

**From:** [Westelman, Ben](#)  
**To:** [Licensing and Standards Committee](#)  
**Cc:** [Malfeyt, Chantal](#); [Khatchadourian, Saro](#)  
**Subject:** Kijiji Canada Response to the Licensing and Registration Regulations for Short-Term Rentals  
**Date:** Tuesday, November 14, 2017 5:44:12 PM  
**Attachments:** [Response Kijiji to the City of Toronto Final Report 7 november 2017.pdf](#)

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Good Afternoon,

Kijiji Canada has read the City of Toronto's "Licensing and Registration Regulations for Short-term Rentals" report (November 7, 2017) with great interest. Since this topic is scheduled for November 16, 2017 (Agenda item LS23.1), Kijiji would like to share some comments for consideration that can be found in the short position paper attached.

Should you have any feedback or questions, we would be pleased to discuss them in greater detail.

With over 16 million Canadians who use Kijiji each month in over 100 communities coast to coast, Kijiji is a vital part of the Canadian economy and indeed in its biggest city, Toronto. We are proud to provide a platform that connects Canadians, helping them to buy great items in their local community, make some extra money off unused possessions that clutter up houses, and help the cities reduce their waste.

Sincerely,

Ben Westelman

**Ben Westelman**

**Director, Head of Legal eBay Classifieds Group Canada/NW Europe**

>> email: [bwestelman@ebay.com](mailto:bwestelman@ebay.com)

500 King St W, Suite 200, Toronto, Ontario, M5V 1L9



## **Response to the City of Toronto's Proposed Regulations for Short-term Rentals (Report November 7, 2017)**

Over 16 million Canadians use Kijiji each month, in over 100 communities coast to coast, supporting the second-hand economy. Since its launch in 2005, Kijiji has become Canada's number one classifieds site. There are millions of live listings on the website and two new ads are posted every second. We are proud to provide a platform that connects Canadians, helping them to buy great items in their local community, make money off unused possessions cluttering up houses, and help the country waste less.

### **Kijiji's Response**

Kijiji has read the City of Toronto's "Licensing and Registration Regulations for Short-term Rentals" Report (November 7, 2017) with great interest. In response to the previous proposal (report of June 7, 2017) and on request for input by the City of Toronto, Kijiji expressed its concerns about the potentially broad implications of the proposal. Reading the updated report, we have two main comments.

- 1) Kijiji strongly recommends to revise sections 4(a), 23 and 24 of the proposed bylaw in order to clarify that the requirement not to advertise short-term rentals without registration and registration number only applies to short-term rental operators and short-term rental companies.**

Sections 4a, 23 and 24 of the proposed bylaw contain requirements regarding advertising that in the previous proposal were only applicable to short-term rental operators and short-term rental companies, but that are now applicable to anyone, including non-licensed companies such as Kijiji.

However, based on the information Kijiji has available from the people that post listings and their offerings, it is not in a position to determine which listings/offerings fall within scope of the proposed rules. Kijiji does not know whether the offering is the person's principal residence and whether it is a "short-term rental" in the sense of the proposal. For example, Kijiji does not define "short-term rental" – some people consider a week short-term rental, others a couple of months or more. Even if people would provide that information, Kijiji would not in any way be able to verify and validate the data.

Since Kijiji cannot determine what listing/offering is subject of a "short term rental", how can it ensure that the people posting these ads are registered and whether they hold and advertise a valid registration number? Sections 4a, 23 and 24 do pose such an obligation on us and under section 26 we can be equally (significantly) fined for non-compliance as if Kijiji was a licensed short-term rental company.

It is Kijiji's fundamental principle – for all categories and all types of trade happening via Kijiji – that people who post on Kijiji are responsible for the content of their listing and for ensuring they comply with any applicable (local/federal) laws and regulations when advertising on Kijiji. Everything that is prohibited by law, is also prohibited on Kijiji. This is very clearly stated in our [Terms of Use](#) and [Posting Policies](#). This includes compliance



with local short-term rental regulations. As soon as Kijiji receives a bona fide report that a specific advertiser/listing is non-compliant, we will take down the listing and/or block the account. We will also work closely with authorities supporting their enforcement actions and investigations, handling inquiries about our advertisers and/or their listings on Kijiji, as we do across all categories.

Kijiji wants to help people comply with the law and it can ensure to explicitly educate people about the regulations when they enter into force. Due to the lack of short-term rental specific facilities (like booking calendar, extensive search options, reviews) and services (like payment intermediation, guarantees and insurance), we do not foresee Kijiji as becoming a viable alternative to short-term rental companies once these regulations are implemented.

Kijiji therefore strongly recommends to clarify that the advertising requirements of sections 4b, 23 and 24 apply to short-term rental operators and short-term rental companies only since they have the required information in order to be able to comply. Extending the advertising requirements also to non-regulated individuals and non-licensed companies would not add any value.

On the contrary, if the scope is left broader as currently formulated, Kijiji expects that valuable City enforcement resources will go toward ensuring that these non-regulated individuals and non-licensed companies (both online and offline) comply with the advertising rules. Instead, the focus should be on enforcing compliance of the ones actually being regulated. Therefore the envisaged goal of ameliorating the impact of some enforcement issues will not be met. For instance:

- If someone tweets to have a room for rent and a friend retweets (or similarly, a post on Facebook is liked), are the friend and Twitter/Facebook “advertising” or “facilitating” a short-term rental and how can they ensure to comply?
- If someone posts a room for rent in a newspaper or to a university or supermarket bulletin board, are the newspaper, university and supermarket “advertising” or “facilitating” short-term rental and how can they ensure to comply?

And if the answer in each case is, ‘no, the bylaw would not apply’, does that mean that only certain non-licensed companies (like Kijiji) will be subject to fines for non-compliance?

**2) Kijiji welcomes the changes proposed by the City of Toronto to the definition of “short-term rental company” (section 2a), clarifying the scope which makes it clear that Kijiji is not within scope.**

As a national classifieds website offering a platform/channel where people can post their listings, but where short-term rental bookings and payments are not made through Kijiji and where short-term rental listings constitute only a very small portion of its total offering (0.28% of total listing volume in 2016), Kijiji should indeed not be considered a “short-term rental company”. Applying the proposed regulations to Kijiji would not be “fair and easy to follow” for Kijiji nor would it be proportionate.