

Submission

No 38

INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES

Organisation: Australian Council Private Education and Training
Name: Ms Catherine Kearney
Position: Executive Officer
Date Received: 7/10/2011



Creating Futures

FACSIMILE TRANSMISSION

Attention:	The Committee Manager Social Policy Committee	Fax:	(02) 9230 3052
Company:	Parliament House Macquarie St	Phone:	
Sender:	Sarah Rosen ph 82808105 (for Catherine Kearney)	Date:	7 October 2011
Subject:	ACPET Submission on International Student Accommodation in NSW	No. Pages:	7 (inc. cover page)

Dear Committee Manager

Please contact Sarah Rosen if you do not receive all pages of our submission.

With kindest regards,

Sarah Rosen
NSW Member Support Officer
02 8280 8105

Creating Futures



Response to inquiry into international student accommodation

October 2011



ACPET contact:

Catherine Kearney

Executive Officer (New South Wales)

ACPET NSW Office

Suite 12, Level 14, 329 Pitt St

Sydney NSW 2000



Introduction

Established in 1992, the Australian Council for Private Education and Training (ACPET) is the national industry association for private providers of post-compulsory education and training. ACPET has more than 1,100 members, delivering a range of higher and vocational education and training (VET) and English language courses across all states and territories. Research conducted for ACPET in 2010 indicates private providers deliver training to 1.44 million equivalent full-time (EFT) students in Australia each year.

ACPET's mission is to enhance quality, choice, innovation and diversity in Australian education and training for individual, national and global development. It represents a range of private providers, including commercial and not-for-profit entities, community groups, and industry and enterprise-based organisations. ACPET works with governments, education and training institutions, industries, and community organisations, to ensure vocational and higher education and training services are well-targeted, accessible and well-delivered. Courses offered by ACPET members are high quality and provide for choice and diversity.

As the peak body for private providers, ACPET is committed to ensuring that its policies, products and services contribute to an inclusive tertiary education system. Private providers include commercial and not-for-profit entities, community groups, and industry and enterprise-based organisations.

ACPET notes that the inquiry into international student accommodation in NSW seeks to develop proposals for legislation or other measures to address the supply, operation and regulation of affordable student accommodation and other accommodation used by students in NSW, with particular attention to accommodation for international students.

With several hundred ACPET members delivering private tertiary education to international students, ACPET has a strong interest in ensuring the adequate supply, operation and regulation of accommodation for international students throughout NSW. International education has been a major contributor to the NSW economy and the economic, cultural and social contributions that international students make to NSW are invaluable, and include the following:

- significant participation in the part-time labour market supporting small and medium businesses
- the creation of jobs for teachers and other industries directly associated with education
- supporting local business and accommodation providers as consumers
- promoting NSW as an education, tourism, business and immigration destination in their home countries and
- bringing cultural diversity to their local communities.

In return the NSW Government and the NSW community have a duty of care to these students as well as an awareness of their needs and contributions. ACPET welcomes the inquiry into international student accommodation in highlighting issues affecting a disparate group that often lacks a voice within our community.

This submission reiterates concerns and observations made in related ACPET submissions on the welfare of international students studying throughout Australia and in New South Wales.



Comments in response to inquiry terms of reference

The inquiry's terms of reference are to inquire into and develop proposals for legislation, where appropriate, or other measures to address the following.

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*).

The objective of the Private Member's Bill is to provide for the regulation of boarding houses and other places of shared accommodation by amending the *Environmental Planning and Assessment Act 1979*. The bill seeks to increase powers of entry and inspection to premises being unlawfully used for the purposes of a boarding house or other place of shared accommodation and to increase penalties for those involved in such unlawful use and/or development.

DEEWR data (*AEI year to date data, July 2011*) indicates that 75,710 international students are enrolled with private education and training providers (vocational education and training, higher education and ELICOS) in New South Wales, out of a total of approximately 134,000 international students throughout the tertiary sector. There are 45,636 enrolments with private VET providers, representing more than 92 per cent of international students studying a VET course in NSW.

There is a limited supply of safe, affordable and appropriate accommodation for international students who choose NSW as a destination to study. This issue is more acute in Sydney metropolitan areas and in those suburbs co-located to popular providers.

Anecdotal evidence suggests that international students are particularly vulnerable to the vagaries of Sydney's tight housing market, and susceptible to entering substandard accommodation arrangements.

ACPET supports the objectives of the Private Member's Bill to provide for the regulation of boarding houses and shared accommodation in safeguarding the interests and welfare of international students choosing these forms of shelter.

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.

ACPET accepts there are a number of factors affecting the supply and demand for affordable student accommodation, particularly in the metropolitan areas of Sydney, Newcastle and Wollongong. A key factor is the low vacancy rates (and related high cost) of rental accommodation in our major cities.

