilst Airbnb is currently unable to provide data by LGA, we would be pleased to discuss with the Committee data requests and opportunities to collaborate on a regional breakdown for the Committee if that is helpful.

We once again thank the Committee for its interest in this issue, and look forward to further discussion if that is helpful.

Sincerely,

Brent Thomas

Head of Public Policy, Australia and New Zealand Airbnb

Attachments

- Extract of Hansard, Legislative Assembly Questions on Notice, Tuesday 8th August 2017
- Tasmanian Government's standard form for an Application for Planning Permit Change of Use to Visitor Accommodation

Extract from Hansard

[LEGISLATIVE ASSEMBLY QUESTIONS ON NOTICE — Tuesday, 8 August 2017] p2448b-2448b

Ms Libby Mettam; Ms Rita Saffioti

TOURISM — AIRBNB

- 1361. Ms L. Mettam to the Minister for Planning:
- (1) I refer to the Minister's comments reported by Perth Now on 26 March 2017, 'Airbnb "hotels": concerns over Perth apartments leads to rule review' and I ask:
 - (a) Is the Minister aware of any individual, developer or business in Western Australia operating an "Airbnb hotel", that is, using the Airbnb model in a larger scale building or development?
- (2) If yes to (1):
 - (a) How many "Airbnb hotels" exist in Western Australia; and
 - (b) What is the street address of each of these "Airbnb hotels"?

Ms R. Saffioti replied:

This question was originally directed to the Minister for Tourism, however the Minister for Tourism has requested that the Minister for Planning provide a response.

- (1) No.
- (2) Not applicable.

Office Use Only
[insert council branding and contact details]
Application no
Date received:
Fee:
Paid:

Guidance Information

Visitor Accommodation Use in Existing Habitable Buildings Standard Application Package

The Standard Application Package has been approved by the Minister for Planning to provide a simple pathway for seeking approval for the use of existing homes or habitable buildings for Visitor Accommodation as prescribed below. It comprises an Application for Planning Permit and a building self-assessment Form.

Completed forms must be lodged with the relevant planning/permit authority.

Application for Planning Permit

The Application for Planning Permit form relates to *Planning Directive No.6 – Exemption and Standards for Visitor Accommodation in Planning Schemes*, issued by the Minister for Planning under former sections 13(1)(a) and (4) of the *Land Use Planning and Approvals Act 1993*, and effective from 1 July 2018 and as modified on 1 August 2018.

The Application for Planning Permit form applies to the change of use of an existing habitable building where it is 'Permitted' under Planning Directive No. 6, as set out below:

Planning Scheme	Requirements			
Interim planning	Change of use to Visitor Accommodation if:			
schemes	located within the General Residential Zone; Inner Residential Zone, Low Density Residential Zone, Rural Living Zone, Environmental Living Zone, or Village Zone;			
	not located within the Battery Point Heritage Precinct (BP1);			
	guests are accommodated within existing habitable buildings;			
	the use occupies not more than 200m² gross floor area per lot;			
	• the use is not within a strata scheme ¹ that includes another lot, as defined in section 3 of the <i>Strata Titles Act 1998</i> , that is used for Residential use; and			
	all other requirements in the planning scheme are met that are necessary for a 'Permitted' use.			
Sullivans Cove	Change of use to Bed and Breakfast Establishment or Visitor Accommodation if:			
Planning Scheme 1997	located within Activity Area 1.0 Inner City Residential (Wapping);			
	guests are accommodated within existing habitable buildings;			
	the use occupies not more than 200m² floor area per lot; and			
	all other requirements in the planning scheme are met that are necessary for a 'Permitted' use.			

¹ Strata scheme is defined in section 3 of the Strata Titles Act 1998.

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The Application for Planning Permit form does not apply if:

> the use is exempt from requiring a planning permit under Planning Directive No.6, as set out below:

Planning Scheme	Exempt Qualification		
Interim planning schemes	Visitor Accommodation use in a dwelling (including an ancillary dwelling) if	(i)	it is used by the owner or occupier as their main place of residence, and only let while the owner or occupier is on
Flinders Planning Scheme 2000	Visitor Accommodation use in a House, House and Ancillary Apartment or Grouped House if	(ii)	vacation or temporarily absent; or it is used by the owner or
Sullivans Cove Planning Scheme 1996	Bed and Breakfast Establishment or Visitor Accommodation uses in a dwelling if		occupier as their main place of residence, and visitors are accommodated in not more than 4 bedrooms.

➤ the use requires a 'Discretionary' planning permit under the planning scheme. For example, a change of use to Visitor Accommodation that does meet the requirements for a 'Permitted' use under Planning Directive No. 6, or other provisions in the planning scheme apply requiring discretionary assessment, such as off-street parking, bushfire planning, heritage, or non-residential use standards in zones (e.g. external lighting requirements).

Applicants should use the standard Council planning application form.

> other uses or if any development (not otherwise exempt) is proposed, in addition to the change of use to Visitor Accommodation.

Applicants should use the standard Council planning application form.

