T R A N S C R I P T

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Inquiry into the Owners Corporations Amendment (Short-stay Accommodation) Bill 2016

Melbourne — 13 April 2017

Members

Mr David Davis — Chair
Ms Harriet Shing — Deputy Chair
Ms Melina Bath
Mr Richard Dalla-Riva
Ms Samantha Dunn
Mr Khalil Eideh
Mr Cesar Melhem
Mr Daniel Young

Participating Members

Mr Greg Barber
Mr Jeff Bourman
Ms Colleen Hartland
Mr James Purcell
Mr Simon Ramsay
Ms Jaclyn Symes

Witnesses

Mr Dan O'Keeffe (affirmed), Committee Member, and

Ms Tracey Allen (affirmed), Secretary, Southbank Residents Association.

The CHAIR — Can you start off with a short submission? I note you have provided a written note for us. We will follow with questions. I apologise that we are running just a little behind time.

Ms ALLEN — Thank you. My name is Tracey Allen. I am the secretary of the Southbank Residents Association, and with me here is fellow committee member Dan O'Keeffe.

I am just going to begin with a bit of background about the Southbank Residents Association. We are a volunteer-driven, not-for-profit organisation to improve the livability of Southbank and all who live and work within that postcode. The committee consists of nine volunteers, and we meet on a monthly basis. We are also active members of owners corporations, and we are a combination of renters, owner-occupiers and investors ourselves.

Individual membership is available for people who rent, reside or own residential property in Southbank or who live in the area. Individual membership includes tenants, owner-occupiers with only one property and owner-occupiers with one or more properties that are available for rent as either long, medium or short-term accommodation. We also have building memberships via the owners corporation, and they are available to buildings located within Southbank. We currently have 23 building memberships, and the chairs of those OCs meet every second month to discuss common issues of the Southbank Owners Corporation Network, known as SOCN. I understand that a previous speaker from Airbnb mentioned SOCN because he was our guest speaker last month. We had delegates from Airbnb and the Holiday Rental Industry Association just to talk with chairpersons about the issues that they face in their buildings. It was very productive.

According to our president when a building joins SRA we can claim membership of 1.6 people per lot. That equates to a membership with 23 buildings of 11 000 people in Southbank. So given that we figure there are currently 52 buildings in Southbank and a total population of approximately 21 000, we represent half of the Southbank resident population, and we are quite proud of that.

We regularly engage in consultation, and we have made submissions on the following: the Consumer Affairs Victoria property acts review, Better Apartments and amendment C270. We are also involved in planning, so we review every FMC and council agenda, and we make submissions on planning and development. Some infrastructure projects that we are involved in include the City Road master plan, transforming Southbank Boulevard, and Boyd Park. Regarding local community, we support the community through a monthly column in the news, events at Boyd Community Hub and community events as well, so we are very active in our suburb, and that is how we came to review this bill. Nothing passes us by. We communicate with our members and residents of Southbank via a monthly column in the newspaper, member newsletters, Facebook and Twitter channels and our website.

We have got some feedback on the bill, that we have reviewed. Thank you for the invitation to present today to this panel. We support the creation of legislation to better govern the short-stay accommodation industry in all its forms by providing OCs and short-stay operators with better guidelines than they have at the moment. We hope the legislation will enable them to coexist harmoniously, but from just watching the footage earlier there is a lot of work to do.

Today we would like to make some specific comments on the bill and propose some changes. We are just going through the bill from the start. In the definitions section of the bill, the definition for 'short-stay accommodation arrangement' is a lease or licence for a maximum period of seven days and six nights. We would like to change the definition from seven days and six nights to 28 days and 27 nights. The reason for that is that there are often tourism-related events that go beyond seven days — the tennis open for one — so we believe a longer time frame is needed. It could be argued that the act should cover any short-term occupancy that does not have a tenancy agreement, and that is something we have discussed at committee level. A maximum period of 28 days we believe should cover most situations.

