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To: The Secretary
 Legislative Council Select Committee – Short Stay Accommodation in Tasmania
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From: Mr. Eacham Curry
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 HomeAway

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Dear Committee members

HomeAway (formerly Stayz) Submission to the Legislative Council Select Committee on Short Stay Accommodation in Tasmania

Thank you for the invitation and opportunity to participate in this inquiry into 'Short Stay Accommodation in Tasmania'. As a leading online marketplace for short term rentals in Australia and Tasmania, *HomeAway* are committed to working closely with the Committee to share our ideas, experience and knowledge on this important topic. Further, we are dedicated to working collaboratively with the Tasmanian Government, local councils and industry/community stakeholders on fair regulatory systems and innovative compliance systems to address concerns. This submission begins with a background on our company and outlines the importance of short term rentals to tourism in Tasmania. It covers issues and ideas related to each of the terms of reference of the inquiry. We hope it provides value to the Committee's deliberations and acts as a starting point for our further engagement with you.

Background

Short-term holiday rental (STR) is a cherished Australian tradition whether for summer holidays at the beach, getaways to the country or exploring a new city. In the past this has been managed directly by property owners themselves or by local agents. Today, with the growth of the sharing-economy and the advent of online platforms – like *HomeAway* – it is easier than ever for property owners to let their properties for a short period of time and for tourists from all walks of life and from around Australia and the world to find affordable and unique accommodation that meets their needs.

HomeAway is Australia's leading online marketplace for short-term rentals (STR) with over 47,000 listings, many located in regional communities across Australia. We are a major supporter of tourism across Australia and particularly the regional dispersal of tourists by supplementing accommodation choice and availability. There are approximately 1500 unique *HomeAway* accommodation listings across Tasmania, from humble beachside shacks to country abodes and city apartments. In December 2016 alone, our Tasmanian homeowners hosted over 5500 nights' accommodation generating approximately \$1.2 million in accommodation revenue – most notably including in areas where traditional accommodation is not available.

Over the last 17 years, *HomeAway* is proud to have helped transform the experience of owning a holiday house, providing Australian families with new income streams, and unlocking unique accommodation at the best locations Australia has on offer. *HomeAway* allows guests to search and compare a wide variety of amazing holiday homes, the majority managed by individuals and families. Our listings are principally holiday (i.e. secondary) homes but also include primary places of residence. Over 70% of people who own a secondary home own only one- most often the family holiday home. Nearly 70% of secondary homeowners were able to cover more than 50% of their mortgage repayments through short-term renting.

HomeAway is part of the Expedia Group family of brands which gives us strong partnerships across the entire accommodation sector – from commercial hotel offerings and traditional bed and breakfasts to family owned holiday homes. We are therefore in a very good position to provide a balanced perspective on the Government's role in creating the right environment for the entire tourism accommodation sector.

Tourism in Tasmania

Australia – and Tasmania in particular – is renowned across the world for its natural beauty, its food and wine, its adventure and its culture which is why tourism plays such a vital role in Tasmania's and our nation's economy.

The growth of the tourism industry in Tasmania is on a strong trajectory with visitor numbers reaching 1.28 million for the year ending March 2018.¹ Over this same time, visitor expenditure grew 7 per cent on the previous year to \$2.37 billion. Tourism in Tasmania directly and indirectly contributes about \$3.03 billion or 10.4% to Gross State Product (GSP).² The direct and indirect contribution of tourism in Tasmania to GSP is the highest in the country. Tourism directly and indirectly supports around 38 000 jobs in Tasmania or about 15.8% of total Tasmanian employment. This is higher than the national average; the highest in the country.

Growth and importance of STR to tourism

Over the past ten years there has been a rapid growth in the "sharing economy" where individuals allow other people to use underutilised personal capital and/or assets for a fee. Often these transactions are facilitated by online platforms. In the accommodation sector, it has become increasingly popular to rent rooms or entire properties for short periods of time. This sharing of privately owned homes is not new but online platforms have made transactions between owners and users more transparent and efficient. In Australia, STR is mainly facilitated by online booking services such as Airbnb, *HomeAway* and Owners Direct.

