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THE LEGISLATIVE COUNCIL SELECT COMMITTEE ON SHORT STAY ACCOMMODATION IN TASMANIA MET IN COMMITTEE ROOM 1, PARLIAMENT HOUSE, HOBART ON TUESDAY 16 OCTOBER 2018.

Mr GABRIEL BARNES, BOARD DIRECTOR, AND **Mr ROLAND WIERENGA**, CHAPTER PRESIDENT, AUSTRALIAN INSTITUTE OF BUILDING SURVEYORS, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Ms Armitage) - Welcome to the public hearings of the Legislative Council Select Committee on Short Stay Accommodation in Tasmania. All evidence taken at this hearing is protected by parliamentary privilege. I need to remind you that anything you say outside the hearing may not be afforded such privilege. There is a copy of information for witnesses on the table in front of you if you are not aware of the process.

The evidence you present is being recorded and the Hansard version will be published on the committee website when it is available. Our procedure is that if you would like to speak to your submission, we will then ask questions.

Mr WIERENGA - On behalf of the Australian Institute of Building Surveyors - AIBS - the organisation representing the building surveying profession across all Australian jurisdictions, thank you for the opportunity to appear before the committee. As building surveyors our interest in the committee's inquiry is particularly relevant to the terms of reference around the safety of customers of the short stay accommodation market in Tasmania.

Building surveyors have a high level of specialist knowledge of building legislation and technical requirements, including the National Construction Code, and how they should be applied to ensure buildings comply with them and are safe for building users. Very few buildings can be built without a building surveyor first approving the plans, inspecting the work and finally verifying that the building is suitable for occupation.

Across Australia short- and medium-term tourist accommodation is subject to more stringent building standards than residential housing. Tasmania is the only jurisdiction in which this is not the case. We believe the situation represents a risk both to public safety and to the confidence the public has in Tasmania's tourism industry.

Tourism is the backbone of Tasmania's economy. Is it right that tourists should be treated as second-class citizens when it comes to protecting their health and wellbeing while they are using our short stay accommodation facilities? It should be noted that there may be adverse outcomes for home owners who may find they are not covered by their home insurance policies in the event of a claim.

Under the National Construction Code, buildings are classified according to their risk profile; however, following a decision by the Director of Building Control, which was amended on 1 July 2018, home owners now are able to self-certify additions and alterations to their buildings used as short-stay accommodation. This has the effect of sidelining the requirements of the National Construction Code and as a result controls relating to establishing short- and medium-term tourist accommodation in Tasmania do not contain sufficient rigour to ensure even the most basic safety standards. This is particularly the case where existing buildings are altered or extended.

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A building built just 20 years ago would be unlikely to comply with most of the technical requirements applicable to the same building today. AIBS members report instances where older residential buildings are now being converted for tourist accommodation purposes in whole or in part without those buildings being upgraded to meet minimum safety requirements for those particular buildings. Examples of these are -

- Homes with older swimming pools are being let to tourist families without safety fencing being installed - a clear and obvious risk to any children staying there - despite a contemporary requirement that pools be securely fenced.
- There are far more stringent requirements regarding the provision of smoke alarms in accommodation buildings than apply for private residential properties, meaning that tourist use of a private dwelling leaves occupants at increased risk from fire in comparison to a building compliant with contemporary rules.
- Handrails on stairs and balustrades around balconies for old homes are often lower than the current requirements allow, and the slipperiness and surface of the stairs is now controlled where there has been no requirement for this in the past. This places people at greater risk of falling in older homes. Falling is a leading cause of death and disability.
- Fall deaths in buildings occur at a rate of 0.66 persons per 100 000 people annually. This exceeds the rates for all other deaths related to buildings in Australia.
- Older homes often do not have safety glass in or around glass doors, in windows, in bathrooms or in glass shower screens, so that in the event of breakage there is a serious risk of injury that would not be present if contemporary rules were followed.
- Older homes are often not constructed to withstand bushfires, which means tourists staying in bushfire-prone areas are more vulnerable in the event of a bushfire than they would be if staying in a building that meets current standards for compliance.

Compliance failures also occur because consumers do not understand the technical requirements of the legislation and because, through a lack of knowledge, they choose to use products in non-conforming ways.

The National Construction Code exists for a reason: to protect people who use buildings. However, it is a large and complex document requiring technical expertise to interpret the requirements it sets out.

From the perspective of AIBS, there is sufficient evidence of a serious problem in relation to public safety that requires urgent action to be taken by the Tasmanian Government. Specifically, we seek a review of the decision of the Director of Building Control that allows building owners to make declarations of fitness for purpose of their buildings and for owners to build accommodation destined for the short-stay market. Without this review, owners will be permitted to continue to build and modify without oversight by a building surveyor and, consequently, buildings may not comply with the current provisions of the National Construction Code or be fit for purpose.

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By this we mean that short-stay accommodation should be verified to meet at least the very minimum safety standards and include a clearly documented description of specific maintenance requirements.

A review should also consider the insurance implications for owners in relation to any changes in the use of buildings.

In conclusion, we urge the Tasmanian Government to be mindful of the consequences of overriding the requirements of the National Construction Code in reviewing the director's determination for short- and medium-stay accommodation use buildings because of the risk that public safety may continue to be compromised.

CHAIR - Do you have any comments about that?

Mr BARNES - No.

Mr VALENTINE - In the bolded part on the front page, you have -

Is it right that tourists should be treated as second-class citizens when it comes to protecting their health and wellbeing while they are using our short-stay accommodation facilities?

The general resident is no different to a tourist sharing accommodation, as opposed to tourists in an unfamiliar environment if they are not there with somebody who knows the environment.

Do you see a different risk profile for short stay accommodation where somebody is at home with the tourist as opposed to a family or tourists in a home wholly set aside for short-stay?

Mr WIERENGA - I think it is both. The same risk profile especially. Let us take a step back: the National Construction Code recognises it as the same risk profile. The only reason it has not been recognised as the same risk profile is because the director's determination overrides the National Construction Code, which is the minimum requirement in Australia.

Mr VALENTINE - If I were in my own home, built today, and still there 10 or 15 years later, the code may have moved on but the risk to me living in that home may not be high.

Mr WIERENGA - Because you are familiar with the residence.

Mr VALENTINE - If you are bringing in a visitor, where is the need to upgrade? The difference is that you are there hosting them and you are able to help them in a situation such as a fire as opposed to a whole house set aside with no-one there to guide them?

Mr BARNES - From my point of view, that is a fair observation; however, we currently have owners in houses for 10 or 15 years which still have swimming pools without fences, so the owners do not understand the risk. How can they mitigate risk by bringing a visitor into their own home, when they have not mitigated that risk for their own family? It is not only swimming pools - a large percentage of houses in Tasmania are still without smoke alarms.

Mr VALENTINE - Yes, you have outlined that, but I wondered whether there was that difference in risk profile because somebody was on site who knows the residence as opposed to -

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Mr WIERENGA - You have to remember a bedroom will take 2 minutes and 30 seconds to go into complete flashover.

Mr BARNES - That is fire engulfing the bedroom.

Mr WIERENGA - So that means there is smoke, the fire starts and then everything will instantaneously combust within 2 minutes and 30 seconds.

As a home owner, can you safely say you can get your pyjamas and your slippers on and get down to that room and get the person out of bed?

Mr VALENTINE - Okay. I am playing the devil's advocate here.

Mr WIERENGA - I know, but I would not say it is a sharing economy: you are making a profit, you are running a business, and as a business you have to accept the risks and that you are exposing people to those risks. You might be able to expose your friends and have a relationship where you can sing out.

Mr BARNES - It is very easy to expose people to risk. It is another thing to actually understand the risk, and that is the issue.

Mr VALENTINE - That point I was making point between a general resident living in the house as opposed to someone who might be hiring it.: we want the general resident to be as safe as the visitor. Where do you draw the line? .

