

# DÁIL ÉIREANN

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## AN COMHCHOISTE UM THITHÍOCHT, PLEANÁIL, POBAL AGUS RIALTAS ÁITIÚIL

## JOINT COMMITTEE ON HOUSING, PLANNING, COMMUNITY AND LOCAL GOVERNMENT

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*Dé Céadaoin, 28 Meitheamh 2017*

*Wednesday, 28 June 2017*

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Tháinig an Comhchoiste le chéile ag 1.30 p.m.

The Joint Committee met at 1.30 p.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Pat Casey,	Victor Boyhan.
Fergus O'Dowd,	
Eoin Ó Broin.	

I láthair / In attendance: Deputies Dessie Ellis and Eugene Murphy.

Teachta / Deputy Maria Bailey sa Chathaoir / in the Chair.

## **Business of Joint Committee**

**Chairman:** At the request of the broadcasting and recording services members are asked to ensure that their mobile telephones are turned off or switched to airplane safe or flight mode, depending on the device, for the duration of the meeting. It is not sufficient for members to put their telephones on silent mode as this will maintain the level of interference with the broadcasting systems.

Apologies have been received from Senator Paudie Coffey and Deputy Ruth Coppinger. Deputy Boyd Barrett will substitute for Deputy Coppinger. I propose that we go into private session to deal with housekeeping matters. Is that agreed? Agreed.

*The joint committee went into private session until 1.32 p.m. and resumed in public session at 1.45 p.m.*

## **Housing and Rental Market: Discussion (Resumed)**

**Chairman:** We are resuming our consideration of the topic of short-term lettings and the impact, if any, they are having on Ireland's housing and rental market. Today's meeting will consist of two sessions and I welcome to our first session Dr. Ronan Lyons, assistant professor of economics at Trinity College, and Mr. John McCafferty and Mr. Gavin Elliott from Threshold.

Before we begin, I wish to draw witnesses' attention to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, they are protected by absolute privilege in respect of their evidence to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to so do, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official either by name or in such a way as to make him or her identifiable.

I invite Dr. Lyons to make his opening statement.

**Dr. Ronan Lyons:** I thank the committee for the opportunity to speak on the topic of the short-term lettings segment and its impact on the wider housing market. This is in the context of perhaps one of the most important items of business for the Government, namely, housing and the increasingly acute shortage of housing around the country and particularly in Dublin and the major cities. In considering solutions for that overall problem, we must think about the scale of any solution and the costs and benefits associated with a proposed solution.

In that regard I wish to make three main points in this part of the proceedings. First, we must distinguish between regulatory and taxation issues and supply and demand issues when considering the short-term lettings market. Second, there is a role for short-term lettings in

respect of tourist demand. Third, and this is perhaps the main point, there is the scale of short-term lettings relative to the scale of the problem with the shortage of housing.

On the first point, as I note in my prepared submission we often read horror stories about short-term lettings, particularly for those residents nearby, with regard to noise, anti-social behaviour or unsocial hours. These are genuine bad experiences faced by those residents. They are not necessarily related to the challenge we are trying to address here, which is the shortage of housing. Instead, they are about the regulation of that segment. If one converts a full-time residence into full-time short-term letting accommodation, for example, one might be in breach of management company rules or, and I understand an example of this happened in the Dublin City Council area recently, in breach of planning in terms of change of use. Where those rules exist, they must be enforced. If there are gaps in the rules and they are not protecting people, obviously we must introduce rules that give the protection that is missing. Any connection between those kinds of rules and the wider housing market, in terms of the lack of supply, is certainly not the intent behind such rules. It is about making sure the rules are followed and are complete.

The taxation of income generated by short-term lettings is a related issue that crops up often in the popular media. I understand that Airbnb, for example, gives information to the Revenue Commissioners on a regular basis who in turn ensure tax compliance. If one changed the tax burden and singled out the segment for particular treatment, the supply of short-term lettings would be affected. The design of the tax system and its broad principles should not be done in a way to have a particular effect on the reallocation of housing or real estate across different segments of the market.

I shall make a slightly broader point on the importance of demand. I am a demand fundamentalist because I think all demand is good. It is a good thing if somebody wants to spend time in Ireland. We should facilitate people if they want to live here or visit and if they would rather not leave, as has been the case for many individuals in recent years. When thinking about suitable regulations for short-term lettings, we should remember that the market is important as it caters for a person or tourist who has a particular price point or income level and for people who wish to remain here for longer than a hotel stay. A short-term let is an important option for people who wish to spend three or four weeks in this country. The distinction has become somewhat blurred in recent years due to a lack of hotel accommodation but the situation is being rectified. There has been a 40% increase in the stock of hotel rooms being built in Dublin so there will be less pressure on the segment. The addition of new hotel beds does not mean there is no role for short-term lettings into the future. Short-term lets cater for a particular price point. Dublin and other cities should not just be tourist destinations for the wealthy. The cities should be accessible to anyone who has the means to afford the cost of flights and suitable accommodation.

The main point I wish to make relates to the relative scale of the short-term letting segment and the shortage of accommodation throughout the country. I know that the committee will hear from Airbnb later. It may have the specific numbers. However, in terms of what members have heard and what I have heard, for the size of the full-time short-term lettings segment in Dublin, one rarely hears of a number larger than 3,000. Typically, most numbers one sees for short-term lets in full-time dwellings or residences are much smaller than 3,000. If one looks online using a sufficiently distant date into the future, one would get a few hundred in Dublin. To put the figures in perspective, if there are fewer than 4,500 rental listings in Dublin in any given month, then rents in the city will rise. That is the rough rule of thumb that we have seen

over the past ten or 12 years. The Dublin rental market needs approximately 4,500 listings every month. Even if it were possible to commandeer the entire stock of properties in short-term lettings, one would only meet two to three weeks of rental demand. We are talking about different scales in the context of any proposed solutions. There is also the scale of the problem to consider.

I recommend that the committee and the Legislature consider using vacant homes. The vacancy rate in the Dublin City Council area is close to 10% and excludes over-the-shop vacancies that are not often classified as residences. That is about the twice the vacancy rate one would expect in a healthy housing system and it means that there are between 15,000 and 20,000 unnecessarily vacant properties in the capital. That would be the more fruitful area to look in terms of tackling the scale of the shortage of housing.

To conclude, I shall outline the scale of housing need. People will have heard various numbers on how many homes should be built on a yearly basis. I shall add my own number. It is based on my understanding of all of the different components of housing demand, including market, non-market, obsolescence, existing housing stock falling out of use, changing demographics in terms of household size, the natural increase in population and net migration. If I add in all of those components of demand, I cannot come up with a number smaller than 40,000 a year. Realistically, it would be closer to 50,000 a year. In Dublin, that would translate to between 15,000 and 20,000 units a year. The vacant stock is a potential quick win of about a year's worth of demand. It probably would not all come on stream overnight but it is a potentially quicker win as it takes longer to build housing supply. The primary focus needs to be on such stock. There may be issues with short-term lettings. In terms of what one could do, even if one could commandeer everything, it would be small relative to the scale of the challenge.

I look forward to the wider discussion and I thank the committee for the opportunity to present to it today.

**Chairman:** I thank Dr. Lyons for his presentation. I call on Mr. McCafferty to make his opening statement.

**Mr. John-Mark McCafferty:** I thank the Chair and the committee for the opportunity to speak on behalf of Threshold today. Halfway through my presentation I shall hand over to my colleague, Mr. Gavin Elliott, who is the legal officer for Threshold.

Threshold is a national housing charity that has regional advice centres in Dublin, Cork and Galway. Threshold provides front-line advice and support services to people with housing problems across Ireland and our main focus is the private rental sector. Threshold's advice services interface with a high proportion of the 320,000 households who live in the private rental sector. Last year, our housing advisers took almost 39,000 actions in terms of advising and assisting tenants who were experiencing housing problems and almost 150,000 users accessed our website.

We would like to take this opportunity to raise the issue expressed by other people before the committee about the proliferation of short-term lets. We sense that there is a potential for it to have a negative impact on the supply of properties in the private rental sector. The current high rents experienced by many in the private rental sector are in a large part due to a lack of overall supply. Clearly, anything that reduces the supply requires analysis and, on foot of sound analysis, action where appropriate. We have no evidence to suggest that the increase in short-term lets has led to a reduction in the supply of affordable private rented sector accom-

modation. However, rents have substantially increased, especially in urban areas, in the years that short-term lets have been in the ascendant. The relationship between short-term lets and private rented sector supply warrants close and ongoing monitoring. Having said that, it is our analysis that the abject lack of social housing since the 1980s, deliberate Government decisions on social housing provision since then and the perform storm of rent increases in the past three to four years are the key drivers of the current crisis.

Last Monday almost 1,400 properties were advertised on *www.daft.ie* for Dublin city. Only 122 properties or fewer than 9% were advertised at rents of €1,250 per month or less. That amount is the maximum monthly rent limit for a family with two children in receipt of rent supplement or a housing assistance payment from Dublin City Council.

It is clear that there are a number of actors in the short-term letting market. There are people who own or rent and list their properties for a few weekends a year. There are people who list their properties more regularly but retain them as their primary residences and there are those who list properties full-time. Any attempt to regulate the market must take account of different letting scenarios and motivations.

My colleague, Mr. Gavin Elliott, will continue the presentation.

**Mr. Gavin Elliott:** I would like to suggest that the committee examine the recent regulatory changes made in Amsterdam and the agreement that was reached with Airbnb there. The city approved new private rental laws allowing residents to occasionally rent their homes for up to two months per year under certain conditions such as the payment of related taxes, including tourism taxes, and special arrangements when neighbours complain. In addition to Amsterdam attempting to constrain the number of short-term lettings, it also sought to regulate and clean up legal uncertainties within the market. For example, hosts must comply with health and safety and fire safety rules and a new category of “private rental” was legislated for.

