

Australian Homestay Network (AHN) Submission to the Australian Senate Education, Employment and Workplace Relations Committee in response to Submission Number: 124 from AUZZIE FAMILIES Homestay Care Pty Ltd (Auzzie).

The Australian Homestay Network (AHN) welcomes the input and contribution from non affiliated homestay providers such as Auzzie. We acknowledge that Auzzie has been able to trade in homestay in Sydney for twelve years in a largely unregulated industry and understand their concerns about the current wide-spread national industry support for better bench marks and controls in homestay. We also acknowledge Auzzie's concerns about the growing national industry support and rapid progress of the AHN.

Auzzie along with other homestay industry stakeholders have had ample opportunity to meet with and engage with AHN so that they could have a better understanding of the AHN, its vision, its people, its processes and practices, etc. Auzzie has failed to take the opportunity that has been readily available for the past three years. As a result there are numerous confused, ill-informed and false statements in their submission which are addressed below.

For the purpose of clarity we have quoted extracts from Auzzie's submission *in italics* with the **factual position and responses in bold** under each extract.

Paragraph 2. *"Auzzie commenced its operations in 1997 as a provider of homestay accommodation for international students, and is affiliated with New South Wales' leading tertiary education institutions. Auzzie's placements would account for approximately thirty percent of the market share in greater Sydney, and this has been achieved without the need for any 'network' with other homestay providers."*

The market opportunity in the greater Sydney for homestay is over 100,000 students.

Please refer:

http://www.business.nsw.gov.au/aboutnsw/labour/C13_highereducation_intlstudents.htm

The Auzzie claim that they service 30% of this number (30,000+ students) is not accurate. AHN estimates Auzzie's share at below 3% of the available Sydney market.

Being part of a national network is beneficial for members as AHN negotiates national arrangements for insurance and professional 24/7 help line (including critical incident and medical management).

The network is an essential part of meeting and exceeding the industry expectations of quality, national consistency and creating an industry driven market that operates in the best interests of international students, hosts and institutions. AHN creates a high level of minimum operating standards in an industry that, to date, has been very much a cottage industry, but now strives to operate in an environment of world's best practice.

Paragraph 3. *Auzzie is independently operated by 10 staff sourced from the private and public sectors who hold more than twenty five combined years of industry experience. It is this size that allows for Auzzie's experienced staff to provide its uniquely personalised accommodation service, which is subject to constant feedback and prides itself on accessibility and transparency. Therefore Auzzie can draw from this practical experience to make the following observations with respect to the industry generally, and the Senate's Inquiry.*

AHN has not had the opportunity to investigate Auzzie's operational capabilities, system accessibility and transparency, their level of compulsory insurance for hosts and students, 24/7 professional support structure, etc. Generally, when AHN has done this with groups who have been in homestay for many years they do not meet the AHN industry developed standards.

AHN standards have been set after extensive industry consultation involving:

- **experienced homestay managers**
- **educational institutions**
- **government**
- **hosts and**
- **students**

AHN would welcome the opportunity to look at and report on the Auzzie system as we have with other willing supervisors Australia-wide. AHN is always prepared to show interested parties the AHN system and protocols. AHN again offers Auzzie the opportunity to review and understand AHN. The combined homestay industry experience of the AHN group exceeds 200 years.

Paragraph 4. Auzzie is concerned that businesses within the industry, purporting to be large such as the Australian Homestay Network, are adopting a highly aggressive approach to expanding their market share, and industry influence, through the use of network affiliations. This will in turn create lobby groups intent on the progression of their own business agendas, rather than ensuring the industry's focus continues to be the welfare of the students. Auzzie is also concerned that such businesses are proposing themselves as potential regulatory bodies when they lack the requisite 'hands on' experience, and approach the industry in an exploitative manner. Hence Auzzie believes there should be no regulation of the industry nor controlled private enterprise.

