International Students as an Influence on Residential Change: A Case Study of the City of Melbourne

TSUTSUMI Jun* and Kevin O’CONNOR**

*Department of Humanities, Faculty of Law and Letters, Ehime University, Matsuyama 790–8577, Japan.
**Faculty of Architecture Building and Planning, University of Melbourne; Australia.
E-mail: jtsu@ehime-u.ac.jp*, kevin.oconnor@unimelb.edu.au**

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Abstract  Australia has attracted a very large number of international students over the past decade. This paper has analysed residential development in an inner city location to show how the interaction between the commercial property industry, local urban policy and a specific source of demand shape what have been labeled “new build” outcomes in the gentrification of inner city areas. The paper focuses on the approach that draws upon the simultaneous effects of property market circumstances, urban policy and student demand. In this approach the paper looks beyond the traditional view of labour market driven gentrification of the central city (associated with the residential choices of producer service employees) and shows that student demand has been the prominent factor. It also shows how that demand has been spatially concentrated and contributed in particular to major change in a few parts of the city. A review of policy showed that the encouragement of residential development in the city of Melbourne was substantial. The Melbourne experience differs from the outcomes in US and UK cities described in previous papers that show impacts on local housing market have been seen as negative. The consequences for Melbourne are more deep-seated, and linked to broader social attitudes.

Keywords  international students, university, residential development, inner city redevelopment, gentrification, Melbourne

Introduction

The current paper explores the forces behind a remarkable recent change in residential land use and a commensurate increase in population in the city of Melbourne, a small municipality surrounding and including the original CBD. This area had experienced generations of population loss as a result of industrial restructuring in its traditional manufacturing and wholesaling businesses. Beginning in the late 1980s, it began to gain population, and attracted a substantial level of construction of new apartment buildings. It is possible to interpret this outcome as one shaped by economic structural change favouring producer services and the new economy (consistent with Hutton's (2004) ideas), reinforced by shifts in residential preferences in favour of smaller, inner city housing and the “café society” culture associated with it (Reynolds and Porter (1998), Department of Infrastructure, State of Victoria (1998)). The current paper acknowledges both these forces are relevant but suggests an additional explanation: the very sudden and substantial growth in the number of international students enrolled in tertiary education institutions in the city of Melbourne (and elsewhere in the metropolitan area), most of whom elected to live in the City (Tsutsumi 2007).

In this context, this paper suggests that the residential re-development in the city of Melbourne reflected an unusual intersection of inner city policy and market forces in the late 1980s, whose effects were cemented in place as international students moved to Melbourne in large and rapidly growing numbers following a shift in national education policy. Initial research has shown the shift away from commercial office buildings toward residential buildings (Tsutsumi and O'Connor 2006). The current paper shows the way that shift is linked to policy, developer behaviour and student demand.

In this paper, a comprehensive database based on biennial Census of Land Use and Employment (known as the CLUE database), which has been collected for more than 40 years by the city of Melbourne, was mainly used. In addition, a special database of commercial surveys on the real estate market in Melbourne, carried out by an economic consulting company, Charter Keck Cramer, was used as well. Socio-economic data from the Australian Bureau of Statistics (ABS) from 1991 to 2006 censuses were also valuable sources for the research. Furthermore, the spatial vector data set, including digital boundary
of census tracts was obtained at the ABS website. We translated these data into GIS-readable data. A GIS package was used to assist in representing, processing, and visualizing (mapping) these data.

**Understanding Inner City Change: Old and New Perspectives**

The sharp rise in the level of apartment development experienced in the city of Melbourne can be seen in annual construction since 1993 shown in Figure 1. The scale of the rise can be appreciated when it is known that the average number of units built in the years of the two previous decades was around 500 per year. This even understates the actual total as it is based on surveys of buildings with at least ten units within them. The scale of the development over the decade can be better understood in contrast to the level of building in the decades displayed in the first two columns. That is underscored by the data in Figure 2 which shows that between 2002 and 2008, the value of residential building began to approach that of offices, the traditional focus of construction in the CBD related municipalities.

Shifts in the structure and focus of the inner city, particularly in favour of new resident populations, have long been seen as part of a process labeled gentrification. The growth in population in Melbourne identified above has some of the hallmarks of gentrification. There was a change in the number and profile of residents, who in turn stimulated change in related land uses, especially retail activity. A new physical character of buildings emerged, as some old buildings were renovated while many new buildings were constructed. It is tempting to use the many and varied interpretations of gentrification to interpret the land use change in Melbourne. However there are a number of special features that call for a different perspective. First, the change was not accompanied by “the serious upheavals to neighborhoods experiencing or threatened by waves of reinvestment that are not geared to people already living in those neighbourhoods,” as it was a “wave of reinvestment that (was) not geared to people already living in (that) neighbourhood” (Slater et al. 2004: 1148). In that sense the interpretation of the outcome has much in common with the “new build” inner city change studied by Lambert and Boddy (2002) and Boddy (2007). The distinguishing feature is the clients of many of the buildings.