Beyond the issue of supply and demand, there are other issues in the short-term letting market, most of which relate to the legal status of the parties involved in it, such as the legal position of tenants using services like Airbnb without their landlord’s knowledge or permission. It is common for a standard lease to contain a provision that no commercial activity should take place on a private rented property. It would be understandable and reasonable if a landlord who found out his or her tenants were renting the property on Airbnb said that was a commercial activity and, therefore, a breach of the lease. Ultimately, it would be a decision for the RTB dispute resolution process, but Threshold would be remiss if it did not caution tenants to reassure themselves of their legal position before listing on sites such as Airbnb.

Similarly, insurance is a vexed issue. Liability for accidents in Airbnb properties is unclear. It seems likely that an insurer would not cover a landlord who has a claim brought against him or her by somebody who had rented the property on Airbnb because the insurance would not have been taken out on that basis. Similarly, renter’s insurance would probably not be honoured either. This issue would be considered on a case-by-case basis but there is a nightmare scenario where a landlord who does not know his or her property is being rented out could suddenly be sued by an Airbnb customer claiming that he or she should have known and should have had more control over the property. That would be up to the courts but this area of legal uncertainty should be examined.

The issue of fire safety was examined in Amsterdam. It is likely that an Airbnb property would be considered guest accommodation under the Fire Services Act 1981. A host is required

to take all reasonable measures. In essence, he or she is required to conform with the guide to fire safety issued by the Department. It is unlikely anecdotally that many hosts are even aware that they are required to do this. Landlords who rent properties on short-term letting sites for longer periods may be caught by the Property Services Regulation Act 2011. That sums up much of the legal aspects of Airbnb. It is not at all clear what position people are in.

The rent-a-room scheme comes under section 216A of the Taxes Consolidation Act 1997. The Revenue Commissioners say it does not qualify for the tax relief under the scheme. Ernst & Young disagree and its advice to Airbnb is it could potentially qualify. There is uncertainty again. That issues boils down to the definition of “residential accommodation”. There are issues, therefore, that go beyond supply and demand and the effect that has on the private rented sector, though they are incredibly important. There is a need for certainty for everybody concerned - landlords, tenants and customers, who are mostly tourists visiting the country.

**Deputy Fergus O’Dowd:** I welcome the Threshold representative and Dr. Lyons. I live in County Louth but my office often obtains excellent legal advice from Threshold for people who have difficulties regarding tenancies. The organisation provides a professional service. Notwithstanding everything that has been said, particularly by Dr. Lyons, whom I greatly admire and would not dare contradict, members of my family who are single and working live in Dublin city centre. They lived in accommodation for a year or more but their landlord told them he was going to use Airbnb because he could increase the revenue from the accommodation by 60% from €1,500 per month and they either had to match that or get out. They had to get out. They know of many cases of young people being driven out of the city because they cannot afford the rents being sought and they say that Airbnb, notwithstanding its positive aspects, is impacting the rental market. Would it make sense to prevent Airbnb from listing properties in certain areas, particularly in the city centre or where people work and live or where the company is displacing working people? That would be hugely important. Airbnb could be told to keep its listings outside the M50 or whatever zone. There is less demand for properties in that zone. This is a significant issue for single people, in particular.

I welcome the comments about tackling the issue of vacant homes. Unless the Government tackles this, particularly in the areas of greatest need, it will not solve the housing crisis. If all the new houses in train are built, we will only stand still in the context of meeting demand. What mechanisms might assist in that? In the UK, for example, local authorities can double the property tax on a vacant property while the city of Bolton has empty homes officers. If a property is empty, they actively engage positively with the landlords to encourage them to let them and offer them deals or suitable tenants or tenants for whom they will guarantee the income. A total of 625 empty homes were commissioned in nine months last year for families to live in. The city has a population of approximately 200,000. This was a quick win in a short period. If that was introduced in Dublin, empty properties could be tackled in a constructive way with the carrot of a grant to upgrade, if necessary, before using the stick. What views do they have on putting significant pressure on people to rent properties they are not using, which is not their principal private residence or subject to litigation or probate and so on? That is the key to solving the problem.

**Deputy Pat Casey:** As an operator in the tourism industry, I acknowledge the important role short-term lettings platform play for the industry. Dr. Lyons referred to the housing crisis and the fact that these platforms are not having a huge impact relatively speaking. We are not going to solve the housing crisis with short-term lettings, but we are looking at whether it is having an effect on the homelessness crisis which we are facing in Dublin. Moving on from

that, there is a heavy concentration of short-term lettings in areas with high levels of tourism, but at the same time there is a high concentration of homeless people within those areas as well. While the scale is not big, there are nearly 700 families still living in hotels today, yet there are potentially a few hundred houses available. They could be available in the areas in which there are destinations popular with tourists. If we had 7,000 extra bed spaces in Dublin tomorrow morning, how strong would the platform of short-term lettings be? What impact is the significant shortfall of bed spaces in Dublin having? Equally we must say that there are 690 families living in hotels and that is also having an impact. None of us seems to be able to get our hands on information regarding the levels of short-term lettings before these web-based platforms arrived. Is this a completely new phenomenon? Is the heavy concentration of short-term lettings in areas with high levels of tourism causing a ripple effect which is shoving the crisis further out of the city? Is it driving the shortfall because bed space is taken up in these areas? Is it having a ripple effect in areas surrounding that sweet honey pot?

**Deputy Eoin Ó Broin:** I thank the witnesses for their submissions. They are really helpful. This committee is looking at two issues which are separate but related. The first is what is the best way, in our view, for the short-term letting sector to be regulated for its own benefit, both in terms of hosts and people availing of the services. We are also concerned, however, with ensuring that those regulations prevent people from abusing short-term letting platforms or the short-term letting sector to evade existing regulations for commercial landlords and that they prevent any other unintended consequences arising from genuine peer-to-peer home-sharing or short lets. Those are the two things which we are looking at.

All members of the committee have pretty consistently said that we do not believe that short-term lets caused the homelessness crisis. That is clear. I believe most of us would have a similar view, to some degree, to Mr. McCafferty. At the same time, given that short-term lets are so heavily concentrated in four postal codes in the centre of Dublin - Dublin 1, Dublin 7, Dublin 2 and Dublin 8 - and given that they are often in areas where people at risk of homelessness can get their foot into some kind of lower-cost rental accommodation, we really want to make sure that, in that very defined area, there are not negative spillovers from what is clearly a positive development in terms of tourism and income generation for hard-pressed families.

Obviously Mr. McCafferty will not have data, but knowing those four Dublin city areas as well as Threshold does, is there any anecdotal evidence that there is some displacement from properties that previously would have been commercially rented properties, particularly at the lower end of the market in, for example, Mountjoy Square or Stoneybatter, shifting over into short-term lets?

A lot of the issues Mr. Elliott has raised are really interesting. Has the Department's working group on short-term letting regulations contacted him? Is he considering making a written submission? While that information is really interesting to the committee, Mr. Elliott's input could certainly be of value in the Department's considerations.

From Dr. Lyons's knowledge of how the regulation of the sector for its own benefit has operated in other jurisdictions, what is his preferred model? I would also like to hear what he has to say specifically on the potential impact on lower-income housing supply in those four Dublin city areas. The impact of 3,800 lettings across Dublin or the State would be miniscule, but if one was to take 500 or 700 properties and put them all in Dublin 1 it could have a very significant impact in that very defined area. Is that something Dr. Lyons has look at? What are his thoughts on it?

**Deputy Dessie Ellis:** I thank the witnesses for their presentations. We are looking at the possible effects of short-term lettings on the housing market. There is some anecdotal evidence that it has had an impact but short-term lettings have been there for many years. It is not something that has happened overnight. There are a lot of issues around some of the short-term lettings. There are issues in terms of planning, for example where houses were built with certain conditions attached to them and now we find that some of them are being let out and used by Airbnb and similar services. The planning issues must be looked at. Perhaps there should be guidelines in that regard.

We have talked about vacant homes and the witnesses have mentioned accommodation over shops. One of the biggest issues I have had is with shops which have been left idle for many years. With a change of planning they could be used, whether for short-term or long-term lettings, and they could be renovated. The whole country is littered with such shops. They are in towns and villages in every area. They are everywhere in my own area of Finglas, Ballymun and Santry. It frustrates the life out of me because in the Ballymun area they are left idle for ten or 15 years rather than anything being done with them. They are just left there. It is absolutely scandalous.

I would like to ask about the Revenue issues and the tourism tax because I am curious. We probably need a proper register to deal with short-term lettings, whether arranged through Airbnb or otherwise. Obviously they have to be registered with Revenue, or they are supposed to be in any event. There must be a proper register. There is also the issue of using a tourism tax. Could such a tax be used a bit more because we have lots of people in mortgage trouble who allow people into their houses for extra income? They do not necessarily register in any way. It is just a way to pay the mortgage and it has been accepted in a way. I can understand it. There has been a huge number of people renting out one or maybe two rooms. They are in financial trouble. We do not want to penalise them or make their lives any harder but perhaps there is a way in which we could implement some sort of a tourism tax as opposed to going through Revenue, where we are hitting these people very heavily. I do not know.

There is a big concentration of short-term lettings in the city areas, but I was quite surprised, when I saw the map for Airbnb, at how many of them were in some of the other areas. I did not think there were many in my own area but I then found out that there are actually quite a few around the suburbs - Ballyfermot, Finglas, Cabra and all these areas. Most of the short-term lettings, however, are better suited to being where the tourism is. That concentration has surprised me.