The STR industry has become a significant segment of the tourism accommodation sector providing a range of benefits to travellers, homeowners and local economies, particularly in regional areas where quality accommodation is limited. On the supply side, individuals can earn additional income by renting out the beds, rooms or properties they own that would otherwise be sitting idle. On the demand side, visitors benefit from a wider choice of accommodation options across a wider price range. As a result, more people can travel, and they may be able to purchase more of other goods and services in the region they are visiting. Visitors can also stay in areas that are not serviced by traditional accommodation providers, opening new tourism business opportunities and supporting economies in regional Australia (Blue Derby in Northern Tasmania is a good example). On average in 2016, 83 per cent of *HomeAway's* revenues were from regions outside of capital city areas. Our company has a significant focus on helping people renting out their secondary homes (i.e. vacation properties) and these properties are generally located **outside of major cities**. **STR supports economic growth and tourism in regional Tasmanian communities by:**

- **Making Regional Areas Accessible** - boosting the accessibility and appeal of regional areas where there are fewer accommodation options.

¹ Tourism Tasmania, Visitor Statistics, Available here: <https://www.tourismtasmania.com.au/research/visitors>

² Tourism Tasmania, Tourism Fast Facts June 2018, Available here: https://www.tourismtasmania.com.au/data/assets/pdf_file/0005/63968/2018-Q1-Tourism-Fast-Facts-compiled-June-20182.PDF

- **Growing Revenue for Local Businesses** - vacation rental users spend more and stay longer, generating more revenues for local businesses
- **Providing Quality Choices for Tourists** - a deeper pool of accommodation options allows regional areas to meet fluctuations in demand for longer periods of time at competitive prices.
- **Supporting Local Jobs** - short term rentals create direct & indirect employment opportunities.

While the STRA industry is experiencing strong growth, there is little quantitative information regarding the size and economic contribution of the industry. In 2016, *HomeAway* commissioned an economic contribution analysis of the STR sector by ACIL Allen Consulting, the largest independent Australian owned economics and policy consultancy in Australia. The report helped to fill this gap by estimating the size and economic contribution of the STR sector to the Australian economy, state economies and to selected regional economies in 2016. We are currently having this report updated. The analysis provides a solid basis on which to make judgements about benefits and costs of regulation and allows that to be done by distinguishing city and regional economic contributions. Below we present some of the data from the report which we hope is informative and will provide the evidence base for good public policy outcomes to be delivered.

STR in Australia and Tasmania

FIGURE 1: IMPORTANCE OF STR VERSES TRADITIONAL TOURIST ACCOMMODATION SECTOR BY STATE, 2016

Region	STRA sector		Traditional tourist accommodation		STRA as a share of Traditional	
	Room nights booked	Revenue	Room nights booked	Revenue	Room nights booked	Revenue
	Number	A\$ million	Number	A\$ million	%	%
New South Wales	2,568,619	435.2	18,767,722	3,603	13.7	12.1
Victoria	2,020,784	272.1	12,451,568	2,187	16.2	12.4
Queensland	1,262,391	162.8	15,499,970	2,558	8.1	6.4
South Australia	244,774	40.3	3,109,962	474	7.9	8.5
Western Australia	703,105	83.7	5,169,251	911	13.6	9.2
Tasmania	201,922	36.3	1,687,758	268	12.0	13.6
Northern Territory	27,946	4.7	1,972,103	332	1.4	1.4
Australian Capital Territory	61,324	6.1	1,613,062	276	3.8	2.2
Australia	7,090,865	1,041.2	60,271,397	10,609	11.8	9.8

Note: "Traditional tourist accommodation" refers to hotels, motels or serviced apartments with 15 rooms or more. Calendar 2016 are estimated by ACIL Allen based on available ABS data.
SOURCE: ACIL ALLEN CONSULTING

In 2016, Tasmania had 201,922 room nights book through STR generating \$36.3 million revenue from accommodation bookings alone. The traditional accommodation sector had approximately 1.69 million room nights generating revenue of \$268 million. As a percentage of total room nights, STR accounted for 12 per cent. As a percentage of total revenue from tourism accommodation, STR accounted for 13.6 per cent – the highest of any state.