Section 159A is the complaints section of the bill and relates to short-stay accommodation arrangements. We are suggesting that clarification of reasonable grounds for each type of breach identified in 159A should be made. We believe that evidence and proof are required to substantiate any complaint under this section. The reason is that the nature of the evidence of the different types of breaches varies significantly. So in the case of a breach about damage there is likely to be physical evidence of the damage. For parts (c) and (d) in relation to causing a hazard and obstruction there is likely to be CCTV footage to back that up, and we saw that in the images earlier.

On the flipside of that, for sections (a) and (b) in relation to noise and behaviour the evidentiary record is likely to be anecdotal, so fellow residents calling up saying that there is a party going on a few floors up. We believe that for type (a) and (b) breaches there should be corroborating evidence from either security personnel that are called out to the site or police, CCTV footage, photos et cetera.

It is our belief that OCs should not restrict short-stay occupants or operators from access to facilities. However, there is currently no option within the legislation to complain if this occurs. We suggest adding a new paragraph to follow section 159A(2), on alleged breach by an owners corporation if they engage in any of the following conduct. So if they restrict the access of a short-stay occupant to facilities in the building, except in situations where the lot owner or the short-stay provider has asked for that restriction, which could happen, the building requires an induction program to be completed prior to access to the gym facilities — again, we saw that earlier where short-stay residents do not understand the appropriate use of the gym or try and force their way in out of hours with drinks, which is just not on — or if there has been a breach of the buildings rules by the short-stay occupant. We believe a short-stay provider should be able to offer the same access to the facilities of the building as other residents, within reason.

The CHAIR — But there should be some controls on that.

Ms ALLEN — Yes, there need to be controls, not just a blanket block.

We would like to comment on section 159B, 'Decision whether to take action in respect of alleged breach by a short-stay occupant'. That section currently states that:

> The owners corporation must not take action … in respect of an alleged breach by a short-stay occupant unless it believes on reasonable grounds that the short-stay occupant has committed the alleged breach.

The definition of 'reasonable grounds', we believe, needs to be further defined because it could be subjective or objective. We believe it needs to constitute firm evidence of a breach in the form of CCTV footage, fob evidence — the swipe evidence — a security report or a police report. An example we have given there is that a breach such as a bottle falling from a balcony is difficult to prove. It is hard to know where it came from; there is unlikely to be any CCTV footage. But if there are people drinking in the pool it can be corroborated by CCTV footage, fob access when they entered the pool and possibly a security report if someone called security.

In section 159C, 'Notice of decision not to take action — short-stay accommodation arrangement complaint', there currently do not appear to be any time frames associated with the notice of decision not to take action on a complaint. We would like to suggest adding a new paragraph after section 159C(2) specifying the time frame in which notice must be given and the time frame in which it must be processed. This seems to be an omission from the act, and a reasonable time frame we think would be within two months of lodging the complaint.

Regarding 'Notice to rectify breach — short-stay accommodation arrangement complaint', we have got a few queries on this section that I would just like to touch on. Part (1)(a) currently states that the owners corporation must give notice of the allegation to the lot owner and the short-stay provider, but we believe the notice must also be given to the party who made the complaint and the respondent to the complaint, and this is just to keep all parties informed. Part (1)(b) says that the owners corporation may — I am using air quotes there — give notice of the allegation to the short-stay occupant, whereas section 169H says that the short-stay occupant is liable for satisfying any order by VCAT. If the short-stay occupant is potentially liable, then they must be given that notice. We believe that that is an inconsistency between the two sections that may infringe on rights of the short-stay occupant and that it is an anomaly that should be corrected.

Part (2)(b) uses the phrase 'in any case' in reference to taking the matter to VCAT. The interpretation of this phrase could be problematic as it suggests the owners corporation may take the matter to VCAT even if a notice to rectify the breach has been issued. This seems to complicate matters, with possibly two actions in place at the same time: the first, a notice to rectify the breach; and the second, a VCAT application. It just does not seem like natural justice.

