

Byron Residents' Group is a community organisation that was founded in 2014. We are an incorporated association comprised of a group of local people who want to contribute to shaping how Byron Bay develops into the future. We formed as a response to decisions being made about planning for the town – often from state government overriding Council decisions or changing planning processes to minimise Council's and the community's capacity to act in the best interests of people and the environment. From that beginning, we have worked to defend country and community in Byron Bay and enhance what is good.

Byron Residents' Group has 2,800 Facebook followers and a mailing list of 1,100 supporters, who are all Byron local residents.

A Shire out of balance

The Byron Shire community has lived alongside the visitor population in relative harmony for many years. But there are limits.

Over the last 10 years, up until the COVID pandemic in 2019, Byron had shown a steady growth in tourism by roughly 100,000 visitors per year. The ever-increasing numbers of tourists are not sustainable. Byron's visitor-to-resident ratio as the highest in the world as far as we can find. ¹

Location	Tourist population	Local population	Visitor to resident ratio
Byron Shire	2.41m (pre-COVID)	36 077	64:1
Miami, Florida	8.1 million	500,000	16:1
Barcelona	32 million	1.7 million	18.8:1

We've all seen the tourism growth figures of the last few year– was it not obvious to those who imposed the STRA on us via the Housing SEPP -- that it couldn't, or indeed shouldn't continue.

¹ Source: <https://www.insider.com/cities-with-the-most-tourists-2019-12#1-miami-florida-has-the-worlds-highest-tourist-to-local-ratio-with-1641-tourists-for-every-100-locals-16>

A social experiment gone horribly wrong

Some years back, the idea of Air BnB seemed pretty cool. You could stay in someone's house in a cool location and not feel like a 'tourist'. For some people it was an easy way to make some pocket money using their home. Air BnB's lobbying to government focussed on that aspect of their business – people having guests staying in their homes -- but it is a tiny slice of their market in Byron, 367 compared to 2753 whole houses. This 'disruptor' of the traditional accommodation industry is no longer an edgy and cool way to travel the globe, it is now an aggressive global corporate which is expanding rapaciously.

Adding together the devastation of the floods almost exactly a year ago, the homelessness and despair that has resulted, and the lack of available rental in the entire region it is devastating and dispiriting that we are having to argue the case as to why we need to have less holiday letting and more permanent accommodation. It is obvious.

What is less obvious is why the NSW government decided to allow STRA to exist as complying development under the Housing SEPP. The result is a housing crisis, a business crisis and a community crisis here in Byron.

With all the resources available to them, why did the Department of Planning not consider the likely impacts of this unfortunate social experiment? One would have to wonder if any social planners were asked for their input.

A look at the *Options paper on STRA* that resulted from the Parliamentary enquiry into STRA reveals the extent to which the issues that now beset us were batted away as inconsequential.



Concentration of STHL Ownership

In its submission to the Parliamentary Committee, Inside Airbnb reported that 25% of entire home listings are rented out by hosts with more than one listing¹³.

Concentration of ownership of dwellings, solely for the purpose of using them for STHL could create 'virtual hotels' where the 'rooms' are dispersed across NSW. There is currently little or no evidence of concentration of ownership, or of any adverse impacts from 'virtual hotels' in NSW.

Some jurisdictions are regulating the number of properties a host can advertise. In NSW, any attempt to regulate STHL ownership may be anti-competitive and would need to be carefully considered.

¹³ Parliamentary Inquiry Report, Submission 199, Inside Airbnb, p2.

Rental and Affordable Housing Stock

The continued growth of STHL is occurring at the same time as the housing market is generally becoming less affordable, particularly in metropolitan Sydney and highly patronised holiday destinations such as Byron Bay. In these areas, some consider that STHL has the potential to compete against traditional forms of residential tenancy.

However, the limited evidence currently available suggests that the impact of STHL on rental availability is negligible.

Sector-wide, transparent data collection and reporting from industry may help to ensure the issues can be monitored to facilitate an informed response from Government.