The AHN is a network of homestay providers. All of our network affiliates are contracted to meet AHN industry standards, to use the AHN system and protocols and to be accountable for the program quality and the welfare of students and hosts. We are large and growing because the industry had a declared need and we are meeting that need.

AHN has contracted homestay supervisors in:

- **Queensland**
- **New South Wales**
- **Victoria**
- **South Australia**
- **Western Australia**
- **Northern Territory**
- **ACT**

Discussions have also now commenced in Tasmania.

AHN membership directly involves over 40 homestay professionals utilising and providing ongoing feedback on the AHN system and protocols in their core work activities.

An example of just some of the key people involved include:

- **Sylvia Lewohl** - over 17 years as Griffith University's Homestay Manager prior to joining AHN and previously a Host since 1982 (27 years) to some forty international students
- **Daphne Turner** - Principle of Tuda Homestay in New South Wales for 15 years, preferred supplier to TAFE NSW since 1995, hosting experience for 20 years. Tuda Homestay has placed over 20,000 International Students in homestay in New South Wales
- **Trevor McCleery** - Principle of TCN Homestay in Melbourne with over 7 years as a Homestay Manager and 11 years as a Homestay Host. TCN Homestay has placed over 10,000 students in Homestay in Victoria
- **Chris Evason** - Managing Director of IES with more than 13 years operating homestay services

In addition to this, AHN has an industry advisory board overseeing the AHN policies and procedures to ensure that the organisation meets "best practice" standards. This also ensures that private organisations involved in homestay that are members of AHN have formal industry accountability.

Industry accountability is paramount to AHN who have developed a professional suite of training programs and further training programs will be added during 2010. These programs are available for delivery to Supervisors, Hosts and the International Education Industry nationally. Recently AHN was engaged to deliver five Workshops throughout Queensland in conjunction with Queensland Education and Training International (QETI). In addition, AHN was appointed to conduct Focus Groups throughout Australia in conjunction with ISANA - International Education Association and AEI. A training manual was prepared by ISANA from these Focus Groups for Hosts opening their homes to students from Saudi Arabia. Supporting this formal training manual AHN has produced a practical training Workshop to assist Hosts and Staff in this area.

During 2009 ISANA and RMIT have worked together in a project funded by AEI to further investigate 'The Student Experience', an initiative of Julia Gillard's Study in Australia 2010. In the draft Report delivered at the AIEC Conference in Sydney recently AHN were the only homestay organisation mentioned as being proactive in the delivery of best practice standards and guidelines nationally.

The key people above and the advisory board are supported by a professional team of experts in their relevant areas to ensure that AHN meets its mission to

- **meet and exceed client and industry expectations**
- **provide National leadership**
- **improve the safety and welfare of both international students and hosts**
- **improve the reputation of homestay in Australia**
- **provide a marketing advantage for international education in Australia**

AHN does not apologise for its approach in helping to fix homestay in Australia, but rejects this approach being described as 'aggressive'. Had an industry group like AHN been established 10 years ago, many of the current industry issues with homestay would not exist today.

Australian homestay needed a combined industry approach that truly represented the Nation, understood the industry requirements and could solve the key issues.

AHN has taken on this challenge.

AHN commenced because this aspect of the international education industry was in disarray and individual proprietors were generally unaccountable to the industry and the community, or for the safety and welfare of the students and hosts.

AHN rejects the Auzzie statements regarding AHN's lack of "hands on" experience. AHN is acknowledged by informed stakeholders as Australia's homestay industry leader and is the most experienced group in Australia with respect to homestay best practice.

AHN does not approach the market in an "exploitative" manner as suggested by Auzzie; rather AHN is committed to helping excise the exploitive and unaccountable practices that have haunted international student homestay and shared accommodation for the last 10 years.

AHN supports industry self-regulation. To this end, AHN has raised the standards and positive support is rapidly growing from institutions, government, agents, hosts and students (and their families). AHN supports the industry adopting minimum benchmarks as a prerequisite for homestay managers.

