

ECONOMICS AND INDUSTRY STANDING COMMITTEE

INQUIRY INTO SHORT-STAY ACCOMMODATION



**TRANSCRIPT OF EVIDENCE
TAKEN AT MARGARET RIVER
WEDNESDAY, 1 MAY 2019**

SESSION FIVE — PUBLIC DEPOSITION

Members

**Ms J.J. Shaw (Chair)
Mr S.K. L'Estrange (Deputy Chair)
Mr Y. Mubarakai
Mr S.J. Price
Mr D.T. Redman**

Hearing commenced 2.09 pm

Ms KAREN DERBYSHIRE
Manager, Marri Lodge

Mr DAVID MOYES
Managing Director, Private Properties Australia

Mr LEWIS HAWKINS
Owner/operator of short-stay accommodation

Mr BARRY GREEN
Owner, Boronia Farm and Western Tourist Radio

Ms VERONICA BRUCE
Resident

Mrs CHRISTINA NEWTON
Resident

Mrs DONNA SEATON
Owner/operator, Grange on Farrelly

Dr NAOMI GODDEN
Chair, Just Home Margaret River

The CHAIR: On behalf of the committee, I would like to thank you all for providing a public deposition for the committee's inquiry into short-stay accommodation. My name is Jessica Shaw and I am the Chair of the Economics and Industry Standing Committee. The other members of the committee are, to my right, the Deputy Chair, Sean L'Estrange; and to my left Stephen Price and Terry Redman. Yaz Mubarakai, the member for Jandakot, is an apology.

Before we begin, it is important that you understand that any deliberate misleading of this committee may be regarded as a contempt of Parliament. Your evidence is protected by parliamentary privilege. However, this privilege does not apply to anything you might say outside of today's proceedings.

I am going to invite people to come forward one at a time and provide their deposition. This is a new process for us. The only other time we have ever done it was last night. Typically, we have much more formal hearings. This is just an opportunity for us to hear as many people as possible in as time-efficient manner as possible. When I invite you up, if you could give us your name and the capacity in which you appear. We will then invite you to make your statement. You will have about three to five minutes. As you are approaching one minute to go, David will hold up a little sign. We are not going to cut you off, but obviously we want to give as many people as possible an opportunity to speak today.

Without any further ado, I invite Ms Derbyshire to come forward.

Also, if you are willing to, Hansard really appreciate notes, so if you do have notes that you are reading from, if you are willing to, if you can provide them to Hansard, it helps them as well as they are deciphering an awful lot of evidence.

Thank you, Ms Derbyshire.

Ms Derbyshire: My name is Karen Derbyshire. I am the general manager of Marri Lodge and cottages, an accommodation business established in 1993—26 years ago. The business offers nine motel rooms and three cottages, built and owned by John Cooper.

The entire approved accommodation business is under extreme threat because there is no level playing field. There are many, many rules for us, and no rules for the unapproved operators. Surely, if people want to join the game, they must play by the same rules and pay by the same rules.

Some history for you to consider: when Marri Lodge was built, the shire stipulated the building policy was that the cottages could be a maximum of two bedroom only. We complied. Yet now there are literally hundreds of both approved and unapproved multi-bedroom properties. The unapproved properties are being investigated but why have approvals been granted for multi-bedroom properties? Why? Different rules for them and different rules for us.

When the shire said managers must sleep on the premises any night a guest stays at the motel, we complied and still do. If we could not sleep at the property, the bookings were closed off. Why are unapproved operators allowed to offer completely unhosted properties? I want to know and so do their long-suffering neighbours. We all want to know why. When the shire said you must pay \$300 per bedroom as a levy, we paid it. Have they paid it? Of course not; and, why not? When the shire said you must pay \$5 000 for a turning lane off Rosa Brook Road into the motel, we paid that too. I would hazard a bet not everyone who operates an accommodation business has had to pay such a fee; and, if not, why not? We had to pay it. When the shire said you must provide laundry tubs for your cottages, we supplied them too. We paid a licensed plumber and submitted the changes for approval. Whatever the shire have told us to do, we have done.