Ms RATTRAY - What knowledge do you have of the insurance implications? It is not something the committee has been able to get a lot of information on as yet. Do you have any understanding of the insurance implications for people in the sharing economy space and whether they are even adequately insured? Do you have any understanding?

Mr WIERENGA - No, I do not really have an understanding but it all relies on self-declaration. In the last 18 months I have been to a house where they tried to do the right thing. They put in an extensive smoke alarm system, but the smoke alarm was within a dead-air pocket so the smoke alarm would not work in that case. It is a technical requirement. It has to be in the middle of the ceiling. It cannot be right close to the edge of the wall. So what is their insurance risk if they have installed something without approval or using their best knowledge?

I went to another residence where they turned a rumpus room into a living area and behind that was a workshop. They turned that into a bedroom. The bedroom had no natural light or natural ventilation. It was being let out as part of the sharing economy. What is their risk? They are exposing themselves to risk because they do not even have approval. They do not have building approval to do what they are doing.

Mr BARNES - From my point of view over the last 12 to 18 months since this determination came into being, I have probably had four or five clients requesting me to issue them with an occupancy permit for their existing house that clearly says short stay accommodation on it. That was an insistence from their insurer that they wanted a copy of that occupancy permit.

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Unfortunately, ethically and professionally, I refuse to do that. I give them the option to go to a class 1b and fit their building out, and I will do a risk assessment on all the things in their property and I am quite happy to issue an occupancy permit to say their building is safe and habitable for short term accommodation.

Ms RATTRAY - If it has the safety glass, if it has the handrails and the smoke alarm?

Mr BARNES - That is right. Handrails, swimming pool fences and smoke detections all done - I am quite happy, but I will not issue you with an occupancy permit, not out of my business professionally, without having all that addressed. That is not in accordance with the director's determination. I lose the client because the client will go somewhere else to see whether they can get it, but professionally and ethically I am just not willing to do it. That is my experience with the insurance companies, but there are insurance companies out there asking for an occupancy permit to be produced as evidence the building is suitable.

There may be people out there who are not even asking their insurers and until such time as we end up, dare I say it, pulling a body out of a building, we are probably not going to establish where the insurance fits into these provisions, but that is probably the first thing that will be tested if and when something does happen.

Ms RATTRAY - It appears from your experience that some insurance companies are starting to look at the sharing economy and whether people are adequately insured.

My next question is around your recommendations relating to the provision within legislation which allows an owner to build short- or medium-term accommodation buildings without resort to oversight from a building surveyor. Can you just explain that?

Mr BARNES - Under our current system, you can come to a building surveyor and get a house built that is certified as a house class we call a class 1a residential house.

Ms RATTRAY - Residential. I am going to live in it potentially.

Mr BARNES - That is right. We will issue you with an occupancy permit for all that knowing full well that the intention is to turn that into a class 1b as soon as it is built and not disclose that to the building surveyor, and sure enough down the track we find it has gone into a class 1b. We have a couple of units in Launceston like that - basically they were built, not through my business, as class 1a and have popped up on Airbnb as short-term accommodation. They are just circumventing the increased health and safety requirements for short-term accommodation by not disclosing that at the certification stage.

Mr WIERENGA - Also under our legislation, under low risk, a builder can self-certify an internal alteration without oversight by a building surveyor.

Mr BARNES - Indeed, so nothing goes to any approval authority.

Mr VALENTINE - Is it a certain squareage that requires you guys to approve it in terms of extensions to buildings? You can make certain -

Mr WIERENGA - It is a very complicated determination.

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Mr BARNES - It is a 69-page document that an owner and a builder have to be able to assess to determine where they fit. We cannot work it out so I do not know how the average owner and builder is meant to work it out. It creates a lot of confusion, not just for short-term accommodation but for construction generally.

Ms RATTRAY - I think that is a good point to explore.

Mr VALENTINE - All I am saying is that if somebody puts in plans to a council to add 50 square metres to a property, whether it is for short-stay accommodation or not, one would expect the council would have to inspect that and a building surveyor would be involved.

Mr WIERENGA - They would be for additions, but if you did an internal alteration -

Mr VALENTINE - Not for internal alterations.

Mr WIERENGA - Some internal alterations can be very extensive.

Ms RATTRAY - Like your garage.

Mr BARNES - Like your garage or digging out underneath the floor to turn that into a bedroom.

Ms RATTRAY - Or an outdoor area.

Mr VALENTINE - Taking out load-bearing walls where one shouldn't.

Mr BARNES - Yes. Or if you already have an alfresco area - now every house is being built with this alfresco area under the roof; you can put walls and windows in that without any approval now.

Mr VALENTINE - Is that right?

Mr BARNES - It can just be done under category 2 work, which is that you can just call a builder up and say, 'I want to put windows in this'.

Mr VALENTINE - So in older houses with verandahs you can put windows on those verandahs and turn it into bedrooms without -

Ms RATTRAY - So the old sleepouts are coming back. My grandmother had a sleepout on her verandah - four bedrooms up the side; large family. We called it the sleepout.

Mr BARNES - There is nothing wrong with that, as long as the health and safety implications are identified and managed.

Mr VALENTINE - Which might be the number of exits and other safety issues.

Mr WILLIE - You would obviously like to see some changes. I am interested in the time frames around that: how soon do we need to act when the genie is out of the bottle, so to speak, and we are going through this reactive process? We have established an inquiry by the

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Legislative Council and we know the Government is putting forward some compliance legislation to enforce the basic permit system. Then there are these issues with the building code and safety.

Mr BARNES - It all needs to happen together. This is the perfect example of all consultation on behalf of government.

This was a thought bubble somewhere within the state's planning and building to exempt short stay accommodation from any process without doing a proper risk analysis and identifying the risks to make sure they were adequately addressed.

If this were changed, I think the easiest solution is that all short-term accommodation would just have to get an occupancy permit. A building surveyor would then have to be brought into the process. Yes, there is a cost to that, and I think that is what they have been trying to do - avoid a cost.

Mr WIERENGA - If you are going to earn money, you should be able to wear a cost.

Mr WILLIE - Then there is the cost associated with reclassifying the building and the safety standards that have to be met.

Mr BARNES - A lot of buildings will not need that much done to them - a couple of smoke alarms - and again, the director's determinations aren't all bad. I do have my issues with them, but if they are targeted correctly, the director could turn around and say that any works associated with issuing an occupancy permit for a short term accommodation could be excluded from a building permit requirement and could be done as part of the occupancy permit issue. That saves on an application to a building surveyor, to council and everything else; it saves them a lot of money, though not very much.

Mr WIERENGA - The other point is that if there were an accident, all we would be transferring is the cost to the community, wearing the rehabilitation, accident and emergency health costs. You just need someone independent to come in there and say, 'This balustrade has been here 30 years, it's rotten and you need to fix it.'

Mr WILLIE - If we undertake is change, would we have enough building surveyors to go out and evaluate all these properties or will it need it to be phased in over time?

Mr BARNES - There could be a sunset clause. There have been sunset clauses issued on other legislation that within 12 months you have to gain an occupancy permit. There are 70-odd building surveyors in the state, and I know some of them, certainly in the domestic area, are not fully employed.

CHAIR - Is it the new building act?

Mr BARNES - Partly, among other things.

Certainly there would be the building surveyors to fill the role over a period of time. It is not going to be something to keep building surveyors employed forever once they have done an inspection. To put a dollar figure to issue an occupancy permit on a class 1b and issue a maintenance schedule, the building surveyor is probably looking at two to three hours of work - a figure of \$500 to \$600 - plus travel.

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Mr WIERENGA - You are looking at \$1200.

Mr BARNES - That is a good point; I did not think of the travel.