Building self-assessment form

The building self-assessment form is mandated under the *Director's Determination – Short or Medium Term Visitor Accommodation*, issued by the Director of Building Control under section 20(1)(e) of the *Building Act 2016*, and effective from 1 July 2018.

This Determination applies only to existing dwellings or residential premises where a fee is being charged for the use of short or medium term visitor accommodation.

The building self-assessment form must be completed in the following situations where the property is used or intended to be used as visitor accommodation:

- > owner occupiers of residential premises of more than four bookable rooms, or
- > investment properties or shacks (not occupied by the owner) that have a gross floor area of not more than 200m² used for visitor accommodation.

The building self-assessment form requires the owner or occupier to declare that the property meets the minimum building standards with respect to an occupancy permit, plumbing, and essential building services.

The Determination and the building self-assessment form apply, irrespective of the planning requirements. The planning and building requirements are mutually exclusive. If any premises intended to be let for short-term visitor accommodation is a lot in a strata title scheme, and any other premises in that scheme are occupied as a residence by long term residents, the proponent is not permitted to use the building self-assessment process, unless the premises is located within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997.

APPLICATION FOR PLANNING PERMIT CHANGE OF USE TO VISITOR ACCOMMODATION

Section 58 of Land Use Planning and Approvals Act 1993

To:		Planning Authority
The Proposal:		
(Must tick one)		
Interim Pla	anning Schemes:	
Change o	f use to Visitor Accommodation if:	
the usethe usethe S	Inner Residential, excluding land within the Battery Point Ho (BP1); Low Density Residential; Rural Living; Environmental Living;	
	Cove Planning Scheme 1997:	
Change o are accon	f use to Bed and Breakfast Establishment or Visitor Accommon nmodated in existing habitable buildings and the use has a floor per lot, and the land is within the Activity Area 1.0 Inner City	or area of not more
Description:		
Brief description o to be used:	f the proposed change of use, including whether the whole or	part of the building(s) are
Applicant, Who	is making the application?	
	is making the application?]
Applicant Name:		
Business / Company Name:		
Postal Address:	Pho	one No:
Email address:		

² Strata scheme means the complex of lots and common property (together with the system of administration and management) created on the registered strata plan.

The Land: Deta the proposed of	il address and title particula hange of use	rs of the land for	
Street Address:			
Certificate of Title Reference No.			
Describe the way th	ne land is used now:		
The Owner Ou	unar'a nama and address if l	land is not in	
applicant's own	/ner's name and address, if ∣ nership	iana is not in	
	all names and addresses must be provided)		
Owner Name:			
Business /			
Company Name: Postal Address:			
Fusial Address.		Ph	one No:
Email address:			
The Applicant:	Is the applicant the owner o	f the land?	
(Must tick one)			
Yes - plea	ase complete Section A below.		
<u> </u>			
No - pleas	se complete Section B below, and if	relevant Sections C and D).
Section A: Own	er's Verification		
I/we am/are the own	er(s) of the land.		
Owner(s):	Name: [print]	Signed	Date
	icant's Verification	unare of the land have be	on matified of the intention
to make this applica	eclare that the owner /each of the ov tion.	whers of the land have be	en nouned of the intention
· ·	Name: [print]	Signed	Date
Applicant:			
Section C: If the	e application involves land owned	or administered by a co	uncil
The		consents to the making of	f this permit application.
Gonoral	Name: [print]	Signed	Date
General Manager:			

Section D: If the application involves land owned or administered by the Crown

The application must be signed by the Minister or relevant delegate responsible for the land and accompanied with written permission.

Declaration	(to be completed for all applicatio	ns)	
I declare that th knowledge.	e information I have given in this permit appl	ication to be true and corre	ct to the best of my
Applicant:	Name: [print]	Signed	Date

Personal Information Protection Statement

As required under the Personal Information Protection Act 2004

- Personal information is managed in accordance with the Personal Information Protection Act 2004
 and may be accessed by the individual to whom it relates, on request to the relevant planning
 authority.
- 2. Information can be used for other purposes permitted by the *Local Government Act 1993* and regulations made by or under that Act, and, if necessary, may be disclosed to other public sector bodies, agents or contractors of the relevant planning authority.

Planning Application Checklist

The Planning Authority requires the following to assess this Planning Application, with all documentation provided as required by the planning authority:

- (a) Completed Planning Application Form all relevant sections filled in and signed by land owner (if required) and applicant.
- (b) A copy of the current certificate of title for all land to which the permit sought is to relate (available from Service Tasmania or from www.thelist.tas.gov.au).
- (c) Either:
 - (i) a basic floor plan of the existing habitable building(s) to scale, including identification of the gross floor area for the proposed change of use to visitor accommodation, or
 - (ii) a signed declaration by the applicant confirming the area of the existing habitable building(s) for the proposed change of use to visitor accommodation has a gross floor area³ of not more than 200m²
- (d) Payment of the prescribed fee (up to \$250.00).

Failure to provide the required information may result in your application not being able to be accepted or processed.

Application for Planning Permit for Change of Use to Visitor Accommodation

³ Or floor area in the case of the Sullivans Cove Planning Scheme 1997.