There are a range of channels through which the STR sector contributes to the Australian economy. Of the estimated \$1,041 million of direct revenues, \$843 million is a direct return to the labour and capital supplied by the hosts. This value added is a direct contribution to the GDP of Australia. In addition to the direct value added by the hosts, there are three key indirect channels through which the STR sector contributes to the Australian economy. These are:

1. Purchases of intermediate inputs by hosts related to accommodating the visitors: The hosts of properties who accommodate short term visitors purchase goods and services from various businesses in the region to provide the property for rent. This creates demand for those services and further stimulates the economic activity in the region.

2. Host spend: The additional income received by the local hosts is either spent on purchasing various goods and services including paying off their mortgage or adding to long term savings. This additional spend generates additional economic activity.

3. Other visitor spend: During their stays, visitors spend money on a range of goods and services besides accommodation. This includes spending on cafes, restaurants, transportation, groceries and entertainment much of which is supplied in the area where they stayed. This creates additional economic activity.

Based on ACIL Allen Input-Output (IO) modelling, it is estimated that the STR sector in Australia contributed up to \$5,716 million to Australia's gross domestic product (GDP) in 2016 (equivalent to 0.34 per cent of Australia's GDP). This comprised:

- \$843 million directly from the industry (direct contribution)
- \$5,716 million direct and indirect – including from three sources of activity (indirect contribution):
 - \$204 million from activity generated through host purchases of intermediate inputs
 - \$906 million from activity generated through host's additional expenditure on goods and services in the economy
 - \$3,763 million through other visitor spending.

FIGURE 2: TOTAL ECONOMIC CONTRIBUTION OF THE STR SECTOR BY STATE, 2016

State	Direct	Indirect		Total		Total as a share of GSP	
		Lower bound	Upper bound	Lower bound	Upper bound	Lower bound	Upper bound
	\$A million	\$A million	\$A million	\$A million	\$A million	% of GSP	% of GSP
New South Wales	352.4	1,089.8	1,776	1,442.2	2,128	0.26%	0.39%
Victoria	220.3	931.5	1,514	1,151.8	1,734	0.30%	0.46%
Queensland	131.8	506.7	808	638.6	940	0.20%	0.29%
South Australia	32.6	100.8	161	133.4	193	0.13%	0.19%
Western Australia	67.7	277.0	438	344.8	505	0.14%	0.21%
Tasmania	29.4	91.8	136	121.2	166	0.46%	0.63%
Northern Territory	3.8	9.1	12.5	12.9	16.3	0.05%	0.07%
Australian Capital Territory	4.9	19.4	28.0	24.4	33.0	0.07%	0.09%
Australia	843.0	3,026.2	4,873	3,869.1	5,716	0.23%	0.34%

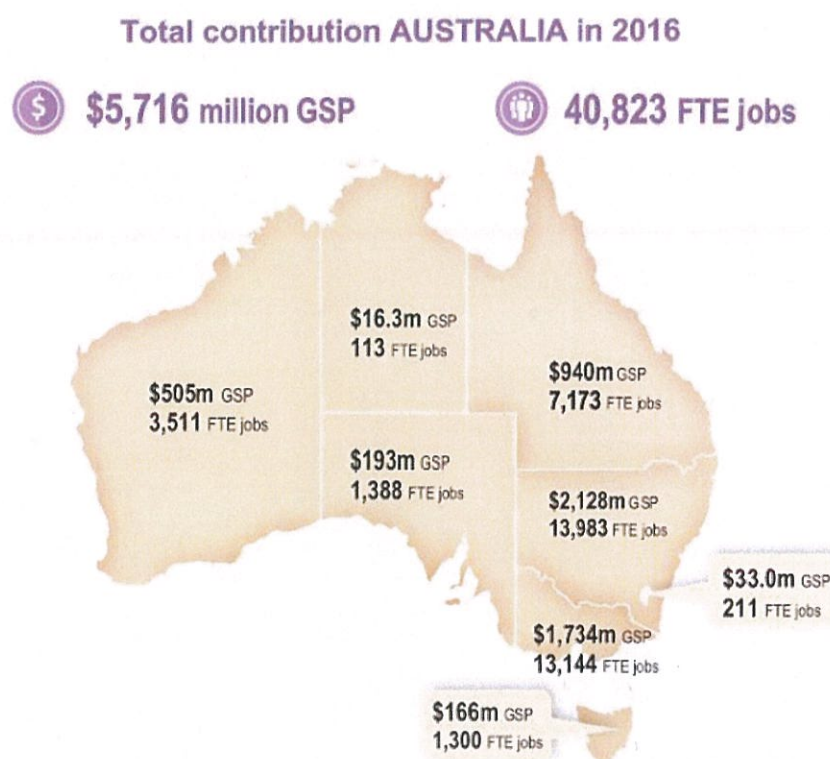
Notes: The lower and upper bounds are calculated using the Simple and Total multipliers, respectively. Indirect economic activity due to interstate trade has been included in the regional contribution estimates based on their share of underlying activity.