Mr WIERENGA - For a place on the east coast, there would be six hours of travel

Mr BARNES - That is a good point, because there are not many building surveyors on the east coast.

There will be a difference, depending on where you are in the state. It is a one-off fee - the permit is issued and the safety risks identified and managed.

Mr WILLIE - It sounds like there is capacity there now. Is 12 months too long given the risk being carried by the community?

Mr BARNES - If you did it in anything less, it could put some unforeseen pressures on the members.

We have some building going on. Roland and I are working more in the commercial area but there still seems to be a lot of domestic work. There are some who are not fully employed; I will not say there is a lot. Twelve months would be reasonable.

We need to communicate to the owners about their risks. A lot of this has all been done from within government, but our Director of Building Control and CBOS have not done a lot of communication with owners doing this.

Mr WILLIE - Then the Government is saying we are embracing the sharing economy - it is language that speaks of deregulation and maybe the community does not understand its responsibility.

Mr WIERENGA - There will still be transference of cost with the costs of accidents transferred to the community. You need to have regulations to balance this.

Only three weeks ago I went to a place let as a student accommodation. There was an empty, unfenced 2 metre-deep masonry swimming pool only two metres from the door. You only need to have someone have one or two drinks at night, and they would be history.

Mr BARNES - They could crack their heads falling into it.

Mr WILLIE - That is a reasonable point. Many of these regulations have come through coronial inquests and such like.

Mr WIERENGA - Absolutely.

Mr BARNES - In some ways we have gone backwards. Initially, with the introduction of the new building regulations, swimming pool fencing was excluded. It did not require any building surveyor intervention. It was only through the AIBS nationally and at a state level focusing on the director and saying, 'This is ridiculous, it is the only state in the country where we have all of a sudden taken away the building surveyor supervision and intervention of swimming

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pool fencing.' Owners could put up their own fencing, whether they knew how it complied or not -

Mr WIERENGA - Because you can buy it from Bunnings.

Mr BARNES - We all know buying stuff from Bunnings, everything is all right. Bunnings knows what they are doing.

It took us six to eight months of fighting with the director and proving with evidence that [lack of] swimming pool fencing was the number one cause death of children in the country through drowning. Initially, he did not listen and it took my embarrassing him publicly to get him to change it. Eventually, he did change it; we did not get any credit for that because he said he had spoken to the coroner. Well, he could have spoken to the coroner before he introduced the requirement that you need oversight of swimming pool fencing. It seems to very reactive - we do it after we have had the thought bubble. We have lot of those within that 69-page document. Red tape reduction of the Building Act was not red tape reduction. We do more paperwork now than we ever did as building surveyors, and none of it is producing better quality and safer buildings. The mantra for red tape reduction it is not what they make it sound like it is.

Mr WILLIE - It is not working in practice.

Mr VALENTINE - Can you just explain that a bit further? You are saying you are filling out more paperwork now than you were previously, so how has the paperwork increased? What is it addressing if it is not actually to improve things?

Mr BARNES - Nothing. It is paperwork for paperwork's sake. When we are audited -

Mr VALENTINE - Is that at the council side?

Mr BARNES - No.

Mr WIERENGA - It is our side.

Mr BARNES - Most building surveyors do not work in councils any longer. Most building surveyors are in the private sector.

Mr VALENTINE - No, that is right; they are private. That is exactly right.

Mr BARNES - Now we have -

Ms RATTRAY - The council get them in?

Mr BARNES - The council gets the documents.

Mr VALENTINE - They store the documents, don't they?

Mr BARNES - They store the documents. That is about it. Some councils still have building surveyors. Very few. Mostly in the north.

Mr VALENTINE - Smaller ones?

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Mr BARNES - Yes, smaller country councils. Launceston City Council still has a building surveying service. Basically, the building surveyors are separated from the council permit authority so effectively we have two dual roles there. Building surveyors are constantly fighting with - I know this is getting off topic - permit authorities because -

Mr WIERENGA - Because each has to have their own interpretation of what you are saying to them.

Mr BARNES - I think we had 60 forms and now we have 81 so under the old Building Act we had 60 director- or minister-approved forms. We went to 81 minister-approved forms. When we get audited, we get audited on whether our paperwork is lined up, not on whether the building is a better building.

CHAIR - You might remember we looked at that with the minister and he was going to have a look. You might remember we met with Theresa Hatton.

Mr BARNES - That is a side issue; sorry, I did not mean to bring that up.

CHAIR - It is still relevant to building surveyors.

Mr VALENTINE - I was just thinking about heritage accommodation, which is obviously very desirable for a lot of people. They come to Tasmania because of its heritage. How is that proving to be an issue - for instance, with balustrading you were saying was not the right height? How do you overcome that? I am interested in that side of things. People who are getting into this industry, how do they comply?

Mr WIERENGA - There is a heritage overlay in the act which says a building surveyor can evaluate the risk and determine whether, because of its heritage value, something should remain as long as there is not a significant risk and that component has to be on the Tasmania Heritage Register.

So if the outside of the building is on the Heritage Register and nothing inside is, you do not really have a problem, but if you have something like a staircase, and generally those staircases are pretty well built -

Mr VALENTINE - Solid, but may not be the right height.

Mr WIERENGA - The handrail up the stairs is usually pretty close. It is just at the top of the landing and generally sometimes they will just put a cupboard in front of that or something to avoid that becoming a circulation space.

Mr VALENTINE - Or signage?

Mr WIERENGA - No, just a table with the brochures or something like that to avoid circulation space. We have done it with a glass screen on the inside of the balustrade so that it does not look like it is interfering with it and maintains it as an architectural detail.

Mr VALENTINE - It is not as if going down this path more acutely means it will exclude those sorts of properties if they do not want to ruin the heritage nature of their building.

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Mr WIERENGA - Absolutely not.

Mr BARNES - It happened before this was introduced. We were getting heritage accommodation conversions for the last 20 years under the old Building Act. Basically we identified and managed the risk. It might not be on a heritage property that managing the risk does not mean pulling out the old heritage balustrade and putting a new one in. It is, 'Okay, you have a heritage balustrade; what can we do to manage that risk?' As Roland says, glass panel in front of it. We have glass balustrading now that is designed structurally so put that in front of it. You still keep the heritage and you have the protection.

Handrails up stairs - I have seen recently a lot of heritage buildings converted where they have put in a second handrail following the old handrail, by basically drilling through the top of the rail and it looks beautiful. There is a lot of lateral thinking and there are solutions out there that can solve the problems, or it can be managed through site management if you have somebody on site.

CHAIR - Is there a question on heritage?

I have a follow-up question on the heritage. Regarding the stairs, a lot of stairs in old houses have a very short tread and do not meet the requirements. That wouldn't be an issue?

Mr BARNES - No. That is about signage with a warning - for example, that these stairs are steeper than normal. Identify the risk and look at a way to manage it.

CHAIR - What about the glass? You mentioned in your submission that glass in older buildings is ripple glass, which is very thin.

Mr WIERENGA - Which is great - it is float glass, but it is often very small panes; it is not those huge panes you can walk into.

CHAIR - Unsafe - I have huge panes of float glass. In a heritage house, would they have to replace those huge panes of glass?

Mr WIERENGA - There is a film you can put over the top of the glass so it does not lose its heritage appeal.

CHAIR - It makes it like a laminate. I was thinking of all those houses at Battery Point.

Mr BARNES - It is not all glass, either. We will only be looking for glass that is a risk. It is usually sidelights on either side of the main doors. It is all about putting your hand through it and slashing your wrists. Another risk is the big glass panes that may be near a shower or in a bathroom where you have the opportunity to slip on a wet surface. I had this arm sliced up once when I went through float glass - I have experienced going through glass.

CHAIR - I have a concern with it. My husband tends to throw his head back on the couch and if he hit the float glass, it could cut him through.