**Dr. Ronan Lyons:** I will try to go through those questions Deputy by Deputy but there are some common themes as well. Deputy O'Dowd spoke about a single person in the city centre to whom the landlord says that they can either pay 60% higher rent or that the landlord will move to Airbnb. This ties into a point he made about the increase in hotel stock. To some extent the short-term letting sector could be blamed for it being an option for the landlords to switch to short-term letting, but that sector could be taken away completely and the landlord would still be able to say the exact same thing. If a rent of €1,000 a month was being paid a few years ago, a landlord can now ask for €1,600 a month such is the imbalance between supply and demand. That is why I made the point about scale. I am not accusing anyone here of having thought that short-term lettings were the entirety of the problem, but when we think about solutions we could easily imagine a situation where there were not short-term lettings in Dublin and that landlord would still be able to say the same thing - that the rent is going up 60%. The main reason is that we have a rapidly growing population with changing demographics and preferences



to such an extent that there is huge demand to live in apartments in the city centre. The census figures indicate that there are about 250,000 one-person and two-person households in Dublin but only about 125,000 dwellings that would suit one or two people.

**Deputy Fergus O'Dowd:** This is where rent control does not apply. With rent pressure zones, that should not be a problem because it could only go up by a set amount. However, this is far in excess of that and is not controlled because it is not being let. That is the point.

**Dr. Ronan Lyons:** That is a fair point. It raises a second point that came up in some of the contributions relating to how we classify people in short-term lettings. Deputy Ellis mentioned a register. In Ireland, in general we are bad at having registers of things. We do not have a register of who owns what. We have a partial register, but we do not have a complete one. The ones least likely to be in there are the empty ones. We do not have a register of who lives where and do not have a register, for example, of what is catering to tourist demand, however broadly one might define it, versus catering to commercial need or permanent residence.

As Mr. McCafferty said, without the information, it is not possible to make fully informed decisions and we are poking around in the dark somewhat. This also deals with Deputy O'Dowd's point about vacancy. Probably the single best thing the country could do to lower the vacancy rates would be to set up registers of who owns what and who lives where. Then it would be possible to have these empty-homes officers or inspectors who figure out if it is a fair deal house. I have just moved into a house which I would say was empty for four years. At no point was it cynically empty; it was just because various bits of the fair deal process and legal process took too long. They did not need to take that long and therefore it was empty for too long. Until we get the information to understand why they are vacant, we cannot take the right kinds of actions.

Deputy Casey spoke about the increase in the hotel stock, which I touched upon briefly. When those hotel rooms come in, I believe it will take some of the Airbnb demand. I still think there will be a segment that wants short-term lettings. However, it comes back to the original point that the demand for apartments, particularly in Dublin, is so strong that removing that entire chunk would not have a major effect. This city needs 4,000 or 5,000 listings a month so adding 7,000 hotel rooms - I am switching between scales here - would equate to a maximum of a couple of months of rental demand; it is that bad and that is just Dublin.

Deputy Ó Broin spoke about postal areas 1, 2, 7 and 8, which ties into the same issue. Mr. McCafferty made the point that the problem here is not the short-term letting segment, *per se*; rather it is the really poor supports for people in need of social housing. I used to live in Stoneybatter and know it reasonably well. People in that area might even be squeezed out for Airbnb - potentially we could come up with a rule preventing those becoming Airbnb. If they are in rental, they would still be squeezed out by people on higher incomes. There is no support to keep them where they are in a market where rents have increased by 60% or 70%. The underlying issue is that we gave up on certain models of social housing support and we have not adopted sensible ones to replace them.

**Deputy Eoin Ó Broin:** What is Dr. Lyons's preferred model of regulation for its own sake as opposed to-----

**Dr. Ronan Lyons:** The second key point tying into that is thinking about classes of resident or classes of accommodation. Irrespective of whether we decide to introduce a tourist tax, we need to know where the tourists are and what kinds of accommodation would be liable for that. My preferred model would be to have a class of permanent resident, a class of temporary resi-

dent or tourist, and a class of non-resident entities such as a business. They are not people who live somewhere, but are other forms of organisation. Irrespective of what it may be, we can learn from best practice in other countries.

Having that defined class would then answer many questions on the legal loopholes and escaping the rent caps by switching to Airbnb. Someone walking into a legal limbo can probably get away with quite a bit, particularly if there is weak enforcement. My preferred model would be having defined classes as many cities in other countries do.

**Deputy Eoin Ó Broin:** Of the different defined classes Dr. Lyons is aware of, if he had a year as Minister, which one would he suggest should be regulated for?

**Dr. Ronan Lyons:** I will defer again. I do not want to come down and say that the New York or Amsterdam model is the one to follow. I would want to look into that a bit more. As a general principle, the answer is to have a defined class of temporary resident or tourist.

**Mr. John-Mark McCafferty:** I will respond and then Mr. Elliott might do a kind of sweeper. This is all about a dearth of evidence. It is important that we can we build up that evidence from statutory sources, from Airbnb, itself, or from other sources. Regarding the issue of displacement, rent increases used to be the main driver for people to come to Threshold for assistance and advice. Since the very welcome aspects of recent regulation with the rent pressure zones and rent certainty, the most common issue people bring to us is tenancy terminations. Why do we have so many tenancy terminations? That is the \$64,000 question.

I believe the Deputy is asking how much of that has been caused by short-term lets. We do not have an answer for that, but we have certainly seen a ramping-up in tenancy terminations. Ostensibly the reasons given include refurbishing the property which is one of the grounds for avoiding the rent pressure zone, RPZ, rules, or tenancies being terminated within the first six months. I suspect landlords are not getting the rents they would like because of the RPZs in certain parts of the State. While that is a factor, we would need further evidence to determine how much of that is being driven by short-term lets.

On the issue of people being driven further from the city centre, since the 1980s successive Governments have let the market decide our housing policies. We have gilded the lily in terms of capital expenditure on social housing. We have not embraced a cost-rental or a mid-market rental as it is called in Scotland. Institutions to underpin that may be appropriate. We have mentioned other jurisdictions. Part of the challenge is that we have relatively weak local government and relatively weak municipal authorities. Cities such as Amsterdam have very strong municipal authorities to drive things such as affordable rent and mixed rent policies. Short-term lets are part of myriad processes.

On vacant homes, the one word which is politically very uncomfortable or unpopular is tax. The only reason that property tax is *in situ* is that three international bodies came in and called the shots. We ended up getting something over the line using the Revenue Commissioners. I come from a jurisdiction where property taxes are actually very high and the average house incurs a tax of £2,000 or £3,000. People do not bat an eyelid because they know they have a social contract with their local authority. We are in a very different space in Ireland. The use of tax measures to change behaviour with regard to vacant homes can be understated. The measure would not necessarily raise money. Rather, it is about changing behaviour so people will decide they do not want to be liable for a property and will put the vacant unit or house back into the market.

Some of the issues around probate are not about financial measures. Probate takes far too long. A small but significant number of units are lying idle because of probate and related matters.

Bolton was mentioned. There are strong municipal authorities in the UK. It is no doyen, and I would rather look at mainland European jurisdictions to push some of these issues. Stronger local authorities are able to put resources into empty homes, offices or other issues.

A good number of short-term lets are located in Dublin 1, 2, 7 and 8. There are other forces at play in Dublin 2, including many corporate players. My understanding is that certain corporate players allow their employees to visit houses for sale or rent at 8.30 a.m., but the rest of us have to view such properties at lunchtime or in the evenings. That is over and above the short-term lets.

Some Airbnb hosts may have become renters but never did. It is hard to prove that fact. In terms of planning, in multi-unit dwellings house rules are coming on stream. Many management companies now stipulate that units may not be used for short-term lets. Such measures are on the increase.

The Kenny report on vacant sites was published a very long time ago, and successive Dáil-anna have baulked from using tax and legislation to change behaviour. In effect, private property should be used for the common good. This has not happened yesterday, today or since the advent of short-term lettings. I again underline the issue of supply - whether that is social housing or broader housing provision for home ownership, which is equally important - market rents and cost rental.

**Mr. Gavin Elliott:** Mr. McCafferty has covered pretty much everything. Within the cohort of Airbnb or short-term rental, hosts have a wide gamut of experiences. Some people are renting properties for two weekends a year and others are renting for 360 days a year. Any attempt to regulate the sector will have to take such things into account. We do not want to discourage those who want to rent out properties for two or three weekends a year when they are away. We need to regulate those involved in full-time renting.

**Chairman:** Do members wish to come back in?

**Deputy Dessie Ellis:** I wanted to raise one point. We discussed vacant homes, of which there are approximately 200,000 across the country. We have never carried out an audit of the number of vacant shops, which I argue would show substantial numbers. It would be an interesting exercise. Just because they are private businesses does not mean they should be treated differently if they are left idle for years. We could decide on a number of years, such as five, ten or 15 years, and have a system whereby properties lying idle for a number of years would be dealt with.

**Deputy Fergus O'Dowd:** I agree with Deputy Ellis. I understand that in England the empty homes commission – I do not know the correct name – profiles the types of properties to which the Deputy referred and decides how to ensure they are occupied. It deals with properties over banks, banks which are no longer in business, commercial zones that will never be commercial again and places near ports or railway stations, which are often derelict.

It might help the committee if we invited Louth County Council to come before us. It has identified empty properties, generally homes, which are boarded up. If the council cannot identify the owner of a property, it slaps a CPO notice on that property and takes possession within

two or three months. The average cost of refurbishment is less than €100,000. The council has up to 50 properties in Drogheda and Dundalk, some of which are occupied by families. That is the sort of initiative we need. It is a constructive engagement by a strong local authority which works with owners, if it can find them. If it cannot, it uses the law immediately. The problem is the sense of urgency which some have and which others do not.

