

# Smiths 2014 Pty Ltd

ACN 600 626 426

Ms Jessica Shaw MLA, Chair  
Economics and Industry Standing Committee  
Legislative Assembly  
Parliament House, 4 Harvest Terrace  
WEST PERTH WA 6005

Dear Jessica,

**RE: The Regulation of Short-Stay Accommodation in WA – Parliamentary Inquiry**

Smiths Beach 2014 Pty Ltd, the landowner of a key development site at Lot 431 Smiths Beach Road, Yallingup. We believe the Economics and Industry Standing Committee should ensure the inquiry investigates the following matters relating to the regulation of short-stay accommodation in Western Australia:

1. State-wide policy to regulate short-stay accommodation, which would provide guidance to local governments and ensure consistent enforcement of regulations. This would provide a level playing field and defined regulation for all providers;
2. State-wide review of land use planning, to ensure an appropriate level of tourism zoned land is provided to accommodate the new and future worldwide tourism trends. At present, tourist zoned short-stay accommodation cannot compete with the Airbnb market as unsophisticated market participants can use any residential home with minimal/if any requirements; and
3. Improved collaboration across Government departments to ensure all strategies align. The planning and tourism strategies need to be reviewed concurrently to ensure consistency and alignment of vision, future projections, land use and regulations.

In the context of Lot 401 Smiths Beach Road, Yallingup, it overlooks one of the most iconic beaches located in the south west of Western Australia and faces a number of tourism challenges in the development of the land.

There is an approved Smiths Beach Development Guide Plan, which allows development of both tourism and residential land uses. Under State Planning Policy 6.1 Leeuwin-Naturaliste Ridge (SPP 6.1), the development needs to achieve a 70% tourism component and 30% residential. SPP 6.1 was last amended in 2003, and at the time did not foresee the changing market and social dynamics in the short-stay accommodation sector. Delivering such a high percentage of tourism within the development is commercially unviable at present and this is not expected to change for the foreseeable future.

The Draft Leeuwin Naturaliste Sub-Regional Planning Strategy was advertised in December 2017 and was a key opportunity to guide land use planning for tourism in the south west. Unfortunately, the strategy just picked up the requirements of SPP 6.1 for the 70% tourism component for Lot 401 and did not include the latest tourism vision, statistics or new and future trends.

The critical component to the successful and sustainable delivery of a tourism development is the incorporation of a portion of permanent residential development to deliver a vibrant locality which is capable of sustaining itself through the 'non-peak' or low tourism seasons. With the huge supply of short-stay accommodation across the south west via Airbnb, it makes the development of tourist zoned land for short-term accommodation totally unviable and uncompetitive due to the Airbnb and similar offerings being effectively un-regulated. If the short-stay accommodation market was to remain unchanged, the tourist zoned land across the state should be reviewed and a portion rezoned residential to provide a dual function for the market.

We strongly believe the Parliamentary Inquiry is timely and that land use planning and regulation should be considered concurrently.

Please do not hesitate to contact me in relation to this submission and I would welcome the opportunity to meet and discuss this matter further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sam Gill', written over a light blue horizontal line.

Sam Gill  
Smiths 2014 Pty Ltd