

MEDIA RELEASE

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ACTION NEEDED ON SYDNEY'S NEW 'INSTANT HOTELS'

Quasi-hotels are springing up across the Sydney metropolitan area with commercial residential property listings on Airbnb up a massive 42% in a year, and the top handful of “hosts” offering hundreds of active listings in their names.

Tourism Accommodation Australia CEO Carol Giuseppi said the rapid conversion of residential properties into commercial tourist accommodation without any transparency or controls needed to be addressed immediately.

“More than 11,000 properties across metropolitan Sydney now fall into this category on Airbnb – that’s a third of their listings,” Ms Giuseppi said.

“Far from being just a place where ‘mum and dad’ operators can rent out a room or their house for a few days, this part of the economy is morphing into actual commercial operations which compete directly with existing hotels, costing jobs and affecting investment in one of the most vital sectors in NSW.

“For example, one host has a mammoth 252 active listings across Sydney with total earnings of more than \$3.8million, another has 182 active listings with earnings of more than \$2.1million annually.

“This has gone far beyond renting out the spare room to get some extra dollars, or booking out your house while you are on holidays.”

Ms Giuseppi said TAA had no issue with individual operators renting out rooms in their own homes, but had real problems with quasi-hotels springing up across metropolitan areas.

“We actually welcome genuine sharing and hosted accommodation in people’s homes, our issue is with “instant hotels” and residential properties being rented out for short-term commercial use,” she said.

“Renting out premises for more than three months a year, plus the growing number of properties rented out by hosts with multiple listings, actually indicates a commercial operation not share accommodation – I’m not sure how anyone can argue otherwise?”

“Airbnb has acknowledged overseas multiple listings by hosts across different addresses indicates a “commercial operation” – why won’t they do the same here?”

Ms Giuseppi said there were several options the State Government could take to bring Sydney in line with overseas cities.

“There are a range of options that can be looked at to make the system fair for everyone,” she said.

“Starting with recognising that renting out a premises for more than 90 days is actually a commercial enterprise, to cracking down on multiple listings and introducing some regulatory control to ensure transparency.

“Surely the residents of Sydney deserve the same protections as places like San Francisco, New York, London and Paris?”

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