On Airbnb, the greatest good is served by having people on the housing list in homes right now. I am not suggesting that we ban Airbnb in the city centre, but we need a hell of a lot more inquiring into what is going on. I understand that other jurisdictions limit Airbnb rental periods to not more than 30 consecutive days in a year. There is a formula which we can apply that would restrict permanent Airbnb short-term letting, which would be in the public interest.

What, if any, other instrument does Dr. Lyons think could be used to ensure that more vacant properties come on stream? All of the pluses are there. Perhaps a grant or new roof would have to be provided, and leases of 20 years duration and so on are possible. Dr. Lyons referred to sticks. What would he use to change behaviour in economic terms?

**Dr. Ronan Lyons:** I am grateful to Deputy Ellis for reminding me about idle shops. I had noted and forgot to mention the issue. Part of the reason is that until very recently there was a rebate on commercial rates for leaving something empty. I understand local authorities now have the option to reduce the rebate. It is the exact opposite of what we want the tax system to do. We want the tax system to punish, rather than reward, vacancy. For me, the obvious answer is a land tax, which would replace commercial rates and apply to publicly and privately owned buildings and land. The same would apply whether the property was occupied. It is in people's interests if they own sites or buildings to ensure they are used. That is also the primary tool I would use to lower vacancy rates, whether it be the same land tax or a reformed local property tax.

I understand, from a legal perspective, that taxation of assets on the grounds of nature of use is slippery. We may end up in the Supreme Court on that point. Giving per person tax credits is straightforward. We already do it for income tax. A property tax which was much higher on paper, but was actually the same tax for a standard family based on the occupancy or nature of the house, would, de facto, punish people. People would have to apply for tax credits that lowered their property tax bill if they lived in a property. If nobody lived in a property, the owners would face a much higher property tax bill. That would be a way of getting around some of the legal issues. It is the most important stick. People respond to financial questions.

**Mr. Gavin Elliott:** One aspect of bringing vacant properties back into the market is not necessarily regulation but, rather, the high cost and amount of time takes to have buildings inspected. In the UK it takes a matter of weeks, rather than months, to carry out inspections. The UK has a special procedure whereby if one fails an inspection one can get another one very quickly.

It is that sort of thing. As I understand it, Dublin City Council is moving towards the operation of a one-stop shop arrangement where it will do everything in-house in one department. I am not sure how far along it is in that regard. Certainly, it is something other local authorities could look at also.

**Chairman:** As there are no further questions in the session, I thank our witnesses for coming in today. If there is anything of relevance which was not covered, they might communicate it to the committee afterwards to allow us to include it in our report.

The next witnesses are Mr. Patrick Robinson and Ms Natasha Mytton-Mills of Airbnb. Before we begin, I draw their attention to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, they are protected by absolute privilege in respect of their evidence given to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to do so, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person or persons outside the Houses or an official either by name or in such a way as to make him or her identifiable.

I invite Mr. Robinson to make his opening statement.

**Mr. Patrick Robinson:** We thank the Chairman and members of the committee for inviting Airbnb to attend today's session on a topic of great importance, as is evident from the engagement with the previous witnesses. We see this as a welcome opportunity to outline Airbnb's views, share some data of relevance to the committee's deliberations and ensure that we and our community are well understood. I am Patrick Robinson, Airbnb's director of public policy for Europe, the Middle East and Africa, and I am accompanied by Natasha Mytton-Mills, the policy manager for Ireland and the UK. As we answer the committee's questions, Natasha will be best placed to talk about the details of our engagement with authorities here in Ireland while I can assist the committee with understanding some of the wider context in Europe and around the world and also Airbnb's overall approach to policy.

Ireland is Airbnb's international home and we are extremely proud to be part of Ireland's thriving tourism industry. Our host community across Ireland welcomes a growing number of visitors from right around the world, providing an authentic local Irish welcome to guests. The opportunities presented by new forms of travel and tourism are significant. As the committee considers the potential impact on housing, it should balance that against other pressures in Ireland's biggest city such as the increasing shortage of guest accommodation which results in high prices for travellers and may affect Ireland's strategy to grow its tourism industry and attract major events such as the rugby world cup. Fáilte Ireland predicts that Dublin's visitor numbers will have grown by between 13% and 34% between 2015 and 2020, which is between 760,000 and 2 million new guests travelling to and within Dublin each year. Capitalising on underutilised space in Dubliners' homes could provide a sustainable, efficient and economically beneficial alternative to using valuable land to build new hotels.

I turn to the specific topic under discussion today. As many others have already said to the committee, the phenomenon of short-term rentals in Ireland is not a new one. Ireland has had a long tradition of non-hotel accommodation and non-professional hospitality. Online marketplaces like ours have added a new dimension to this existing activity, making it easier for people to share their homes and allowing for greater levels of transparency, safety and quality. The rapid growth of this new sector in the tourism market challenges long-established frameworks in tourism and housing law. Unlike many other cities and countries in Europe, Ireland lacks an up-to-date regulatory framework which clearly recognises home-sharing as a distinct kind of short-term rental activity. The data we have provided to the committee in our written submission supports the picture of Airbnb as a platform dominated by everyday people sharing their homes. At last count, in fact, 88% of our hosts in Dublin say they are sharing their primary

homes. We have focused much of our submission on Dublin since that is where much of the public and political debate around housing has concentrated. We have also shared some data, however, on our community in rural and regional Ireland also. We appreciate that there are policy considerations right across the country, not just here in Dublin.

I digress for a moment to definitions. It is important for the committee to understand the key concept that has cropped up a few times in submissions from other stakeholders. When they create listings on Airbnb, hosts are asked whether accommodation is going to be offered to a guest as an entire place, a private room or a shared room. Looking at the total number of entire home listings in any given area is not necessarily an indication of impact on long-term housing. Very few of those listings would likely be available for long-term housing in the absence of Airbnb. The vast majority of these homes are places where Dubliners already live, which means there is no simple or accurate conclusion to be drawn on the availability or affordability of housing in Dublin from a headline number of entire homes. The committee has heard from other contributors that they agree with that analysis. The data we share in our written submission supports that claim too. In 2016, a typical Airbnb host within, roughly, the administrative area of Dublin City Council earned €5,000 and hosted for just 51 nights. In more suburban and rural areas, those numbers are lower. Looking at County Dublin as a whole, 3,838 entire home listings were booked at some point in 2016, some 85% of which were rented for fewer than 161 nights. Only 16 entire home listings were booked for more than 320 nights. A fuller breakdown of those numbers is in the submission and I look forward to discussing them with the committee. Moreover, 85% of the entire home hosts in County Dublin, that is, hosts who have an entire home listing, only have one such listing. Looking at the Airbnb platform on 1 June 2017, 1,432 hosts had only one entire home listing. Just 36 hosts had more than five, and that includes people who are managing properties on behalf of others.

If the aim of new planning guidance is to ensure long-term housing is not lost to short-term rentals, a key piece of analysis already referred to in this session is identifying the point at which short-term rental might become more financially attractive to a landlord than long-term rentals. This number is somewhat higher than many assume. Our preliminary analysis, and we want to see more work done on this, suggests that this tipping point can be up to circa 185 days per year, depending on the neighbourhood. In 2016, only 550 entire home properties were booked via Airbnb for more than 160 nights. To put this another way, these account for just one in every 1,000 housing units in County Dublin.

We have participated in independent studies of housing impacts in a number of global markets, most recently in London and Berlin. Experts have consistently concluded that the size and pattern of the Airbnb community has no significant impact on long-term housing costs, especially when compared with other more powerful factors. The Government has said it wants to clear up the position for professional operators with some clear guidance over when planning permissions are required. We welcome that approach. At the opposite end of the market, however, we see this as a great opportunity to clarify the picture for people using the home they live in to welcome guests on an occasional basis. As the representatives from Threshold pointed out earlier, these home shares currently exist in what is quite an uncertain framework. We welcome a policy framework that would clear things up for them.

Ireland is not unusual in considering its response to the growing collaborative economy. We have considerable experience in working with governments across the world to look at how new regulations can be designed and applied to these new forms of accommodation, and we welcome the chance to talk about the approaches adopted in other places. Some of these have

already come up today. Platforms such as Airbnb can play a role in helping users understand and follow rules, but ultimately, self-regulatory action needs to be underpinned by clear policy goals which are set by Government.

We note that Airbnb is not the only player in this market. As I have noted, Ireland has a long tradition of non-hotel accommodation. There are a number of other global platforms which are also active in the Irish accommodation market. The short-term rental sector is diverse and Airbnb is not necessarily representative of all of it. As the joint committee continues to consider this topic, and as the Government and Dublin City Council consider clarifying the planning rules, there should be a focus beyond Airbnb alone.

Given this committee's focus on housing issues, we have not gone into detail about many other aspects of our business such as the steps we take to keep hosts and guests safe or our obligations to report host earnings to the Revenue Commissioners. We would be happy to discuss any of those issues today or to provide supplemental evidence to the committee members if they believe it to be useful.

I reiterate that Airbnb is committed to working collaboratively with the Government, in Ireland as elsewhere. We have already worked to conclude more than 300 agreements with governments around the world and look forward to looking closely with the Government, city councils and this committee as these discussions progress. We look forward to addressing any questions and we thank the committee members for their attention. I hope we will be able to provide useful information.