Mr BARNES - The plastic film is a very good solution and it is cheap.

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Mr ARMSTRONG - In some of the places you have inspected, have you come across disability access?

Mr WIERENGA - The only way we know some of these have been converted into short-term accommodation is that the council engages to do an independent report, and they only find out because of ratepayers' concern because of too much parking. They do not know where these are. When you go onto these sites, they will not tell you the address until you pay. They have no idea, so we are only picking up 3 per cent of some of these and they do not have any disability access whatsoever. It is only the new places that go through the right process that have disability access.

Mr BARNES - To follow up on that, there are those developments, certainly in heritage buildings, with 12 or 13 rooms, where the developer has installed an accessible room as part of the development. We know about those because they are big developments and they have to come through a building surveyor. As Roland talks about the small four-bedroom homes or short-stay homes - we never see them. I actually have some statistics from a council for this submission. With the self-assessment forms councils have been giving out, one council in the north has given out 30 forms and of those fewer than 5 per cent have been returned. A lot of these self-assessment forms went out from this particular council for short stay accommodation, but they only have fewer than 5 per cent returned on their records. That is just some anecdotal evidence that the self-assessment form is not working because people are taking it, reading it and saying, 'I'm not going to sign that,' but probably are still out there operating.

Ms RATTRAY - Was that the largest council in the state?

Mr BARNES - No, the one adjacent to it up the river.

Mr VALENTINE - You said you had received 5 per cent back or five forms?

Mr BARNES - Five per cent of the 30 forms, which was the statistic that was given to me.

Mr ARMSTRONG - If and when legislation comes in regarding this, who do you think should administer it - local government or a state government body? Who do you think is best placed to manage it?

Mr BARNES - The Building Act is the best place to manage it. We have a building act that controls the change of use and the construction of buildings. The change of use could be changing an existing building from a shop to an office, a shop to a house or, in this case, a house to short-term accommodation.

Mr ARMSTRONG - Is parking and planning part of this?

Mr BARNES - Yes, planning is under the planning.

Mr ARMSTRONG - It goes back to the local government area.

Mr WIERENGA - The natural process when we issue an occupancy permit is that we send it to council, which keeps a register. That is their requirement for any occupancy permit we issue. I do not think there is any real change to the scheme required by that.

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Mr VALENTINE - Who plays policeman on compliance?

Mr WIERENGA - The council has its feet on the ground and goes out to look.

Mr VALENTINE - Local government, not a state government role?

Ms RATTRAY - That is why you would need possibly a registration fee.

Mr WIERENGA - Possibly.

Mr BARNES - I am a private building surveyor, but have worked in councils for many years. Councils have fewer opportunities to generate income, but more increased responsibility and compliance costs, as we have from our side. There are no two ways about it: the compliance cost is a cost and we need ways to be able to fund this.

Mr WIERENGA - When I was in council 10 years ago, a prosecution for an offence under the act cost council \$7500, and you are only taking \$150 per application. Councils are not going to make many prosecutions.

CHAIR - More often retrospective approval happens.

Mr WIERENGA - The act is too onerous and sets up local government for failure.

Mr ARMSTRONG - If a building is approved for Airbnb, how often do you think the building should then be inspected? Should it be because the code has changed or inspected 12-monthly, three- or five-yearly for the same use?

Mr WIERENGA - There is now a company occupancy permit with a schedule of essential features and measures. This has listed individual components for safety issues such as glass and balustrades. Often these are for things you have to inspect once every 12 months to see whether there is deterioration. That can be done by anybody independent of the owner to check, and they keep records that can be audited by anybody.

Mr ARMSTRONG - It is a 12-monthly review that would cover the cost?

Mr WIERENGA - It would be a very minor cost.

Mr BARNES - The owner can inspect to his own maintenance schedule. Once all risks are identified and put into a maintenance schedule, the owner then has the responsibility to maintain their building to that maintenance schedule. They have obligations under the act to do this. There should not be any need to have an independent or additional cost every 12 months, as long as the owner does their job and complies with risks identified for them. The problem currently is nobody is identifying the risks or the compliance so the owners are in a state where ignorance is bliss because they do not know they have a risk they need to manage.

CHAIR - They do not want to know.

Mr BARNES - They are unlikely to ask.

Mr VALENTINE - Often left to the neighbours to complain things before anything is done.

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Ms RATTRAY - On the last page of your submission you talk about examples of litigation where issues arise relating to technical compliance with building requirements. Can you give me an example?

Mr WIERENGA - That is referring to the composite panel cladding issue and the Lacrosse fire. That was an instance I used where there were 12 to 18 residents in apartments designed for three bedrooms and a maximum of six residences.

Mr VALENTINE - I have a question on page 2 of your submission, not your opening statement -

Clause 3 of the Determination sets out a self-assessment process for short or medium-term accommodation buildings ...

You are talking about no more than four rooms. In your assessment, do you actually set the level of occupancy? Do you say there are four rooms, but you can only have two people per room or you can have four people per room or one person per room? Do you set that in your determination?

Mr BARNES - We have a minister's approved form for an occupancy permit; I think it is form 13. There is an opportunity for the building surveyor to put a maximum occupancy number in for the building. Some building surveyors do it. As AIBS says, it is good practice or best practice that all building surveyors do that. At the very minimum there will be the number of exits available for the building for the number of persons and the number of toilet facilities, but putting a maximum occupancy number on the building is always good practice. That is what the occupancy permit does - it restricts occupancy. Currently we do not have that so you can have four rooms, but you could have 10 bunks in each room.

Mr VALENTINE - The Director of Building Control's determination is being used; are you talking about clause 3 of the determination that does not set a particular amount?

Mr WIERENGA - It does for onsite waste sewerage systems.

Mr BARNES - No, they are talking about clause 3 of the self-assessment form.

Mr WIERENGA - Yes, I am talking about the self-assessment form. It talks about plumbing and about the capability of your onsite sewerage system.

Mr VALENTINE - So that might govern how many people you can have rather than the size of the room or the safety of the room?

Mr WIERENGA - Yes. Absolutely, yes.

CHAIR - Is there anything else you would like to add?

Mr WIERENGA - We were talking outside one thing that is outside your inquiry - that it is about time the Government bit the bullet and retrospectively required all swimming pools to be fenced.

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CHAIR - Maybe we could ask a question along those lines.

Ms RATTRAY - I thought it was a requirement.

CHAIR - I think it probably is within our terms if people are renting out a house with a swimming pool.

Mr BARNES - There are lots of them out there. Again we have had publicity about swimming pool fencing for years but we still have owners who do not see it as a risk or an issue they need to address. That is human nature, unfortunately, no matter how intensive your advertising campaigns are.

Ms RATTRAY - I thought it was a requirement?

Mr BARNES - It has only been a requirement in Tasmania since the 1994 regulations were brought in. There was no retrospectivity.

Ms RATTRAY - So anything built before 1994 may not have it?

Mr BARNES - Yes.

Mr WIERENGA - May not have it and these people and these premises could be let out for short stay.

CHAIR - Certainly food for thought. Thank you very much for coming in. I am pleased to see you are back, Gabriel. You have moved back from the mainland?

Mr BARNES - There is another issue. The Victorian Government has currently put a freeze on the licensing of any building surveyors from Tasmania.

Ms RATTRAY - Really, they do not want us over there?

Mr WIERENGA - They will not recognise us. No recognition on the basis that they reckon our act does not have the same provisions as their act, and they are refusing our applications for mutual accreditation so we do not have freedom of trade.

Mr BARNES - So I am back until I fight this through the Administrative Appeals Tribunal.

CHAIR - Lovely to see you both.

THE WITNESSES WITHDREW.

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Ms RUTH DOWTY, CHIEF EXECUTIVE OFFICER, EAST COAST REGIONAL TOURISM ORGANISATION, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR - Thank you very much for coming along from the east coast, Ruth. I am sure it is nice weather down there.