I work for the most honest and law-abiding person I have ever met, who has complied with every shire regulation, who has paid commercial rates for insurance, has paid every dollar of tax that should be paid, who has paid licensed contractors and staff properly and honestly; and, yet, in the autumn of his life—it is actually the winter of his life; he is a 78-year-old gentleman—his business, which is also his life's work, is now under threat because other people who seek to play hotelier do not pay such levies or insurances. They mostly pay staff in cash under the table. It is the black market of accommodation and the issues do not just affect us. Most of us have had to let staff go because not only is our revenue down, but we cannot afford them. Many staff choose to work for the black market operators who pay them cash. This means, of course, they do not declare it and they do not pay tax on it—more illegally activated businesses spawned by the unapproved operators. The issues are many, varied and gaining momentum at a frightening rate. If an operator obtains revenue from an enterprise, to me it is a commercial business, so why do they not pay commercial rates to the shire—the same shire who has burdened us with compliance? Why? We want to know why?

People have suggested selling. Selling—how and who to? Westpac Bank has stated they currently will not lend against accommodation businesses and who would in their right mind buy one now? Our backs are against the wall and why? Because we play by the rules—we play by all of the rules—but we play in the same market with people who play by none of the rules. Without the same regulations, unapproved multi-bedroom, unhosted dwellings have gone viral. These unhosted, unapproved properties are providing huge incomes for investors while we are all working like slaves and rapidly falling behind financially. They are thumbing their noses at us and laughing all the way to the bank. Apart from legal requirements, the very essence of Australian culture is to give people

a fair go. With the advent of so many non-approved accommodation providers, who do not have the compliance burdens we do, we are by no means getting a fair go. The same game should equal the same rules. There is a saying that no-one is should be above the law.

The CHAIR: Thank you very much.

Mr Hawkins: Lewis Hawkins. I am the owner–operator of Margaret River Chalets. Thank you for inviting me to present. I will not go over too much of the content of my submission other than to say that as a founding member and past chair of RAPMRR, I fully support and endorse the RAPMRR submission and the recommendations made in the report prepared for our members by solicitors Squire Patton Boggs.

I have run my chalets here for the past 16 years. It is a 24/7 job, which was never going to make me rich, but it has, until now, provided me with a living and enabled me to raise my family in this amazing community and environment. Over the past three or four years, however, there has been a huge influx, as you have been hearing, of whole houses being offered as short-stay rentals, many illegal and unregistered. Ninety-one per cent of the 1 020-odd Airbnbs in our shire today are unhosted—whole houses—according to AirDNA’s latest figures. There is now an unsustainable number of short stays in the region, but the idea that only the inefficient operators will not survive no longer applies. Instead, those with the least overheads, those who only need to make a bit of pocket money as their accommodation is not their core business, those who do not live here and pay the prices that we pay for goods and services, they are the ones who will survive. The tragedy is that these are not the people who contribute to our community, employ locals, buy local produce, promote our region and volunteer for our local sporting, community and emergency service organisations. No, that is us—the ones going out of business.

A quick Google search can reveal just how many towns and cities around the world have been ruined because governments have not acted decisively to regulate the likes of Airbnb and control tourism development. In contrast, Japan’s government did act and restored balance, equity and sustainability to their tourism industry, so it can be done.

Here in Augusta–Margaret River, we actually have a town planning scheme, town planning strategy and a Western Australian Planning Commission–endorsed tourism strategy, which could serve us well in this regard and even provide a model for other jurisdictions. However, these documents have largely been ignored by council. As a result of the state government inquiries into major bushfire events, we also have excellent fire guidelines, but, again, our council seems unable to stop the proliferation of short-stay accommodation in high fire risk areas. We desperately need direction from the state government on this issue if balance, sustainability and community safety are to be restored.

[2.20 pm]

I would like to finish with an illustration of how this issue has affected me personally, and I am probably not much different to many other operators in the region. Three years ago, I employed a cleaner who had worked with me for four and a half years. Today she is advertising on Facebook, looking for casual work that I can no longer provide. Three years ago, I had all my linen laundered by the local linen service. Today, I wash and iron most of my own linen. Three years ago, I used a local bookkeeper, but I have had to let him go. Three years ago, I was re-investing in my chalets with upgrades and maintenance carried out by local contractors. Today, I carry out only what is really necessary and I do most of that myself. Three years ago, I was taking a two-week break twice a year just to get away from the 24/7 business. I have not been able to afford a relief manager in the past three years. Three years ago, I was the local manager of the Augusta–Margaret River State Emergency Service. I managed 36 volunteers, sat on several local and regional emergency

management committees, and attended most call-outs myself. I think I have attended more call-outs than anyone in the State Emergency Service in the south west. I have had to stand down as manager to cope with the extra workload and to fight this fight. Today, I struggle to make training, and I only make some of the call-outs.