Within a tight rental accommodation market, ACPET has identified that international students are at particular risk due to:

- unscrupulous accommodation operators or private landlords taking financial and in some cases physical advantage of vulnerable international students
- barriers to language and access to proper authorities within the NSW community including: law enforcement and protection by police, tenancy and consumer trade protection, multicultural and education guidelines for international education in NSW; local government guidelines around tenancy and accommodation provision within the LGA; all community services delivered by the NSW Government which international students have rights to access.

The implications of these risk factors affecting international students seeking affordable accommodation are far-reaching. While the risks of limited and substandard accommodation threaten the wellbeing of individual students, ACPET's view is that they also threaten the reputation of NSW as a safe and affordable destination for potential international students.



ACPET strongly encourages the committee to consider factors affecting the supply of affordable student accommodation in the context of the international student experience as a whole, and the need for greater coordination between government agencies responsible for the welfare and well being of international students. NSW's reputation as a student destination – and that of Australia as a whole – is in danger of being further damaged if this scenario continues and students continue to remain at risk and unsupported.

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

NSW media outlets have aired a number of stories during 2011 that point to a lack of suitable standards for student accommodation, including stories of unscrupulous landlords charging exorbitant rents for overcrowded rooms.

ACPET supports the consideration of existing standards by the inquiry to determine their appropriateness in ensuring the safety and protecting the rights of international students.

International students in NSW have a number of accommodation options open to them which can be categorised on the basis of price, quality and risk (visa and safety). These categories are also linked to the student's financial situation, and include the following broad options:

1. low risk, short supply, high cost option: accommodation options for the student as part of their education package provided by their education provider. This can be a boarding house, college dormitory or approved housing facility owned and operated by the education provider.
2. low risk, diversified supply, variable cost option: an accredited and accepted option is to organise accommodation through a reputable homestay provider who has arrangements with an international education provider.
3. high risk, diversified and non-regulated supply, high and unmonitored costs: more difficult pathway is when a student chooses to find their own accommodation through free-market advertisements in newspapers and direct marketing in their country before they arrive or when they arrive in NSW.

Student choices are most often dictated and prioritised by price, with accommodation options being influenced by the small amounts of money that they have to live on.

In accommodation option 2 listed above there are a variety of quality accommodation options for students coming to Australia. Option 2 includes various homestay programs managed by CRICOS registered institutions that find private accommodation on behalf of students, typically with families in the community.

Safe and reliable accommodation is essential to attract international students into Australia's private and public education courses. ACPET's members have a strong interest in supporting this pillar of foreign student accommodation and works closely with the Australian Homestay Network (AHN) which was commended in the 2010 Senate Inquiry into the Welfare of International Students for having appropriate standards for International Students.

The Senate Committee recognised that homestay was a good option for International Students and the need to ensure minimum standards in homestay is understood by all stakeholders in the homestay industry.

The recently released Knight Review of the Student Visa Program includes a recommendation to correct an anomaly in the treatment of students choosing accommodation option 2, namely that the cost of prepaid homestay accommodation be considered as 'prepaid boarding fees' under the Migration Regulations and counted as part of the monies required to meet the minimum threshold to receive a student visa (proof of \$18,000 per annum).



ACPET is heartened by the recommendation to correct this anomaly, by recognising accredited homestay accommodation groups like AHN and other homestay programs managed by CRICOS registered institutions.

In short, ACPET believes that there are appropriate standards in place for safeguarding on-campus student accommodation and homestay placements arranged through the Australian Homestay Network (options 1 and 2).

ACPET supports the inquiry's consideration of measures for addressing illegal and unscrupulous activity taking place within the open market for student accommodation (option 3) will be canvassed as part of this inquiry as per the response at point 4.

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

ACPET supports the establishment of minimum standards for boarding houses and shared accommodation in line with a broader focus on developing mechanisms for ensuring the social welfare of international students in a range of areas.

As indicated in relation to objective 1, ACPET supports legislative change to establish sufficient regulatory structures to ensure compliance by providers of shared (including student accommodation) with any legislative standards. The question of establishing specific standards for shared or student accommodation – including, for example, maximum numbers of people living in shared dwellings, is a matter for consideration by local councils and relevant planning authorities.

ACPET's would strongly recommend that any move to institute minimum standards for open market student accommodation include strategies for ensuring clear advice on such standards is made available to students, including avenues for recourse if standards are breached.

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

ACPET encourages the inquiry's exploration of 'unauthorised' student accommodation operations in NSW. Accommodation providers who prey on the vulnerability and ignorance of international students put the wellbeing of individuals at risk and damage the reputation of NSW as a safe, fair and enjoyable destination for international study.

The extent of exploitative and predatory behaviour in the international student accommodation is unclear, which is in part due to lack of awareness of regulations and rights by students themselves. Consideration of an inter-agency approach to providing support for students at risk of exploitation in the provision of accommodation is highly recommended.

6. The appropriate framework for the 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.

ACPET reiterates comments at point 1 with regard to clarifying local government powers to identify unlawful operation of boarding houses and shared accommodation and enforce compliance with the relevant laws.