Ms DOWTY - Always, what else could I say?

Mr VALENTINE - Never miss an opportunity for an ad.

CHAIR - Beautiful one day, perfect the next.

Ms DOWTY - Exactly.

Ms RATTRAY - Even if it is not nice weather, the views are stunning.

Ms DOWTY - Absolutely.

CHAIR - All evidence taken at this hearing is protected by parliamentary privilege but I remind you that anything you say outside the hearings may not be afforded such privilege. There is a copy of the information for witnesses on the table if you are not aware of the process. The evidence you give is being recorded and the *Hansard* will be published by the committee on the website when it becomes available.

The way we intend to proceed is if you could talk to your submission and then members will ask some questions.

Ms DOWTY - Thank you very much for this opportunity to come and speak to you.

Short stay accommodation in Tasmania has obviously caught a lot of people's attention and ignited their passions. From the perspective of the East Coast Regional Tourism Organisation - ECRTTO - and I speak on behalf of our board of directors as well, we wanted to comment on a couple of points within your terms of reference: the growth of short stay accommodation in Tasmania and the changing character of the market.

We have seen that travellers from across the world have embraced the Airbnb model as an alternative option to traditional hotels and motels. We believe firmly that it is very important, if we are to be a successful tourism destination, to meet what it is travellers are looking for. If we do not meet what they are looking for, they will seek out other destinations for their holidays.

The east coast of Tasmania, as you would probably be very well aware, is very highly dependent on its tourism industry as a key source of economic growth and employment for the local community. We are very much focused on trying to generate the right kinds of outcomes for the local community to ensure that families are able to stay together, that young people find work on the coast and that it is a thriving and wonderful place to live.

The growth in tourism over recent years has probably been very well talked about. It has been quite a good growth and we have actually outstripped the growth statewide. We have been

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growing quite quickly, which is a wonderful thing but brings with it a whole lot of other considerations about infrastructure keeping up with activity.

We believe that many shack owners have seen this opportunity to convert their shacks, which would traditionally only be available to themselves, their friends and their family, into short-term accommodation. They have seen that opportunity and that has actually filled a gap in the market. With the rate of growth we have seen in the visitor economy on the east coast, we never would have been able to keep pace with that growth had we not had that injection of inventory, as we call it, of rooms into the marketplace. That has been a tremendous asset in the development of the visitor economy on the east coast and the generation of jobs et cetera.

The second part of that is that this creates some other impacts. When you see growth, when an economy expands, the infrastructure and the other services need to keep up. Keeping those two things in balance is probably one of the most challenging things that anybody comes across. It is tremendous to see the growth, but then you turn around and see that the infrastructure, both hard and soft, may not be quite keeping up with the growth in demand. I think that is a balancing game that jurisdictions all across the world grapple with: to keep supply and demand in balance is a very difficult thing. You need a crystal ball to understand where it is going to come from and how quickly, and all of those things.

There are a few things we believe from that: first, the Airbnb market has grown quite quickly and probably, as new markets emerge, the management of those markets and the management of new styles of business. Again, regulation probably has to play a bit of catch-up to understand where they are. As I said, there is absolutely no doubt it has been tremendously important to the east coast to have this style of accommodation available. We believe, though, that there should be a little bit of a level playing field between those traditional businesses and these new-style businesses. I know from talking to some of the more traditional B&Bs versus Airbnb - and we are very much made up of small businesses on the east coast - that there are not very many big players, they are mostly smaller. Those that have gone down the path of pre-Airbnb often talk to me about the fact that their cost structure has to be slightly different because they have some regulations they need to abide by which Airbnb has not had in its first iteration.

Having said that, we would not want to see a situation where it became so onerous that people withdrew from the marketplace, but we need to ensure that both the owners, the investors, are protected and that the visitors to those accommodation places are protected as well. Things like insurance and fire and those sorts of things need to be thought about to ensure that everybody is protected. They are for everybody's benefit, both the visitor and investor, who may not be savvy about the risks connected with having somebody staying in their premises on a commercial basis.

The other thing we have seen happening as this has progressed - and probably more in the more recent couple of years - is that as the economy has expanded, businesses have picked up all those people who live on the coast who want to work and found that they need more people. Then those people say, 'I want to come and live on the east coast. I think that would be a phenomenal opportunity and I have got a job.' Then finding accommodation has proved difficult because a lot of the inventory has moved into the short-term accommodation market. You cannot blame the owners because that is where they are going to make their money for their own retirement, but it has been a bit of an unintended consequence that we now find that some business owners are finding it difficult to find accommodation for workers.

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We think that perhaps there is an opportunity there to look at ways of incentivising developers and investors to invest in that longer term accommodation market, be it through rate relief or some other kind of thing that makes sure it is a comparable option to the short-term market. We need to continue to grow our short-term accommodation market, but we also need to think about where the workers who are going to service this market are going to be. Where are they going to live and how do we make sure that investment into accommodation for them is palatable to an investor?

Mr ARMSTRONG - Can I get some clarification? What area does your organisation cover?

Ms DOWTY - The municipalities of Glamorgan-Spring Bay and Break O'Day.

Mr ARMSTRONG - Both municipalities?

Ms DOWTY - Yes.

Mr ARMSTRONG - Thank you.

Ms RATTRAY - God's country.

Thanks, Ruth, it's lovely to see you in Hobart. I know that tomorrow does not suit so we will be up on the east coast tomorrow and you will be down here.

It is really interesting - you touched on one of the issues the committee has found quite a challenge: having workers come to the more regional areas to help with the short stay accommodation growth and yet they themselves are struggling for appropriate or affordable accommodation. You have just given me an incentive for long-term rental where there could be some rate relief or something like that.

Have you seen any of that happening as yet - people or developers trying to meet that market or is it something we are still talking about because we have not been quite on the front foot when it comes to long-term rental?

Ms DOWTY - There has been a lot of conversation about it and there a couple of points that I will make.

One is that along with the Bendigo Bank, we have been in conversation with the Coordinator General's Office which has commissioned a study into what levers there may be to pull, and the scope of the issue, particularly around that central part of the east coast - Bicheno, Swansea and Coles Bay. Freycinet is attracting a lot of attention, which is a wonderful thing but another set of challenges as well.

In conjunction with the Coordinator General's Office, they are undertaking a study at the moment to understand the size of the issue because they are the ones who are having a lot of conversations with investors.

The other thing we are seeing a little bit of is that businesses are actually actively purchasing accommodation -

Ms RATTRAY - Like the Federal Group did for Saffire?

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Mr DOWTY - Correct. The important thing is that when thinking about providing accommodation for workers, they need to be integrated into the community so we cannot say there is a block of land that is a long way away from anything where we could put some accommodation and have a big commute and not be integrated. They need to be part of a community or they are not going to want to stay long term.

Ms RATTRAY - And that is really what happened with the Federal Group because it was quite some way away from both -

Ms DOWTY - Coles Bay and Saffire.

Ms RATTRAY - And Saffire itself.

Ms DOWTY - Correct.

Ms RATTRAY - It really has to be a strategic approach?

Ms DOWTY - Absolutely. I can think of another couple of other businesses in that area that have purchased in the town when opportunities have arisen to make sure they can attract the good quality workers to deliver the great outcomes for the visitors. They have seen that as a prudent investment in their own business.

Ms RATTRAY - You talked about a level playing field for those who have been in the hospitality and accommodation area for a longer time than the new short-stay. It has been suggested to the committee that an occupancy certificate with compliance for height and safety features might be something we might address but that would come at a price. To be able to do that you would need a registration system as well so that councils or the state government could get a handle on how many businesses are in the sharing economy. Do you see that as an impediment to short stay accommodation - having both an occupancy certificate and registration or one or the other?