Finally, three years ago, I was on track to be debt free at 65 and have a business to sell or lease to support my retirement. This was my only super plan. Today, I have had to refinance my business to reduce the monthly loan repayments. Of course, this means extending the loan period. As for the value of my business, well, there are a dozen businesses like mine on the market in this area and none of them are selling. This is the price I am paying for the unfettered, unregulated proliferation of backyard hoteliers occurring in our region. I fear the price our community will pay is much higher if we do not get a strong state government framework within which local governments need to operate. Thank you.

The CHAIR: Thank you. Mr Green, please go ahead.

Mr Green: Thank you for the opportunity to speak. My name is Barry Green. My wife and I have owned and operated a self-contained farmstay cottage on our organic farm, Boronia Farm, at Donnybrook for 20 years. We also own Western Tourist Radio, which broadcasts on 87.6 FM in major coastal towns in the south west of WA and as Radio WA 87.6 FM in East Perth, and online via SoundCloud, telling the stories of people and places in Western Australia.

Originally, I thought Airbnb was a good idea. If people wish to risk having strangers in their house with them, then why should the government tell them not to? Both sides of the businesses arrangement understand the risks. Theoretically, if the homeowner provides a bad service, they will be exposed via the platform—basic free-market principles. Personally, I have no problem with this provision, provided local people are in the house to oversee the behaviour of their guests. But this model now makes up less than 10 per cent of current participants of Airbnb, with unsupervised accommodation making up the bulk, impacting on the local community and distorting housing availability. As much as I do not like bureaucracy, I would prefer WA housing policy to be made by our elected representatives rather than foreign companies. These companies are guests in this country and should not be exerting undue influence over our government. The term sovereign risk comes to mind here.

If government is going to allow unsupervised food provision by Airbnb properties, then they must also drop the compliance imposed on registered businesses in relation to food. Australians do not appear to want such strict food regulations; otherwise, they would not be so keen to go to countries that do not have them. Governments are always talking about efficiency and productivity, but are imposing compliance costs that make us less competitive.

There appears to be a fight going on between Airbnb and other foreign-owned booking sites, all of which are gouging higher and higher commissions. Our own Boronia Farm is listed on Airbnb. We only get occasional bookings via this platform and everyone who books via it pays significantly more than if they had booked via our website. This will be the same for most accommodation booked direct. As the public becomes aware of the illusion that these sites have created, that they provide cheaper accommodation, I suspect that their businesses model will collapse. Western Tourist Radio programs include conversations with Debbie Noonan from the Registered Accommodation Providers of the Margaret River Region and Dick Smith, encouraging our listeners to book direct. The business model of Western Tourist Radio is to use our radio and website to attract visitation to regional WA, while connecting travellers direct to local business's websites with no booking commissions. Our farmstaywest.com.au, petfriendlywa.com.au and bandbwa.com.au are all networks of such businesses that are driving traffic to network members' websites. Despite this, I

have received no support from the tourism bureaucracy, yet they seem happy to promote the international booking sites.

As an organic farmer, we are finding more and more interest from our guests in how their food is produced, and this is a key motivator for Perth people visiting our property. Agritourism has a big place to play in the future of regional WA, especially the inland towns. Western Tourist Radio also operates agritourismwa.com.au.

I encourage the government to stand up to Airbnb and make them comply with our laws so that local people can operate viable tourism businesses to contribute to our communities and not have all the wealth generated by tourism activity taken out of regional WA. Thank you.

The CHAIR: Thank you very much. Ms Seaton?

Mrs Seaton: My name is Donna Seaton and myself and my husband own and operate the Grange on Farrelly, Margaret River motel, as well as own the Royal Exchange Hotel over in Katanning in the great southern, which is currently run under management. We have three small boys, who are four, three and 18 months old and we all live on site. I am also a founding member of RAPMRR and serve on the committee. I consider ourselves very competent operators, being that both of our families come from strong hospitality backgrounds and we have had a very successful eight years with the hotel in Katanning. Despite all this, running a country pub in a tough area like Katanning could not prepare us for what we were about to face when we purchased the Grange on Farrelly, Margaret River motel, a 29-room motel set on 9 000 square metres, two streets back from the main street of Margaret River in August 2016.