SOURCE: ACIL ALLEN CONSULTING

In 2016, the STR sector contributed approximately \$29.4 million directly and between \$91.8 and \$136 million indirectly to the Tasmanian economy. In total, STR may have contributed as much as \$166 million to the state's economy – approximately 0.63% of Tasmanian Gross State Product (GSP). This is more than any other state in Australia.

The ACIL Allen report also modelled the number of jobs associated with the STR sector. In Tasmania it was estimated that the STR sector supported up to 1300 FTE jobs across the state (both directly and indirectly). This was estimated as representing 9.5% of all tourism industry employment in the state. In estimating the jobs associated with the operations of the STR sector, it is important to note that the direct labour of the hosts was estimated based on 1.5 hours per booked night. In understanding the estimated number of jobs supported by the industry, it should be noted that they are presented as full-time-equivalent (FTE) jobs for convenience. They represent the summation of many shares of individual jobs or include part-time and casual jobs. Consequently, the number of people whose employment is supported (partially or wholly) by the activities of the STR sector will be greater than the estimated number of FTE jobs.

FIGURE 3: ECONOMIC CONTRIBUTION OF THE STR SECTOR TO AUSTRALIA, 2016



SOURCE: ACIL ALLEN CONSULTING

STR in Regional Tasmania

As noted previously, the Tasmanian STR sector has the highest economic contribution as a share of GSP than any other Australian state. Using detailed data ACIL Allen also estimated the regional economic contribution of the STR sector and compared it to accommodation provided by the traditional tourist accommodation sector. In aggregate (i.e. all STR providers), of the \$36 million gross revenue from Tasmanian STR, 57 per cent is generated from outside the Inner Hobart area and 43 per cent is from the Inner Hobart area. In comparison, 51 per cent of revenues for the traditional tourist accommodation sector are from regional Tasmania.

As shown in Figure 4 below, the importance of the STR sector in different regions differs greatly. Revenues generated through the STR sector in the East Coast region of Tasmania were 32 per cent of those generated by traditional tourist accommodation providers (\$6.5 million versus \$21 million). In contrast, there is low penetration of the STR sector in the Wilderness West region, with estimated revenues of just \$0.4 million being only 5.7 per cent of the revenues generated by traditional tourist accommodation providers.

FIGURE 4: IMPORTANCE OF STR VERSUS TRADITIONAL ACCOMMODATION BY TASMANIAN REGION, 2016

Region	STRA sector		Traditional tourist accommodation		STRA as a share of Traditional	
	Room nights booked	Revenue	Room nights booked	Revenue	Room nights booked	Revenue
Region	Number	A\$ million	Number	A\$ million	%	%
East Coast	31,008	6.5	99,889	21	31.0	31.8
Launceston, Tamar and the North	26,940	4.6	439,349	61	6.1	7.5
North West	22,028	3.5	221,880	33	9.9	10.5
Wilderness West	1,999	0.4	60,181	6.9	3.3	5.7
South	30,685	5.5	102,889	14	29.8	38.8
Inner Hobart	89,262	15.8	763,572	132	11.7	12.0
Tasmania	201,922	36.3	1,687,758	268	12.0	13.6

Note: "Traditional tourist accommodation" refers to hotels, motels or serviced apartments with 15 rooms or more. Calendar 2016 are estimated by ACIL Allen based on available ABS data.
SOURCE: ACIL ALLEN CONSULTING

ACIL Allen also estimated the direct and indirect economic contribution of the STR sector to each of the 6 tourism regions of Tasmania.³ These are provided in Figures 5 and 6 below.

