

**Submission**

**No 18**

## **INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES**

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Submission to the New South Wales  
Legislative Assembly Inquiry into  
International Student Accommodation in  
New South Wales

Wollongong Undergraduate Students'  
Association



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Students

In addressing the situation of international students vis-à-vis housing in the Illawarra difficulty is immediately presented by the fact that no quantitative information on the specific subject exists. A substantial amount of information does, however, exist with regards to student accommodation in the Illawarra more generally.

### **The Cost of Renting in the Illawarra**

According to the 2006 census, median weekly rent in the Federal Division of Cunningham, in which the University of Wollongong is situated, was \$190, with Cunningham ranked 78<sup>th</sup> amongst the 150 Federal Divisions on this measure. Rent in Cunningham was vastly more modest than in much of Sydney, but more expensive than much of the remainder of regional New South Wales, as well as some inner metropolitan divisions in other cities, such as Adelaide.

That the cost of renting in the Illawarra has increased significantly since 2006 is clear. The Illawarra Regional Information Service's 2010 *Real Estate Report* placed the median asking rental price for houses in the Wollongong Statistical District at \$380 per week, with \$300 the equivalent figure for units.

It is equally clear that the Illawarra remains among the most expensive places to rent in NSW outside of Sydney. A Sydney Anglicare survey of 735 advertised rental properties in the Illawarra (there defined to include the Southern Highlands, Shoalhaven and a significant portion of the South Coast) found that only 51 could be considered affordable.

### **University Accommodation**

An alternative to privately rented accommodation for international students in the Illawarra is to be found in university provided accommodation. As of 2009 the University of Wollongong offered eight different student residences, with rent ranging from \$150 to \$290 per week. These rates are similar to those on offer at other universities in New South Wales, such as Charles Sturt and Newcastle.

A considerable problem, however, has recently arisen with demand for university accommodation dramatically exceeding supply. In 2011, the University of Wollongong followed on from the Australian National University in placing applicants for university accommodation in motels, with the *Illawarra Mercury* reporting that the university had received "about 2300 applications for around 1430 places." The University of Wollongong has recently expanded its suite of accommodation options to include the Ibis Hotel, but the disparity is likely to remain.

## **Experience of Students**

In 2010 and 2011 the National Union of Students conducted two surveys, respectively, the *Student Housing Survey* and the *Student Income and Welfare Survey* dealing with housing affordability for students. Both survey's samples included domestic and international students at the University of Wollongong. The *Housing Survey* found that 88% of students paying rent had stress placed on their personal budget as a result, with 29% citing extreme stress. Reporting these findings, the now defunct *Wollongong and Northern Leader* reported University of Wollongong student Julia Najjar as saying "after you get paid, minus rent, expenses like phone, food, electricity, you're left with a really small amount to live off." The *Student Income and Welfare Survey*, perhaps less alarmingly but certainly still significantly, found that 32.6% of respondents living out of home had been unable to pay rent from their regular income in the last year.

## **Applicability to International Students**

As has been noted, there is no quantitative data available specifically pertaining to the housing experiences of international students in the Illawarra. A degree of extrapolation is therefore called for. In 2009 the National Union of Students estimated, with reference to Australia as a whole, that "there are roughly equal numbers of domestic and international students in private rental/university-related residences." Given that, in 2008, international student enrolments at the University of Wollongong accounted for just short of 40% of total enrolments, compared with 27% nationally, and that the university aims to increase on-shore enrolments of international students by a further 1000 in the coming years, it is fair to assume that the burden of high private rental rates and scarcity of university provided rooms documented above falls disproportionately on international students.

The impact of these factors is exacerbated by the fact that international students living in private rental accommodation in the Illawarra tend to locate themselves in the suburbs of Gwynneville, Keiraville and North Wollongong. As well as being close to the university and other amenities, these suburbs benefit from free shuttle bus services provided by both the University of Wollongong and New South Wales Government. These are not, however, the cheapest suburbs in which to rent in the Illawarra. Indeed, North Wollongong is amongst the most expensive, as can be seen from the following table, which compares the number of households paying less than \$179 per week in rent as of the 2006 census across several Illawarra suburbs.

