Submission

No 55

### INQUIRY INTO INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES

**Organisation:** Newcastle University Students Association

Name: Ms Heather Richards

Position: President

Date Received: 17/10/2011





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15<sup>th</sup> October 2011

Dear Mr Chairman,

Re: Submission for Inquiry into International Student Accommodation

My name is Heather Richards and I am the president of the Newcastle University Students' Association (NUSA), the representative body for students studying at the University of Newcastle, NSW.

Thank you for this opportunity to make this submission, on an area which is of key importance to international students studying in Newcastle.

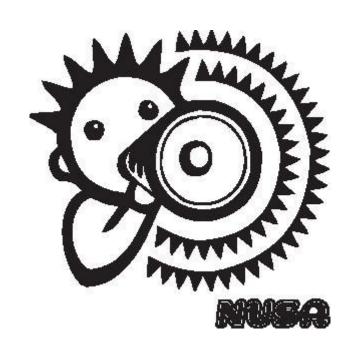
Student accommodation and related concerns have been long at the forefront of international student issues. It is unfortunate that many international students reside in accommodation which is sub-standard, exposes them to incidents of abuse and is detrimental to their health and well-being.

Our submission makes a number of recommendations regarding international student accommodation. These recommendations centre on giving stronger legal rights to students who are classified as boarders or lodgers in addition to giving students more comprehensive means for recourse.

Yours sincerely.

Heather Richards NUSA President 2011

# INQUIRY INTO INTERNATIONAL STUDENT ACCOMMODATION



## NEWCASTLE UNIVERSITY STUDENTS' ASSOCIATION (NUSA) RESPONSE

October 2011

Heather Richards, NUSA President 2011

#### **Recommendations**

2. Factors affecting the supply of and demand for affordable student accommodation and other accommodation used by students, particularly in relation to international students and implications for the export education industry.

Recommendation (1): The Newcastle University Students' Association recommends that the NSW State Government give students universal eligibility to transport concessions. We believe this will encourage students to live in other areas of Newcastle and to utilise public transport. In turn, we believe this will result in a reduction of attacks on international students.

Recommendation (2): The Newcastle University Students' Association recommends that a strategic plan be developed by the State Government, in collaboration with Universities, to invest in affordable student accommodation. If all new international students were guaranteed a place in University accommodation for the first year of their studies, they would not be able to receive a reference letter and would have time to familiarise themselves with the local rental market and legal framework.

3. The appropriateness of existing standards for affordable student and other accommodation used by students.

Recommendation (3): Newcastle University Students' Association recommends that lodgers and boarders be given rights to access the tenancy tribunal, rights to reasonable notice of termination and their landlords be legally obliged to lodge any bonds.

Recommendation (4): Newcastle University Students' Association recommends that international students receive information from education providers regarding fire safety and entering into a tenancy contract.

4. Appropriate or minimum standards for student accommodation, and the adequacy of current legislation in ensuring that such standards are achieved.

Recommendation (5): Newcastle University Students' Association recommends that rental arrangements for share-houses be regulated.

Recommendation (6): Local councils be given authority to enforce landlords to make suitable repairs where necessary within a reasonable timeframe.

6. The appropriate framework for an on-going operation of affordable student accommodation and other accommodation used by students, including the adequacy of local government powers to identify unauthorised operations and enforce compliance with the relevant laws.

Recommendation (7): The following be seriously considered to improve the situation of international students in accommodation in NSW.

- a. All students be given access to student transport concessions.
- b. Lodgers and boarders be given legal rights similar to tenants.
- c. Local councils be given more authority to ensure standards are being maintained.
- d. Universities be given financial incentives to provide more affordable accommodation to students.
- e. International students receive information from education providers regarding entering tenancy agreements and means for recourse.

#### **Newcastle University Students' Association Response**

Newcastle University Students' Association (NUSA) is the representative body for students studying at the University of Newcastle.

We have written this submission by responding to the terms of reference.

