

Submission on
The Hotel and Guesthouse Accommodation
(Amendment) Bill 2018

The Federation of Hong Kong Hotel Owners fully supports the Introduction of The Hotel and Guesthouse Accommodation (Amendment) Bill, in order to effectively eradicate illegal accommodations. The positions of The Federation of Hong Kong Hotel Owners are as follow:-

1. Government has to be very solid and firm to the public and the hotel industry that airbnb listings in Hong Kong are illegal. Government should not provide the public an impression that Government's attitude on airbnb providing illegal accommodation in Hong Kong is ambiguous and vague.
2. Governemnt has to make it clear and solid that there would not be another set of Regulations to be tailor-made for illegal accommodation such as airbnb. Premises providing short-term sleeping accommodation such as hotels and guesthouses are regulated under the current Hotel and Guesthouse Accommodation Ordinance (Cap 349).
3. Providing the public a clear message that amending the Hotel and Guesthouse Accommodation Ordinance (Cap 349) would mean to empower / strengthen the Licensing / Enforcement Regime with more enforcement power in eradicating illegal accommodation. Private home owner and tenant of premises providing illegal accommodation should face criminal charges.
4. Allowing airbnb in residential areas for travelers would cause serious security and safety problems to travelers as well as creating nuisance to local residents and management risks to estate / building management companies. Travelers staying in airbnb in Hong Kong are not protected as they have no insurance cover.



5. We strongly support the Bill to improve the existing licensing regime, facilitate enforcement actions such as search warrant and closure order for repeated offence, and enhance deterrence with heavy penalty. We also support the Bill to differentiate between hotel with a “hotel licence” and guesthouse with a “guesthouse licence” for the purpose of avoiding confusion to lodgers and providing better consumer rights and protection.
6. The Licensing / Enforcement Regime should identify and locate the airbnb / home-stay service providers in Hong Kong through the internet. The Authority should also intentionally take a few convicted cases of airbnb / home-stay for education and publicity purpose that providing illegal accommodation in Hong Kong will be prosecuted.
7. Hong Kong is an urbanized and a highly congested city, and therefore the model advocated by airbnb is not suitable to Hong Kong’s local environment.
8. Government should alert overseas visitors by using the Hong Kong Tourism Board’s overseas publicity networks the risks of staying in illegal accommodation in Hong Kong.
9. There will be a major conflict of policy change when buildings for residential use become commercial use for short-staying travelers. This would create a serious housing issue. Hong Kong today is facing a serious housing shortage problem, and this would fuel the problem as more and more private homeowners let their own vacated flats / rooms for overseas travelers instead of for local residents. This would directly or indirectly encourage more owners of private residential buildings to convert their properties into sub-units for airbnb travelers causing the housing shortage problem even more serious.
10. This would also contradict with other existing Rules and Regulations such as land use, Deed of Mutual Covenant, fire and buildings, etc. and etc. Government needs to understand that this is not only a hotel industry issue, but a major public and Government policy issue. Government should have no hesitation to exercise its authority and unambiguous stance in protecting the legitimate and lawful business interest of hotel owners and the Hong Kong hotel industry.

11. Airbnb repeatedly claiming their “Home Sharing” generated HK\$2.6 billion (US\$332 million) in economic activity in 2017, however, as Airbnb is illegal in Hong Kong, the income of leasing arising from these illegal activities would be illegal income. The relevant authority shall take decisive action to this issue immediately.