**Deputy Eoin Ó Broin:** I thank Mr. Robinson for the presentation. Before asking some questions I will just outline our own position. As I mentioned when I met Ms Mytton-Mills earlier this year, we are not against short-term lettings or home sharing. We support the concept, partly because of the benefits for tourism and partly because of the benefits for the hosts themselves. We think it is good for the city. Having said that, I made the point at the previous meeting that I am not a cheerleader for the more benign presentations of the collaborative economy. That is not to say I am against the idea, but I sometimes think people gloss over the fact that many of these business models, be they Amazon, Uber or Airbnb, were created because very smart business people saw gaps in the regulatory regimes and, as all business people do, went in to profit from them. I have no difficulty with that, but like many other European capitals, one of the things we are trying to do is play catch-up to ensure the sector is properly regulated to do exactly as Mr. Robinson outlined.

The real issue of concern to those of us who have been raising this matter over the past year is not with the person who shares out, either his or her home for a number of weeks in the year when he or she is away for work or holidays, or a room during the course of the year. That person is not the target of our deliberations. Our concern is whether people, knowingly or unknowingly to Airbnb, are abusing the platform either to make more money in ways we think to be inappropriate or to avoid tax, building standards or fire safety regulations. The problem is, however, that we do not know if this is happening here because we do not have the data to tell us. In some ways we should perhaps have had the Airbnb representatives in at the very start of the meeting. I am sure they have read the discussions from the earlier committee. Many of our conversations concerned whether or if there could a problem and the fact we do not know the extent of it. That is our difficulty.

I ask questions today in the hope that the witnesses can clarify whether and to what extent we have a problem. Even if we do not have a problem, the very fact there are very clearly prob-

lems in other European states makes it important we get in now to regulate and prevent them. I appreciate the detail of the data Mr. Robinson has given us, but they do not answer some of the questions that I put both to Ms Mytton-Mills when I met her in January or that I submitted to Airbnb by email just last week. I am interested in what I call units of accommodation. By this I mean self-contained units in the form of a house, an apartment or a granny flat, to use one of the examples used by Mr. Robinson in his presentation. Of the self-contained units on the Airbnb listings, or entire home listings as Mr. Robinson calls them, how many are not the primary residence? This is an important point for us to know because it is an important distinguishing factor. How many of these are in multi-unit developments? Of all these, how many are available, as opposed to let, for a full 12 months? How many are available for between six and 12 months and how many for between two and six months? This for me is how we identify whether there is a problem. We clearly do not have an issue if 95% of the lets are only available for a limited number of months in the year. This is the categorisation I am interested in.

I would also be interested to hear what the regulations would be if it were up to Airbnb itself to write them. This was not completely clear from Mr. Robinson's presentation. Of the models operated under by Airbnb's sister companies in other jurisdictions, which would the witnesses prefer? Which would they like to persuade us of? Mr. Robinson referred to this briefly, but I would also like to hear a more detailed response to Mr. Gavin Elliott's earlier comments on some of the legal grey areas in the Irish legal system.

Mr. Robinson mentioned a number of jurisdictions where things are going well for Airbnb. He did not of course mention the two jurisdictions where things are not going so well, namely, Barcelona and New York. I listened to the Barcelona housing manager at a conference in Dublin last week and he offered a very different presentation of the company's very specific difficulties in the city. According to him, Airbnb has been hit with a fine of €600,000 there. I know that there is probably an intention to appeal or challenge this. The company has been having real difficulties in New York city for more than a year and fines have started to be issued to hosts. The most recent one was, I believe, a fine of \$5,000 for a set of issues.

While the witnesses present a very positive business model and willingness to engage, the company is clearly having real difficulties in two of its largest markets. Is it that the people running Airbnb in those two cities are not as friendly, co-operative and collaborative as our witnesses today or is there something else going on here? I would like to hear the witnesses' responses to these matters.

**Deputy Pat Casey:** Deputy Ó Broin has probably addressed most of the information I was looking for. Working in the tourism sector myself, I know the value of the traditional bed and breakfast in earlier times. What we are looking at here is the impact on housing and specifically on the homelessness crisis. Like Deputy Ó Broin, I am not after the person sharing a room or sharing his or her house when he or she is away on holidays for a weekend or for a week or two. That is not who we are after here. We are trying to get to the bottom of the issue of entire properties being rented out on a long-term basis.

We also need to define the difference between booked rooms and available rooms. Coming from the tourism sector, I would be delighted if I could have 100% occupancy tomorrow morning. When Mr. Robinson refers to 161 nights, that property could have been available for the entire year but only achieved a 50% occupancy rate. This is a key point we need to stress.

We have been informed that Airbnb provides data to Revenue on its income. How does it provide those data and what information do they contain? I have never tried to register with



Airbnb, but does it have a registration fee and is it paid a percentage of the booking fee? Is that the information that is given to Revenue?

We have been told that Airbnb is working with the Department to develop a memorandum of understanding. What is the likely outcome of that?

**Deputy Fergus O'Dowd:** I welcome the Airbnb economist. I wish to clear up a few points. Mr. Robinson stated that there had always been a significant rental market in Dublin. While that is so, there has never been a housing crisis like the one we have now. Therefore, we have a greater burden to ensure that whatever properties are available for significant periods ought to be family homes or for people who need to live in them for work or other purposes rather than for tourists. Notwithstanding everything Mr. Robinson says, that competition is creating a burden on our society.

Airbnb's rents are not subject to rent control and I believe they cannot be. I was shown information, but I cannot relay it exactly because I do not have access to my emails right now. A Scottish company was offering double the market price for houses in Dublin and claimed it would do everything and the money would flow into owners' accounts. It is happening. Houses that are available in Dublin city are being hoovered up by attractive ads and incomes, but many of them are family homes. I object to that. We need controls on Airbnb in areas where housing needs are not being met and the market is being abused, albeit not by Airbnb. I appreciate that Airbnb is there on business, but people are getting much higher rents through it while displacing others who need houses as homes. There is no control over that.

I have read about the issues concerning short-term letting. We should set a maximum letting period in certain zones of 30 or 40 days per annum beyond which the accommodation cannot be let. We are dealing with what Deputy Casey spoke about, namely, a person who is on holidays for a couple of weeks and making a few bob from his or her vacant house. That is fine and we have no problem with that, but Airbnb is competing with families who have nowhere to go. That is not accusatory, it is just a fact. We need to control where Airbnb can operate within city limits and where there is a defined housing crisis.

We must ensure Airbnb's rents meet rent pressure zone demands. In other words, what applies to a rent pressure zone should apply to Airbnb's lettings. That is where the problem lies and is why people are being kicked out. I understand that single young people who cannot live in Dublin because they cannot pay the rents are moving out of the city. I do not know whether others who are present have experience of that among their families, friends or communities, but it is real. I am concerned about it.

Regarding short-term lettings, I do not know whether other jurisdictions place obligations on Airbnb, but we should make ours as strict as possible where there is a significant housing need and, where there is none, relax them completely.

**Deputy Dessie Ellis:** I thank Mr. Robinson for his presentation, at the start of which he stated that Ireland lacks an up-to-date regulatory framework, particularly in terms of home sharing, which tells me that Airbnb recognises that there are many problems.

I have not seen how people sign up to Airbnb. If it uses a form, what does that entail? I assume it registers everyone using that form.

Mr. Robinson has heard our points about houses not necessarily having the required planning permission. Does Airbnb cover that area? Does it use student-specific accommodation?

Such accommodation received planning permission for a particular reason. In some cases, it can be lying idle for a time. What sort of people are involved normally? Do many people use Airbnb as a business or is it mainly used by ordinary people who want to share their homes and get a small surplus? What is the ratio? How does Airbnb deal with management companies in apartment blocks and elsewhere? Must it make representations to them? Does Airbnb have designated inspectors to visit properties and determine that they are up to standard and everything is running smoothly in order that anti-social issues, in terms of which one often finds problems, do not arise?

**Chairman:** I will only ask two brief questions, as two of my other questions have already been asked by Deputy Ó Broin. What details does Airbnb use to verify that individual hosts do not have multiple properties under different accounts? How does it verify that? In his written submission to the committee, Mr. Parkinson wrote that professional lettings could, under certain circumstances, be putting pressure on supply in specific areas of the most housing-constrained cities. What evidence does he have in that regard and are they putting pressure on the market in Dublin?

**Mr. Patrick Robinson:** Since I am used to a format where I am asked one question at a time, forgive me if I skip anything. I am sure we will cover everything as we go.

I will start with Deputy Ó Broin's questions. The question of what kinds of property are on the site is a complex one. We do not know the status of a property that someone lists on Airbnb. We can see from patterns of usage whether a property looks like it might be someone's home. The data we have provided the committee show that the majority of properties are booked for such small amounts of time that someone is likely to be living in them. To my knowledge, there is no definition in Irish law of when something is someone's primary home. That definition exists in many other places. In France, for example, someone's primary home is where he or she lives for eight months of the year. In the UK, it is based on a series of circumstances to do with where a person pays tax and votes and typical patterns of occupancy.

One of the issues we are facing is that, once people start considering specific definitions, they need to get more precise. For example, what is a short-term rental? In some countries and cities, a short let is anything less than 30 nights. In other places, it is more than that, for example, anything less than 90 nights. We also need to develop a shared understanding of what we mean by "primary home" or "short let". That will enable us to start examining how we as platforms and the whole industry can begin acting on that evidence.