We came in with huge plans. The entire property was very rundown and we wanted to upgrade and modernise the facility. Once we arrived and the dust had settled, we realised we were in trouble very quickly. Our revenue alone has dropped roughly 35 per cent in this three-year period. This has meant a couple of things. Firstly, we have not really been able to upgrade or invest in our property as we had hoped and budgeted for. We had planned to spend \$200 000 per year over five years or so to upgrade the facility. To date, we have spent probably about \$50 000. That is roughly \$550 000 that we have not spent with local hardware stores and tradespeople because we simply cannot afford to.

The second dramatic change that we have had is on a staffing level. When we took over, we employed one manager, two receptionists/waitresses, one chef, one yardie/gardener and seven housekeepers. That is 12 staff all up, four of which were full time and the other eight were casual—10 to 20 hours per week. As of today, we employ two receptionists, and three housekeepers—five staff in total, only one of which is full time. The other four are casual and are working 10 to 20 hours per week. I will just repeat that: we have gone from 12 staff to five staff in less than three years. My biggest fear with the five staff we have now is that we will not be able to even keep them employed over the next four months, when bookings are beyond dismal. It absolutely breaks my heart to think that I am going to be having some tough conversations with all of them in the coming weeks.

[2.30 pm]

When we purchased the property in 2016, there were approximately 200 Airbnbs in Margaret River and 200 in Busselton. For Augusta–Margaret River, that equates to one Airbnb for every 35 homes. We did not see this coming and we had used Airbnbs ourselves and are digital natives. How did we miss this?

In July 2018—so 10 months ago—Augusta–Margaret River shire had one Airbnb for every 11 homes. Already, as of today, 10 months later, Airbnb has grown so fast—at a rate of four to five per cent

per month—we now have one Airbnb for every seven homes. When is this going to stop? When every single home in Margaret River is on Airbnb?

I understand this parliamentary inquiry process is a long one, but I cannot implore you enough to find a solution as quickly as possible. If the Airbnbs in Augusta–Margaret River shire keep growing at the same pace, we do not stand a chance of surviving while you come up with your solutions. If it takes 18 months—well, we just will not be here in 18 months, and especially if the listings keep growing at this phenomenal rate. Since we purchased the property nearly three years ago, our property has already lost 26 per cent of its original value, or \$950 000. If something is not done quickly, we will be forced to sell for a massive loss. An investor will probably buy the property and, since it has no value anymore in operating as a motel, they will probably knock the whole thing over and rebuild it into a bunch of residential flats because it is cheaper; then list them all on Airbnb. Then Margaret River will be down a 29-room motel and probably be up another 50 Airbnbs.

I also wanted to talk about affordable accommodation, as this is something I hear discussed often. We are a 3.5-star motel and we are absolutely affordable. We have family rooms that can sleep mum, dad and four kids, and, okay, they might not have cooking facilities in the rooms, but we have a barbecue out the front and we provide microwaves, fridges, kettles and toasters for our guests. It is actually insulting to me to hear people say that they cannot afford to have an affordable holiday in Margaret River when my place is here, empty and waiting for them to come. If they are happy to have holidays outside peak times especially, our place is not expensive, and neither are a whole lot of other accommodation providers in the area that provide cabins and chalets and the whole works. And, of course, as has already been mentioned, our price is dictated by our expenses, which are largely bought about by our compliance burdens. Should we let electricians that are not licensed wire up people's homes because they are more affordable for people who cannot afford a licensed electrician? A free lunch has a cost to someone somewhere. You need to take a principled stand, draw a line in the sand and say this is wrong.