FIGURE 5: TOTAL CONTRIBUTION BY TASMANIAN TOURISM REGION

³ Note: ACIL Allen have disaggregated the Hobart and the South tourism region into Inner Hobart (as per the SA3 geography) and South using the detailed SA2 level information on the Traditional tourist accommodation data.

Region	Direct	Indirect		Total		Total as share of GRP	
		Lower bound	Upper bound	Lower bound	Upper bound	Lower bound	Upper bound
	\$A million	\$A million	\$A million	\$A million	\$A million	% GRP	% GRP
East Coast	5.3	13.4	17.8	18.7	23.1	4.26%	5.24%
Launceston, Tamar and the North	3.7	12.2	18.4	15.9	22.1	0.24%	0.33%
North West	2.9	8.3	11.8	11.2	14.6	0.22%	0.28%
Wilderness West	0.3	0.7	1.0	1.1	1.3	0.34%	0.41%
South	4.4	14.7	22.2	19.2	26.6	0.19%	0.26%
Inner Hobart	12.8	42.3	65.4	55.1	78.2	1.82%	2.58%
Tasmania	29.4	91.8	136.4	121.2	165.8	0.46%	0.63%

Notes: GRP = Gross regional product. Equivalent to economic output as measured by GDP and GSP except at the regional level. The lower and upper bounds are calculated using the Simple and Total multipliers, respectively. Indirect economic activity due to intrastate and interstate trade has been included in the regional contribution estimates based on their share of underlying activity. Totals may not add due to rounding.

SOURCE: ACIL ALLEN CONSULTING

Regional areas of Tasmania were estimated to underpin 53-56 per cent of the economic and employment contribution of the STR sector's contribution to the state. In absolute terms, the STR sector made its greatest regional economic contribution to the economies of the South (\$19-\$27 million and supporting up to 221 FTE jobs) and East Coast (\$19-\$23 million and supporting up to 188 FTE jobs) regions. STR also made a significant contribution to the Inner Hobart economy, contributing between \$55 and \$78 million to Gross Regional Product (GRP) and supporting up to 571 FTE jobs.

As a percentage of total economic activity, the provision of accommodation by the STR sector is particularly important for Tasmania's East Coast regional economy contributing an estimated 4.3-5.2 per cent of its GRP.

FIGURE 6: TASMANIA TOTAL EMPLOYMENT SUPPORTED BY THE STR SECTOR BY REGION, 2016

State	Direct	Indirect		Total	
		Lower bound	Upper bound	Lower bound	Upper bound
	FTE jobs	FTE jobs	FTE jobs	FTE jobs	FTE jobs
East Coast	27	119	161	146	188
Launceston, Tamar and the North	23	106	162	129	185
North West	19	73	106	92	125
Wilderness West	2	7	9	8	11
South	27	127	194	153	221
Inner Hobart	78	364	493	442	571
Tasmania	176	795	1,124	970	1,300

Notes: FTE = full time equivalent. There are assumed to be no people directly employed by the STRA sector. Instead, the direct employment is estimated based on the assumption of 1.5 hours of own-supplied labour by hosts per booking night.

SOURCE: ACIL ALLEN CONSULTING

Tasmanian STR employment as a share of total tourism industry employment

Based on the regional employment estimates calculated by ACIL Allen using the Tourism Satellite Accounts (TSA) statistics, Figure 7 below presents the share of the total tourism employment in Tasmania made by the STR sector in 2016. As can be seen, the STR sector contributed up to 34.3 per cent of the tourism industry's employment within the regional economies of Tasmania.

FIGURE 7: TASMANIAN REGIONAL STR EMPLOYMENT AS A SHARE OF TOTAL TOURISM INDUSTRY EMPLOYMENT, 2016

	STRA sector	Total tourism industry	STRA share of total
Region	FTE jobs	FTE jobs	%
East Coast	188	964	19.5
Launceston, Tamar and the North	185	3,515	5.3
North West	125	1,961	6.4
Wilderness West	11	581	1.8
South	221	645	34.3
Inner Hobart	571	6,016	9.5
Tasmania	1,300	13,683	9.5

SOURCE: ACIL ALLEN CONSULTING

HomeAway are currently having this ACIL Allen report updated for all Australian states and territories using more detailed data. We would be happy to share the updated Tasmanian report with the Committee.