BUILDING SELF-ASSESSMENT FORM

Director's Determination – Short or Medium Term Visitor Accommodation Section 20(1)(e) of *Building Act 2016*

This building self-assessment form must be completed in the following situations where the property is used or intended to be used for visitor accommodation, and a fee is being charged for such use:

- > owner occupiers of residential premises of more than four bookable rooms, or
- investment properties or shacks (not occupied by the owner) that have a gross floor area of not more than 200m² per lot used for visitor accommodation.

The completed form must be lodged with the relevant Permit Authority.

If any premises intended to be let for short-term visitor accommodation is a lot in a strata title scheme, and any other premises in that scheme are occupied as a residence by long term residents, the proponent is not permitted to use the building self-assessment process, unless the premises is located within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997.

Only an owner or occupier may complete this form) Owner / Occupier: (Delete one not applicable) Postal Address: Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: //we, as the owner / occupier of the property, declare that the property meets the following minimouilding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:								
Owner / Occupier details: Only an owner or occupier may complete this form) Owner / Occupier: (Delete one not applicable) Postal Address: Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: I/we, as the owner / occupier of the property, declare that the property meets the following minimoulding requirements, as set out below:	To:				Permit Au	thority		
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Only an owner or occupier may complete this form) Owner / Occupier: (Delete one not applicable) Postal Address: Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: //we, as the owner / occupier of the property, declare that the property meets the following minimouilding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:					Suburb/po	ostcode		
Owner / Occupier: (Delete one not applicable) Postal Address: Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: //we, as the owner / occupier of the property, declare that the property meets the following minimoulding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:	Owner / Occupie	r details:						
Postal Address: Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: //we, as the owner / occupier of the property, declare that the property meets the following minimoulding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:	Only an owner or occupier	may complete this form)						
Email address: Address of Property used or intended to be used for Visitor Accommodation: Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: I/we, as the owner / occupier of the property, declare that the property meets the following minimoulding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:								
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Street Address: Certificate of Title Reference No. Owner / Occupier Declaration: I/we, as the owner / occupier of the property, declare that the property meets the following minir building requirements, as set out below: Name: [print] Signed Date Owner/Occupier:	Email address:							
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Reference No. Owner / Occupier Declaration: /we, as the owner / occupier of the property, declare that the property meets the following minimouilding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:								
/we, as the owner / occupier of the property, declare that the property meets the following minimouilding requirements, as set out below: Name: [print] Signed Date Owner/Occupier:								
building requirements, as set out below: Name: [print] Signed Date Owner/Occupier:	Owner / Occupie	r Declaration:						
Owner/Occupier:			e tr	nat the prop	erty med	ets the f	ollov	wing minimun
•		Name: [print]	_	S	igned		_	Date
	•							

Occupar	ncy Permit:
(Must tick one)	
The owner of	or occupier is to declare that –
(a)	if an occupancy permit has been issued, the premises is fit for occupation consistent with that permit, and the maximum number of occupants stated on the permit will not be exceeded;
OR	
(b)	an occupancy permit or occupancy certificate was not required (as the premises was constructed / altered before 1994).
Plumbin	q:
	or (b) and (c) or (d))
	or occupier is to declare that –
(a)	the premises is connected to a reticulated sewerage system;
OR	
(b)	the premises is connected to an on-site wastewater management system that:
	 is in good working order and will be maintained to perform to the same standard as it was designed; and
	 has a land application distribution area designed, installed and in good serviceable condition; and
	 the maximum number of occupants of the premises the system is designed for is not exceeded; and
	there is a maintenance contract in place for the servicing of the system.
(c)	the premises is connected to a reticulated drinking water supply system;
OR	
(d)	a private drinking water supply (including from a tank, well, dam, etc.) is provided for the premises that meets the requirements of the <i>Public Health Act 1997</i> .
Essentia	l Building Services:
(Must tick one)	
The owner of	or occupier is to declare that –
(a)	regarding Essential Building Services, the premises has an approved schedule of
· /	maintenance, and fire safety features are maintained in accordance with Part 7 (regulations 72 to 78) of the <i>Building Regulations 2016</i> and the Director's Maintenance of Prescribed Essential Building Services Determination;
OR	
(b)	the premises is not required to have an approved essential maintenance schedule, but the following fire safety features are installed and maintained in accordance with manufacturer's instructions:
	 a smoke alarm with a 10-year non-removable lithium battery, or a hard wired smoke alarm (and are interconnected where there is more than one alarm fitted);
	 (a) if any storey of the premises contains a bedroom – (i) installed in every corridor, or hallway, situated in the storey, that is associated with a bedroom; and

- (ii) if there is no corridor, or hallway, situated in the storey, that is associated with a bedroom, between that part of the premises containing the bedroom and the remainder of the premises; and
- (b) in any other storey of the premises that does not contain a bedroom.
- If multistorey premises are let for visitor accommodation:
 - i. emergency evacuation lighting is provided; and
 - ii. exits are provided that are clearly marked and mapped for the visitor.