It is clear that virtual hotels have become entrenched – here are just some of the local ones²:

Top Hosts

Host Name	#Entire home/apts	#Private rooms	#Shared rooms	#Hotel Rooms	#Listings
A Perfect Stay	155	0	0	0	155
Your Luxury Escape	68	11	0	0	79
Byron Bay Accom	74	0	0	0	74
East Coast Escapes	49	0	0	0	49
Destination Byron Bay	43	0	0	0	43
North Coast Lifestyle Properties	42	0	0	0	42
Luxico	40	0	0	0	40
Temple Retreats	36	0	0	0	36

² Source: Inside Air BnB <http://insideairbnb.com/northern-rivers/>

The STRA options paper notes that:

“Sector wide, transparent data collection and reporting from industry may help to ensure the issues can be monitored to facilitate and informed response from Government.”

Bureaucrat-speak notwithstanding, what responses from Government might be undertaken? Could we expect that, given the SEPP has been a disaster for Byron, that the response might be to undo the placing of holiday of letting business into residential legislation? The SEPP is allowing virtual hotels in residential neighbourhoods, prompting a housing and thus an economic and social crisis.

How has this affected Byron’s residents?

So, consider the set up when almost 4000 dwellings out of the total of 16,900 dwellings in Byron Shire are holiday lets – ie 25%. What is going to happen? With an average of 2.4 people per dwelling in Byron, that is a lot of people who have had to find other homes. This has not happened all at once, but it has happened with alarming rapidity.

Source	Total listings	% Dwelling stock*
DPE STRA register	2389	14%
Inside Airbnb	3129	18.5%
AirDNA (includes Stayz)	3923	23%

*16,919 dwellings <https://profile.id.com.au/byron/dwellings>

Other people in the IPC hearings spoke about the impacts to a society when you lose the social capital that created it – the connections of friends and neighbours, the volunteers, the life savers, the cricket coaches -- our social fabric is unravelling.

But there are some less recognised effects of this social experiment gone wrong.

Workers in cars

People can no longer live here because they cannot find a place to rent but their jobs are here. Some had to leave whilst others took jobs here but have to live elsewhere. This can only result in increased traffic into town.

The National Institute of Economic and Industry Research (NIEIR) counts 15,704 jobs located in Byron Shire in 2021. The NIEIR records a total workforce increase of 27.7% between the 2016 and 2021 census, but the notable growth is in the number of workers coming from outside the Shire to work, *which increased by 41.7%*.

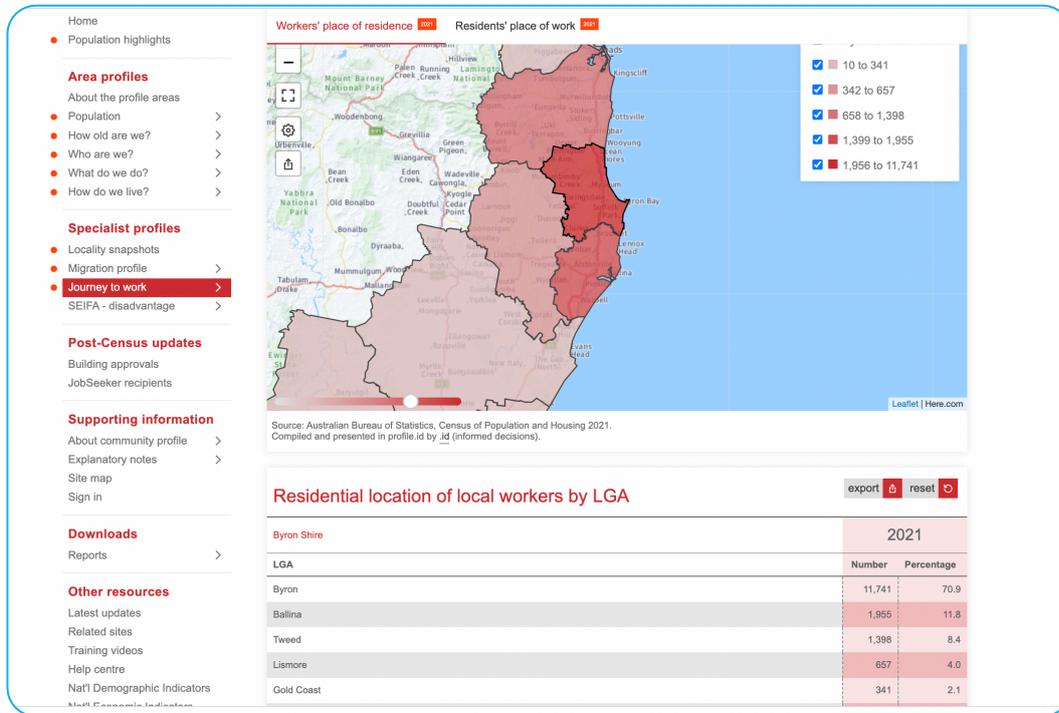


Figure 1 ABS <https://profile.id.com.au/byron/workers>

Total workers in Byron – 11,741

Workers that live outside of the Shire – 4,817 (29.1%).