Suburb	Number of households paying \$179 per week or less in rent	Households paying \$179 per week or less in rent as a percentage of total households paying rent.
Bellambi	554	61.9
Coniston-Mt St Thomas	235	57.3
Gwynneville	245	50.9
Keiraville- Mt Keira	179	40.3
North Wollongong	162	32.5
Unanderra-Kembla Grange	487	60.9
West Wollongong	273	49.2

Beyond the matter of pricing, it is also worth considering whether international students in the Illawarra are being subjected to exploitative housing arrangements. Several such cases have been brought to light by the media elsewhere in Australia recently. Last year, fines amounting to \$35 000 were issued in Brisbane in relation three properties housing a total of 35 international students, whilst in April this year the *Sydney Morning Herald* reported that “rogue landlords in Marsfield in Sydney's north west are piling as many as 20 students into shoddily converted family homes”

In Wollongong, the *Illawarra Mercury* has reported that “residents around the University of Wollongong have long complained that dozens of students are being housed in single family homes, often unlawfully converted into multi-bedroom premises”, with Wollongong City Council having received up to twenty complaints to this effect in 2010. The exact extent of this problem is unclear, but there can be no disputing that international students are being subject to exploitative conditions in the Illawarra.

### **Recommendations**

The Wollongong Undergraduate Students Association recommends that the New South Wales Government take the following steps in relation to students in the Illawarra’s access to appropriate housing.

*1: Limit private rent increases to one every six months.*

New South Wales currently stands alone amongst Australian states and territories in imposing no limitation on the frequency of private rent increases. The Australian Capital Territory limits such increases to one per year, while all other jurisdictions impose a limit of one increase every six months. In January this year, the New South Wales branch of the National Union of Students and the Presidents of the University of Wollongong, University of Sydney, UTS, UNSW and University of Newcastle student associations called on the New South Wales government to adopt a six month limit, in common with the other states. In light of the steadily increasing cost of private rental accommodation, it is time for the New South Wales Government to revisit this proposal.

### *2: Introduce public transport concessions for international students*

Transport and accommodation are intimately linked determinants of any person's lifestyle. In the first instance, transportation represents a cost impost for students additional to that of rent. The National Union of Students 2011 Student Income and Welfare Survey found that 43% of students had been unable to afford transportation from their regular income in the last year.

Further to the above, as we have seen, Wollongong students, particularly international students, have tended to eschew the suburbs in which rent is cheapest for more expensive places of residence serviced by free public transport. Making public transport outside of the central Wollongong suburbs of Keiraville, Gwynneville, Fairy Meadow and North Wollongong more accessible to international students would, therefore, be likely to have a positive corollary effect of improving their access to private rental accommodation.

To bring this about, and to ease the financial strain on international students more generally, the New South Wales Government should discontinue its policy of limiting student public transport concessions to domestic students. Beyond New South Wales, only Victoria discriminates against international students in this way. The Council of Australian Postgraduate Students has correctly labelled New South Wales' public transport concession arrangements as "farcical" and Victoria's as "embarrassing".

### *3: Work to promote campus based advocacy and advisory services for international students*

Most Australian universities offer students some form of advocacy and/or legal service. In some cases, a service is provided specifically for international students. At the University of Wollongong, a Student Advocacy Service employing an Advocacy Officer exists, as do faculty based Student Support

Advisors. Sydney Universities Student Representative Council, to take another example, employs several case workers and a solicitor who offers free legal advice to students. Services of this sort, however, are often little known and poorly promoted. The New South Wales Government could, at relatively little cost, develop and promote a website listing all such services in the state. This would reach students infinitely more effectively than the current haphazard promotional efforts undertaken across ten universities and many more campuses.

#### *4: Encourage greater utilisation of the National Rental Affordability Scheme by New South Wales universities*

The single greatest contribution that universities can make to the welfare of international students is through the direct provision of lodgings. As has been shown above in the case of the University of Wollongong, university accommodation is generally cheaper than private rental accommodation. It also stands as a superior option for international students in that they are protected from the sort of exploitative practices that exist in the private rental market.

Universities wishing to build student accommodation are eligible for funding under the Commonwealth Government's National Rental Affordability Scheme (NRAS). However, excepting the Australian National University, few such institutions have taken advantage of this offer. The New South Wales Government should be encouraging New South Wales universities, particularly those such as the University of Wollongong which are seeking to increase their investment in student housing, to take advantage of the opportunity offered by NRAS.

#### *5: Directly invest in student accommodation*

University funding is primarily a Commonwealth responsibility. State Governments, however, stand to reap positive results for both students and the community at large by entering into joint development projects with universities. As well as expanding accommodation options for students, this type of development can generate considerable business opportunities. Here, the Queensland University of Technology's Kelvin Grove Campus, a joint initiative of the university and the Queensland Government, provides a model. This development, built on the site of the decommissioned Gona Barracks, incorporates student housing, teaching and research facilities and businesses such as cafés, a bookshop, a supermarket and even village markets. This sort of

development, it should be noted, is particularly well suited to regional universities, such as the University of Wollongong, which is already a substantial investor in the local community.