I would like to reiterate that we are competent operators, working 70 to 80 hours a week, on call 24/7, and making an absolutely massive monetary investment in the tourism industry in Margaret River because we believe in providing amazing guest experiences. It sounds cheesy, but we absolutely love when we make people's holiday dreams come true—that they could have all of the places in the whole wide world to choose to stay and they choose our little place in Margaret River. You have no idea what it is like to be pushed out of this industry, an industry my family has been in for over 40 years, an industry I started in when I was 12, cleaning my brother's pub on weekends and checking in people at my parents' motel—so 19 years all up I have been in it. Not to mention I was born hours after my mum had cleaned all the rooms at the Wagin Motel that morning and then cooked some counter lunches at our family hotel at the time. Then she went off to the Wagin Hospital, gave birth to me and was back at work days later. I mean, I was virtually born with a reservation book in one hand and a middy glass in another, and I am about to be pushed out by some property investors wanting to make a quick buck basically at our industry's expense. We literally have no idea how we are going to support our family or provide for our kids or even pay back the bank all of our debts if we go belly up.

The saddest thing is we are not the only people in this situation. This is why it is so important you act swiftly. I will finish there. I just want to thank you for all the hard work you do in being politicians and serving us, the general public, and specifically all the hard work you have put into this inquiry. Please help us as quickly as you can. I am so grateful you have taken the time to listen to me. Thank you.

The CHAIR: The next four witnesses were not here for me to read the opening statement, so for those who have arrived late, before I invite you to come forward, it is important you understand that any deliberate misleading of this committee may be regarded as a contempt of Parliament. Your evidence is protected by parliamentary privilege; however, this privilege does not apply to anything you might say outside of today's proceedings.

One thing I will very quickly say is that we do intend to get to a series of findings and recommendations as quickly as we possibly can. But we are part of the legislative branch of government; the recommendations that we make will be responded to by the government—the executive branch of the government. So we will get to a series of findings and recommendations quickly, we hope, but the implementation, or the steps that the government then chooses to take, will be something that we have no control over. That is just to let you know, in terms of process, where to from here.

Can I invite Mr Moyes forward.

Mr Moyes: My name is David Moyes. I am the managing director of Private Properties. We are a holiday home rental company based in Dunsborough. We have over 105 properties from the Swan Valley down to Albany, but predominantly in the Margaret River region. About 80 per cent of our properties are in this region, mainly in Dunsborough, Yallingup, Gnarabup—in the holiday areas; not so much in the residential areas. We have 30 employees—not all full time, some are casual—and in the last year we have welcomed over 13 000 guests from 21 different countries.

I have only listened to a couple of the speakers before me, but I understand that this is a complicated issue. We are in the holiday home business. We were established in 1994 so we have been doing this now for 25 years. The reason I am here and wanted to add to my submission is that I do not want to be caught up as the collateral damage in whatever the process is after this. We obviously need some action and we need some action pretty quickly, but it has got to keep in mind the traditional.

I view our position in the market as a traditional accommodation provider, and that is since 1994, so we have been doing this for a long time. There are holiday companies that do the right thing by the community, that look after their neighbours, that look after the community and are 100 per cent local. We do not rely on Airbnb for our bookings; we have our own website built by ourselves and managed by local IT companies et cetera. The main reason I wanted to catch up with you today was to just emphasise that—that there are different sorts of operators. But overarching all of this, there needs to be some, I think, levelling of the playing field where businesses like Airbnb have to play by the same rules that businesses in their local environment have to abide by. So all of our properties have to go through the registration process. That is step number one. That is obviously not happening with Airbnb and that has ended up in this proliferation of holiday homes on the market, which is causing this backlash, and that is just really in the last couple of years, as you would be well aware.

That is really where I will leave it. I am happy with the rest of my submission, if you do want to read it. But I think that levelling the playing field is a fairly urgent priority, and holding Airbnb to account as part of that, just making the simple change of making them register or prove that their houses are registered like it is if someone wants to list with Private Properties is the priority. That would pretty much solve this problem overnight in taking a lot of the unregulated, unregistered properties out of the market.

I will just say one other thing: in terms of regulation, which is the holiday home registration that you have to go through in the City of Busselton and the Shire of Augusta–Margaret River. That has, in the last 18 months, become almost impossible. Someone mentioned bushfire compliance. That has

been added and that has really changed that landscape and, in my view, it is encouraging people to go to the dark side. What was a \$700 proposition to apply is now \$4 000. What took two to three months now takes up to 12 months, and at the end of that, there is no guarantee whether you will be approved or not, and often there are other conditional things that have to be done which cost a lot more money. So, basically, if you over-regulate, that is an issue. If you under-regulate that is an issue. So striking that balance is important to clean up that end of the market that is creating a lot of the problems that we find ourselves facing today.