Ms DOWTY - I think it will give some people pause to think about whether that is what they want to do. Obviously the more complex it is to conduct business, the less people engage so I think the simpler, the better, but ensuring we protect both the property owner and the visitor is a really important thing.

Ms RATTRAY - So you think there could be a compromise there?

Ms DOWTY - I think there could be a balance.

Ms RATTRAY - In my view we need to have some understanding about how many people are in the market, and at this point I do not think anybody really knows.

Ms DOWTY - Correct, and it is very difficult to ascertain. We have tried through various methods and it is not that easy.

Ms RATTRAY - You have to actually book and pay, I believe, to know where the properties are.

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Mr VALENTINE - I am interested in whether you have any information on whether your traditional hotels, motels and B&Bs are participating in the online short-stay platforms as well.

Ms DOWTY - A number of them are, yes. In reality, Airbnb -

Mr VALENTINE - Just B&Bs or hotels and motels too?

Ms DOWTY - I think you will find they are all participating online. If we take Airbnb out of the equation and say, 'There's Stayz, there is Airbnb, there are others' so they are really just booking engines at the end of the day. As far as I am aware, most businesses use every channel to market that works for them. If they are not, they have tested it and it has not worked for them for some reason or another.

Mr VALENTINE - So that makes it difficult to understand how much growth there has been in that space from scratch. I was just interested to know what your information was on that and what you are telling me is, yes they do. With regard to the regulation of short stay accommodation, do you see local government or state government regulating it?

Ms RATTRAY - Whoever would do it best for us.

Mr VALENTINE - In terms of numbers and locations as much as the infrastructure itself, it might be that an east coast council sees a benefit in providing more short stay accommodation or seeing short stay accommodation rise in a township, as opposed to out on the fringes, because that is where people need to have long-term rentals. Maybe it is local government that should be able to control that. Do you have an opinion on that?

Ms DOWTY - I guess it is where it can be best resourced because anything you are going to do is going to require some resources behind it. It would be about understanding how you would actually resource that. Our councils on the east coast are very small councils with a very small rate basis and a lot of work to do with their ratepayers' dollars, as is the state Government a smaller government with a lot do with its money.

It may be a bit of a -

Mr VALENTINE - There is the registration cost; couldn't they pick up some of those dollars needed for the resourcing through registration cost? If everyone were expected to register, regardless of the size of their operation, maybe there could be a sliding scale or whatever. Could you see that as a way forward?

Ms DOWTY - That is a potential option. I think it would need to be looked at in some detail before being implemented, as to how it would work, what the potential revenue would be and what the oversight costs would be.

Mr VALENTINE - You also mention, on the impact of short stay accommodation on the tourism sector, under the second term of reference -

... we also believe there needs equity across all providers of similar types of accommodation and regulation, which must not be onerous ...

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Earlier, building surveyors were talking to us about the risks associated with having people onsite who might not be familiar with the environment. It is really important to make sure people are protected, as much for the owner of the residence as it is for the visitors.

When you say 'must not be onerous', where do you see that line? I am interested in how you see how this might be negotiated because, quite clearly, a risk is a risk.

Ms DOWTY - Absolutely.

Mr VALENTINE - For swimming pools without fences, it wouldn't matter if it was the whole house that is being let or whether it's the share component.

Ms DOWTY - Understood. I am probably not an expert on that side of things, but I would say that experts like property developers and people who run businesses understand that the risks within their business need to be thought through and the risks if you have someone in your house. That is a commercial agreement between you and them, but what are your liabilities in the event something happens - if someone trips and falls or if there is a fire, or those types of things - and how do you actually make sure they are safe and protected, both the visitor and the owner?

Mr VALENTINE - I guess that is my observation here about the onerous nature of it: surely it comes down to personal safety?

Ms DOWTY - It does. I think that is the important piece.

Mr VALENTINE - That is the bottom line about personal safety. The other important issue is holding back local businesses' ability to create more employment opportunities and attract long-term workers to the region. This is about the tourism accommodation. Do you see that perhaps there is an opportunity if, for instance, short-stays are confined to just share accommodation so the owner is on the property as opposed to whole houses being let, or would that take too many opportunities out of the market on the tourism side of things?

Ms DOWTY - On the east coast a lot of our short-term accommodation is shacks and therefore the owners are not onsite. Yes, traditionally a lot of houses prior to the sharing economy came into being were empty for a good part of the year, used only on holidays and weekends and other things like that. Taking these out of the market would significantly contract the market, particularly on the east coast.

Ms RATTRAY - Because in your view they would not be used for long-term rentals anyway and therefore the opportunity for short-term accommodation would be completely lost?

Ms DOWTY - The opportunity would be gone if it was said you cannot rent an entire house out. I will go back to a point we made in our submission - that we need to also meet the market if we want to continue to have a thriving visitor economy, as there is a shift in the way people want to travel and there are people who do not want to stay in a hotel. They do not want to stay in somebody's home and interact with a host. They love the idea of having a fully self-contained environment as if they have their own shack and that style of holiday. Many people opt for this and we need to ensure we are meeting the market with the type of accommodation we are providing.

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Mr VALENTINE - Clearly, different councils face different problems. Hobart might have an issue with, say, Battery Point, whereas the east coast council might wish to actually promote whole houses being on the market. Is that what you are agreeing with?

Ms DOWTY - Yes.

Mr ARMSTRONG - You were saying the growth on the east coast in recent years has been very successful and Airbnb is filling a void. There are reasonably significant accommodation places in Orford, Swansea, Bicheno, Scamander and St Helens. During the winter months, when tourism drops off, do you know how their numbers and occupancy rate would be now with Airbnb coming online? I would not imagine they would be full. Do those accommodation places see a problem with the Airbnb taking customers away from them during the winter months and possibly have to lay staff off during the winter months?

Ms DOWTY - We have always been a seasonal destination, although that is levelling out quite significantly and there is a lot less of the traditional quiet winter. It has come down and the shoulder seasons are getting narrower and narrower.

Mr ARMSTRONG - Years ago it was a six-month period or eight-month period.

Ms DOWTY - Exactly. It was a four-month season and an eight-month hiatus. We are seeing a significant change, but obviously with lower occupancy and fewer staff required in the quieter seasons. I have not had any hotel operator say to me, 'Airbnb is taking business away from me or forcing me to lay staff off'. I think they see it as competition, but healthy competition in a lot of ways. Obviously anybody in business has competitors. Does that answer your question?

Mr ARMSTRONG - Yes. I was wondering whether any of them had come to you and said, 'Airbnb is doing us harm during winter months'.

Ms DOWTY - The complaint I receive on occasion from smaller traditional hotel owners rather than the bigger ones is about the level playing field. They have more regulation on them and therefore more costs, and they have to build more costs into their fees for the visitors.

Mr ARMSTRONG - We have heard that constantly throughout the hearings.

Ms RATTRAY - Particularly from the west coast.

Mr ARMSTRONG - The west coast was one in particular where an operator is paying commercial rates and taxes while the person from South Australia who buys a vacant house down the road and puts it up as Airbnb is paying normal residential rates.

Ms DOWTY - My other point is that it is not black and white. I am sure you would understand this, but the quality of what they are offering can also play a big part in whether they are getting business. It is not necessarily any change or shift in their business; they need to look at a lot of things within their business to understand why that shift is happening. It may be competition from an Airbnb down the road or it may be that what the Airbnb is offering is much more appealing to the visitor.

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Ms RATTRAY - Like a family on holiday all in one home and not having to worry about noise from the room next door?

Mr ARMSTRONG - We have heard this on the west coast, about the rental problems with people coming in there for work and their families. You said the Bicheno school would probably have 10 per cent more children if there were more rentals. Do you believe many of the properties being rented out are ones that were on the long-term rental list or are they mainly the shack-type home?