Regarding the question on multi-unit developments, we do not know what the properties are. Clearly, we have an address. There are approximately 3 million places to stay on Airbnb tonight. There is a great deal of information about them that we do not have, but we know what hosts are declaring when they list. For example, they declare whether a property is an igloo, tree house or apartment. Due to the way in which our platform works - I will address the matter of standards and vetting in a moment - if guests are not getting what they expect, feedback is usually bad. Therefore, the host is either removed or suspended because there has been a mismatch between what the guest has been promised and what has been delivered, or the host gets a bad review score and moves down the search results. There is much that we do not know and the work of the working group could well drive us towards much better information about who is using these platforms, why they are using them - that is another question that arose - and in which properties they are using them.

The question on availability versus bookings is very interesting. In the traditional hospital-

ity sector, occupancy is easy to measure, whereas in our world it is incredibly difficult to measure. One of the issues we have with some of the sites that look at our website, scrape off the data and publish it, for example, *insideairbnb.com* and *airdna.co*, is that they look at a host's calendar. One of the features of the Airbnb site is that hosts keep their calendars up to date and indicate when their places may or may not be available. Two things arise from that. First, when a calendar is blocked it does not mean the host has a booking but probably means the host is at home and the property is, therefore, not available for booking. On the other side, just because a calendar indicates that a property may be available, it does not mean the host will accept a booking in the relevant period. This can be a source of some frustration to guests who try to book places that turn out not to be available. We try to ensure hosts keep their calendars up to date.

Availability does not necessarily tell us anything about the nature of the property that is being shown to us. I am also unaware of any other jurisdiction, certainly in my patch, where the operating framework refers to how often one makes something available as opposed to how often something is used. Everywhere that we have an experience - night limits or intensity thresholds - they are typically about bookings rather than availability. Some of this is related to the fact that it is far easier to measure bookings than it is to measure availability. I caution against disappearing down a rabbit hole around availability. Bookings are a much more appropriate way of looking at intensity of use.

On the issue of Barcelona and New York, I am much more *au fait* with the position in the former than in the latter. Barcelona faces a challenge which, on the surface, many places would love to have, namely, it is incredibly popular as a place to visit. Since the Barcelona Olympics in 1992, there has been a humongous boom in tourism in the city. The rise of cheaper flights and new accommodation has meant that Barcelona is a fantastic and very popular place to visit. The regional Government of Catalonia and Barcelona city hall are trying to find policies to manage tourism effectively. One of the decisions they took a couple of years ago was to squeeze demand by cracking down on supply. They have drastically limited the number of licences they offer for professional accommodation in the city and stopped building new hotels. As somebody stated, there is still tonnes of demand and this is met by other forms of accommodation. The conversation Airbnb is having with the Catalonian Government and Barcelona city hall is really about how we distinguish, much as the committee is trying to do, between professional operators which should be licensed and home sharers who are contributing to the solution to the Barcelona tourism issue by housing tourists in existing accommodation, driving them away from the central tourist zones and accommodating them in other areas. The disagreement we have is that the ideas on the table tackle the professional end very vigorously but do nothing to protect casual home sharers. That is why we have a disagreement that continues to this day. I am still extremely optimistic that we will resolve that disagreement before long because Barcelona's reputation as an innovative city is beginning to suffer as a result of its dogmatic attitude towards this topic. I totally understand the issue and I was in Barcelona last week for meetings. It is a unique case and there are not many commonalities, particularly given that the authorities in Barcelona are dealing with tourism law rather than housing law. If members wish me to follow up on the position in New York, I can do so but I am afraid I would probably make up much of my reply.

**Chairman:** That could get Mr. Robinson into trouble.

**Mr. Patrick Robinson:** I doubt that.

To respond to Deputy Ellis's questions, it would overstate the case to say we see lots of

problems. We recognise that the growth of this kind of accommodation presents some questions and challenges and creates some issues, some of which existed long before Airbnb existed while others were intensified or created by the arrival of new forms of accommodation.

I do not know what the position is on student accommodation. It would not surprise me if some landlords who accommodate students during term time are using some vacant periods to host tourists. We see that relatively frequently with long-term landlords who may have a void period between tenants and frequently seek to use this period for two or three nights at a time before another long-term tenancy commences.

As to what types of people use our platform, we see from the data that people all over the city are using spare space in their homes or their entire homes when they are not there to make some additional money. A typical host makes €5,000 per annum and hosts for an average of 51 nights. The reasons they host are not only financial. When we speak to our hosts, as we do frequently, they usually tell us they started hosting because it presented an economic opportunity but they came to like the experience of meeting new people, showing off their neighbourhoods, of which they are very proud, recommending local businesses and shops and helping people to understand what it is like to live in this city. There is a very committed and genuine community of people doing this, notwithstanding scepticism about our business model and values. When one spends time with our host community one finds its members are incredibly engaged, very passionate about what they do and not backwards about coming forward when they believe we are letting them down. They genuinely believe they are providing a great service to this city and they are very proud of it.

Working with management companies is a big issue that we face around the world. Looking at the number of policy challenges and challenges to existing legal frameworks, the landlord-tenant relationship is an obvious issue and one which we are thinking hard about. We have a team of people who have started some pilot programmes in the United States and we expect them to start working in Europe before long, although the two markets are very different in nature. The programmes are on how we can work directly with management companies to give them transparency about what is going on in their buildings, potentially give them a cut of some of the revenue that is being made in their buildings and provide them with information and tools they can use in order that they can more confidently allow activity in their buildings at a volume that is allowed by law.

A question was asked about where burden of regulation should lie. The central questions for the Government are what does it want to allow and not allow and what does it want to allow given certain conditions. The planning rules here are very unclear. Even specific cases that are pointed to as proof that planning permission must be required given certain circumstances do not necessarily present precedents for other things. Now is an opportune time to ask what is the definition of a professional letter in Dublin and where should the right balance lie. Where some cities fall on this spectrum is that they want to permit all of the non-professional activity, do not want to permit any professional activity and will not grant any professional short-stay licences. I do not believe Dublin is in that place. There are lots of established short-term rental businesses in Dublin that are providing a great service which people want. The question is what else should be permitted. Where can we draw the line and how can we make clear to hosts where this line is in order that they know, as they approach that line, what they then need to do?

I am heartened that there seems to be consensus that the vast majority of our host community is engaged in the type of activity that does not present concerns. We genuinely believe that clear regulation is good for our host community and good for our business. It does not currently

exist in Ireland and this is why we are part of this conversation. I hope I have managed to deal with the question. I shall ask Ms Mytton-Mills to address the issue of what we believe the likely outcome of the memorandum of understanding process shall be.

**Deputy Fergus O'Dowd:** Will Mr. Robinson address the question of the rent pressure zones and where his clients can compete outside of that in an area that is rent-controlled, therefore getting a much bigger income than if the property was let to a family? It does not relate to existing rents when they let the next time.

**Mr. Patrick Robinson:** The Deputy will have to forgive me as I am not fully aware of the rent control guidelines here. I would say that the broader question is how we can identify when it becomes more financially attractive for a landlord to make that decision.

**Deputy Fergus O'Dowd:** It is because they do not have to conform to the rent pressure zone rules.

**Mr. Patrick Robinson:** That is probably more of a question of rent controls and how long-term landlords are regulated.

**Deputy Fergus O'Dowd:** The rent cannot increase by a certain amount. I am not being rude, it is a real issue. I can give Mr. Robinson details of cases, if he wants, later on.

**Mr. Patrick Robinson:** I do not deny it.

**Deputy Fergus O'Dowd:** It does not reflect on Mr. Robinson. He has a job to do. The point is that people who are working and who have families are being displaced because their tenancy is legally up and they are told to get out or pay an excessive amount. The excessive amount is because the properties can go to Airbnb. While we cannot control that, it is because it is a short-term let, these guys just cannot pay and they have to get out. I could write to Mr. Robinson about the details.

**Mr. Patrick Robinson:** Those kinds of examples are incredibly disheartening and I am sure it is tragic for those people involved. Clear and fair regulation of the short-term rental sector would play a very strong role in preventing that kind of outcome. Looking at short-term rentals in isolation versus the situations that apply to long-term rentals also may lead one to take certain steps and make certain choices that have some knock-on consequences there. With regard to the issue referred to by the Deputy, the previous speakers from Threshold and Trinity College spoke a lot about what else would be going on in the market if short-term rentals did not exist at all. It sounds as though the level of pressure in Ireland is such that there could be negative outcomes regardless. I hope that I can assure the committee that this is not the outcome we seek from this process.

**Deputy Fergus O'Dowd:** I do not doubt that at all but it is happening. It may be helpful if I write to Airbnb to give details and Mr. Robinson could look at that. I have been told that there are many examples of cases in the centre of the city.

**Ms Natasha Mytton-Mills:** We will share information with the committee afterwards also so we can speak directly.

**Deputy Fergus O'Dowd:** I thank Ms Mytton-Mills.

**Mr. Patrick Robinson:** I realise I did not answer Deputy Casey's question about the financial model, which may go some way to answering that question also. Hosts keep 97% of the

money they charge. If a person lists his or her spare bedroom tonight they can list the space for €100 and keep €97 of that. As a guest I will pay €106. Airbnb takes a cut from the host and the guest. The fee is 3%, which is actually quite low in comparison to lots of other short-term rental platforms. It is one of the reasons why we have become quite successful.

**Deputy Pat Casey:** Will the witness clarify the data that Airbnb shares with Revenue?

**Mr. Patrick Robinson:** We must share with Revenue, on an annual basis, the name, address and amount earned for all Irish resident hosts and all non-resident Irish hosts who have a listing in Ireland.