Thank you for the opportunity and all the best with your work.

[2.40 pm]

The CHAIR: Ms Bruce.

Ms Bruce: Good afternoon everyone, my name is Veronica Bruce and I am coming from a different perspective as a permanent resident.

I have put all the issues affecting us as residents regarding regulation of short-stay accommodation in WA already in my submission. But I would like to say that my neighbour and I live in a very unique situation, living in a residential area in Busselton and living between two caravan parks that are dog friendly and a guesthouse at the back of us. Both are managed well and have on-site managers and caretakers. In the 15 years my husband and I have resided at our property, we have never had noise or bad behavioural-related issues affecting our lives from them. But the house in front of us is now rented out pretty well 52 weeks of the year as an Airbnb. It is a freestanding house with no-one living onsite or a manager to contact to make complaints to about the ongoing noise from this house. It is a registered Airbnb, but it apparently does not make very much difference, registered or not. It is a quasi-motel business free-for-all in a residential area, supposedly with a few house rules floating around the house that no-one seems to adhere to. Once again, I say the owners of this property do not live in Busselton and have no respect for the neighbours. As long as they keep collecting their income from the property, they do not care. Still, nearly every short-term tenant, mainly families with children and usually two dogs, even three sometimes, continue to make excessively loud noise, with dogs barking with no consideration for us as very close residents. They allow their kids to scream excessively. They seem to think they are paying good money to stay, so clearly feel they can do as they please. I would like to add that most of the short-term tenants are not boosting the tourism dollar. They are families from Perth, who bring their own food and drinks, have barbecues at the house, walk down to the beach, annoy the neighbours for two, three or four days and go back to their homes.

Easter is supposed to be a quiet break for us, but it was far from that. Kids were screaming, dogs were barking, and adults were very loud. We should have the right to quiet enjoyment in our own home, but where are our rights in amongst all this mess? As per my submission, I have contacted the City of Busselton and been fobbed off on many occasions. I have attached my mail to my submission. The owners of the Airbnb centre seem to have all the control and rights, and seem to do whatever they want.

Policies and procedures must be put in place now, not later, to protect the full-time residents in this beautiful part of the world we live in. We do not want it spoilt by uncontrolled motel-like properties in residential areas and made unbearable for people who choose to live here permanently. Our community feeling has certainly disappeared. The City of Busselton needs to keep up with the fast-changing times and employ an officer to manage all the complaints around the above issues. If they are incapable of this, or, as I am led to believe, there is a conflict of interest as some actually own Airbnb properties, then maybe an independent provider should be managing all complaints. I believe a three-strike rule should be introduced. With the third complaint, an owner should not

continue to run as an Airbnb. It happens to department of housing tenants, so why not to quasi-like motel owners, whose short-term tenants cause sometimes more noise and havoc than some department of housing tenants I am aware of.

As for dogs being allowed at Airbnb houses, where are the rules around dogs barking? There are none, from my experience. I have contacted the rangers at the City of Busselton many, many times, with only negative responses. The City of Busselton rangers have admitted that they do not know how to deal with the barking dogs at Airbnbs. They have no idea what to do. They told me on one occasion to knock on the door and ask the guests to stop the dogs from barking. Am I supposed to do that two or three times a week? I have actually been abused by the guests staying there when I have knocked on the door and asked, "Please be quiet; stop your bloody dogs from barking; you actually have neighbours here." I have not had any help with that at all. That is about it from me. Thank you very much.

The CHAIR: Thank you.

Mrs Newton: Good afternoon, my name is Christina. I am a resident and my family and I live in Busselton. Before I get started, I am going to read you a charming poison pen letter that was given to us by the owners of an illegal short-stay property that the City of Busselton was fully aware of, yet it still ran for another 10 months at least. It states —

Christina (&Tim too),

...

I feel terribly sorry for you. It must be awful to be so full of spite, hatred and vicious vindictiveness. You must be an incredibly miserable and unhappy woman to act the way you do, trying to ruin so many people's lives with your pathetic complaints, false allegations, illegal impersonations and hugely exaggerated versions of the truth. I cannot understand people like you who thrive on trying to make other people so miserable, and I thank god that my family and friends are all kindness based, honourable, empathetic and compassionate, something you would not recognise if it looked you in the eye. Your life must be so incredibly empty to want to be so very spiteful to so many people, and you have (probably unwittingly in your arrogance) racked up so many people with grievances against you because of your truly nasty behaviour.

