

“Genuine sharing is fine, but commercial short-stay operators need to be regulated” – Accommodation industry responds to NSW Government review of short term letting

20 April 2017: Australia’s peak accommodation body, Tourism Accommodation Australia (TAA), said that the NSW Government’s response to the Parliamentary Review into short term letting was an acknowledgment that unregulated short-term letting in residential communities was a complex issue where the benefits had to be carefully weighed against the far-reaching and potentially negative consequences.

TAA CEO, Carol Giuseppi, said the accommodation industry had no issues with the Government relaxing regulations for property owners who provided genuine share stays by offering a room in their house or apartment on an occasional basis.

However, existing regulations needed to be enforced to prevent commercial operators exploiting the new online distribution system and operating ‘quasi hotels’ that didn’t comply with the fire safety, disability access, employment, insurance and taxation requirements required of other commercial accommodation operators.

“Research shows that 35% of Airbnb listings in Sydney are available 365 days a year and being operated as fully commercial property businesses, with an increasing proportion operated as multi-property businesses – this is not ‘sharing’,” said Ms Giuseppi. “It is essential that adequate regulations be imposed on non-resident commercial property investors who rent out full properties for short term stays.

“We have also recommended a specific time limit to be placed on short-term letting of properties, which would allow owners to rent out their property while on holidays – but not as a commercial business. This needs to be supported by a register of properties to improve transparency and compliance and better inform government and industry planning.

“TAA looks forward to further consultation with government to ensure a resolution is reached that ensures the sustainability of the commercial accommodation sector which currently contributes \$4.5 billion in consumption, provides \$2.3 billion in direct GVA, and directly and indirectly employs over 80,000 people across NSW.

“It is important that investor confidence is sustained as Sydney is currently undergoing the largest-ever expansion of its hotel sector, with the 40 hotels and 8000 rooms under development or in planning set to inject over \$4 billion into the local economy and create thousands of sustainable jobs.

“Sydney and regional areas need to be differentiated in the new regulatory framework. Holiday houses in regional areas are not the main issue. It is the prospect of houses and apartment blocks being turned into quasi hotels and impacting residents, communities and legitimate operators that should be the most pressing issue for Government to address.

“The Government can learn from cities around the world that have recently introduced strict regulations to counter the negative effects – particularly for housing and rental affordability – caused by the unfettered growth of unregulated commercial short-term stays, and we would encourage the Government to develop a new regulatory environment that allows the tourism sector to grow, but not at the expense of residents and legitimate operators in the industry.”

About Tourism Accommodation Australia

Tourism Accommodation Australia (TAA) represents the interests of Australia’s accommodation chains and individual members in the hotel, serviced apartment, integrated resort, motel and vacation ownership sectors. Servicing owners, operators, managers, franchises and other industry stakeholders, TAA is a division of the Australian Hotels Association, a federally registered organisation of employers representing hotels since 1836.

Further information:

Carol Giuseppi
CEO, Tourism Accommodation Australia
Tel: +61 403 452 177
Email: carol@tourismaccommodation.com.au

Peter Hook
Communications Manager, Tourism Accommodation Australia
Tel: +61 407 462 213
Email: peter@hookcommunications.com.au