

National Liaison Committee  
for International Students in Australia  
Submission to  
Residential Accommodation Issues Paper  
Consumer Affairs Victoria

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## *Introduction*

The National Liaison Committee for International Students in Australia (NLC) is the peak representative body for international students throughout the university sector in Australia. Nearly all 38 Australian public university's international student associations are affiliate member organizations of the NLC who therefore directly represents almost 175 thousand higher education students. The NLC recognises that as there exists no other international student organization representing students in the other education sectors, this role is also left to the NLC, and therefore, many aspects of our submission also relate to circumstances and issues faced by international students studying in Australia from all sectors.

The NLC would firstly like to thank Consumer Affairs Victoria for addressing the housing and accommodation problems through producing the issues paper, conducting the review and inviting the NLC to contribute a submission to the consultation process. We hope our submission provides a valuable perspective to the future direction of accommodation and housing strategies in Victoria.

The NLC is writing this submission because of our awareness first hand of the issues that are faced by international students when trying to obtain housing and begin their studies in Australia. International students often have very limited choices when initially sourcing adequate housing. They are provided limited information in education provider information packs often containing only on campus options or the most expensive off campus options. International students are unable to return to live with family if rental properties are unavailable, most choose to live close to education institutions for safety and security reasons, as well as their lack of knowledge of surrounding suburbs, and transport options. In addition to this, public transport concession in Victoria is not available to international students so commuting can often be a very expensive way to travel if students live a long distance from campus. Due to their lack of understanding of rights and responsibilities, average age and inexperience in living away from home and/or renting properties in Australia, international students can be defined as a vulnerable cohort of the community who are often exploited, discriminated against and through this, face many diverse problems when securing adequate housing and residing in Australia.

The various housing accommodating international students include: rental properties – share houses, flats, units or apartments, boarding houses or hostels, on-campus residential colleges, off-campus purpose built student accommodation, homestay, temporary accommodation in either student specific accommodation or backpacker residences, and in some cases family owned residences.

This submission will consider the problems and issues associated with hostel/boarding houses, rental properties, off-campus student accommodation and homestay accommodation. Through these four key areas pertaining to the Residential Accommodation Issues Paper will be addressed:

The four areas are:

1. rooming houses
2. student accommodation
3. homestay
4. discrimination and housing providers (landlords and real estate agents)

From our discussion of relevant research and provision of evidence, both anecdotal and documented case studies, conclusions will be drawn in the form of key recommendations.

### ***Rooming Houses***

Through anecdotal evidence, NLC is aware that many international students reside in accommodation that would usually meet the criteria of a rooming/boarding house. In this case there are many instances where international students are unaware of their rights and obligations under rooming house requirements and the laws protecting both parties. NLC has concerns that there is little or no policing of subletting arrangements whereby international students rent a room in a four bedroom house from one person who is not the owner. In addition, international students often have no understanding of how or where to access information or help to resolve problems in such housing arrangements. Problems that students experience in unregistered boarding house situations include inadequate procedures when students face problems such as cohabitation disputes over cleaning responsibilities, property theft or personality clashes. More serious problems such as inappropriate physical or sexual behaviour is an area of concern also as in these housing arrangements without formal registration, the residents are unable to fall back on protective tenancy laws should they need to relocate and terminate leases early. In situations where students believe that they are in homestay arrangements which in fact fall under the definition of boarding houses, are again unprotected under the laws, however homestay will be discussed further on.

### **Recommendations**

- The definitions of rooming houses in both health and residential tenancies Acts as well as in tax legislation is amended to provide clear and consistent agreement.
- Through state government departments (including the state education department) and education providers, international students are provided with clear and multilingual information on rooming house definition to enable students to determine the type of accommodation in which they are residing and therefore understand their rights and obligations under the RT Act.
- Ensure that within the information provision, clear and concise information details complaint and dispute resolution procedures.

### ***Student Accommodation***

Purpose built student accommodation is particularly attractive to many international students. The main reasons for this include the convenience of the location, privacy, safety and security provided, they are usually fully furnished and students do not have to purchase household appliances or goods, the flexibility in rental agreements that suits the international students' arrival and departure dates by visa restrictions, and also the ability for students to live in culturally appropriate environments, that are not conflicting with student religious lifestyles or beliefs. They also provide extensive pastoral care and environments conducive to study.

In recent months, research into the current provision of student housing in Melbourne has taken the form of a study by Fincher et al (2007) at Melbourne University. In this study, the purpose built student housing has come under some criticism, not only because of the fortress like facades of the buildings but for the conduct of the

management of these facilities. Fincher et al (2007) assert that the providers of student accommodation target the international student market, do not allow a cultural mix representative of the broader Melbourne community thereby depriving the international student of a well rounded living experience. In addition the study asserts that these providers often misrepresent their own requirement to comply with the Residential Tenancies Act because of their provision of 'student accommodation'. In 2003, RMIT and Melbourne university housing services held a seminar on student accommodation which was attended by organizations such as Shoa and the Tenants Union of Victoria and the student accommodation providers both affiliated and non-affiliated. One of the positive outcomes of the seminar was that some of the housing providers moved to comply with the Act, regardless of their affiliation status. Student housing services also moved to limit their advertising listings to those providers who remain compliant.