Ms DOWTY - It is a mixture of both, but I know, for example, that if you look at a traditional holiday seaside town like Bicheno, there are a lot of shacks. Some of the houses rented out in the past have been moved into the short-term accommodation market. That is particularly the case in Bicheno. I know you have had a submission from the Break O'Day Council, but they understand clearly a lot of other activity has been going on in the economy not related to short-term accommodation has taken up a lot of the accommodation in the St Helens area.

Mr ARMSTRONG - Right. We are hearing in some instances that Airbnb has taken over the traditional rental homes and that is probably one of the reasons there is a shortage within the state. I was wondering whether you thought that also could have been on the east coast.

Ms DOWTY - The Airbnb model has definitely taken up some of that accommodation traditionally used for long-term rentals, but it has also opened up a lot of accommodation that was never on the market.

Mr WILLIE - The tourism industry and sustainable tourism enjoy the support of many Tasmanians. Do you worry it will get to a point where it gets out of hand and where we are displacing Tasmanians? There are lots of Tasmanians who are not seeing the benefit of the growth in the industry. They may have to move out of a township they have lived in their whole life because the rents have become unaffordable. Do you worry we might get to that point at some stage unless there is some regulation?

Ms DOWTY - We are probably a long way from that at this point. We are going through a period of change and need to watch very carefully to ensure we are preserving the reasons people are coming here, which is all about the wonderful quality of what we offer. There are a number of levers around a lot of things that can be pooled to ensure we continue to offer what it is people come here for and we are preserving that very important way of life for Tasmanians. I also believe change is what happens. Our economy has shifted away from some more traditional industries that created employment into new industries, and with that comes a shift in many things. We have to monitor and be very careful we do not push it too far, too fast and we are watching what is happening and trying quickly to react to the changes that are coming our way.

Mr WILLIE - To manage some of that - and it goes to the member for Hobart's questions too - you talked about resourcing and whether state or local government is best placed, local decision-making would be ideal in this situation, wouldn't it? The challenges on the east coast are very different to those for the Hobart municipality or even the west coast or the north-west. Do you see merit in local decision-making at that local government level around managing short stay accommodation and approvals?

Ms DOWTY - Yes, I do because I see the uniqueness of the challenges faced in different places and the different make-up if we take this issue, particularly the different make-up of the

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housing stock. I am again going back to the fact that the east coast has been a traditional 'shacky' destination for many years. Many properties traditionally sat vacant for a lot of the year have come into the economy and have created these opportunities. I see that locally that is not the same in Hobart or the west coast.

Every area has its own unique personality, including the way it has been traditionally and the way it is moving forward, and the pace at which that is happening. The pace is different in different parts of the state, hence the Government's focus on yield and dispersal.

I was in a meeting yesterday where we had a conversation about - and it is different in different pockets of the state - how quickly things are evolving and whether we are getting that dispersal exactly right and where people are going. Those places with gateways like Hobart are getting a lot more visitors; getting those visitors out into the regions is really important, but every region is a little bit different.

Mr WILLIE - If a particular region gets particularly overheated, will you support putting in pauses?

Ms DOWTY - What do you mean by pauses?

Mr WILLIE - Not approving new short-term accommodation if the market is saturated and if there are no private rental properties in the area, the local government area would be able to say, 'Well, we are just going to pause this for the moment because of all these challenges we are facing. That does not mean in the future we might not go back to approving.'

Ms DOWTY - I think there is scope to look at that. I think we need to be really careful about the definition of what is overheated and what is not because when you put the brakes on growth, you may not be able to turn it back on quite as easily as just flicking a switch and saying, 'Okay, now we have dealt with infrastructure, we will open the floodgates again' only to find that the market has said, 'That is not available to us so we have gone somewhere else'. I think that it has to be very carefully balanced.

Mr WILLIE - With land release and more housing, which you have in your submission, do you have an understanding of where that need is on the east coast? You are talking about releasing crown land.

Ms DOWTY - Crown land was just one suggestion. It may be there are other pieces of privately held land that could accommodate it.

The Coordinator-General's Office is currently undertaking a study in Bicheno, Swansea and Coles Bay - that Freycinet region where we know there is significant visitation going into the national park there. Anecdotally we understand there are probably a lot more daytrippers because accommodation is not available. Had those people the opportunity to stay longer, they would do more and put more money into the local economy.

We were specifically talking about that longer term accommodation and finding ways to incentivise and make it appealing to people who have money to put into looking at the longer term accommodation market as a potential option.

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Mr WILLIE - Crown land is one aspect; you talk about private land as well. Are you aware of any land banking happening on the east coast with private developers holding onto land that could be developed?

Ms DOWTY - That would take a whole study. I think that there are little pockets here and there, and little blocks here and there that I might be aware of. Whether there is a whole swathe of land available - most of it is agricultural on the east coast, as you would know, if it is not crown land - it would take a study to understand where those opportunities might lie.

Mr WILLIE - So further work is needed?

Ms DOWTY - There is further work needed to understand exactly where that would be.

Mr WILLIE - Then you have the water and sewerage infrastructure, the roads - it is comprehensive.

Ms DOWTY - Yes, it is comprehensive. A significant amount of money is being invested into the Great Eastern Drive - that is, the actual road infrastructure - in coming years, which is really exciting.

Ms RATTRAY - Not quick enough for my liking.

Ms DOWTY - For those of us in a rush on the east coast in summer, it is not great; you have to allow the time for the visitors who are moving a little more leisurely than those of us trying to get to a meeting somewhere, but I always remind myself that they are paying my wages in the end, so we have to be warm and welcoming to our visitors. There is that chicken and egg thing: what comes first - the infrastructure or the demand for the infrastructure? That is such a delicate balancing game which people around the world struggle to get right. We now have a strong focus through the Freycinet Peninsula Master Plan on the need for sewerage infrastructure in Coles Bay and making sure the infrastructure is being put into the right places at the right times. We are very excited about the roadwork that is coming.

Mr WILLIE - I spent a lot of my childhood in Coles Bay. My grandparents bought a shack there when I was born. It was a dirt road into Coles Bay back then.

Ms DOWTY - You used to get a sticker that said, 'I survived the Coles Bay Road'. We were all really proud of having one of those and you used to have to get out and open the gates.

Mr WILLIE - It has changed a lot over 30 years.

Ms DOWTY - It has changed a lot over the years and I had -

Mr VALENTINE - A lot fewer accidents probably, too. The member for Elwick raised the Co-ordinator-General's study - I want to clarify exactly what that study looked at: was it just the short-stay accommodation market or the problem of long-term accommodation versus short stay accommodation?

Ms DOWTY - It was trying to scope the long-term accommodation issues.

Mr VALENTINE - More particularly about that?

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Ms DOWTY - Yes.

Mr VALENTINE - Okay, and they will find out some information about the short-stay accommodation on the way through.

CHAIR - I seek clarification on the question the member for Huon asked earlier. You mentioned the smaller takeaways and restaurants or hotels in winter. I think Rob Armstrong was speaking more about the accommodation factor and that they are down to 30 per cent in winter. Have you found that the businesses there - the supermarkets and takeaways - have trouble surviving because they do not have locals there in winter?

Ms DOWTY - I have not heard of that. I think that businesses on the east coast make significantly more money over the summer than they do over the winter.

CHAIR - With the lack of locals in the winter?

Ms DOWTY - I do not think there is a lack of locals in the winter. I think what happens is that traditionally the business operators on the east coast work so hard that we tend to see a lot of businesses closing in August. August seems to be when they choose to take a month off and go away; that has been their traditional downtime. They obviously need that, but I have not heard people cannot find the staff.

CHAIR - Don't we have fewer locals if more properties are being taken up by short stay accommodation? There would have to be fewer locals.

Ms DOWTY - I haven't seen that many people moving away. What I have seen is that as we see an expansion of the number of jobs available, more people want to come into the communities because there is work available and they struggle to find accommodation.