What have come to be called “new build” outcomes began with shifts in the judgment of commercial investors about the highest and best use of land. Up until the early 1990s in the inner parts of many cities this judgement favoured offices. Problems in that market, felt in recessions in office space demand in many major cities at around the same time (as shown for example in...
Hackworth's (2002) research on New York and Hamnett and Whitelegg’s (2007) work on London), shifted attention away from offices toward residential buildings. Hackworth's (2002) research also acknowledges the part played by a restructured real estate sector now with global connections and new sources of finance. These changes increased the capacity of the sector to change their commercial judgement about possible new uses of inner city land use. Understanding this shift in commercial judgement is one critical part of the understanding of the outcome in Melbourne displayed in Figures 1 and 2.

A second part of Hackworth's (2002) approach draws attention to the facilitation role that inner city urban policy has played in some of the changes in judgements about the use of inner city land. For some US cities he traces a shift in attitude on the part of city governments from anti- to actively pro-gentrification. This was driven by the desire to foster economic development and change and was associated with new perspectives on gentrification (expressed in “...class neutral terms such as 'urban regeneration', 'urban sustainability' and 'urban renaissance...'” Slater et al. 2004: 1144). It came along with ideas that local development of the service sector and increases in resident population would go hand in hand. The application of these ideas to the re-development of parts of New York City (Hackworth 2002) neatly parallels Cameron's (2003) analysis of the "Going for Growth" policy in Newcastle-upon-Tyne, and Dutton's (2003) research on Leeds. These perspectives re-call the ideas of "growth machines" and shifts in regulation as explanations of urban development as illustrated in some of the case studies in a collection edited by Lauria (1997).

Hence the "new build" perspective utilises the meshing of developer behaviour and metropolitan and local land use policy as key explanations of change in land use in favour of residential use in the inner city. This supply side perspective is potentially powerful, but of course is not enough of itself. New buildings will not continue to be supplied without demand. Sassen's (2000) ideas on the way that a globalised producer service sector contributes to the character of the inner city labour and housing markets provides one demand perspective. In the case of New York City, the scale and vitality of the financial services sector, along with related producer service job growth, provided a strong source of residential demand. That understanding, spread across a wider set of economic sectors, plays a prominent role in Hamnett's (2003) analysis of the “middle class re-making of inner London.” Lambert and Boddy (2002: 22) acknowledge this demand is “based on a wider range of occupational groupings than the narrowly defined and particularly well off ‘financifiers’ and related professionals” linked to the financial service sector.

Part of that “wider range” is now acknowledged to be students. The effect of student demand for housing has been acknowledged overseas (Smith 2005), its scale and impact reflected in a series of papers in a special issue journal (Smith 2009a) and in the creation of a website: Studentification.org (dedicated to tracking trends in the phenomenon dubbed 'studentification'). Smith's substantial body of work in this area has led him to identify a sub-set of the idea of “new build” to capture the impact of student demand: he calls this “purpose built student accommodation” (Smith 2009b). The current paper provides a detailed analysis of the location of international students in the city of Melbourne in particular. The analysis needs to draw upon the role of the property sector, the policy context, and a source of demand. The following section illustrates that set of ideas as they were felt in Melbourne from 1991 to 2006.

Property, Policy and International Students

The property industry in Melbourne in the 1990s

The Melbourne property market was operating in some very special circumstances in the late 1980s. As in the case of the Hackworth (2002) and Lambert and Boddy (2002) research, Melbourne at this time was moving into a recession. In the several years before there had been a massive office-building boom. This had ended sharply due to a combination of factors, some national and some regional and the over- supply of office space quickly became a major problem in Melbourne (Jones Lang La Salle 2006; Robinson 2005). The scale of the problem can be seen in Figure 3 which shows the market rental value of office space relative to the “sustainable” rent (that level of income needed to meet the cost of construction and maintenance) in the city of Melbourne buildings over an extended period. The data indicates that from 1986 onwards, market rents fell below the sustainable rental value in most years. Some special local features turned these circumstances around especially in 2001 and 2002, but in general it seems commercial space was not a very attractive option in Melbourne over much of this period. The fall in market rents in the early 1990s was substantial. In that environment it is easy to see that developers could be attracted to a new land use, especially one that was being pushed by urban policy so enthusiastically, as outlined below. The property industry’s initial responses led to over-supply, requiring special terms and conditions
(including rental guarantees and pre-construction discounts) to encourage purchasers. Those circumstances changed as a new source of demand was tapped.

