

# Submission

<b>To</b>	Select Committee on Short Stay Accommodation Sector
<b>Topic</b>	Inquiry into Short Stay Accommodation Sector
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## Contact

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## About

Uniting Communities is an inclusive not-for-profit organisation working alongside more than 80,000 South Australians each year and has been creating positive change for South Australian communities for more than 120 years. We advocate for systems change across diverse social justice issues to shape public and social policy that delivers better outcomes for marginalised communities.

We support those in need to find the courage to move forward through enriching their lives and uniting the communities in which they live. By tackling the deep-seated challenges that affect people's lives, we are working to create systemic change and brighter futures for all South Australians.

We deliver over 90 social and health support services in South Australia, across a range of areas including aged care, mental health, disability, homelessness, child protection, alcohol and other drugs (AOD), legal services and family and domestic violence.

### **U City**

Completed in 2019, U City is Uniting Communities' multi award-winning flagship 20-storey building in Adelaide. As a six-star Green Star building, U City was designed to use 45 per cent less energy and 30 per cent less water than comparable new buildings. It was certified as carbon neutral in 2022.

U City is an innovative and radical mixed-used development featuring both long-term and short-stay accessible disability accommodation as well as a retirement village, together with a mix of commercial, hospitality, social support and health services.

## Submission on Short Stay Accommodation Sector

Uniting Communities thanks the Select Committee into the Short Stay Accommodation sector for undertaking this inquiry. We are concerned that despite living in a housing crisis, there are many residential homes that remain both vacant or used for short stay accommodation on platforms such as Airbnb, Stayz and Booking.com.

According to the 2021 Census there were nearly 84,000 unoccupied dwellings in South Australia on census night. While we acknowledge there are some factors that influence these figures including whether occupants were on holiday or undertaking renovations at the time, this still highlights a concerning number of dwellings that are currently underutilised.

As the private rental market experiences both unprecedented increases in the cost of renting and low availability of rental homes, it is crucial that housing policy utilises current housing supply.

While the short stay accommodation sector alone is not responsible for the housing crisis, it is one of a range of issues that needs to be addressed to improve opportunities to grow housing supply options in the short to medium term. In essence, more strategic use of the short term accommodation assets available in our community provides one important pathway to increasing supply for those needing more stable and enduring housing options.

### Our key recommendations:

- The impact of unoccupied dwellings more broadly is considered in addition to properties that are used for short stay accommodation (e.g. vacant/unoccupied properties and land suitable for housing construction).
- If increases to rates/costs for property owners is introduced, this policy focuses on residential short stay accommodation to specifically target homes that could be in the private rental market (e.g. does not target accommodation that cannot be used long term such as purpose-built hotel and short term accommodation).
- That the introduction of improved consumer protections through a Code of Conduct and minimum standards considers better accessibility for consumers with a disability.
- A registration system is implemented to improve data collection on the extent of residential properties used for short stay accommodation including utilisation/vacancy rates.
- The inquiry seeks to establish a definition of the short stay accommodation sector.

### Additional Comments

#### Short term solutions to housing crisis

We recognise the need to urgently increase the supply of social and affordable housing in our state. However, the associated, planning, financing and construction etc. is long term, often over many years in the case of new housing developments. As a result, policy that focuses on increasing housing supply through the utilisation of existing properties, will provide additional short to medium term housing solutions at a time where such solutions are desperately needed.

We believe that any measures seeking to utilise current housing supply should focus on a mixture of initiatives rather than solely prioritising penalties and additional fees for properties used for short stay accommodation. This includes preventative policy that helps ensure that any homes that are built for long term housing, remain this way, to reduce the number of homes moving from the private rental market, to short stay accommodation. This might include any incentives provided for the provision of such accommodation be tied to their subsequent application for longer term accommodation needs.

### **Fees and rates (incentivising)**

There have been proposals within Australia to introduce additional taxes and fees for properties used as short stay accommodation. The Adelaide City Council rate hikes, introduced in 2024, applies to both hotel and residential short stay accommodation. While the intent was not to primarily encourage properties to be in the private rental market, but to ensure commercial operators contribute to council costs, these measures if judiciously applied can disincentive short stay accommodation.

In Victoria, since January 2025, a short stay accommodation levy of 7.5% applies to properties, but this does not include a short stay in a property that is the principal place of residence of the owner or renter of that property, nor does it implicate hotels. This is an important distinction to any introduced fees for short stay accommodation to ensure that other types of dwellings are not implicated in this policy when they are not in a position to address the availability of long-term accommodation.

A vacancy tax was also applied in Victoria in 2018 to homes that had not been used for over 6 months. This policy will expand to land without a home, if vacant for over 5 years, from 2026. Policies that consider both the short stay accommodations sector and other vacant properties would achieve better outcomes.

### **Definitions**

We recommended as part of this inquiry that a definition of short stay accommodation be established. Given platforms like Airbnb and Booking.com are used for both residential short stay accommodation and hotels (and other forms of accommodation), this can create confusion as to what defines short stay accommodation particularly when a property is considered 'commercial.' A definition will be particularly important if industry standards and codes of practice are developed for the short stay accommodation sector to ensure these provisions are including the intended forms and uses of accommodation. Consideration should be made as to whether some provisions that are expected of hotels, should also be a requirement for residential short stay accommodation, particularly where it attains to safety and security.

A definition will be important in relation to data collection as well as the introduction of a registration scheme.

### **Code of practice**

The accessibility and safety of consumers with a disability must be improved to ensure adequate standards are met. Our serviced accommodation at UCity can cater for low to high physical levels of disability support. However, it is common for hotels and other forms of short stay accommodation, to label accommodation as 'accessible,' when it may only have a couple of features that would cater for low levels of support (such as a handrail or curbless shower). We recommend that any industry code of practice and standards/regulation should include requirements where accommodation is listed as accessible, that includes a level or tiered system depending on the type of accessibility support.

Incentives could be established to support accommodation providers to improve accessibility. Currently, if our accommodation is at capacity, we do not have another hotel or other short stay accommodation

provider to refer consumers to with high needs that has adequate accessibility standards to cater for vulnerable consumers.

In addition, we recommend that people with a disability are considered in any developments of short stay accommodation code of conduct/regulation. For example, any cancellation policies should consider vulnerable consumers with a disability as these consumers have often planned out their trip well in advance, knowing they have specific requirements that many providers do not supply. If an accommodation provider were to cancel at the last minute (including the same day) some consumers may not have alternative accommodation available. Additional provisions and protections could be considered for these circumstances.

## Conclusion

We appreciate the opportunity to provide a submission to the select committee on the short stay accommodation sector. We welcome policy change that looks at both short term and long-term solutions to the housing crisis. We look forward to reviewing the committees' final recommendations.