Part (2)(b) also uses the word 'dispute' for the first time in the act without defining the term, although it is defined in a later section. What is the mechanism by which a complaint about an alleged breach becomes a dispute, and does this require a notice to be issued first? This section seems to suggest that the owners corporation can decide that there is a dispute prior to issuing a notice. We are just confused by that.

The same section has three possible orders by VCAT, whereas section 169C has four possible orders. You will note that the loss of amenity compensation order is missing from section 159D. We query whether these two sections should be the same and also if the list needs to be mentioned twice in the act. It just appears incomplete, misleading or unclear. We suggest adding a section after part (3) to specify again the time frame in which notice must be given. Again it seems to be an omission from the act, and a reasonable time frame would be within two months of lodging the complaint. That is our suggestion.

Moving on to section 169B, regarding who may apply to VCAT in relation to a short-stay dispute, it is possible that a short-stay occupant may wish to apply to VCAT, and the facility should be in the bill to do so. We think it is unlikely, but we still think it should be there. We recommend adding a new category of persons — short-stay occupant — who may apply to VCAT to resolve a dispute. We just think it is appropriate to include all parties.

Section 169D, the section on prohibition orders, currently states that a notice has been served on a short-stay provider on at least three separate occasions within 24 months. We suggest changing the period from 24 months to 12 months. A shorter time frame would be more indicative of a serious sequence of breaches, although there is an argument that the period could depend on the nature of the breach — for example, a shorter time for less serious breaches, such as noise and behaviour, and a longer time for breaches involving damage, hazard and obstruction.

Section 169H, 'Joint and several liability of short-stay provider and short-stay occupant', we believe, seems inconsistent with 159D(1)(b), which states that the owners corporation only 'may' give notice to the short-stay occupant. If the short-stay occupant is potentially liable, they should be informed of the notice. It is likely in some instances that the short-stay occupant might have left the country, and we acknowledge that.

Part (3) of the section seems to allow the short-stay provider to avoid responsibility for any loss of amenity. The phrase 'the short-stay provider took all reasonable steps to prevent any relevant breach' seems loosely defined. It could simply mean that the short-stay provider hands the short-stay occupant a list of model rules for the building. This seems at odds with the principal that the lot owner is ultimately responsible. Either the meaning of 'reasonable steps' needs to be more specific and particular to each type of breach, or this section should be removed.

Perhaps I will ask if you have any questions, but we have also just flagged three additional issues that we have with the bill.

The CHAIR — I want to thank you for that. That is a very useful contribution. Essentially I make it that there are about 20 different matters that you would recommend we address. I was just counting as we went through. There are nearly two dozen different points where you think the bill is deficient or needs to be improved. Your view, I think you are saying, is that the bill should not proceed in its current form but should be modified in this series of ways.

Ms ALLEN — Yes, we believe it can be improved. As a panel member was saying earlier, you have to start somewhere, but we believe that these improvements and perhaps others suggested and reached throughout this inquiry process will improve the current state of the bill.

The CHAIR — Because it seems to me a shambles at the moment. There are all of these matters and others that are not addressed in the bill.

Ms ALLEN — That is right.

The CHAIR — How did you arrive at this submission? Was this a working party of your group in Southbank or did you survey all of the members? I am just trying to understand.

Ms ALLEN — It is a good question. Dan and I have worked closely together to get to this point. You will notice that what we are presenting today is a lot more detailed than our submission. I wish we had a time machine to go back and give this to you as our submission. We just were not able to reach this point then, so we thank the panel for the extension to present today. Our president has a conflict of interest, as does another one of our committee members.

In a perfect world we would have liked to have surveyed our members and been able to bring you data on all number of topics. We did go out to our members, because they have told us their complaints and their

experiences of short stays in their buildings, but unfortunately we did not get anything that we could bring to the panel here today. I guess if we had 12 months to go away and bring you some data, I think we could do that, given our reach that we bragged about in our introduction. But unfortunately we were not able to conduct any surveys — we do not have any data to give you — and what we have presented here today is a result of a working party of our own committee members. As I mentioned to you, our experience is vast and covers a lot, and also the experience on the committee representing Southbank is quite extensive too.