**Deputy Pat Casey:** Is that all revenue?

**Mr. Patrick Robinson:** Correct. This goes to a point that was made earlier by the representatives from Threshold and Trinity College Dublin; the tax position for short-term rentals in Ireland is pretty clear and straightforward. The Revenue Commissioners have determined and decided that the rent-a-room tax-free allowance does not apply in this regard. This has been done on the basis that Revenue believes it is for longer-term stays and not short-term stays. This goes back to the point that Revenue has not provided any definition of the difference between a long stay and a short stay. We would value some clarity on the matter. The Revenue Commissioners have the data they need to ensure that the correct amount of income tax is being collected.

**Deputy Pat Casey:** I want to come back to the availability versus the booking issue. We need to get to the figures around availability because this would give the true indication of how often that property is actually available for short-term lettings. If I had a property registered with Airbnb tomorrow morning, can Airbnb track if I put my availability up or down at any stage, whether it is booked or not? Can Airbnb track that availability?

**Mr. Patrick Robinson:** We can see when a host has declared he or she is available for booking. That does not mean the host is going to accept all of those bookings. In some cases, for example, a host could decide to make their calendar available on the basis that if they got a booking the host could go and stay at a girlfriend's flat instead. Or, they might not be keeping their calendar up to date. This means that when somebody tries to make a booking they are told, "I am sorry, it is not available". Availability and occupancy are very complex for Airbnb to track. We are talking about individual human beings who are switching on and off their calendars. Sometimes they would deactivate their listing completely. They might decide that they are done for six months and they are going to be in their property for a while and not take any more bookings. The listing becomes inactive and people cannot find it anymore. Some hosts like to keep their listing active. On the off-chance they get a booking they might choose to go on holiday that weekend because it would be quite lucrative for them to have a guest then. It is actually quite a dynamic picture, which is why whenever we have got to talking turkey with governments about how to figure out who is doing what, nights booked is a much more accurate depiction of what is going on as opposed to what could potentially be going on.

**Deputy Pat Casey:** Our problem, however, is that we are trying to identify the people who are short-term letting their premises on a long-term basis. That is where we need to get. Nobody here is concerned about genuine people who are just sharing their rooms or homes. We need to get to the properties that are let longer term. Mr. Robinson is telling the committee that these data are available. If the Department wanted to extract my information tomorrow morning around how often I made my property available in a given year, Airbnb could give this

information to them.

**Mr. Patrick Robinson:** I could give them that, but it would not tell them very much.

**Deputy Pat Casey:** It would tell them. It may then be up to the person to ensure they are only uploading the availability of the premises for when it is actually available.

**Mr. Patrick Robinson:** That would be the best way for them to operate, given the way our marketplace operates. We know that guests like to know, when they send inquiries to hosts, that there is a decent chance their reservation is going to be accepted. Hosts get to decide completely what they do. They get to decide how much they charge, how often they host and who comes and who does not come. Yes, we could drive hosts to be more accurate about how often they are available. It goes back to the point that if my empty property in Dublin is made available for a long period and I am going to base my pattern of usage around when I think I might get guests, that is not necessarily a property I would have rented long-term. It might just sit empty the rest of the time. All I am saying is that availability numbers do not necessarily lead us to a meaningful picture.

Demand in Dublin is really high. If hosts make themselves available, the chances are that they are going to get booked. Airbnb has very, very strong demand in Dublin. The likelihood that one would find properties that have availability all year around and never take a booking is pretty low.

**Chairman:** Can I clarify that point? I must declare that I do not use my property on Airbnb. If I wanted to rent out my property for the 161 days has Airbnb access to finding out that data? If Deputy Casey is renting his property out for 161 days and tomorrow takes in Ms Mytton-Mills, can Revenue, Airbnb, or anybody, tell me if that property rented out for 300 days that year? This would be irrelevant for how many people or for how long, it would be the nights it is used. Then we can determine if it is being used. Alternatively, what happens if I break my contract after 161 days and I go back in on the 163rd day and therefore it is not long-term? We are trying to extrapolate how many nights the one property is being rented. Is it the case that Airbnb really has no way of verifying whether it is being rented by the same tenant or by multiple tenants?

**Mr. Patrick Robinson:** We know the identity of the guests and we know the identity of the hosts.

**Chairman:** How does Airbnb verify that?

**Mr. Patrick Robinson:** Is the Chairman asking how we verify identity?

**Chairman:** Yes. How does the process of verification operate in circumstances in which Pat rents from me but his wife uses her name the next time?

**Mr. Patrick Robinson:** I understand. I forgot to answer a question that was asked earlier. I am very bad at this. Under the process we use, users of the site upload Government ID and we verify that it is a legitimate-looking ID. We are constantly increasing the level of security we provide. We are using new tools to make sure we know people are who they say they are. As a result, when someone chooses to stay with Ms Mytton-Mills, she knows that her guest is who he or she says he or she is. The Chairman asked how we track properties that have the same basic ownership, but show up as two separate properties. If someone has a property and that person's husband or wife also has a property, we have ways of identifying that they might be

linked in that way. Quite often, the payout method will be similar. It will be possible to match underlying information about the actual address. I am not going to go into huge amounts of detail because we do not talk about how we track fraud.

**Chairman:** Sure.

**Mr. Patrick Robinson:** There are ways of identifying patterns of behaviour that look like they are aimed at evading rules or our terms of service. We can access data about Ms Mytton-Mills's listing that show who stayed and how long they stayed for. We can tell who has been staying, when and for how long. That is booking data rather than availability data.

**Chairman:** Airbnb can tell if a property is being used for 300 days of the year and we can get that information.

**Mr. Patrick Robinson:** Absolutely. That is essentially the data we have provided to the committee today.

**Chairman:** Okay.

**Mr. Patrick Robinson:** One of the other factors we need to consider is that not all stays will be the same. Many stays will be short. A host in London who has lots of short stays might accommodate a business traveller who comes to town and needs somewhere to stay for three months. As such, a three-month stay would not count as a short stay, different rules would apply to it. This is sounding very complicated but I do not mean it to be.

**Chairman:** We want to get into the detail to try to verify how many of Airbnb's 2,700 hosts are offering long-term or short-term stays. Deputy Ó Broin wants to come back in.

**Deputy Eoin Ó Broin:** This is the precise conversation we need to have because it is important for us to understand the complexities of this issue. I appreciate that an Airbnb host will not know at the start of the year how many nights he or she will want to let for. If someone wins a holiday on a radio show, for example, he or she might decide that rather than having an empty house for a week, it should be put up on Airbnb at the last minute. I get that completely.

I suppose I want to propose a couple of things. Mr. Robinson is right when he says there is no legal definition of a "primary residence". While that is the case, there is nothing to prevent Airbnb from asking somebody who registers as a host to state whether the property they are letting is his or her primary residence. It is a straightforward thing. As Airbnb could not verify that, it would have to take people on trust. Nevertheless, it would be really valuable information and it would not cost Airbnb anything to get it.

According to last year's An Bord Pleanála ruling, specified planning permission is needed if the property is actually available for the full year. The difficulty with Airbnb's inability to answer the questions I asked earlier - Mr. Robinson said he does not have the data - is that it does not know whether any of its hosts are in breach of the An Bord Pleanála ruling. I absolutely appreciate Mr. Robinson's point that when those renting out their properties move away from full-year availability to availability for part of the year only, there is ambiguity because of the lack of a definition of "the short term". I suggest that Airbnb, as a platform, surely has a responsibility - even within the limited regulatory framework we have - to want to know if anybody is in breach of the An Bord Pleanála ruling, which is the one bit of legal clarity we possess.

I appreciate Mr. Robinson's optimism with regard to the Barcelona case. The housing



manager of Barcelona city said last week that he does not share that view. He was very upfront about his stance. Obviously, this stuff is being carried widely, particularly in the British press. Essentially, Airbnb is being accused of allowing a significant number of people who are not legally compliant to advertise on its platform. It has been claimed that this issue affects approximately 7,000 of the 16,000 lets in that market. Mr. Robinson wants to convince us that he is a responsible business person who wants to engage with us. He is doing a very good job of it so far. The doubt I have is that in one of Airbnb's most profitable markets, 7,000 of the people it allows to use its platform are not compliant with the law. I accept that Airbnb might not like the law and might not think it is good for its business, its hosts or the tourism economy. It has been suggested, however, that 7,000 hosts are in breach of the law.

The State and the authorities have a responsibility to ensure that there is enforcement. Barcelona is now doubling its number of inspectors. As a responsible business person, Mr. Robinson has to live up to that. My point is that it is really important to get the Government regulations right. We all agree we want regulations that work for people who are contributing to the economy, including the tourism economy. There is nothing wrong with people generating income for themselves. We want to make sure there is no abuse of the system. We want to ensure there are no unintended consequences. I think that is where we stand.

If Airbnb is not willing or able to give us the data, or to amend its collection process to be able to provide data that let us know definitively whether we have a problem, we are still in the same position we were in two weeks ago before we began holding these hearings. We just do not know. I am not necessarily looking for an answer. I want to propose something. When officials from the Department appeared before the committee, we asked them what data the Department is getting from Airbnb. I would like to repeat my final parting comment to the officials. I said to them that if I was on their side of the discussions with Airbnb on the memorandum of understanding, I would ask it to find a way of providing the data which the Department would really like to have and which Airbnb cannot currently provide. If that information were provided as accurately as possible, it would demonstrate good faith and would enable us to produce a set of regulations that work for everybody.

Of course saying that something is available all year does not necessarily mean it really is available all year. We would like to have a better picture of the number of short-term lets by comparison with the number of commercial landlords. I am not against a commercial landlord who wants to provide a short-term letting. We have academics who come to Trinity College for three months. They need somewhere to rent for three months. I accept that short-term letting is part of the picture as well. I am a little disappointed that data which I think would allow us to know whether there is a problem are not available. I would have thought it is in Airbnb's interests to put that information on the table. If Airbnb does not have it, I suggest it should find a way of acquiring it so that it might be put on the table.

