

Submission**The Regulation of Short -Stay Accommodation in Western Australia**

Postal Address:

Robert Bailly

**Reference 1**

There are various regulatory processes that control our un-hosted / shared accommodation business providing safeguards to the possibility of non- compliance including:

City of Busselton (Holiday Home Registration/Rates)

Margaret River Busselton Tourist Association (membership)

ASIC (Business Registration)

Australian Taxation Office (submission of income derived)

Banks (transparency through business accounts)

- Local Govt:

Our accommodation business is within the City of Busselton and we have submitted and have an approved Development Application (DA) to operate a 'holiday home' within the DA conditions since inception of this City of Busselton requirement.

There have not been any complaints from the City and we continue to pay an annual fee for this privilege.

The land status for the City of Busselton rateable charges is 'Holiday Home'

We pay annual membership fees to the Margaret River Busselton Tourist Association (MRBTA) since 2013 to provide benefits to the regional tourism economy and regulated through their membership policy on any significant complaints received by the MRBTA.

- State Govt: None we are aware of.

- Commonwealth Govt:

We pay an annual fee to ASIC to provide us with a legitimate business name to operate the accommodation as a bona fide business.

We submit to the Australian Tax Office all income derived from the property for assessment via the booking platforms records.

- Institutions:

All income derived through provision of accommodation are transferred to an Australian main bank for transparency purposes for ATO auditing via the booking platforms records management.

Reference 2

Prior to other online booking platforms, we had used the Margaret River Tourist Bureau (now MRBTA) since March 2013 to January 2016 as our sole provider and main source of income from the traditional way of phone reservations and a third party (MRBTA) to screen visitors then confirm with us via phone and email. In 2016 we moved to instant booking to increase occupancy via their booking platform on the belief people would not want to deal through a third party and subsequently bookings increased.

Since January 2016 until the present we have added other online booking businesses to provide additional income.

Table 1

Financial Year	Visitor using tourism bureau (MRBTA) online bookings or phoning visitor centre	Other on-line booking platforms
13/14	100%	0%
14/15	100%	0%
15/16	42%	58%
16/17	28%	72%
17/18	18%	82%
Current 18/19	8%	92%

Table 1 above provides an insight into the social changes in media use from a traditional visitor centre 'local authority' (MRBTA) limited marketing ability to then a more expanded group of online booking platforms with significantly more marketing spread that increases spontaneous bookings.

Tourism WA statistics shows the Margaret River Region relies primarily on Perth or the intrastate visitor population as the mainstay of income for most accommodation providers and other tourism businesses in the Margaret River Region. Statistics also show the local WA population are here for a short stay for a getaway weekend or family & friends get together.

The WA population in general, and a portion of visitors from interstate and overseas (exceptions always apply) are more constrained in finances to have expensive short-stay accommodation and, in the case of the WA population have been to the region on many occasions and looking for accommodation that is more personal to their needs and not tourist centric.

Historically AHA types of accommodation (hotel/motel/resort/chalet/guesthouse/caravan park/camp ground) are tourist centric and the WA population, as well as a portion of the global population are not always looking for hosts to look after them, they just want a place to gather and explore unimpeded by hosts trying to look after them even if unintended.

Being a visitor does not necessarily mean they all want to be looked after as tourists, some want to blend into the community environment and experiences (that's the market change) be it in a townsite or in a rural location.

What we provide as un-hosted / shared accommodation is personal space to gather with family and friends without the additional services and associated costs that hosted accommodation supply thus limiting overheads, allowing a broader based spend.

Ironically the visitor using un-hosted / shared accommodation will still significantly contribute to the regional economy by spending.

It must also be considered in the changing market, visitors may not spend the weekend in the region if the market cannot provide a cross section of both un-hosted / shared and hosted accommodation to suit their individual financial and personal needs.

As an example, “we would love to come to the region but we cannot afford friends/family to drive down, dine out, pay and find enough accommodation to house everyone, visit attractions, shop, etc unless we budget in some collaborative way”. Accommodation is always a big budget factor and is a real deal breaker if options aren’t available.

The market has re positioned itself for un-hosted / shared accommodation by sharing a house/apartment, living together in one space, making their own food (sometimes), buying local and still contributing to the local region’s economy.

Reference 3

- Transparency to the ATO on how any booking platform’s profits are distributed in particular monies taken off shore and Australian taxation avoided.
- Booking platforms giving back to the community either local, state or federal as any large corporation is socially obliged to do.
- Industry groups in particular AHA opposing un-hosted / shared accommodation providers by lobbying government with the intent, firstly by registration, most are already local govt registered (always exceptions). Secondly wanting to regulate through unrealistic conditions on un-hosted / shared accommodation to 14 days stay as a minimum (in 6 years nobody has stayed more than 6 nights, mostly 2 or 3 - see the WA Tourism statistics to see that nobody stays that long).
- If industry lobby groups, in particular AHA successfully lobby govt to put highly restrictive conditions on un-hosted/shared accommodation particularly in rural regions, then local businesses will see a reduction in patronage by visitors to the region, resulting in less income across the local towns.
- By overregulation of un-hosted/shared accommodation including ‘how many days of operation’, ‘minimum rent periods ie 14 days min’, we will be forced out of a legitimate business model that is in step with current business trends, distributes funds across the community like cleaners, electricians, supermarkets, fuel, café, wineries, shops, etc, etc. To be forced out of business is a big concern considering the capital outlay to provide available accommodation premises and extensive labour hours to keep the business to a high standard.
- Online booking platforms has allowed small individual business owners into a source of income in a currently required service industry and part of the gambit of tourism businesses. Over regulation is considered against the ethos of free enterprise the WA Chamber of Commerce encourages in spreading the economy base and not be driven out by interest groups.
- The owner of an un-hosted/shared accommodation has a bona fide business and part of the economy, a free enterprise and not treated any differently to any other type of

accommodation provider particularly where industry groups lobbying can provide a louder voice than the individual for restrictive regulation practices against other businesses.

Reference 4

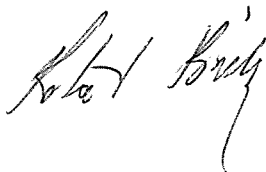
In some tourist destinations across the globe we have heard of the concern's popular cities, towns or regions have in limiting available rentals/purchases for local residents and where identified there needs to be some restrictions through town planning considerations via data collection to manage the balance of economy between tourists and local residents. Traditional accommodation also removes residential areas in towns.

Regulations need to be specific for the city, town or region. From a pure economic point of view both WA Tourism and the Margaret River Busselton Tourism Association are very keen to get tourists into the state and the local regions by anyway possible and the un-hosted/shared accommodation providers are helping this to happen.

In the case of the City of Busselton there is a regulatory power that can move to enforce the compliance of annual renewal of holiday home registrations or the cancellation of, and that works well in my experience.

Local Govt also needs to continue to understand where issues may arise in ensuring a balance between the economy and the local residents for any change in regulation. The laws of supply and demand in a regional context like the Margaret River Region are not the same as restrictive areas such as San Francisco or other tourism destinations being swamped to such an extent that no residents can find accommodation.

Regards

A handwritten signature in black ink, appearing to read 'Robert Bailly', with a stylized flourish at the end.

Robert Bailly

6/12/18