The level of compliance has declined though in recent years with the considerable growth in international student numbers causing the demand for accommodation in inner Melbourne to remain high and the vacancy rates for all rental properties in Melbourne showing rates almost as low as 1%. (REIV, 2006) In addition, the growth in the number of student accommodation apartment buildings has grown in response to the sharp increase in student numbers and to compensate for the lack of housing provision on the part of education providers who failed to plan for the growth in student numbers. (SHA, 2007)

International students residing in student accommodation in inner Melbourne and in the outer suburban student accommodation facilities are subject to similar problems in relation to their rights and obligations as tenants or residents of this type of accommodation.

The formally affiliated off-campus accommodation is not required to comply with the RT Act; because of this, terms, conditions and practices of these providers are often highly unfair and exploit and disempower international students. Though the education providers are in theory connected with the accommodation facility, often the management of this accommodation is distanced from the university and is not monitored nor are students able to access complaint and grievance procedures through the university for accommodation related problems. In comparison, on-campus residential colleges provide comprehensive complaint, appeal and grievance procedures, which can involve the institution if taken to the highest level of appeal.

Problems faced by students residing in non affiliated student accommodation are relating to bond lodgement, requirements of rent payments in advance, slow repair of problems, and unfair or illegal fees, such as key deposits, and cleaning costs. Often students, although able to lodge complaints and appeals to VCAT, are unlikely to do so, for various reasons. These often include:

- Fear of retaliation by accommodation providers that could cost them their visa status
- Cultural differences
- Lack of understanding of where to complain, or what outcomes might be
- Belief that nothing can be done so they don't bother
- Lack of time due to other pressures such as full time study and part time work commitments.

### **Recommendations**

- The exemption under Section 21 for affiliated providers is amended to include only on-campus housing or residential college accommodation
- The CAV and VCAT conduct full investigation into the lease agreements and conduct of affiliated and non affiliated student housing providers to ascertain the level of RT Act compliance of both and from this the extent of student exploitation or protection under the current legislation
- Establish avenues for complaints and appeal processes for affiliated housing providers who are not required to comply with the Act as currently this does not exist.
- The CAV should continue to build connections with education providers and representative bodies of providers such as the AVCC and ACPET, and students to educate students on their rights and responsibilities under the RT Act in regards to student accommodation
- Information and education should include multilingual documents to ensure students who are not fully competent in English are able to obtain and understand information provided. (taking into consideration that of the 117 international students in Victoria, there are approximately 16 thousand English language students, with low levels of English competency)

### ***Homestay***

Homestay is the main type of accommodation used by students in the secondary and Elicos sectors of international education. The level of pastoral care provided to students in the secondary sector differs from all other sectors because of the age of the students. There are some students in other sectors who are under 18 years of age but generally they are in the foundation studies or secondary schools. To obtain a student visa, students under 18 must have accommodation and all living arrangements approved by their parents and the education provider for the length of their student visa if they are not accompanied to Australia by a prescribed relative. The living arrangements are usually prearranged at a homestay family. The main homestay organisations are well established and upkeep on their host families is generally of high standard, however there are problems that do occur for many students and students are virtually unprotected because there is very little in law that governs homestay in Victoria or Federally. The homestay sector is not covered by residential tenancies acts, education acts, ESOS acts, the taxation legislation, nor is it listed as an occupation or workplace by state government in the most recent introduction; the 'working with children check' and there is no requirement that homestay providers have current police checks. (Richardson, 2003) There is reason to be concerned in this respect because while the industry may have in the past proven itself to be well managed and highly respected, there will always be unscrupulous providers and students under the age of 18 or in fact those students over 18 with no education providers monitoring their living arrangements are at risk of exploitation and mistreatment. With ever increasing numbers of international students in Australia, this is of concern.

Currently there is no particular body monitoring the homestay sector, and the organisation ISANA in conjunction with other industry organisations have taken the lead in developing a homestay representative network for homestay providers to join which will develop best practice guides with quality and standards to measure

homestay providers by. This development will solve many current problems that students face regarding cultural problems, eating and social concerns, however, problems relating to fee charging, over crowding and not registering as a boarding house when there are too many students may still remain unresolved. Other legal problems such as duty of care while is addressed through setting standards and benchmarks is not legislated and Richardson (2003) expressed concern in her article on homestay that there no legal precedent in Australia should the area of 'duty of care' be challenged in a lawsuit. Further problems Richardson (2003) outlines are the availability of training or qualifications for either homestay agencies or host families relating to language, cultural, educational or emotional needs of international students. In addition, Richardson (2003) points out that there is no conflict resolution training available, for hosts or any legal requirement for this. Students have not got any outside avenue should they have problems with hosts or other boarders in the homestay and have no protective legislation to fall back on in these situations.