**State and local urban public policy in the 1990s**

The policy context that created a favourable environment for higher density residential development in the city of Melbourne emerged in the 1980s. It was underpinned by two ideas. The first was a long running concern with the spatial distribution of housing and population in the broader metropolitan area. Beginning in 1985, policy was enacted to encourage an increase in housing density, first by allowing two houses to be built on suburban blocks, and second, in the early 1990s, by prescribing major changes in housing density through minimum requirements in new areas (Mitchell 1999). This suite of policies had a particular focus on the inner city, (then defined as an area up to seven kilometers from the CBD) and special circumstances were applied to the assessment of residential development there.

The second idea that underpinned the favourable policy environment reflected concerns about the economic performance of the state and the need to strengthen the “national role” of Melbourne. These concerns were expressed in two State Economic Development strategies prepared in the 1980s. In the first strategy paper, (State of Victoria 1984: 170) one of Melbourne's key advantages was “…extensive underdeveloped land holdings in the central city, notably in the Southbank area, the Jolimont rail yards, and around Museum station. Wherever possible these assets will be used to build up strategically important sectors of Victoria’s economy including tourism, research, the media industry and housing.”

Local scale development plans designed to meet goals for these assets were articulated in an accompanying policy for the inner city (Ministry of Planning and Environment, State of Victoria 1984). Three years later, the 1987 Strategy (State of Victoria 1987a: 249–251) recognized that: “the quality of the urban environment is a major factor in attracting and retaining the people and organizations capable of generating growth opportunities.” The government “will…identify and reinforce the city’s essential qualities and project these clearly and positively…to make (the city) a more interesting place to live and work,” one that “encourages investment, stimulates business, and draws tourists, other visitors and new residents.”

The strategy also reported the beginning of residential building on Southbank across the river from the CBD, and announced the potential for development of more residential supply at Docklands, to the west of the CBD. This state level strategy intersected a metropolitan area strategy of 1987, designed to create “a more compact metropolis with greater residential density in established areas…encouraging more private sector medium density housing was a key aim of this strategy” (State of Victoria 1987b: 36). An important additional dimension here is the fact that the state owned two major parcels of land close by the CBD and was energetic in its efforts to use this leverage in negotiations with developers.

These state approaches were mirrored in the local scale decisions of the city of Melbourne. A major new plan made increases in population through facilitation of housing development a strategic objective. That was justified as it was believed the population loss recorded to that time had weakened local businesses, reduced diversity and limited the attractiveness of the city.

The council’s position is outlined in the following...
quote (City of Melbourne 1985: 99). “The council intends to pursue policies which are directed at increasing the city’s housing stock, preventing further loss of housing, (and) enhancing the variety of accommodation available. Stimulation of both public and private investment in housing throughout the city, including the Central Activities District will be necessary.”

Hence action was foreshadowed to:
- change “regulations and land use zonings to encourage additional housing development,”
- encourage “…new development…on large…vacant sites1,” (using plot ratio benefits for projects with housing)
- facilitate “selective redevelopment…recycling and re-habilitation of buildings”
- assist “change of use from non residential to residential in appropriate areas” (City of Melbourne 1985: 99).

Much of the activity associated with this strategy was carried out under an umbrella labeled Postcode 3000 (City of Melbourne, undated). Its aim was to “produce an additional 3000 apartments in the central city in the decade 1990–2000.” To this end the program used financial incentives, amenity improvements in streets, technical advice, information in the form of a housing monitor, encouragement of support services, in particular food retailing, and publicity of the benefits of city living. This complex policy environment provided a wide array of encouragement, along with some direct financial support and regulatory change, that opened the way for residential use to be an important part of the redevelopment of the inner city generally and the city of Melbourne in particular at the beginning of the 1990s.