- (1) The objectives of the Private Member's bill introduced by the Member for Ryde in the last Parliament (Environmental Planning & Assessment Amendment (Boarding Houses) Bill NSW 2010).
- (2) Factors affecting the supply of and demand for affordable student accommodation and other accommodation used by students, particularly in relation to international students and implications for the export education industry.

#### Tendency to live close to the University

Student transport concessions or lack therefore, result in international students seeking accommodation close to the University.

Over the past few years, a number of international students have been the victims of assaults, robberies and verbal abuse on the University of Newcastle Callaghan campus and surrounding suburbs: Jesmond, Shortland and Birmingham Gardens.

The attacks on international students in these areas were reported in the press, with coverage peaking in 2009 and 2010. Students live in these areas for the following reasons:

- 1. The suburbs are close to the University and as such students save money on transport.
- 2. There is a local shopping centre, Shortland Jesmond, which is also in walking distance, and as such students save money on transport.
- 3. There are many rental properties in these areas which are targeted at students.

Many international students have indicated that they would prefer to live in Newcastle City and in other suburbs which have considered safer, but the lack of transport concessions prevents them. The major mode of public transport within Newcastle is bus. A single adult bus ticket costs \$3.30 and lasts for one hour. It is not usually possible for a person to travel more than once on such a ticket, and as such any journey with ultimately cost \$6.60. If a student were to travel everyday to University and back, this would cost them \$33. If in addition, a student needed to purchase food or needed to use another service, this would cost an additional \$6.60 each time. Most people purchase food once a week, as such, a student would spend at least \$39.60 on bus tickets in a 5-day week. By living in the suburbs surrounding the University, students make a \$39.60 saving, which they can instead spend on food and textbooks. The table (Table 1) below summarises the cost of travelling by bus in Newcastle, even with a Times Ten ticket, students save \$32.16 by living in the suburbs surrounding the University.

Table 1: Cost of using Newcastle Buses for one week (5-days) assuming attendance at University everyday and one trip per week to the supermarket or equivalent.

Ticket Type	Price of trip to and	Total cost travelling to	Price of trip to and from	Weekly Total
	from University	and from University for	supermarket	
		5 days		
Single	\$6.60	\$33.00	\$6.60	\$39.60

Tickets				
Times Ten	\$5.36	\$26.80	\$5.36	\$32.16

The 2010 International Student Forum [[1]], run by the International Student Department of NUSA (ISD-NUSA), found that students do not feel safe walking between the surrounding suburbs and the University. Students, particularly of Asian descent, reported experiencing frequent racist verbal abuse on their trips.

Below are links to newspaper reports of some of the attacks on international students in these areas:

Violent attacks on international uni students rise, Alison Branley, 18 May 2009, <a href="http://www.theherald.com.au/news/local/news/general/violent-attacks-on-international-uni-students-rise/1515256.aspx">http://www.theherald.com.au/news/local/news/general/violent-attacks-on-international-uni-students-rise/1515256.aspx</a>.

Attacks on international students eroding Newcastle's reputation, Alison Branley, 8 September 2009, <a href="http://www.theherald.com.au/news/local/news/general/attacks-on-international-students-eroding-newcastles-reputation/1616935.aspx">http://www.theherald.com.au/news/local/news/general/attacks-on-international-students-eroding-newcastles-reputation/1616935.aspx</a>.

Teen thugs attack international students, Dan Proudmanchief, 16 May 2009, <a href="http://www.theherald.com.au/news/local/news/general/teen-thugs-attack-international-students/1514556.aspx">http://www.theherald.com.au/news/local/news/general/teen-thugs-attack-international-students/1514556.aspx</a>.

Foreign students targeted in Newcastle attacks, Michael Turtle, 22 May 2009, <a href="http://www.abc.net.au/news/2009-05-21/foreign-students-targeted-in-newcastle-attacks/1691110">http://www.abc.net.au/news/2009-05-21/foreign-students-targeted-in-newcastle-attacks/1691110</a>.

