

Chair's Foreword

I would first like to thank all of the Environment and Planning Committee staff, particularly Mr Matt Newington, Inquiry Officer and Ms Prue Purdey, Administrative Officer. I would also like to thank all those who submitted to the Inquiry. We received 108 submissions and heard from 13 organisations over two days of hearings.

One key finding of the Committee is that there was almost a complete lack of details and reliable information about the scale of the sector and its impact on others. Recent legal cases make it clear the current law is inadequate with owners' corporations unable to adequately regulate or manage on behalf of residents in apartment towers.

This inquiry was somewhat broader than a report on a Bill, given its terms of reference included: undertaking proper consultation with peer sector economy providers, individuals and owners corporations short stay letting providers; the impact on individuals, families, apartment owners and owners corporations of short stay letting in apartment buildings; the adequacy of owners corporation rules in managing impacts on amenity, noting also the lack of adequate planning on the part of the building and construction sector to accommodate the impact of high intensity short term lets. What is clear is the Bill presented to Parliament by the Government did not address many of the key issues adequately. Many provisions in the Bill were confusing and ambiguous. Other matters raised with the Committee but clearly of concern to many apartment dwellers were not dealt with by the Bill at all. In my view the Bill will have to be substantially amended to address many of the issues raised in evidence and to strike a more appropriate balance between the rights of the peer to peer accommodation industry and the right of residents to quiet enjoyment of their own properties.

There is no doubting the growing importance and in particular the economic significance of the peer to peer accommodation sector and the aim of government regulation must be to ensure this sector thrives within a responsible framework that accords fairness and rights to those with whom it cohabits. Tourism Accommodation Australia (Vic) provided a useful set of definitions of short stay accommodation types which provide useful definitions relied upon in the report. This is reproduced at Table 2.1.

In a national context the NSW Planning Minister, Anthony Roberts, has published an options paper to engage in broader consultation prior to regulating the short stay accommodation sector in NSW. The Victorian Government, by contrast, has clearly not, on the evidence presented to the Environment and Planning Committee's inquiry, undertaken broad and adequate consultation. Clauses of the Bill were found to be unclear and ambiguous. The apparent failure to deal with many issues will also need close attention.

The Committee highlights that many of the key themes and issues raised in the NSW Committee Report are consistent with the evidence that was provided during this inquiry. At Section 1.7 the Committee discusses the NSW inquiry and the government response, and I note the NSW Government decision not to rush this issue due to its complexity and divisiveness. The Victorian Government's review of consumer property law offers an opportunity to comprehensively and with full community consultation consider what powers owners' corporations should have to regulate short stay accommodation in their building. If this approach is to be successful, people must be genuinely heard.

The Committee also heard evidence that pointed to serious safety concerns and the Committee has made recommendations responding to these legitimate concerns. It is not surprising perhaps that rising levels of violence and reported offences state wide would be reflected in concerns about violence and disruption in the short stay sector.

It is my firm view that residents have the right to live safely and securely in their homes whether these be detached houses in the suburbs or in large apartment complexes near the city. The legal position of short stay accommodation and the ability of owners' corporations to manage these matters within their own complexes will require the Government to find a solution. Equally, Victoria Police will have to play a role and engage more fully.

The peer to peer economy is of growing importance but must be regulated properly to ensure that unintended and unforeseen impacts on others are properly and fairly managed.

Hon David Davis MLC Chair