STR is a vital part of Tasmania's tourism accommodation mix

There has been strong growth in STR letting across Australia and Tasmania – in our cities and regional towns – and a positive expansion of the tourist and visitor accommodation market with flow on benefits to local economies.

The Tasmanian Visitor Economy Strategy (T21) has a target to grow annual visitor numbers to Tasmania to 1.5 million by 2020, and so generate visitor expenditure of around \$2.5 billion a year, greater capital investment and more jobs.⁴ Clearly, STR will play a vital role in helping achieve this goal and, due to its uniqueness in offerings, help Tasmania effectively capitalise on the special features of the island. STR will also be vital in ensuring visitors move beyond the city and travel to Tasmania's regional areas.

Online platforms like *HomeAway* offer unparalleled opportunities for tourist partners and stakeholders to market their offerings to the world. Working in collaboration with destinations and the service sector, there are opportunities to use the platform to promote Tasmania and its regions to people who have already identified a desire to visit. Such a partnership offers the potential to realise mutual benefits from the expansion of the tourism industry.

Tasmania's tourism offering and the benefits it provides are encouraging, but the current arrangements for homeowners, tourists and platforms alike have not delivered the regulatory certainty and state-wide coordination to optimise these.

Regulation and addressing community concerns

We recognise that with the growth of any new industry there is some disruption caused to traditional sectors and concerns raised by groups and individuals.

HomeAway believe a coordinated approach is needed to create consistent policies that ensure citizens can benefit from the modern STR industry through extra income and opportunity, tourists can access affordable and unique accommodation, and the unique needs of communities are met so they can benefit from sustainable tourism.

⁴ Available here: <https://www.t21.net.au>

We are committed to essential regulation of the shared accommodation industry but against one-size-fits-all policies that punish the majority homeowners and guests who do the right thing, as well as the regional communities where such policies would decimate local economies reliant on tourism.

HomeAway is working with state and territory governments across Australia looking at how best to create a safe and enjoyable holiday accommodation environment. It is fundamental to our approach to business that we support tourists, owners and local communities where our accommodation is located.

Below we lay out some community concerns, our policy principles for a better coordinated approach to STR regulation and our ideas and tools for platforms, regulators and communities. We present these to encourage greater collaboration between industry, the community and government to address and exceed community expectations now and into the future.

Community concerns

The growth of the sharing economy and peer-to-peer platforms can create tensions as markets are transformed and grow in differing ways. This can be said for short-term accommodation as evidenced by the concerns being raised by some groups and individuals.

Issues that have been raised include the following:

- Lower establishment costs for STR providers compared to traditional accommodation providers
- The loss of amenity for residents from noise and use of common property
- Lack of action from councils following complaints
- Overcrowding and associated fire-safety issues
- Parking issues
- Excessive use of local infrastructure
- The lack of affordable housing or rental properties
- The loss of community for permanent residents
- Misleading and unregulated advertising of properties available.

It is important to highlight that concerns in general with STR (especially in inner-city apartment buildings) are not new and pre-date the uptake of online sharing platforms. It is also pertinent to note that amenity, sense of community and safety issues are not limited to the provision of short term rentals. By far and away the highest proportion of complaints councils receive relates to the activities of permanent residents.

The growth of the sharing economy has come about through technology enabling people to make better use of their spare assets – empty houses, spare rooms and the empty seats in their cars. To recognise this, rules and regulations specific to the sharing economy – like short-term holiday rentals – should be light-touch and protect consumers and communities without creating undue regulatory burden that stifles the huge shared benefits. Further, in regional areas, where tourism is often the main source of revenue for local businesses, any restrictions on short-term holiday rentals will have detrimental economic effects. We do not support one-size-fits-all regulations designed for inner-city problems. A more sophisticated and evidence-based approach to policy design and planning is required.

Licensing schemes

Where governments or local councils believe STR licensing and registration must exist, we believe that such schemes:

- must have a low barrier of entry for homeowners (be low cost, expedient and accessible. Registration should be web based and managed in real time)
- provide privacy and protection of home owners personal details
- be used as a tool for informing policy and planning to grow tourism and ensure community expectations are upheld in a reasonable manner

We do not support direct replication of existing regulatory structures for traditional accommodation providers. We do, however, support a lowering of regulatory requirements on traditional accommodation providers. Any

approach to licensing and inspection codes specific to short term holiday rentals should first reconsider the current regulations for traditional accommodation (e.g. bed & breakfast accommodations) to reduce unnecessary burden on all operators.