There is therefore an overhanging question about whether legislating is the answer in this area, and if so, under what Act, is residential tenancies the right area? In New Zealand, the homestay providers and the 'duty of care' is covered under the law that equates to the Australian Esos Act, which provides avenues for complaint and conflict resolution through education providers and ultimately through the Ministry of Education at the International Education Appeals Authority. Such a system is unlikely to be introduced in Australia in the short term due to the fact that the international education system, the ESOS Act and national code of practice have just finished a 3 year review, while the area of under 18 housing and legal guardianship by education providers was covered at length in the process, including homestay conflict or even overcrowding in education provider responsibilities was not considered.

If a homestay host has 3 students at one school or with one agency, there is no over-arching body that monitors if the host has more students from another education provider, therefore, constituting a rooming house but with no department, or organisation tracking the situation. Examples of hosts with 5 or more students is not unusual as described in Claudia Doria's interviews in her book entitled 'The Truth About Being An International Student' (2005). The other problem in Australia is the difference between each states' tenancy laws. Should homestay be covered under ESOS, does the rooming house legislation differ from state to state?

Richardson suggests another registration body, rather than a state tenancy law or federal law would be to utilise local government, where most rooming houses register currently, and therefore, homestay could follow a similar process. This solution provides a local approach with further work done on a national level through the most recent developments through ISANA with the Australian Homestay Network which is aiming to develop a nationally compliant homestay management system that will include additional services for homestay providers such as professional development and support, a national structure for branding and advertising, insurance cover and emergency phone support. While this will be a fantastic move forward, it will still not provide legal protection for students, homestay providers or education providers, however, this may not be needed once the network is established.

### **Recommendations:**

- Homestay is given the recognition it deserves as a major supplier of accommodation for international students in Australia, and as such, providers of homestay are required to comply with standards that provide both international students and homestay hosts education, support and protection with regard to the following:
  1. cultural and linguistic diversity and understanding
  2. police checks for all hosts
  3. fees and amounts charged by all parties including administration fees imposed by education providers for homestay provision should be disclosed and restricted
  4. training and support for hosts in regard to the cultural, educational and emotional needs of their international guests.
  5. training and support for hosts in conflict resolution and grievance handling
- Information is available to all students by education providers and homestay hosts outlining the mechanisms for independent conflict resolution and grievance handling procedures in the homestay housing situation.
- This review investigate the possibility that local government perform the role of maintaining and monitoring a register of homestay providers, and as such, investigating the benefit of homestay falling under the same regulations as rooming house operators in the Residential Tenancy Act in order to provide legal protection to students in homestay arrangements in Victoria.

### ***Other Issues***

Recent research by Chris McRae in, Melbourne in 2007 has revealed that many international students have at least two main problems when sourcing suitable and adequate living arrangements. In addition to this, housing and accommodation services in Deakin university student association has provided descriptions of problems faced by international students in private rental accommodation. These issues and problems will be outlined in this section.

#### **Documentation:**

In order to obtain a rental property, tenants must provide adequate identification and sufficient documentation. McRae (2007) found that most students were unable to provide the necessary documentation such as references from previous accommodation, sufficient Identification and proof of income or such documents. McRae expressed concern with these problems because of the further social implications caused by these difficulties such as the development of 'deceptive behaviour' involving students using false or other persons documents or payslips to gain rental properties.

#### **Discrimination:**

Deakin university student association (DUSA) and McRae discuss the forms of discrimination faced by international students in the private rental sector. The staff at DUSA housing service had reported both overt and covert discrimination, which involved landlords openly stating certain nationalities of people they do not want renting their properties and less obvious changes in demeanour when meeting students and inability to commit to leases at that point stating they would

get back to the service after considering all options. (Yanes, 2007)

Discrimination, not only racial but against a group such as international students as a whole, leads to students resorting to other measures to secure housing. Students and indeed international students may not seem to landlords the most attractive tenants usually due to prior bad experiences with other students. Facing group discrimination, international students often rely on help from friends with permanent resident status, who are working full time, to sign lease agreements, and provide their own documentation to landlords or estate agents to secure the housing.

### **Recommendations**

- International student groups and CAV should work together to investigate ways to help international students gain housing without having to resort to illegal measures involving falsified documents or lease arrangements.
- Landlords, estate agents and students could be involved in a program to highlight the extra needs of international students, such as flexible lease arrangements, provision of furniture or household goods in rental properties and also include cross cultural understanding for both students and landlords, providing students with clear understanding of expectations of landlords in property maintenance.
- International students and landlords should be made aware of the ability of students to provide required documentation for leasing agreements, and provision should be made to take into consideration the applicability of these documents with regard to international students income situations, due to the fact that some don't work but are completely reliant on family for income and therefore are not able to show proof of income. International documents should be acceptable as documentation such as proof of identification and income.

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