Christina, know this. We have a full, proven and evidence based document of all the things you have been guilty of, including video and recorded evidence, and if you cause ONE more upset to my family, you had better duck as you will have nowhere to hide, I will be coming for you with the full force of the law behind me—your document in fact lies ready, ready to be put into action should you digress, and believe me, you have picked on the wrong person and family should you do so.

Vicki

Even though the area we live in is zoned residential, we have now I think six short-stay accommodation businesses operating 52 weeks of the year within a stone's throw of our house. Only two of these properties have got on-site managers. The other four do not even live within the shire and are not even qualified to screen the guests that actually use their accommodation. We have had guests staying at these short-stay properties that have allowed their kids to start screaming at 5.30 in the morning. We have also been verbally abused by guests staying there. We have been repeatedly subjected to their rowdy drinking games, parties and foul language until very late into the night. This is even during weeknights when we all have to get up and go to work or school the next morning. We have had calls from our neighbour, asking us to please help her

because she did not feel safe and was too scared to go over and ask the guests to tone it down as they were all very loud and very intoxicated. My husband and I have had to do this on at least half a dozen occasions. We have had guests looking over our fence commenting about our vehicles, commenting about our dog and even watching our child playing in our backyard. They have even flown drones only metres above our house. Our neighbour was broken into within two weeks of next door becoming a short stay. We have had cleaners arrive at 7.00 pm Sunday night to start cleaning the property for the next lot of guests to book in. We have had guests repeatedly leaving their dogs unattended at these properties, because we can hear them barking all day. The same guests are then throwing their cigarette butts and dog faeces over our fence into our backyard.

[2.50 pm]

Then there are the vile poison pen letters my neighbours and I have also received. Would you like to live like this? When we called the City of Busselton about the barking dogs, we were told: (a) keep a dog-barking diary; (b) go and speak to the guests directly; or (c) there is nothing they could do to help us because the dogs are not registered in this shire. When we called the City of Busselton about the drones, we were told that there was nothing they could do to help us and to phone CASA. When we called the City of Busselton about the screaming kids at 5.30 in the morning, we were told that there was nothing they could do to help us and to call the police. When we showed the City of Busselton the poison pen letter, we were told that it was unfortunate and that there was nothing they could do to help us. We have invited the City of Busselton on several occasions to come and see firsthand what we are talking about. We have not received a response. The City of Busselton sees us as being unreasonable: a small number of complainants that, in the city's view, may be less than reasonable in their expectations.

We have worked so hard to own our own home. As residents, do we not also deserve the right to quiet enjoyment? This is not about just house sharing or unregistered properties or people renting out a back room to make some extra cash. Ninety-four per cent of the properties the City of Busselton has given approval to for change-of-use to short stay are entire homes. How could this not be impacting our safety and quality of life? We are not remotely interested in the goings on at these short-stay properties, but because of the constant interruptions and the complete lack of consideration shown to the families living directly around these properties, it is making it our business. We are having our home lives and privacy destroyed by the owners of these short-stay properties and their guests, and we are supposed to put up with it because it is "good for tourism". We have read a lot about how Airbnb is affecting short-stay accommodation providers, but as a resident, we are not even being considered! There is nothing in place to protect the families living around these short-stay properties. Thank you.

The CHAIR: Thank you.

Dr Godden: I am Dr Naomi Godden. I am the chair of Just Home Margaret River, a local, grassroots organisation that works for housing justice to support community members' access to affordable, sustainable and secure housing. I am also an elected councillor on the Shire of Augusta–Margaret River. I am going to talk about the impact of unregistered short-stay accommodation on housing affordability in our community.

In July 2017, Just Home Margaret River commenced our housing advocacy project, which is a part-time worker at 15 hours a week supporting local people experiencing homelessness or at risk of homelessness to access housing. To date, we have a client list of 70 people who are homeless or at risk of homelessness in our community, and the vast majority of these clients have lived in Augusta–Margaret River for more than five years. At least half have been here for more than 10 years.

