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Accommodating short-stay accommodation & traditional accommodation: a new policy approach required

The rapid growth of the short stay accommodation sector, facilitated in large part by online platforms such as AirBnB, has raised a range of issues and opportunities for the visitor economy.

It is the view of the Victoria Tourism Industry Council (VTIC) that, as a leading destination for domestic and international visitors, Victoria needs to provide a range of accommodation options that meets the needs of a diverse and growing visitor market.

VTIC also recognises the importance of ensuring overall industry and sector growth. This means businesses that are financially sustainable in the long-term, and an economic environment within the tourism sector that is conducive to, and encourages future investment.

In Victoria, VTIC is aware of regulatory review projects currently underway which impact on short-stay accommodation to varying degrees. These are in addition to the Parliamentary Inquiry into the Owners Corporations Amendment (Short-stay Accommodation) Bill 2016, and include the *Small Business Regulatory Review – Visitor Economy*, conducted by Strategy and Planning group of DEDJTR; the *Proposed Planning Reforms to Facilitate Public Housing, Community Care Accommodation and Improving Rules for Rooming Houses*, lead by Planning, Building and Heritage in DELWP; and the ongoing work of the Red Tape Commissioner.

VTIC recognises that, in considering possible regulatory approaches to managing short-stay accommodation, there is an opportunity to learn from the experiences of other jurisdictions that have sought to address similar issues. For example, in July 2017 the NSW Department of Planning and Environment released its [Short-term Holiday Letting in NSW Options Paper](#), which outlines regulatory approaches attempted or adopted in other Australian states and in major cities around the world, including New York City, San Francisco, Berlin, Paris and London.

It is increasingly clear that existing legislative and regulatory frameworks are not suited to the new forms of accommodation, and the new business models that have emerged over the last decade. Rather than simply amending existing regulation and legislation, which may only address one type of problem, VTIC believes a review of planning frameworks at state and local government level is necessary to properly address the current issues, and to anticipate future innovations in the accommodation sector, and in the property sector more broadly.

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