



## YHA AUSTRALIA

25th January 2019

Principal Research Officer Economics & Industry Standing Committee Parliament of Western Australia Level 1, 11 Harvest Terrace West Perth WA 6005

(also by email to <a href="mailto:laeisc@parliament.wa.gov.au/eisc">laeisc@parliament.wa.gov.au/eisc</a>)

Dear Sir of Madam

Re: WA short stay accommodation inquiry

I am writing with regards to the current consideration by the WA Parliament of the issues around short stay accommodation in the State.

YHA is a not-for-profit, membership-based organisation, and is a substantial tourist accommodation provider, being the main operator of backpacker accommodation, with 16 youth hostels in the State.

Our primary concern is that operators of all forms of tourist accommodation should abide by the same regulations to ensure that the safety of guests is paramount. On a broader level, the local community's support for tourism is also eroded when tourists affect their amenity.

Generally, we believe that holiday letting in residential houses is manageable, so long as it is subject to limits on the number of nights per annum, but that letting in residential apartments is not. The present situation is that whole apartments - even whole apartment blocks - can be taken over by short stay accommodation letting, increasing the levels of risk for both residents and visitors to the apartments. At the same time, the regulations governing the development approval for backpacker hostels such as ours, and other forms of tourist accommodation, are comprehensive and expensive to comply with, and so inhibit development.

The alternative, increasingly, is for young people to use holiday letting platforms to stay in apartments and housing developments that were designed as residential, but that have become de facto tourist accommodation - bringing complications with mixed use with residents. This is not a sustainable situation and in our view will lead to persistent conflict in the future. This issue is particularly pronounced in Perth and the Margaret River region. As at today's date, just one platform alone (Airbnb) currently has 5,490 active rentals in Perth, and 861 in Margaret River - the majority being for rental of entire homes, as opposed to rooms in a shared house. *Sources:* <a href="www.airdna.co/vacation-rental-data/app/au/western-australia/perth/overview">www.airdna.co/vacation-rental-data/app/au/western-australia/augusta-margaret-river/overview</a>

Landlords are also required to have additional safety measures such as Residual Current Devices (RCD) and smoke detectors in their rental properties, which I believe may not be required, or enforced, in primary residences or other properties let out for short stays.

It is the position of YHA, and the industry associations representing our sector, that government needs to regulate the short stay accommodation industry. In particular, body corporates should be empowered to manage short stay holiday lettings in strata developments e.g. by a majority of 75% or more. Simultaneously, restrictions should be placed on the number of nights that short stay accommodation can be let out, with 90 nights per annum recommended.

I would be pleased to provide further information, or give oral evidence at a hearing if required.

Yours sincerely,

Domenic Pimpinella

Western Region Manager, YHA Australia