These minimum standards are included in the attachment in the AHN submission to the Senate Inquiry (Submission number 32).

Paragraph 5. Auzzie is committed to the measured introduction of appropriate regulations to the industry that hold the safety and welfare of students as their paramount concern. However, it believes there needs to be a fine balance between introducing proper standards and over regulating an industry that is dependent on a degree of flexibility to proper function in a fluctuating environment. Furthermore, over regulation could damage the industry by allowing more flexible markets to encroach. Auzzie also echoes the calls of other participants in the Inquiry to request that any measures that are subsequently proposed by the Committee be subject to rigorous examination of independent evidence, and not influenced by those that only view the industry as a lucrative business opportunity.

There appears to be some conflicting statements in this paragraph to statements made earlier in Auzzie's submission. In Paragraph 4 Auzzie believe "there should be no regulation of the industry". In Paragraph 5 Auzzie is "committed to the measured introduction of appropriate regulations", yet Auzzie provides no detail of what these regulations should be. Auzzie also fails to acknowledge the efforts of the AHN in helping formulate national standards for homestay.

AHN to date has contributed over \$1M in seeking and building an industry solution to what has been a long term problem with respect to homestay operations in Australia.

This investment will only provide a return for AHN shareholders if AHN delivers a high quality, acceptable solution to the industry. Part of this solution is identifying unacceptable practices in the industry and rapidly phasing them out. AHN is committed to the safety and welfare of both students and hosts and this commitment has been fundamental to our success in Australia.

Members of the AHN have been instrumental before in working with Government and industry stakeholders to successfully improve the standards of other key industry issues such as agent training and Overseas Student Health Cover compliance.

AHN is committed to the safety and welfare of both students and hosts and this commitment has been fundamental to our success in Australia.

Paragraph 6. Auzzie is also concerned that these growing organisations will seek to establish industry standards without proper consultation with or the knowledge of those best versed in the issues of the industry, being those that have 'day to day' contact with the students and host families.

As previously noted in this submission, AHN has undertaken the most extensive consultation program with industry stakeholders in homestay over the past three years. For example, in 2006 a workshop was held at Holmesglen TAFE, Melbourne involving some 70 industry experts (mostly homestay) who identified the key issues that homestay faced in Australia. These issues are outlined in the attachment to our original Senate Inquiry submission.

Since that time, AHN has also funded multiple industry meetings in Perth, Sydney, Melbourne, Adelaide, Brisbane, Gold Coast, Sunshine Coast, Cairns and Canberra. AHN continues to deal daily with experienced front line homestay personnel who are responsible for securing over 10,000 successful placements in AHN homestay for 2010. AHN again invites Auzzie to participate in this process of improving the industry. AHN welcomes further discussions with Auzzie.

Paragraph 7. There is a concern that the aggressive push by such organisations has led to information and personal details of hosts being passed between participating businesses without consultation or permission. Furthermore, there is a concern that the industry will be governed by automated online computer programs seeking to 'match' students to family hosts, in an attempt to become more cost effective. The removal of the human element from this process will create issues for students and host families whose compatibility has not been properly vetted or background experiences considered. Online matching of hosts and students should be discouraged where possible.

AHN refute Auzzie's comments here as being totally incorrect and bearing no relation to the facts of the matter. Auzzie does not understand the AHN system or processes and by not indicating which organisation it is considering has implied that the AHN has unethical or unacceptable practices. This is false. Any organisation that becomes a member of the AHN has their own database of host families. These hosts are not shared without both supervisor and host agreement.

AHN has been very vocal in its opposition of online "choose your own homestay" matching systems that are run without quality checks, 'hands on' supervision or other insurances or controls as demonstrated in AHN's original submission to the Senate Inquiry. AHN recognise that there may be other organisations that employ a crude matching process without any 'human element' checking the data - AHN affiliated operations do not. In fact, the AHN system, whilst being totally transparent and 'open for inspection' by users and education institution affiliates is internally regulated and scrutinised more so than all other homestay operators in the industry.