Attacks continue on overseas Newcastle Uni students, 16 Mar 2010, <a href="http://www.theherald.com.au/news/local/news/general/attacks-continue-on-overseas-newcastle-uni-students/1776971.aspx">http://www.theherald.com.au/news/local/news/general/attacks-continue-on-overseas-newcastle-uni-students/1776971.aspx</a>.

Recommendation (1): The Newcastle University Students' Association recommends that the NSW State Government give students universal eligibility to transport concessions. We believe this will encourage students to live in other areas of Newcastle and to utilise public transport. In turn, we believe this will result in a reduction of attacks on international students.

[[1]] International Student Forum Report, 15 August 2010, http://www.nusa.org.au/internationaldocuments/ISFORUM.pdf

#### Local Market, Discrimination and References

The local market for accommodation is regarded as being tight. There is a limit to affordable student accommodation, with students mainly looking to reside in share houses.

In January 2010, the Newcastle Herald (Newcastle Landlords rejecting overseas students [[2]]), reported that landlords were discriminating against international students and not accepting them as tenants.

It is normal practice for landlords and agencies to require an Australian reference for accommodation. International students have often not been in the country long enough to have such a reference, restricting the accommodation options open to them. To assist these students, the Newcastle University Students' Association (NUSA) provides references where appropriate.

Recommendation (2): The Newcastle University Students' Association recommends that a strategic plan be developed by the State Government, in collaboration with Universities, to invest in affordable student accommodation. If all new international students were guaranteed a place in University accommodation for the first year of their studies, they would not be able to receive a reference letter and would have time to familiarise themselves with the local rental market and legal framework.

[[2]] "Newcastle Landlords rejecting overseas students", Alison Branley, 16<sup>th</sup> January 2010, <a href="http://www.theherald.com.au/news/local/news/general/newcastle-landlords-rejecting-overseas-students/1726515.aspx">http://www.theherald.com.au/news/local/news/general/newcastle-landlords-rejecting-overseas-students/1726515.aspx</a>

#### Transport Link and access to facilities

Many international students need to work in order to subsidise their cost of living. The job market in Newcastle is small and it is not uncommon for international students studying in Newcastle to seek employment in Sydney. The train to Sydney can take 4hrs with track work, and as such, these students seek accommodation close to train stations.

International students do not have access to private transport to the same degree as our domestic student counterparts. As such, we are reliant on public transport and on the routes public transport follows. As mentioned earlier, the cost of public transport forms is a key determiner for international students looking for accommodation. Likewise, access to public transport is important to any decisions taken. Accommodation which is too far from public transport links, or where the public transport services cease early, as many do in the Newcastle and Hunter region, are not viable options for international students.

(3) The appropriateness of existing standards for affordable student and other accommodation used by students.

International students are unfamiliar with the Residential Tenancies Act 2010, and more generally are not familiar with the administrative processes and procedures that safeguard our consumer rights.

#### **Bond Deposits**

It is not uncommon for bonds not to be lodged with the Office of Fair Trading and receipts are not always provided. Students often pay for their deposit with cash and are not aware that the bond needs to be lodged. Problems frequently occur when students request their bond be returned, and with little or no paperwork, there is little assistance they can be given.

In appendix 1, we have supplied a copy of a bond certificate given by a landlord to an international student tenant.

#### Overcrowding

This is an issue for many international students. We are aware of students who share a bedroom with a least one other student and of share houses where eight people share one bathroom.

This overcrowding often poses a health hazards and does not give the students any privacy. This lack of privacy in turn has a detrimental effect on the mental health of the students and can impact negatively on

their studies. It also leads to fire hazards, places extra strain on the electrical circuits, and encourages the spread of infectious viruses and diseases.

#### Additional Costs, Damage and Insurance

Students are required to pay for maintenance of facilities like swimming pools which they do not use. When a residence has sustained damage, for example fire, landlords have demanded that the tenants/lodgers pay for the damage, even though the landlord is claiming through insurance.