Most come from neighbouring shires:

Ballina: 1,955

Tweed: 1,398

Lismore: 657

Gold Coast: 341

TOTAL: 4,351

Infrastructure impacts

Problem

The intersection of M1 Pacific Motorway and MR545 is the key interchange to Byron Bay on the North Coast of New South Wales.

Commuter and tourism traffic is leading to growing congestion at this intersection, particularly during peak times. Traffic queues are often between 500 m to 2 km along the M1 to and onto the MR545.

Since 1999, traffic volumes have grown strongly by around 3% per year. This growth is expected to continue as tourism grows

in the region. In 2019, an average of over 22,500 vehicles used the corridor each day.

This *Infrastructure Australia* report of 2019 shows the extent of congestion into Byron.

In 2019, an average of 22,500 vehicles used the M1/ Ewingsdale Road corridor. Given that there is a 3% increase annually it is likely more than that, 4 years on. Most people drive to work as public transport in Byron Shire is poor, so the number of workers driving in likely according to the census data on the previous page would equate to around 4000 cars. Most use the overloaded M1 to access town from the north and south, although Broken Head Road from the south backs up significantly in peak hour, causing major congestion.

This has multiple impacts:

- traffic circulation - long waits on entry into towns and circling for available parking
- degrades road infrastructure
- parking overflow into residential areas because long day parkers want to avoid paid parking areas
- impacts on the amenity of residents and visitors
- business: many Byron residents avoid going to the Industrial estate for several hours a day when traffic is bad

The burden of excessive cars in our towns causing parking and traffic problems and impacting business is also an impost that residents and businesses pay for -- the indirect but real impacts of STRA.

Peak visitation months sees considerable congestion on Byron's roads. A 5 minute traffic delay in Byron Bay could generate almost \$10,000 per day in travel time costs.³

Byron has a rate base of 16,000 ratepayers but a tourism population of over 2.4 million. We, the residents, are subsidising the tourism industry -- increased wear and tear on roads, traffic and parking congestion, increased waste management problems, and increased infrastructure costs that result from tourism are being paid by ratepayers.

The cost of 'servicing' the visitors means that other services and infrastructure that benefits residents are not funded. Holiday letting cannot be taxed under traditional rate based methods and therefore is not contribute to servicing costs.

A final word

In 2015 I visited Venice. What struck me as I ventured away from the tourist areas was the lack of street life – lots of elderly people but few young people, few children and families and few of the everyday shops that a neighbourhood needs – mostly cafes, take way food outlets and boutiques. I began to feel regret at being one of the 20 million tourists annually swamping Venice, a city that 10 years ago had 60,00 people but last year there were only 50,000.

Venice has become a kind of 'theme park' of old buildings and churches and tourist shops. Residents are being driven out of desirable locations around the globe - and in every case, local and authorities acknowledge that it is driven by the online rental platforms.

Having seen what is happening elsewhere, how can we, who love and live in Byron, not push back against a demand-driven growth scenario of STRAs to feed an insatiable desire for more holiday accommodation? What is the inevitable end result of that? Is it Venice? It is our obligation to our community to resist this insanity. Byron Shire is the place we chose to live in, with neighbours that we know and services that exist for all of us not just visitors.

³ 2Based on modelled number of workers in Byron Bay Destination Zone commuting by vehicle (ABS Census, 2011), Traffic counts of Freight vehicles using Ewingsdale Road (supplied by BCC), and Value of time costs from Transport NSW government Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives. From *Byron Shire Council Tourism scale and impact analysis*. Prepared by iD the population experts. 2018.

**Byron
Residents'
Group**

The 'Byron lifestyle' that is being sold to visitors will soon no longer exist. You can't live like a local when there aren't locals; it's make believe, a simulacrum of the lives once lived here.