Any regulation specific to short term holiday rentals should recognise the low level of risk posed by these services, the large and growing positive economic benefits these modern services enable and the rights of property owners.

TOOL 1: STR Code of Conduct

We believe that one of the most effective ways to ensure community concerns are addressed and to empower local councils and governments is to refine and expand a short-term holiday rental code of conduct.

HomeAway were members of the industry group that developed the original Holiday and Short-Term Rental Code of Conduct. While the membership and functions of that original group (known as the Holiday Rental Industry Association) have now changed, we continue to support the concept of a CoC as a highly valuable tool to meet residential amenity needs and expectations of multiple stakeholders including guests, neighbours, local communities, local councils and government.

The CoC has demonstrably supported good amenity outcomes in locales where it has been adopted by industry participants. The opportunity exists to further refine and expand its effectiveness, initially applying it in state-specific situations but with a longer-term goal of putting in place a national CoC. *HomeAway* are committed to leading this process and pushing for greater industry adoption.

We believe it is incumbent upon and most certainly in the best interests of industry to have real mechanisms in place to ensure greater enforcement of the CoC, including through reporting and response arrangements and the delisting of properties that breach the code. *HomeAway* is working to build a collaboration with the wider industry and stakeholders – particularly local and state governments and community groups – to devise and enforce a refreshed CoC that conveys appropriate responsibilities on homeowners, visitors and platforms to mitigate amenity issues and support safety.

We believe the full benefits of a CoC are yet to be realised. There is no better tool available to ensure compliance by homeowners and guests than an ability to ban offenders from being able to market or book a property. This is exactly what platforms can do and they can do it more quickly and efficiently than any government implemented and managed compliance regime.

We are keen to commence pilot programs in different local areas across the nation to begin building a CoC that can deliver the outcomes expected by the community. We would be pleased to partner with the Government, local councils and accommodation stakeholders in Tasmania to deliver a CoC.

Room/size limits, night limits and hosted v unhosted distinctions

The number of rooms a house has, or how big it is, is unrelated to how it will be used by guests. *HomeAway* are against any regulatory approach that discriminates according to house size. We believe that issues related to how a guest uses the property they rent are most efficiently and effectively handled through a Code of Conduct.

The number of nights that STR accommodation can be made available to tourists should as a default be unlimited. Other than to manipulate the competitiveness of various sectors of the accommodation market, it is unclear what issues are addressed or what benefits flow as a result of limiting the number of nights a property can be rented for.

Similarly, whether a host is present or not at the rented property does not form a sound basis on which to regulate. There are too many variables involved in such an approach, such as how much time a host must spend at a property defined as a hosted property and the proximity of the host to the guests' accommodation. *HomeAway* do not accept regulation that discriminates between secondary and primary homes – they should

be treated equally under any regulatory regime applying to the STR sector. Again, a Code of Conduct is better able to define, implement and achieve the desired outcomes.

HomeAway are open to sharing our data with governments and councils to better understand the uses of short term holiday rentals and help inform better policies. We explore this below.

TOOL 2: Smarter data use

HomeAway (and the industry more broadly) are able to provide valuable insights into tourism and accommodation through our extensive data. Through greater analysis of platform data, we can collaboratively build and refine regulatory schemes and policies that promote economic growth and a healthy tourism sector while ensuring community expectations are being met in effective and efficient ways. *HomeAway* are open to greater collaboration, innovation and the smarter use of STR data between platforms, governments, local councils and town planners.

Our data can better inform:

- Discussion on the size and characteristics of short term holiday rentals in local areas
 - e.g. numbers of rented homes, number of visitors, number of nights, location hot spots for STR
- Planning of municipal services
 - e.g. insights from tourism trend data, identifying seasonal peaks
- Tourism planning and policy based on evidence and tailored to grow a sustainable tourism industry
- Housing planning and policy

Exceeding community expectations around local amenity

Local amenity issues – for example rubbish collection, parking issues, overuse of public facilities – are most prominent during peak tourism seasons and long-weekends. Here, *HomeAway/Stayz* believe that there is a responsibility for home owners to better educate their guests about community expectations. We facilitate this through our platform.