Mr O'KEEFFE — We had a majority of our committee contributing to this exercise. There were a few absentees for conflict of interest.

The CHAIR — It is quite possible if all of your members and all of the apartment owners across Southbank were to see this that there would actually be quite a deal of different viewpoints on some of these individual matters.

Ms ALLEN — Yes, and that was — I will call it — a 'problem' that our committee faced. We represent so many different kinds of members. Some of our members are short-stay operators; some of our members are renters or owner-occupiers who just work in the suburb. So there are a lot of competing interests, and it was quite difficult to come to a consensus about where we stand on certain matters. I guess what we have come up with today for the panel are the topics and suggestions that we could reach a consensus on, and we have had to leave it at that.

Mr O'KEEFFE — There are a few items where we had differences within our group, so we said, 'Okay, we won't deal with that, and we will just address the ones we are in common agreement on'.

The CHAIR — Should the bill go forward in its current form?

Mr O'KEEFFE — We did not really discuss that.

Ms ALLEN — We discussed that we support the bill, but we want to see these improvements made. We also identify that there is a lot of improvement to be made to the bill. So yes, we would be in favour of the bill in its current form, but we see a lot of work and improvement to be done, and we are hopeful that this panel can achieve that.

Mr O'KEEFFE — I think we are identifying weaknesses as we see them in terms of its implementation and its interpretation of the current act. It is certainly an improvement of what is currently there, and no doubt in another four years time there will be a further refinement.

The CHAIR — I make it about nearly two dozen changes that you flag in one form or another.

Mr O'KEEFFE — Yes. We actually discussed those in some depth, and I think we actually feel that they are worthwhile improvements, to be honest.

Ms HARTLAND — You may not be able to answer this today, but what are the top three improvements that you would want to see to this bill? Go away and think about it and write back to us. You made a comment about the video that was played. It sounds like it is a common problem in a number of buildings.

Ms ALLEN — I think it is fair to say that Docklands probably, as we understand it, is a lot worse off than Southbank. Sitting in the audience here this morning, we could not help being shocked and moved by what we saw. I guess I was just drawing everybody's attention to what we just saw.

Ms HARTLAND — Why do you think that difference is?

Ms ALLEN — I am not sure.

Mr O'KEEFFE — It is hard to say. It may be a function of the market, but certainly just anecdotally within Southbank we do not hear stories of that sort of nature.

Ms HARTLAND — They are short stays?

Mr O'KEEFFE — Maybe very short stays of that sort of nature. Certainly some of the corporate bodies are present in Southbank, but they tend to be longer stays. The frequency of our short stays, at least in terms of any

potential damage and noise, we do not really hear much. We have the SOCN, the Southbank Owners Corporation Network. There are about 23, and I know about a dozen of them meet every two months. They exchange things openly without taking minutes, so they can be quite frank in their discussions, and there is no great groundswell saying, 'We've got real major problems here'. It may just be a cultural thing, perhaps where the people who tend to cause problems tend to go and congregate in some of the Docklands buildings rather than Southbank — who knows?

Ms HARTLAND — So Southbank physically — I know where you are — can you describe the physical boundaries of Southbank?

Mr O'KEEFFE — I suppose postcode-wise, you have got St Kilda Road on the east, you would probably say Clarendon Street on the west, the river on the north and on the south — what? — Dorcas Street?

Ms ALLEN — I would have to confirm that for you.

Ms HARTLAND — Do you think part of that issue, too, is that you are a much more established suburb?

Ms ALLEN — I really could not say.

Ms HARTLAND — I am just trying to figure this out in my head too. Your buildings, they are much more established.

Ms ALLEN — It could be that Docklands is a newer suburb than Southbank. It could be that some perceive that Docklands is a party pad or where you go. I am really not sure. Perhaps people stay there for the football. I could probably come up with 12 reasons why we think there might be a difference, but it would be hard to say without any data.