CHAIR - I am looking at your comment on the last page regarding the Bicheno school, which was mentioned by the member for Huon. I have also heard people who are shack owners who do not rent out for short stays in Bicheno questioning the viability of the Bicheno school. You are saying here, though, that they are all long-term rentals so does it not follow on that there are fewer locals in these areas if more properties are being purchased. When they come up as a local leaves, they are being purchased by short-term and there are fewer locals in the areas.

Ms DOWTY - I understand your question and I understand that logically flows.

CHAIR - People cannot live there.

Ms DOWTY - I have not heard of many people moving away. I have heard of more people wanting to come to the community not being able to relocate and people over the summer having a struggle if they try to change their accommodation situation.

CHAIR - You mentioned the Bicheno school. Do you have any idea of its numbers now or what its numbers need to be to remain viable?

Ms DOWTY - I do not. This actually came from one of my board members who spoke to the principal of the school. They said they could get 10 per cent more children if more long-term

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rentals were available. People wanting to move into the area with young families are having to cancel their plans because they have not been able to find long-term accommodation. From my understanding, it has been about new young people moving into the area rather than the existing young people moving out of the area.

CHAIR - I was not thinking of young people moving out, more maybe retiring and moving is what I am hearing from shack owners in Bicheno.

Ms RATTRAY - I had a question on your networking. In your submission you say that the east coast is Tasmania's sixth-most tourism-dependent region. Other regions in Tasmania and Australia are probably facing similar challenges. In your networking, have you had any discussions with those communities perhaps up there with the sixth-most dependent?

Ms DOWTY - Interesting you bring this up, because next week I am going to the Australian Regional Tourism conference.

Ms RATTRAY - You might give us some feedback afterwards.

Ms DOWTY - I am hoping to be able to speak face to face to a number of people from smaller regions around the country.

Ms RATTRAY - And how they might be dealing with some of these challenges. I expect they are significant, being the sixth-most dependent on tourism. Would you mind giving the committee something post your experience when you go to the tourism conference?

Ms DOWTY - Absolutely.

Ms RATTRAY - That would be really good - others are probably doing something and we might not have to reinvent the wheel in regard to addressing some of the issues.

Ms DOWTY - They may not be enjoying the same good fortune in terms of popularity.

Ms RATTRAY - They may have something to offer, and I would appreciate having something.

Mr ARMSTRONG - We were talking about real estate. Is there much property on the market in your area for sale?

Ms DOWTY - It is a very fast-moving market; there is not an awful lot, particularly if I compare it to five years ago. I can remember when I first started in this role, it was quite depressing to see the amount of real estate on the market with 'For sale' signs everywhere. I thought, 'This is not a great sign, because when that many people are trying to sell, it depresses the market significantly.' Yes, there are houses on the market, but there is a high demand.

Mr ARMSTRONG - I suppose the real estate institute could tell.

Mr VALENTINE - A question on how short-stay might actually might be changing the character of the market: do you see any change in the nature of the towns themselves in terms of their level of community and the interaction the community has as a result of this growth in the short stay accommodation market? Do you see the intrinsic nature of towns actually changing?

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Are people perhaps not interacting with each other as much - the permanent residents of the town - because of the number of tourists going to that town? Do you see any change like that at the moment in the townships in your bailiwick?

Ms DOWTY - I see that people who have always been community-minded are still highly engaged in their community. In any community you have people who are very community-minded, who are very engaged in their community, and others who want to live their life quietly and do not engage so much outside of their own four walls. I have not seen people disengaging from that. I think a tremendous example of community on the east coast would be what happened with triple j's One Night Stand. To see the way the community came together behind that initiative - the way eight community groups came together and worked in consultation with each other, the number of volunteers who came out of the woodwork, the number of people who put their heads up and said, 'This is a real opportunity for our community to shine', and worked really hard to make that happen - says to me the community is still there.

The little grumbles I hear are around, 'I can't park right in front of the shop any more, I might have to park up the street a little bit and walk back'.

Ms RATTRAY - It is a Tasmanian thing.

Ms DOWTY - It is a Tasmanian thing.

Mr VALENTINE - What might have attracted people to, say, Swansea, in the first instance was the laid-back lifestyle, the fact they could rock up, park in the street, go down to the waterfront and have fish and chips on their knee and perhaps engage with a community member or two who might have been walking past. This might have been the attraction for them to stay, stop and have those sorts of conversations and yet with so many tourists, that is lost. I am wondering whether you have looked at that side of it and whether in terms of promoting tourism for your region and maybe the need for short stay accommodation to satisfy the demand, whether the intrinsic change in the community figures in the thinking of your members?

Ms DOWTY - It is much busier in the summertime, but what we have seen is the people who love their place understand that the employment opportunities are coming in and that families and young people are able to stay. It has been very traditional in places like the east coast that the young ones went away to school and then did not come back. Now we find they are able to come back. From a family perspective, people are very excited that their kids can come back and find meaningful work and be part of a vibrant community on the coast. That has been a good thing.

I understand what you are asking. I think there are those people who may be are retired and who went there for a specific lifestyle who might say: 'I am a bit grumbly because I can no longer go and sit on my favourite bench anymore because there is somebody else sitting there.' From a community perspective, it is about having a viable economy where people can live and can get services; they can buy a coffee and do some other things that potentially they could not do before, so there are swings and roundabouts. You could not have had a phenomenal meal in Swansea a few years ago because there was not the wealth of cafes offering the diversity of food and the different options so you get options, but it is all a bit of a trade-off.

Mr VALENTINE - I am looking at something like Wineglass Bay, which is obviously very attractive to a lot of people. In the past, they were able to do that track and pass two, three or four people on the way who were getting that same experience, but now they might be passing

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hundreds and the ambience of that is possibly lost if you continue to promote and meet demand. It actually can crush the pitch in the long term, so I am interested in that long-term perspective.

Ms DOWTY - Absolutely. I think that at this point the Freycinet example is actually a very compressed time frame where there are a lot of people at that Wineglass Bay lookout, which is what sparked a lot of conversation. But when you dig right into it, it is actually between 11 a.m. and 3 p.m. in January when you get that compression. The rest of the time it is much more spread out. There are things that can be done, which is what the Freycinet Peninsula Master Plan has been exploring: how do you smooth that out a bit? There is a very large national park with quite a significant capacity for people to have a wonderful experience, but not if you put them all in the same spot at the same time. How do you make sure there are more opportunities and make sure you find ways to smooth that out? If you saw that draft master plan when it was out for consultation, it has a number of things that try to address how we could smooth those things out. Everybody wants to ensure we do not kill the goose that lays the golden egg, which is those wonderful experiences.

CHAIR - With regard to the councils, I understood that Glamorgan-Spring Bay had a register. Do you know whether they have a register of properties in their area and whether they charge a fee?

Ms DOWTY - I am not aware of that, no.

CHAIR - Okay. I thought it was \$600 one-off. I know someone who owns two properties at Swansea, which I think is in Glamorgan-Spring Bay. I am sure they told me they had to pay a one-off fee, whether that was a planning fee or a registration fee.

Ms DOWTY - To register as an Airbnb?

CHAIR - As an Airbnb; a one-off fee. I don't know if they were confused about it and thought it was for planning; I assumed that it was to do with -

Ms DOWTY - I can find out very quickly.

CHAIR - It would be good if they had that. Apart from that, I think all questions have been answered. Do you have any comments you would like to make?

Ms DOWTY - No, just to say thank you very much for the opportunity to present to the committee. If there are any follow-up questions after the fact, I would be delighted to follow those up.

CHAIR - No. We really appreciate that you came to see us. We look forward to the comments you make after you have been to your conference. Thank you very much for coming in and for putting in your submission as well.

THE WITNESS WITHDREW.