For example, a kitchen fan in a residence in Newcastle caught fire and resulted in damage to the property. The landlord charged the students, who were all international, \$8000 for repairs, a sum far exceeding the actual damages.

Students are often bullied into paying damages with threats of reporting them to DIAC. Landlords claim that they will be expelled from the country if they do not comply.

#### Tenants versus lodgers and boarders

Many students in share-houses are under the impression they are tenants, when in actual fact they are technically lodgers or boarders. This distinction is important as they provide different rights and avenues for redress.

It is not uncommon for students to not know who they are renting from, which causes confusion and impedes upon the ability of the students to redress wrongs.

A student was recently evicted from their accommodation by having their belongings removed from the premises and placed outside. The student rented a room in a share-house and the room has a lock. No agreement had been signed, though an email-trail existed as proof of bond. No notice of eviction was given and the student was not given an opportunity to find alternative accommodation. After discussions with the Hunter Tenancy Board, it was still not clear whether the student was a tenant or lodger, and as such which legal route for recompense should be followed.

#### A question of trust

International students tend to trust the landlords and as they have no prior experience in Australia, they are not aware of circumstances in which their trust is being abused.

Recommendation (3): Newcastle University Students' Association recommends that lodgers and boarders be given rights to access the tenancy tribunal, rights to reasonable notice of termination and their landlords be legally obliged to lodge any bonds.

Recommendation (4): Newcastle University Students' Association recommends that international students receive information from education providers regarding fire safety and entering into a tenancy contract.

(4) Appropriate or minimum standards for student accommodation, and the adequacy of current legislation in ensuring that such standards are achieved.

#### Repairs and Safety

We have many students coming to complain that their landlords do not repair the property when required. This has even been for cases where there have been broken screen doors and locks, which have resulted in students being afraid of theft.

Not all student housing as adequate fire and smoke alarms. Smoke alarms are placed too close to kitchens and as a result, students remove the batteries as they tend to emit noise every time the student cooks.

Eight (8) students shared an accommodation in Newcastle. The landlord promised to build a second bathroom and as such a large hole was dug. For over a year this hole was left open and it became a breeding ground for mosquitoes. The students signed on for a second year at the residency on the proviso that the second bathroom would be completed. Unfortunately, this was just a verbal agreement. The hole is still there, two years after it was originally dug. There are a number of other problems with this particular property and an overview of the case can be found in appendix 2.

#### Rent

Rent varies a lot in the Newcastle area. International students are particularly vulnerable to exploitation because we are not familiar with the local rental costs. We have heard of incidents where landlords seek out students from particular nations because they come here on Government scholarships. They then charge a much inflated rental rate, unbeknown to the student, which impacts on the rates for the area.

Recommendation (5): Newcastle University Students' Association recommends that rental arrangements for share-houses be regulated.

Recommendation (6): Local councils be given authority to enforce landlords to make suitable repairs where necessary within a reasonable timeframe.

(5) The current extent of unauthorised student accommodation operations in NSW.

#### Rental Scams

International students are victims of rental scams before they even come to the country. One such scam involved students placing a deposit on a rental accommodation before they arrived. After arrival, they proceeded to the property to discover that is was inhabited and had never been on the rental market. Those who perpetrated the scam had taken pictures of the property and had advertised on websites in the students home country.

#### **Bond Deposit**

As mentioned earlier, bonds are not always lodged with the Office of Fair Trading, and there is not always a receipt for the bond.

#### Overcrowding

As mentioned earlier, this is a problem, particularly when there are not enough facilities (bathrooms etc.) for students.

(6) The appropriate framework for an on-going operation of affordable student accommodation and other accommodation used by students, including the adequacy of

local government powers to identify unauthorised operations and enforce compliance with the relevant laws.

Recommendation (7): The following be seriously considered to improve the situation of international students in accommodation in NSW.

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