

**Submission
No 139**

**ADEQUACY OF THE REGULATION OF SHORT-TERM
HOLIDAY LETTING IN NEW SOUTH WALES**

Organisation: Sharing Australia Inc.
Name: Ms Jodie Willmer
Date Received: 8/11/2015

Mr Glenn Brookes MP
Chair of the Committee on Environment and Planning
Legislative Assembly
Parliament of NSW

Dear Mr Brookes MP,
Regarding: Submission to the parliamentary inquiry into the adequacy of the regulation of short-term holiday letting in NSW
Please find attached the submission from Sharing Australia Inc.

Kind regards
Jodie Willmer
(On behalf of the Committee of Sharing Australia Inc.)
Founding Committee Member & Secretary
Sharing Australia Inc.

Co-Founder and Director, Guest Ready Pty Ltd

08 November 2015

Mr Glenn Brookes MP
Chair of the Committee on Environment and Planning
Legislative Assembly
Parliament of NSW

Dear Mr Brookes MP,

Regarding: Submission to the parliamentary inquiry into the adequacy of the regulation of short-term holiday letting in NSW

Sharing Australia Inc. is an association that was established in May 2015 that aims to empower, educate and inform home sharers, who deliver memorable, quality guest experiences across Australia's growing Share Economy platforms.

Home sharing provides income to people who need it to pay basic essentials such as mortgage, rent, utilities and living expenses. It also supplements income for people who are self employed or under employed. It also generates income for service providers such as cleaners, tradespeople, retailers, cafes and people who provide meet and greet services.

Sharing Australia's committee of management members have direct experience of being hosts of guests via Airbnb.com and the majority of committee of management members are self employed and rely on the income from home sharing to meet daily living expenses.

Our of the seven committee members, five committee members are from Melbourne, Victoria and two are from Sydney, NSW. Two of the Melbourne committee members are group leaders of the Melbourne's Finest Hosts Group with over 2,000 Airbnb hosts. Two of the Sydney committee members are group leaders of the Sydney Host Community with nearly 3,000 Airbnb hosts.

Our membership recruitment will commence in early December 2015 and we expect to attract over 10,000 members in our first year of establishment.

We all share a passion for the share economy and the social, community, economic and environmental benefits that it creates for all.

Sharing Australia Inc.

GPO Box 2529, Melbourne, VIC 3001 www.sharingaustralia.org.au

Sharing Australia is an Incorporated Association registered with Consumer Affairs Victoria under the Associations Incorporation Reform Act 2012.

Incorporated Association No. A0091034B

ABN 11578829147

Sharing Australia has 4 primary goals:

1. Setting Benchmarks
2. Educating Home Sharers
3. Industry Research
4. Represent the Sharing Community

We would like to briefly address the terms of reference a) – e) that the Committee will inquire into and report on the adequacy of the regulation of short-term holiday letting in NSW.

a) The current situation in NSW and comparison with other jurisdictions.

Sharing Australia supports sensible, fair, progressive regulations that enable home sharers to rent their spare room or whole house/apartment, providing unique experiences for guests and inject income into local communities.

Currently, it is confusing for home sharers to find appropriate information and to understand their obligations. It is difficult for home sharers to navigate owners corporations (body corporates), local councils and building regulations. There is a lack of clear information.

Rules around short term holiday rentals in Victoria and Queensland are much clearer. The recent announcement by the Tasmanian Government to support the Sharing Economy is positive. The Australian Labor Party's National Sharing Economy Principals make sense.

Sharing Australia supports the Holiday Rental Code of Conduct as a helpful and sensible approach to self regulation and we would welcome the opportunity to make it even more relevant to "in home" hosts who host guests in their own home.

Accreditation or certification could be an effective way for operators of multiple dwellings who operate short term accommodation (that are not their own place of residence) to demonstrate their compliance with taxation laws, risk and asset management, business planning, complaints handling and other consumer protections.

There are a number of existing business accreditation frameworks that could be considered including: The Australian Tourism Accreditation Program, B Corporation or some sort of certification program that could include a self-assessment and independent verification.

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There are opportunities to educate and build a better factual understanding about home sharing benefits with:

- local councils (esp .tourism, health services, food handling, planning, building regulations)
- local businesses, chambers of commerce
- tourism and events industry
- owners corporations /body corporates
- resident groups
- government of all levels
- taxation and insurance professionals
- property investment/banking sector
- innovation/technology sector
- micro/small business mentors and advisers
- people seeking employment
- independent contractors and employees
- consumer protection advocacy organisations

Home sharers also can also benefit from education programs that Sharing Australia will be running across Australia to educate them on their obligations and ways to be responsible hosts and provide quality, safe guest experiences.

