Bankstown fire exposes plight of international students

Mark Church 9 October 2012

The fatal apartment fire in the Sydney working class suburb of Bankstown on September 6 has revealed the unsafe and over-crowded conditions in which tens of thousands of international students, as well as immigrants and workers, are forced to live because of soaring rents and house prices in Australia.

One Chinese student died and another was seriously injured after they jumped from a fifth-floor window to try to escape the intense fire that swept through their apartment. It has since been reported that the two-bedroom apartment had been sub-divided to create a third bedroom. A building inspector overseeing changes to the Euro Terraces apartment block reportedly told the *Sydney Morning Herald* he had found similar modifications in other apartments in the building.

Official statistics point to a wider housing crisis, with landlords cramming as many students and other tenants as possible into apartments, boarding houses and other properties.

The Australian Bureau of Statistics estimates that 27 percent of international students and 26 percent of new migrants live in overcrowded properties that require at least one extra bedroom. With more than half a million international students living in Australia, that adds up to nearly 150,000 students, in addition to more than 30,000 new migrants. The bureau concedes, however, that these figures are likely to be understated.

International students are particularly vulnerable to this kind of exploitation. Under visa rules, they cannot work more than 20-40 hours a week, and because of their insecure status, are likely to have low-paid jobs. Rents in Sydney are extremely high, fuelled by property speculation and housing shortages. According to the Sydney City Council, average rents for two-bedroom apartments in the inner-city rose from \$350 to

\$500 per week between 2002 and 2009.

As a result, international students are under pressure to cut costs wherever possible, paying from \$130 a week per person for overcrowded accommodation. As well, they face other onerous conditions. A state government *Inquiry into International Student Accommodation in New South Wales*, published last November, reported that landlords routinely bully students with threats, including deportation.

In one example cited in the report, a young student was evicted at 11pm on a Sunday for being unable to pay an on-the-spot rent increase. In another case, a student believed she had paid for a room with one other female, but was told to live in a basement with six men. Refusing to stay, she was unable to get her rent back. One female student was told another person was moving in, and because there were no more beds, she would have to share her bed.

A *Sydney Morning Herald* article on October 2 reported other such instances. A local council official in Auburn, a working class area near Bankstown, said 11 people had been found living in a two-bedroom flat. Apartment blocks had been discovered there with fire alarm systems that did not work, missing fire doors, missing smoke detectors and painted-over sprinkler heads.

In inner-city Pyrmont, near the University of Sydney and the University of Technology, eight people were sleeping four to a room in a two-bedroom unit. Near Macquarie University, in Sydney's north, 20 students were discovered sharing beds, alternating between day and night. In another building, a sick student was sleeping in the laundry.

Students are treated as nothing but lucrative sources of revenue, by governments, universities and other education providers, as well as by landlords and developers.

Under successive governments, Labor and Liberal, overseas students have become a major industry. In 2009 and 2010 education was ranked as Australia's third largest foreign exchange earner, behind iron ore and coal, and worth more than \$17 billion annually.

While domestic students pay hefty fees, via the Higher Education Contribution Scheme (HECS), international students are required to pay much more—so-called full-fees. A degree in Arts or Business costs more than \$32,000 a year in tuition alone, placing a huge financial burden on students and their families.

Because of chronic government underfunding, universities and other educational institutions now depend heavily on this income. The number of international students studying in Australia rose from less than 100,000 in 1994 to over 600,000 by 2010, but universities and governments have done very little to ensure they have access to decent housing.

In May this year, in its formal response to the *Inquiry* into International Student Accommodation in New South Wales, the NSW government said six universities in Sydney, Newcastle and Wollongong intended to double their total stock of student housing over the next 10 years, from the 2009 level of 17,794 beds. Even if these plans were to materialise, the number of beds would remain woefully inadequate. Between them, these institutions already have in excess of 100,000 overseas students.

Nevertheless, Premier Barry O'Farrell's government cited this mooted increase as a reason not to subsidise student housing. Essentially, sanctioning the appalling conditions that students face, stating in its inquiry: "Where affordable student housing is not available, students may seek accommodation in the broader affordable housing market, in competition with low-income households." That is, students should fend for themselves, competing with others who are also forced, by escalating housing costs, into poor quality accommodation.

The O'Farrell government's primary proposals were to "streamline approvals" for housing developers, and permit "granny flats" in all residential zones, thus giving the green light to more substandard housing. Another proposal, supposedly to protect students and other tenants, was to introduce "occupancy principles" for boarding house residents. These include: "An

occupant is entitled to live in premises that are reasonably clean, in a reasonable state of repair and reasonably secure." These "entitlements" are so vague as to be meaningless, and, pointedly, do not mention fire safety.

In recent years, the federal and state governments have conducted several inquiries into the student education market, but only from the standpoint of how to boost numbers and revenue, against aggressive global competition. Thus, the 2010 Knight Review, commissioned by Prime Minister Julia Gillard's Labor government, focussed on streamlining the student visa process. Its only mention of student accommodation was to point out the economic benefits that students deliver by paying rent!

The conditions confronting international students are a microcosm of the workings of the private profit system, which subordinates the right to decent, safe and affordable housing to the profiteering of education providers, developers and property owners. The Socialist Equality Party and its youth movement, the International Students for Social Equality, urge all students to attend our public meeting in Bankstown on October 15 to help lay bare the underlying causes of the September 6 tragedy.



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