Your Ref:

A724602

Our Ref:

A25713540

Enquiries:

David Hillyard,

Ms Jessica Shaw MLA Chair Economics and Industry Standing Committee

By email: laeisc@parliament.wa.gov.au

Dear Ms Shaw

COMMITTEE INQUIRY INTO SHORT-STAY ACCOMMODATION IN WESTERN AUSTRALIA

I refer to your letter dated 13 November 2018, in which you invited the Department of Mines, Industry Regulation and Safety (DMIRS) to provide a written submission to the above inquiry.

The DMIRS – Building and Energy Division does not have any regulatory responsibility in relation to short-stay accommodation, and the DMIRS – Consumer Protection Division (Consumer Protection) has only a limited role in relation to the regulation of short-stay accommodation, as the bulk of the regulation of this industry occurs under existing local government planning and health laws.

Consumer Protection's regulatory role occurs within the Australian Consumer Law (ACL) framework. Under the ACL, short-stay accommodation is considered a service. As such, it attracts the consumer guarantees of the ACL, including that the service is provided with due care and skill and that the accommodation is fit for purpose. The ACL also prohibits accommodation providers from making statements that are incorrect or likely to create a false impression.

The ACL applies to short-stay accommodation, irrespective of the platform on which the service is advertised/accessed by consumers, and irrespective of whether it is a major hotel chain or a private individual leasing out their home or apartment within the share economy.

While Consumer Protection receives some complaints from consumers regarding short-stay accommodation, very few of these relate to the private individual's home on platforms such as Airbnb or Stayz. The bulk of the complaints relate to hotels/motels, caravan parks or bed and breakfast premises. For example, in 2018 Consumer Protection received 103 complaints in relation to short-stay accommodation. As far as could be ascertained from the data collected, only 18 of these related to private individual's homes or apartments advertised on Airbnb and Stayz. The remainder were commercial accommodation providers.

I trust this information is of assistance to your inquiry.

Yours sincerely

David Smith

DIRECTOR GENERAL

25 January 2019