There are multiple causes of homelessness, but by far a significant factor that both causes and exacerbates homelessness in Augusta–Margaret River is unaffordability of housing. The Shire of Augusta–Margaret River has a comprehensive affordable housing strategy that details the local context. Housing affordability is understood to be the bottom 40 per cent of the income distribution, spending less than 30 per cent of its income on housing costs. Augusta–Margaret River has a median rent of \$370 a week, yet our median income is one of the lowest in the south west; therefore, only 44 per cent of households can affordably pay the median rent in the town. When comparing median rent and house prices to median income, Augusta–Margaret River is considered “severely unaffordable”. Our ranking is on par with Melbourne, which is one of the most unaffordable communities in the country.

The shire’s affordable housing strategy found that 31 per cent of households in Augusta–Margaret River have an income level that would make them eligible for social housing. We have a shortage of about 200 social housing dwellings in our community and the current waitlists of public housing, according to our clients, is up to eight years. Just Home’s work with clients experiencing or are at risk of homelessness has found that there is a severe lack of affordable rentals for community members on low and medium incomes, and there is nothing affordable for people receiving Newstart. Numerous long-term community members are sleeping in their cars, sleeping in the bush, and couch surfing because they cannot afford to rent a home. It is also extremely difficult for anyone who is homeless to find work, due to the insecurity of their living circumstances. Meanwhile, on census night, 30 per cent of houses in Augusta–Margaret River were empty.

November through to March is one of the busiest times for housing in the region. The influx of seasonal workers for vineyard labour and hospitality work means that share houses, backpacker hostels and campsites are generally full. This also coincides with peak tourist times, and many landlords offer short leases that end just prior to the peak tourism season so they can rent out the home for short-stay accommodation to tourists. Over the most recent summer, our housing advocacy officer fielded approximately 50 phone calls and emails from individuals and families who work full time but have budgets of \$350 to \$500 a week available to spend on rent, but they were having difficulty finding accommodation.

Just Home’s position is that regulation of short-stay accommodation, particularly in regards to holiday houses, is vital for housing affordability in our region. In particular, we are concerned that the proliferation of unregistered short-stay accommodation in private homes is taking away some potentially affordable rental properties from the rental market. We are not so concerned about single bedrooms being rented out for short-stay accommodation as part of the sharing economy, but we are very concerned about ancillary dwellings, single-bedroom dwellings and standalone homes being used illegally for short-stay accommodation. The “State Planning Policy 3.1” makes it clear that ancillary dwellings are intended to be long-term housing options, and not for short-stay accommodation. The shire’s “Local Planning Policy 7” on short-stay accommodation reinforces that small, purpose-built affordable accommodation, such as single-bedroom and ancillary dwellings, are for affordable and long-term accommodation, and are not allowable as short-stay accommodation. However, Just Home is aware of some residents who are constructing and illegally renting out ancillary dwellings for short stay accommodation—often referred to in this community as an “Airbnb out the back”. This is prohibited by the shire’s short-stay accommodation policy, and reflects the state government’s position with the intention to protect ancillary dwellings as an affordable housing product. However, the growing trend for, in particular, ancillary dwellings being used as short-stay accommodation through platforms like Airbnb is removing potentially affordable housing products from our rental market. The same applies to single-bedroom dwellings and standalone houses that are outside the shire’s allowable zone for short-stay accommodation, yet

being used as short-stay accommodation. Our view is that every single dwelling that is used illegally as short-stay accommodation is one less potentially affordable rental dwelling in our community. Just Home very strongly supports state and local governments having controls of short-stay accommodation and believes that local communities need to be able to develop their own approach, because every context is different. You cannot compare the Augusta–Margaret River situation to that of Collie, for example.

Our key recommendation for this inquiry is that the state government maintain for-purpose single-bedroom dwellings and ancillary dwellings as long-term accommodation, and require Airbnb and other platforms to reinforce this position. This will help us ensure more affordable housing products in our community, and contribute to tackling the affordable housing crisis across WA and the country. We believe that housing justice is an important consideration for this inquiry. Thank you.

[Applause.]

The CHAIR: Thank you everyone for your evidence to the committee. A transcript of the public depositions will be emailed to the people who made the depositions for correction of minor errors. Any such corrections must be made and the transcript returned within seven days of the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections, and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence. Thank you.

Hearing concluded at 2.59 pm