Mr O'KEEFFE — It would be very anecdotal, and there would be very little evidence to support it, but it is not really appropriate to air in this sort of forum and to speculate on those sorts of things.

Ms HARTLAND — No, it is just interesting. It may just be the age of the suburb.

Ms ALLEN — In forming this submission to the panel, the Southbank Owners Corporation Network was asked if they wanted to prepare their own submission. With the president, Tony Penna, declaring his conflict, I guess no-one else really took his place and none of the other OC chair people stepped up to say, 'Hey, short-stay is a problem'. I guess none were motivated enough to make a submission, so I guess that kind of speaks for itself too. If some of the activity that was going on that we saw here was in any of their buildings, we would assume they would be more motivated to put forward their own presentation.

Mr O'KEEFFE — If I could add also, perhaps, as anecdotal evidence, which does have some sort of evidence, if you like, in terms of what we see on City Road in terms of new people coming into buildings, my perception is that they are largely couples and probably largely middle-aged couples. That is my perception. You do not tend to find groups of young men coming into buildings like you might have seen there. So that may be just a cultural difference that people tend to favour.

Ms HARTLAND — The location, yes. We really do appreciate that extra work you have done.

Mr O'KEEFFE — Yes, but we are limited in a sense. We are not an advocacy group in that sense. We are not pushing a line in a sense.

Ms HARTLAND — No.

Mr O'KEEFFE — We are trying to identify where we see there are weaknesses of implementation for the act to actually make the job easier.

Ms HARTLAND — That is the exact purpose of these kinds of committees — to make legislation better.

Mr O'KEEFFE — Hopefully in terms of an aspiration, there should be a capacity to have OCs and people in the accommodation industry work more closely together to their own mutual benefits in many ways. I like the idea of, with the apartments that we live in, perhaps some of the short-staying being limited in time. That

could have quite an interesting impact, as it is in other countries, as we saw with the previous witnesses. That could have an interesting impact.

Mr MELHEM — Thank you for your submission this morning and all the points you have made. There are some really good points there that you have made. I take what you are saying — you are supporting the bill. The bill is a step in the right direction. I am sort of paraphrasing.

Ms ALLEN — Yes.

Mr MELHEM — Some of the issues you have raised, they could be implementation issues, or the issues could be dealt with through regulations and maybe a review period. Is that something, if you do not get all of the changes you are seeking here, for example, that could be a mechanism whereby there could be a review period of the legislation in 12 months or two years or whatever period to, one, address the issues you have raised? And two, some of these could be done through regulation — have you given some consideration to that? What is your view on that?

Ms ALLEN — I guess we did not discuss which of the regulations and whatnot, but I guess the committee unanimously agreed that we would like to remain involved. After this panel process, if there is another draft of the bill for review before implementation, we would love to see it again before it is implemented, and we would like to continue to be involved as much as possible. I think that answers the first part of your question, but as to the second, we did not discuss what should be regulations or what should be model rules et cetera.

Mr O'KEEFFE — Can I just add too in response to an earlier question about some of the important issues we raised here, given there are a lot of points here, I think one that is worthwhile addressing is the differentiation between the types of breaches. I think noise tends to be one that is easily talked about but is very difficult to manage, whereas damage is a separate category altogether. I think that the bill would be improved by differentiating between the different categories and almost having different strategies by which they are resolved. Having one mechanism that covers everything I think complicates noise, because in some ways the act needs to be hard enough to cover damage, and that really complicates it when you want to deal with social issues that are associated with noise and behaviour. I think that would be a big improvement.

Ms ALLEN — Can I just touch on the three additional issues that we wanted to bring forth today? We believe that the act should specify the obligations of the owners corporation to a short-stay provider. We believe that the rights and responsibilities of all parties need to be specified if complaints are to be resolved amicably and expeditiously.

