



# HOMES FIRST

## A PLAN TO REGULATE SHORT TERM HOLIDAY LETTING

THE  
GREENS

NSW is in a rental crisis. Sky high rents are forcing people out of their homes and record low vacancy rates mean they have nowhere to go. Houses that would have been rentals being used as Short Term Holiday Letting is just adding fuel to the fire.

Thousands of homes are listed on platforms like Airbnb because owners can make far more profit from a holiday property than they can from offering an ongoing rental. It's depriving the rental market of much needed homes.

Despite holiday letting being a business, there is virtually no regulation. Tourist towns like Byron Bay are hit the hardest - some entire streets have no local residents. Communities are being gutted.

The Greens will introduce emergency measures to get homes back into the rental market. We'll take action to regulate Short Term Holiday Letting like the business it is, and make holiday letting business owners pay their share to their local community.

### THE GREENS WILL:

- ▲ Stop non-hosted short-term letting of houses built after 1 January 2018 in an LGA until the vacancy rate hits 3%
- ▲ Require development applications for houses to be used non-hosted for short-term holiday letting, as required for other businesses
- ▲ Give local councils planning powers to decide when and where Short Term Holiday Letting can operate in their LGA
- ▲ Allow councils to place a bed tax on Short Term Holiday Letting to fund local services.
- ▲ Require non-hosted Short Term Holiday Rentals to be used as emergency accommodation during a natural disaster.



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### HOUSES FOR HOUSING

Since the pandemic, the housing crisis in NSW has accelerated wildly. This is despite tens of thousands of new homes being built over the last decade, including 267,163 built since 2018.

Many of these new homes have simply been snapped up by investors and used for Short Term Holiday Letting in communities that are desperate for more housing.

A 3% vacancy rate is considered 'balanced', with rental demand matching the level of supply. Sydney's vacancy rate is currently at an historic low of 1.3%, while the North Coast is at a shocking 1.2%<sup>1</sup>.

In a rental crisis new houses should be homes for families, not money making schemes for investors.

**The Greens will introduce emergency measures that**

- ▲ Prohibit houses built after 1 January 2018 from being used as 'Non-Hosted' (otherwise unoccupied) Short Term Holiday

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<sup>1</sup>[https://sqmresearch.com.au/graph\\_vacancy.php?sfx=&region=nsw%3A%3ANorth+Coast+NSW&t=1](https://sqmresearch.com.au/graph_vacancy.php?sfx=&region=nsw%3A%3ANorth+Coast+NSW&t=1)

Lets in an LGA, until that LGA hits a 3% rental vacancy rate.

This emergency measure will be in place for 2 years until the Greens proposed Department of Fair Trading develops vacancy rate requirements for each Local Government Area to suit their unique housing needs. This will ensure that Short Term Holiday Letting does not impact rental availability.

Home owners will be able to apply for exemptions with their local council for dwellings that are unsuitable for residential purposes, such as granny flats.

### GIVE COUNCILS REGULATION POWERS

Short Term Holiday Letting is a business. But despite this, hosts don't have to pay commercial rates or require the usual development consent needed to run a business out of a residential property. This gives them an unfair advantage against traditional holiday accommodation providers like hotels and motels and renders council and government powerless



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to control when, where and how many Short Term Holiday Lets operate in a community.

What's even worse is the local council receives no revenue from Short Term Holiday Letting. This is even though the Local Council provides many of the services that tourists use and enjoy during their holidays.

### The Greens plan to Regulate STHL will:

- ▲ Require development consent for non-hosted Short Term Holiday Letting, with development applications approved by the local council.
- ▲ Give local councils planning powers to determine when, where and how much Short Term Holiday Letting can occur, including the power to create "STHL free zones" in their LGA.
- ▲ Give local councils the power to place a 'bed tax' on Short Term Holiday Letting, as a source of revenue to maintain the local services used by tourists.
- ▲ Phase in these regulations over 12 months, honouring existing STHL bookings.

## EMERGENCY

## ACCOMMODATION

The horrific floods and bushfires of the last four years have only exacerbated the housing crisis. The Northern Rivers Floods saw thousands of residential homes rendered unliveable and thousands of families left with no place to go<sup>2</sup>.

In emergencies such as floods, storms and fires, finding shelter for displaced people should be the number 1 priority. That's why the Greens will legislate requirements for non-hosted Short Term Holiday Lets to be made available for emergency housing during a natural disaster, with the operators compensated at a fair market rate by the State Government.

### FIND ALL OUR POLICIES:

[greens.org.au/nsw/policyplatform2023](https://greens.org.au/nsw/policyplatform2023)

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<sup>2</sup><https://www.abc.net.au/news/2022-10-27/northern-rivers-flood-house-buyback-scheme-announced/101578058>