

C/- Quest West End 451 Murray Street PERTH WA 6000	C/- Quest on Rheola 18 Rheola Street WEST PERTH WA 6005	C/- Quest Kings Park 54 Kings Park Road WEST PERTH WA 6005
--	---	--

Have your say on Airbnb – Parliamentary inquiry

Quest West End operates as a 4-star accommodation business, located within Perth CBD 6000. The building is 24 years old and has 35 managed apartments under the branding of Quest Apartment Hotels, franchised by Andrew Clarke and Angela Clarke.

11 staff are employed with various natures of employment status, ranging from casual, part-time and full-time salaried employment.

Various contractors are utilised under Quest West End, Plumbing services, Air Conditioning Services, Linen Services, Technical Maintenance Services.

With the increase in inventory throughout Perth Metropolitan area, predominantly postcode 6000, areas such as Average rate and occupancies have fallen dramatically throughout late 2017 and 2018. The extent of average rate reduction is in the range of \$16.00 YoY and Occupancies are also down 5.76% This drop can be attributed to short stay accommodation, under an Executive Leasing scheme offering lower rates compared to a hotel and therefore choosing the short stay accommodation over a hotel. The hotel therefore, is required to lower rates to then capture the business lost and thus attributing to lower occupancies as a result of lost business.

Corporate clientele that have previously stayed with the property, and or sourcing new companies have suggested that the short stay model suited their preferences in terms of location and also price point. Price point which can not be justified in the accommodation offering Quest West End offers.

The compliance costs associated with operating an accommodation venue, range to insurances, public liability, payroll and taxation fees. The need to operate and control OH&S facilities such emergency systems and fire control are also included. Waste removal and control, plus Local Government rates and GST compliance.

It is recommended that, Short Stay accommodation needs to be regulated and even go through a compliance application prior to operating. This including, and not limited to; the need for public liability certificates, rates or fees payable to use the venue as a short stay accommodation venue. The need for recording of tenancies and possibly regulated in the rate offering available. Certificates of OH&S compliance to be regularly supplied and updated.

As Short Stay accommodation has few or no overhead operating fees, such as payroll, or housekeeping fees, this in turn allows an operator to offer competitive rates and thus detriment to a licenced operator such as Quest West End.

Standards like a licenced hotel need to be enforced, again not limited to; reception and guest services to guests utilising the venue thus short stay been applicable to a 'hosted' operation as Airbnb was originally advertised as, over the offering of, collect your key from a key box and no service provided option. Mandating a, Host requirement reduces the increasing inventory of 'investment apartments' coming online and thus taking accommodation business from established and licenced venues.

Within a share-building situation, compliance and notification needs to be adhered to. Buildings such as strata controlled and dual accommodation facilities, the operator of the building should be advised as to what the apartment will be used for, thus minimising the affect to the main purpose of that building, residential or commercial.