**Mr. Patrick Robinson:** Before I deal with the memorandum of understanding situation, I would like to make it clear that we collect huge amounts of data from hosts when they list their properties. In the interests of making sure guests know what they are getting, we seek to ensure properties are accurately described. We ask hosts to provide significant quantities of information about the spaces they are renting out. Guests do not necessarily care whether they are staying in somebody's primary or secondary home. They want to know what kind of place it is. To my knowledge, we have started to ask new hosts for more information about the nature of the properties they are listing. We ask them whether they live at those properties for some of the year, or whether they do not live there at all. We are beginning to gather that information.

As there are 3 million properties that come on and off the site, it will take time to get full information from everybody. We already ask a large sample of hosts to elaborate on what they are doing and what they are using. We have already shared that information with the committee.

Some 88% of Airbnb hosts in Dublin say they are renting the homes they live in. The data we have shown the committee about bookings show that this is not wildly inaccurate. We cannot map that information on top of the other information because we have not surveyed every single one of the thousands of hosts whose properties were available on 1 June last. By engaging in a process of interrogation and discussion with a body like the working group, we can begin to build up a picture and figure out what data exist. Crucially, we can also look at the data other people have. A week ago, I did a random search on a well-known booking site for a place to stay in Dublin for a weekend in September. I found 350 properties listed on the site. Some of them will also be available on Airbnb and some of them will not. We are in the room and we are providing lots of information to those who ask for it. I question whether others are doing the same. I urge the working group to get as much comprehensive information as possible.

I would like to finish what I was saying in response to the point that was made about the authorities in Barcelona. Members will not be surprised to learn that we disagree with their interpretation of the law. We think the law - as written - they are trying to enforce against us is contrary to European law. That is working through the courts right now and we expect that to take some time. What has been seen in places such as Amsterdam, London, Chicago, New Orleans, Hamburg and countless other places around the world is that where we find an alignment between clear rules, our platform and what we can do in partnership with hosts, we can end up delivering a really great result for cities and a great result for us. These kinds of comprehensive deals that result in taxes being collected and devoted to causes such as homelessness, refugee charities or whatever it might be, plus clarity about what happens at the professional end and some certainty and privacy for people engaged in short-term activity, are where we can end up. This is why we have been debating the MOU. We have never seen the MOU as a substitute for regulation - far from it. What we have tried to secure with the Government is a position that primary homes, places where people live, should be subject to a different set of rules from planning.

I also challenge the idea that the ruling Deputy Ó Broin is talking about has much precedence elsewhere. The board was pretty clear that it is based on the facts and circumstances of the particular property in question in the particular area in question. Planning law is absolutely discretionary. It is about whether a change of use has taken place and whether it is a material change of use, and every circumstance is different. We face this situation in a number of places. We have had the same discussions in Toronto in recent years, and we have had the same discussions in London. If we can find some guidance that provides clarity and states that an entire home in a certain area in respect of which the intention or the activity is the receipt of bookings for a certain amount of the year should be subject to planning, at that point we can begin looking at all the data we can see, all the work we can do with hosts and solutions to the effect that we start putting the host in a funnel towards planning permission or some other form of change of use or declarations that allow us to get consent to share information with the cities. We can be very creative about this, and that is where we have been with the MOU, but they must come up with some clear frameworks for us to interact with. Is there anything else Ms Mytton-Mills wants to add on this?

**Ms Natasha Mytton-Mills:** I could not agree more. I think we share the same aim as the Department and the committee, that is, to understand what is professional and when permis-

sion is needed. Equally, we can then go away and work out, as Mr. Robinson said, the correct solution for our platform and the way we can interact with it. The aim is, therefore, very much aligned. Regarding the likely outcome of the MOU, we really hope it will get to a stage at which we can have clear, fair rules that we can simply put out to the host community for it to be able to follow. Equally, we can find a solution that the platform can automatically align with those fair and simple rules. Those are the key things we are looking forward to achieving and which we have been doing for many months now.

**Chairman:** May I ask for one quick clarification? When someone is registering his or her property, are the same questions asked irrespective of the country one is in? Can registration be tailored in such a way as to require the host to state whether the property is his or her primary residence or an additional property? Do the members have any other questions?

**Deputy Pat Casey:** I want to come back in again on this and give an example. Let us say we brought in regulation tomorrow morning that any entire property available on Airbnb's platform for 90 days or more requires a licence or planning permission and that is the rule. Could Airbnb then inform the Department of a property exceeding the 90 days?

**Chairman:** Before I bring in Mr. Robinson, does Deputy Ellis have any further questions? We will finish up on this.

**Deputy Dessie Ellis:** I am only curious about one thing: is there a vetting process? Does Airbnb get clients vetted by the Garda?

**Mr. Patrick Robinson:** I will answer Deputy Ellis's questions first because he asked them the first time around and I did not answer them. No, we do not vet guests or hosts. In the United States, we run some background checks on hosts and guests because those data are readily available. We are looking to expand this process as we can access more and more databases in a free and open way. As an Irish company, we are subject to EU regulation on things like sanctions, money laundering and fraud, which means we check identities against watch lists, sanctions databases and all kinds of other tools and mechanisms that allow us to weed out people who really should not be on the platform.

Deputy Ellis asked about inspections earlier. We do not inspect properties, but the way the system works means that guests and hosts review one another after each stay. I stayed in an Airbnb property last night. I will leave an okay review of the property. The shower was not great and I will let the host know that the shower was not particularly fantastic. I hope the next guest will have a better shower than I did this morning. However, the bed was very comfortable and I will let people know about that. This is a pretty effective self-regulatory mechanism regarding how quality and standards are set, but where guests bring properties to our attention because they believe they are not safe or there are particular issues concerning how it was described, we can take action. We have 500 people sitting here in Dublin and another 800 in Cork who are more than capable of taking action against hosts who are not providing a great experience to guests.

To answer the question of whether we can share data and whether we would, we can do a number of things. We must recognise that we have a balance of statutory responsibilities in this regard. One concerns data protection and ensuring there is a proper legal basis when we share names, addresses and personal information. The new General Data Protection Regulation that will come into force next year is even tougher about how we share information. What we can do, and what we have done in other places, is gradually increase the friction for guests whereby

as they begin to host more intensively, we can nudge them in certain directions. In the case of London, for example, where there is a limit of 90 days before one needs to get planning permission, we are suspending entire home listings after 90 nights. If one wants to host for longer, one needs to make a declaration that one has sought planning permission and that information can be shared. Whether that is the right approach here is up for debate and discussion. In other cases - for example, in some of the US cities where the privacy laws and the dynamics are different - we can interact with the registration system instead. We look forward to looking at any number of possible options here in Ireland. The threshold question is the threshold itself, that is, where those numbers should be set and where it is justifiable for those numbers to be set in a way that balances the need for tourist accommodation and the need to protect housing.

One other question was asked which I have completely forgotten. I think it was from the Chairman. Did I answer it?

**Chairman:** When one is registering a property, are the same questions asked in each country?

**Mr. Patrick Robinson:** Yes, the same questions are asked in each country. That said, we have implemented slightly different user flows in certain places because things like consumer rights legislation are different or because there are specific laws governing the kind of information hosts need to declare. For example, in France, the host ticks a box that states the property in question is his or her primary home. We all know what ticking boxes does - the answer is not a huge amount - but that is what the law requires so that is what we do. The general data we collect about the quality and services are the same in every country because our guests travel all around the world and they need to know the same things as they go.

**Chairman:** The last question is one of mine that the witnesses might not have covered. Under certain circumstances, could professional lettings be putting pressure on supply in specific areas? Most of the housing constraint is in the cities. What evidence do the witnesses have in this respect? Do they believe this is putting pressure on the market in Dublin?

**Mr. Patrick Robinson:** It seems hard to see that it would, but the purpose of the working group is to look at not just our information, but others' as well. I can say that the most recent study we did in London, which was designed to answer exactly that question - "Is this having an impact?" - looked area by area. Those who carried out the study could see that at some point in the future if growth continued with no effective regulation in place, there might be an impact on housing, but they could not identify any today. They found that if we put in place a few steps to stop that happening, there would continue to be no impact. I would find it hard to believe Dublin is any different in this respect, but let us see.

**Deputy Eoin Ó Broin:** I am reminded of one small thing. The research report in London which confirmed some of those data was supported by Airbnb. Was it supported in terms of data provision? Did Airbnb fund the report or what was the relationship between the researchers and Airbnb?

**Mr. Patrick Robinson:** It was both. We did fund it partly, but we are often in a quite tricky situation here. In order to demonstrate that something is or is not the case, research is required. Others do not necessarily always have the resources to do the research so we often have to contribute. In doing so, we make sure the process is incredibly independent. We had quite a robust exchange of views with the Institute for Public Policy Research, IPPR, about some things on which we vehemently disagreed. Ultimately, they were looking at our primary data. We gave

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them access on an anonymised basis to the information they needed to do that study. What came out of the research reflects their views. Every instance in which we have referred to that report and every way we have framed the research has been with their approval and in a way they would accept. We would encourage others to do the same. We have done similar surveys in other places.

**Chairman:** I thank Mr. Robinson and Ms Mytton-Mills for attending today and for the openness with which they have engaged with the committee. We look forward to further engagement. If there is anything they think we have missed or that is relevant to our report, they are welcome to send the information on to us. We will keep the communication lines open.

I thank the committee members for their attendance today. During our next meeting, we will discuss credit union finance for social housing.

The joint committee adjourned at 3.51 p.m. until 11 a.m. on Tuesday, 4 July 2017.