The AHN matching system in no way removes the human element from the placement process. It is simply a tool that a homestay supervisor can use to locate hosts who (A) have said they are available for a homestay placement and (B) generally match the criteria specified by the student. The decision of actually making the placement ALWAYS falls to the AHN trained supervisor to use their best judgement in selecting a host.

Most Homestay organisations ask general preference questions on their application form, such as details about smoking, preferences towards pets and children etc., which they then use to determine an optimum placement. This is no different to the process of matching a student to a host on AHN. The only modification AHN has made is to allow supervisors to generate a shortlist built from host availabilities with no obvious points of conflict, and with easy access to previous records. This is a very useful tool which frees up frontline homestay people to offer a more productive and more personalised service to students and thus creating an environment in which the cultural exchange is initiated on a “best fit” basis. This results in a better experience for both student and host.

Our experienced homestay supervisors constantly praise the positive impact that the AHN system has had on the quality and efficiency of their homestay services. AHN has also recently met with over 100 hosts who had been using the AHN system and there was outstanding support for the system and the services provided through AHN.

The hosts felt that they were:

- better communicated with
- better trained
- better supported
- more confident
- feeling safer
- compliant with regulations (tax, local government, social security and education industry, etc.)
- part of a growing, unified national network of committed, responsible homestay hosts

If there are any genuine questions or concerns about the AHN system, AHN would happily present a complete demonstration to any and all interested parties.

Paragraph 8. Auzzie refutes the claim made by others that all businesses within the industry operate without minimum standards being in place. Auzzie’s high standards surpass the requirements of all of its affiliated tertiary institutions, and the New South Wales Department of Education and Training. Auzzie believes there is a need for standardisation and regulation that incorporate the values upheld in these agreements, which can be provided to the Committee upon request. However, it would be best if a properly resourced and carefully considered legislative scheme was introduced.

This paragraph adds to the contradiction in the previous paragraphs. As previously mentioned above, in Paragraph 4 Auzzie believe “*there should be no regulation of the industry*”; in Paragraph 5 Auzzie is “*committed to the measured introduction of appropriate regulations*”; now in Paragraph 8, Auzzie is suggesting that “*it would be best if a properly resourced and carefully considered legislative scheme was introduced*”.

AHN has continually and publicly declared the need for minimum standards based on extensive industry consultation. Auzzie has not. In their submission Auzzie appears to be intent on damaging the reputation that AHN has in the industry for Auzzie’s own commercial benefit. Auzzie has made little effort to understand AHN’s submission to the Senate Inquiry or to meet with the AHN or take part in any of the multiple industry forums conducted by the AHN.

AHN does welcome constructive feedback and criticism, but ask that it come from a better informed position, and that it be done with the utmost respect for the Senate Inquiry. This

would then reflect a pro-active intent and real interest in the welfare of International students rather than a reactionary paper based on destructive criticism of a successful, growing alternative solution for the industry.

The call for minimum standards in the homestay industry has been made by many reputable industry groups nationally (including ISANA and ACPET). AHN's growth has been because many of Australia's leading educational institutions (including Australia's leading Universities) also support new minimum standards for the homestay industry such as those being promoted through AHN.

Paragraph 9. Auzzie believes its combination of practical experience and the continual review of its processes have created a "best working practice" that could be followed by the industry. However, Auzzie acknowledges its business models are subject to the constant need for improvement and development to meet the changing needs of international students. It would be best if such a process was adopted by the industry, with proper consideration given to the views of those at the forefront of this vital industry.

Again, AHN invites Auzzie to meet and share information and experience for the advancement and benefit of the Australian Homestay Industry. AHN would welcome this opportunity to continue to learn more and build better solutions for the network.