We were also unclear in our review of the bill as to how the grievance committee fits in in terms of resolving disputes prior to the lodgement of a complaint with VCAT. We know the OCs use a grievance committee or a grievance process for resolving disputes and complaints, but we just did not see how it fits into the bill. We do not have any suggestions, but we are just wanting to flag that with the panel.

Also, just a minor point, section 169D(1)(a) of the bill currently states that 'a notice has been served on a short-stay provider on at least three separate occasions'. It is not specified that the notices should relate to an individual lot. It could easily be interpreted that a short-stay provider in a building with 10 lots only needs three breaches or three complaints to be subject to a prohibition order.

The CHAIR — Would that be reasonable though?

Ms ALLEN — We did not think so, because then you are discriminating against short-stay providers with 50 lots in a building and a provider with one. It needs to be the same rule for all, we believe.

The CHAIR — Just to pursue that, unless there is a pattern where an operator has a large cluster of apartments and is running what is, as we heard before, an industrial-scale operation, it seems to me you might want different rules to apply to that sort of operator as opposed to a person who occasionally lets their property.

Mr O'KEEFFE — That is fair enough, but I think we are pointing out that the phrase in the act is actually loosely defined in what it actually means. Three separate occasions could mean three different lots. It needs to be more precise so that every party knows what it actually means.

The CHAIR — But you understand my point?

Ms ALLEN — Yes, I do understand what you are talking about. I think the rules in the bill should be fair. However, if you have got a large short-stay provider with a number of apartments, then they could use this rule to shift their party bookings around to different lots that have not been breached yet. There is no way to stop them from doing that, but I guess it would not be consistent. So if you have got three breaches and you are out, or three breaches and you have a prohibitive order, then it is going to impact the larger providers quicker than it will the smaller ones, and we just do not think that is equitable. I guess we are saying we do not have the answer for that, but it needs to be defined, as Dan says.

Mr MELHEM — The breaches could be related to a particular building. You might have 10 rooms in the building and you have three breaches in three different rooms. That should count as one because it is in the same building.

Ms ALLEN — I think we are defining it as the actual lot owner — the apartment number. It should be associated with that apartment number, not with the short-stay provider.

Mr MELHEM — That is what I am saying. If someone had three apartments, for example, in one building, and they had one breach in each of the apartments, you cannot have a prohibition order against that person.

Ms ALLEN — That is what we are saying, yes

Mr MELHEM — Yes. But what I am saying to you is that if you combine them, that will be a better result because they are in the same building.

Mr O'KEEFFE — I suppose that if it occurs, if you have got a provider who — —

Mr MELHEM — I am just asking for your opinion on it.

Mr O'KEEFFE — Yes. But if you have a provider who has one lot and there are three breaches as opposed to a provider who has 10 lots and there are three breaches, you could argue the more lots you have got, the higher the chance of having a breach. That should be thought about to some extent, I would have thought.

Ms ALLEN — I know that a lot of witnesses you will be seeing would be in favour of your suggestion that with just three breaches, no matter how many apartments are in the building, you are in trouble and you are before VCAT. I think a lot would be in favour of that, but we are just wanting it to be equitable.

The CHAIR — Just to follow this through, effectively what you are confirming is what the We Live Here people have told us — that there are operators who have got multiple apartments in one building which they are actually operating in a consistent way as an Airbnb-type operation. We heard evidence a little bit distinct from that from the Airbnb people earlier in the morning where they did not quite say that did not occur, but they tried I think — and I do not think I am being unfair to them — to present that this was all about people letting one room where they were present.

Mr O'KEEFFE — I do not think we are confirming anything in regard to data. We are just looking at how the phrasing in the act will be interpreted.

The CHAIR — I understand that, but I am pursuing it.

Mr O'KEEFFE — We as committee members may be on OCs, but we only sort of know about what might be in our own building. We do not really have a broad perception — —

The CHAIR — So your building has multiple — —

Mr O'KEEFFE — No. I am just saying that even as a person who is on an OC, we do not know what is in our own building.

The CHAIR — You may anecdotally piece together what is actually occurring.