Sharing Australia is interested in working with Governments and industry across Australia to engage with relevant stakeholders to increase awareness and understanding of the benefits of the sharing economy. Education can include webinars, fact sheets, resources, workshops and seminars.

b) The differences between traditional accommodation providers and online platforms

Online platforms connect people with people. People with a need for a unique guest experience to live like a local can easily and safely connect with people who have spare capacity (space/room/apartment). There is a return to connected societies on a global scale. The guests who seek out online platforms such as Airbnb and Stayz are seeking different and unique experiences to people who book traditional accommodation.

Home sharing provides vital income for living expenses such as mortgage and rent for people who want to live in their own home. Many are under-employed, self employed or retirees. Without home sharing, many would not be able to afford to stay in their own home and would require welfare support from the charity and government sectors.

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Guests enjoy the opportunity to meet local hosts, live like a local and experience living in a neighbourhood. This enables dispersal of guests and tourism into metropolitan communities and regional areas.

The length of stay of guests in short term accommodation such as Airbnb and Stayz is often longer than traditional forms of accommodation.

The reasons guests choose home sharing ranges from people who are visiting family in hospital, awaiting the birth of a grandchild, visiting children studying in Australia, conferences or as performers in artistic/musical events and festivals. Many guests report that they would not be able to afford to stay in traditional accommodation for a long period of time and require the "comforts" of a home such as fully equipped kitchen.

The two way rating system of guests and hosts provides accountability, transparency and a level of trust for all parties.

c) The growth of short-term and online letting, and the changing character of the market

As more people seek flexible employment opportunities, short term and online letting will increase. There are a range of microbusinesses that benefit from providing services to hosts including cleaning companies, check in services (key exchange), tradespeople.

d) The economic impacts of short-term letting on local and the state economies

We support more economic impact studies to be conducted to examine in metropolitan and regional areas of NSW (and other parts of Australia):

- measure the economic benefits to local businesses (such as cafes, supermarkets)
- social and economic benefits to communities and hosts, guests
- benefits to service providers such as tradespeople, micro businesses, cleaners, retail furniture, fixtures and fittings.

e) Regulatory issues posed by short-term letting including customer safety, land use planning and neighbourhood amenity, and licensing and taxation

Sharing Australia is currently working with an Australian based insurance broker to develop a range of new liability insurance products that provide greater protection for hosts and guests.

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We actively promote information from the ATO about income tax laws to educate hosts. However we believe there are many opportunities to improve information and education aimed at individuals considering home sharing, taxation advisers, those who are home hosting and hosts who rent their whole apartment/house or multiple dwellings to ensure they understand home sharing taxation obligations.

One of Sharing Australia's founding members, Guest Ready Pty. Ltd. has licenced their Hosting Toolkit to Sharing Australia Inc. at no charge under a Creative Commons Attribution-ShareAlike 3.0 Australia License.

It includes: emergency and safety information for guests and hosts, cleaning /check in procedures and checklists, maintenance schedules, risk management, and a comprehensive House Manual for guests including specific house /apartment rules to respect neighbours quiet enjoyment.

They have also developed a “Start up Guide” for new hosts that include information on taxation (including declaring income to the Australian Taxation Office), responsible hosting and insurance information.

Sharing Australia is planning to make these resources available to all Sharing Australia members as a benefit of membership. Again, there are more opportunities to educate hosts and normal tenants/residents about in home safety (for example: not overcrowding and fire prevention) especially in built up areas, high rise dwellings and regional locations.

We do not support the newly introduced registration system for short term accommodation hosts in San Francisco. We have been in communication with Home Sharers of San Francisco and they report that is difficult for hosts to apply for registration, difficult for regulators to enforce and does not provide opportunities for effective communication and co-operation between relevant stakeholders.

In an era where governments are seeking to reduce the regulatory burden on micro and small business, we believe that there are more effective ways to address standards such as self-regulation with the Holiday Rental Code of Conduct and tailoring accreditation/certification systems.

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Thank you for the opportunity to provide a Submission to the parliamentary inquiry into the adequacy of the regulation of short-term holiday letting in NSW.

Please contact me on [REDACTED] should you or the Environment and Planning committee have any questions regarding this submission.

Kind Regards,

[REDACTED]

Jodie Willmer

(On behalf of the Committee of Sharing Australia Inc.)
Founding Committee Member & Secretary
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Co-Founder and Director, Guest Ready Pty Ltd

[REDACTED]
[REDACTED]

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