When it comes to helping governments and local councils better plan their services (e.g. rubbish collection, public facility maintenance) *HomeAway* are open to greater collaboration, innovation and the smarter use of STR data to inform cost: benefit decisions on the allocation of services.

Further, we understand that some users of short term holiday rentals – both hosts and guests – will misuse our platform and disregard the expectations of the communities in which they reside. However, in our experience party house provisions are often ineffective and misused. We believe our solutions, when implemented together, provide better monitoring, complaint and enforcement mechanisms to address the issue of party houses, particularly our “3 Strikes Rule”.

TOOL 3: Strikes Rule

We have no interest in having people using our *HomeAway* platform who continually cause annoyance and concern to the communities and neighbourhoods in which they rent a property as either hosts or guests. However, we understand that mistakes are made and that a recourse mechanism is essential. As such, we believe an important tool for enforcing our own standards and council and government regulations is through a 3 Strikes Rule which would ban platform users (both hosts and guests) who consistently cause disruption and disregard community expectations. The introduction of such a tool would have to be designed in close collaboration with councils and governments to ensure appropriate complaint reporting mechanisms, investigation, decision and enforcement processes.

Assisting in better access to affordable housing

HomeAway are committed to meeting and exceeding community expectations around affordable housing and local issues. Like all Australians *HomeAway* support increased access to affordable housing. However, there is

little evidence to suggest short term holiday rentals contribute to housing affordability issues. Short term holiday rental accommodation (homes that are rented when the owners, their friends and family are not using them) is not in competition with the affordable housing market which is a far more complicated issue and primarily due to a lack of city and metropolitan supply at an appropriate price point.

In many circumstances short term rentals allow for more affordable emergency temporary accommodation for those in times of need – for example accommodation close to hospitals, medical centres and relatives.

To play our part in alleviating housing pressures *HomeAway* are open to working in collaboration with governments, councils, town planners, communities and other STR providers on creating a single, state-level, industry wide database to assist government in its housing policy and town planning considerations.

Accessibility

We recognise that not every accommodation offering on our platform will be fully accessible for people with disabilities. *HomeAway* are conscious of providing options for all our customers' needs. As such we provide a dedicated area of our site for wheelchair accessible accommodation with over nine hundred accessible properties around Australia and 203 in Tasmania. We are working closely with disability advocates and organisations to better cater our platform and accommodation offerings to people with disability.

Customer safety

Importantly, the safety of *HomeAway* guests and home owners is our highest priority. We strictly ensure that all properties on our platform provide not only safe and secure accommodation for guests but also appropriate information regarding local risks and emergency procedures. We expect all home owners to have appropriate insurance policies in place to cover guests and third-party risk.

The future

We recognise that with the growth of any new industry there is some disruption caused to traditional sectors and concerns raised by groups and individuals. That's why *HomeAway* is working closely with state and territory governments across Australia looking at how best to create a safe and enjoyable holiday accommodation environment. It is fundamental to the *HomeAway* approach to business that we support tourists, owners and local communities where our accommodation is located. A better approach is needed in Tasmania to create consistent policies that ensure the benefits of a modern STR industry are realised.

HomeAway want to work with this Committee to further share our ideas, experience and knowledge on this important topic and related issues. We hope the Committee understands the extent of our commitment to taking a balanced approach to considering them and a framework for how to best approach addressing them in a collaborative way. We would welcome the opportunity to appear before the Committee at its upcoming hearings or assist in any other ways requested.

Kind Regards

Eacham Curry
Director, Government & Corporate Affairs, Expedia Inc

Julie Thompson

From: Eacham Curry (ELCA) <ecurry@expedia.com>
Sent: Wednesday, 1 August 2018 11:50 AM
To: SSA
Subject: Submission to the Tasmanian Legislative Council Select Committee – SHORT STAY ACCOMMODATION IN TASMANIA inquiry
Attachments: HomeAway Submission to Tasmanian Legislative Council Select Committee - SHORT STAY ACCOMMODATION IN TASMANIA.pdf

To the Secretary

HomeAway is pleased to provide the attached submission to the Tasmanian Legislative Council Select Committee – SHORT STAY ACCOMMODATION IN TASMANIA inquiry.

Kind regards

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