Mr O'KEEFFE — Yes, but that is very fraught. Information is shared around the table and you hear about such and such — —

The CHAIR — You do not believe for a moment that it is all people letting one room in their apartment when they are present? That is not the case, is it?

Mr O'KEEFFE — Our concern is with the phrasing in the act; it is not based on any concrete evidence that we are concerned about.

The CHAIR — Yes, I understand that, and we are thankful for those points.

Ms ALLEN — Perhaps if I can add to Dan's comments, the anecdotal evidence that you are asking for each of the committee members has. You only really hear about the troubled short-stay apartments. You only hear the concierge talking about this problem or that problem or whatnot on committee. You very rarely hear, 'Oh, did you hear level 23 has a wonderful Airbnb. It is an old couple and they never have a problem'. You never hear the good news, so I think that in any building there are going to be more short-stay arrangements than any of us or any OC are aware of, because we only become aware of the ones that cause trouble.

I guess from an SRA perspective, we are not distinguishing between the companies; we are not distinguishing between Airbnb or Stayz or Boutique Stays, who you are hearing from later today; we are just generalising about all of them. We understand that some of them let out the complete apartments with nobody staying there. We understand that some of them are arrangements where it is just your spare bedroom once every six months. We are really just lumping them all together for the purpose of this bill, trying to improve upon it to give OCs and residents better powers to get through any problems that arise.

Mr MELHEM — You have not got hard statistics at this stage, which is fair enough.

Mr O'KEEFFE — No, we are not in a position to get that.

Ms ALLEN — No, we do not. Unfortunately we do not have any data for you.

The CHAIR — But you anecdotally would not disagree that there are a number of cases in your area where there are multiple units in one building being run by one operator?

Ms ALLEN — Yes, we are certain that there are.

Mr O'KEEFFE — But I do not think we have enough evidence for that.

Ms ALLEN — We do not have any evidence to back it up, but if you are asking our opinion, my opinion is yes, there probably are. I am not sure about Dan's opinion.

Mr O'KEEFFE — My perception would be that some of the corporate key-type companies operate in Southbank, but I do not really know the extent of Airbnb penetration, if you like, into Southbank.

Ms ALLEN — There are also two buildings near to me that I know of that are combined residential and hotel, so where there are Quest apartments and there are also residential apartments in the same building — or Oaks. They have Oaks suites mixed with residential. I am not sure if you are hearing from any of those parties, but there are plenty of examples of a whole mix of arrangements going on in Southbank and in Melbourne.

Ms HARTLAND — I think those ones where you have got that very distinct five floors and they are run by one operator, you know what you are getting into when you move into the building, which seems to be different from when people do not know that is what is going to happen.

Mr O'KEEFFE — The other comment I would make too on a separate matter that we have talked about and was mentioned in the previous presentation is the issue of whether you need a special permission to go to VCAT — getting 75 per cent. We are not lawyers, but our reading of the current OC act seems to be that it is within the power of the OC, if there is a breach, to take that to VCAT without needing 75 per cent.

The CHAIR — It may be actually a deterioration of the position of the owners corp committee in that sense.

Ms ALLEN — We think it is a big deterrent. We discussed it. It came up somehow, but we cannot see anywhere in the act where it says that an OC needs to pass a special resolution to take a matter to VCAT. If that were the case, I think it would be a huge deterrent for an OC to take a matter to VCAT. Getting a special

resolution passed — I am not sure how many OCs have done it — is incredibly complex. It is costly; it is timely.

Mr O'KEEFFE — Even then you go through the exercise, you do not get the 75 per cent, but you may get more than 50 so if you do not get the 25 opposing, then you can actually do it that way but that extends the process even further.

The CHAIR — I thank you for your evidence. Again we may have the secretariat talk to you further about some of these points. If you have information to bring forward, as Ms Hartland suggested, I would welcome hearing it.

Ms ALLEN — Thank you for the opportunity.

Mr O'KEEFFE — Thank you.

Witnesses withdrew.