**International students as a source of residential demand**

Large-scale housing demand by international students emerged from an initiative in national education policy. International students have had a small role in Australian tertiary education over a long period of time. That generally involved post-graduate students who received financial assistance from the Australian Government. In the mid 1980s, however, new perspectives on policy were developed that would change both the scale and character of the international students within Australia in a most dramatic way. They shifted the student intake from postgraduate to undergraduate, from scholarship to fee-paying and, most fundamentally, lifted numbers to levels never considered possible up to that time. Marginson (1993) shows those new outcomes emerged in response to guidelines established by the Australian Government. These had two components. The first involved the recognition of tertiary education as a traded service. The second involved caps on the funding of Australian students. In this context, universities had to attract international students to earn the additional income they needed to maintain their current activity and to fund their growth. The numbers enrolled doubled between 1988 and 1994, then doubled again between then and 1999, and increased by 50% in the remaining years up to 2001 (Australian Government 1988–2000, 2001). The rapid expansion might be related to the value of the Australian dollar over this period, which fell from an average of 0.75 cents US in the early 1990s to around 60 cents by 2000 (falling in fact to 51 cents in 1999–2000). That made the fees of Australian institutions very competitive with those in the US and Canada in particular (Baker 2003). This policy was particularly important for Melbourne as several of its universities were among the main destinations of international students. Around 25% of all international students in Australia are located in Melbourne. In fact O’Connor (2005) used absolute enrolment numbers to show that Melbourne was by the early 2000s one of the largest destinations for international tertiary students in the world.

Students were seen as a source of demand in a review of the City Plan in 1991, which identified a need to “overcome the cost pressures which have forced most students at the city’s major tertiary institutions to seek accommodation in other areas” (City of Melbourne 1992: 56). By 1997 the concern with student housing was a very prominent part of the city of Melbourne urban planning strategy. It noted: “the urgent need for new student housing of good quality so that the growth in overseas student numbers can reach its full potential.” The council decided that it would:
- identify opportunities, develop and market an industryprospectus and facilitate development of student housing
- develop standards of student housing in collaboration with educational institutions, and
- develop guidelines to assist in assessment of development proposals for student housing’ (City of Melbourne 1997: 36).

The three elements reviewed here, the state of the property market, the urban policy context and the increase in numbers of international students looking for housing, came together in the early 1990s, and together transformed the residential character of the city of Melbourne, especially its CBD. Partly in response to
policy, and partly in response to publicity and marketing hype, the demand for residential property began to expand in the city of Melbourne in the late 1980s. An initial residential project, Southbank, sold quickly and was fully occupied in a short time. That seemed to establish the feasibility and popularity of residential living right in the heart of the city. As in the New York and London cases cited earlier, Watling (1999) found the demand was associated with young professionals in producer services such as media, banking and related commercial services in the CBD. At the time developer marketing suggested the demand would be swelled by older households (especially “empty nesters”) who were expected to leave suburban locations and move into inner city apartments. The next chapter illustrates that the students were by far the most important source of demand.

**Establishing the Significance of Students in Residential Demand in the City of Melbourne 1991–2006**

**Concentration of student share of population in selected parts of the city of Melbourne**

The recent growth in population in the city of Melbourne can be analysed in detail using the data in Table 1. Although the population not involved in education doubled between 1991 and 2006, the student population trebled. By 2006, students accounted for around 20% of the city population. The last two columns show that the large driving force here has been international students; the number increased by a multiple of six so that by 2006, 66% of the city of Melbourne’s student population was international students.

Based on the overview above, inner city residential demand has in the past been associated with employment in producer services, often with an emphasis upon the finance sector, and the outcome was confirmed in early research on city of Melbourne residents. Since around 1990, however, the student has replaced the producer services employee in the market. As can be seen in Figure 4, students have been more numerous as residents than

### Table 1. Resident numbers in the city of Melbourne 1991–2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Population attending a university</th>
<th>Population not attending an educational institution</th>
<th>Students as share of total population (%)</th>
<th>Persons born overseas attending a tertiary institution</th>
<th>Share of population attending an educational institution who are overseas tertiary students (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>6,030</td>
<td>33,654</td>
<td>15.2</td>
<td>1,835</td>
<td>30.4</td>
</tr>
<tr>
<td>1996</td>
<td>8,342</td>
<td>36,909</td>
<td>18.4</td>
<td>3,538</td>
<td>42.7</td>
</tr>
<tr>
<td>2001</td>
<td>12,703</td>
<td>48,035</td>
<td>20.9</td>
<td>7,378</td>
<td>58.1</td>
</tr>
<tr>
<td>2006</td>
<td>16,701</td>
<td>68,512</td>
<td>19.6</td>
<td>10,980</td>
<td>65.7</td>
</tr>
<tr>
<td>Growth 1991–2006</td>
<td>10,671</td>
<td>34,858</td>
<td></td>
<td></td>
<td>9,145</td>
</tr>
<tr>
<td>Percentage change 1991–2006</td>
<td>177.0%</td>
<td>103.6%</td>
<td></td>
<td></td>
<td>498.4%</td>
</tr>
</tbody>
</table>

Source: ABS census tabulations for the city of Melbourne.
Note: Overseas student data is calculated by GIS.

![Figure 4. Growing categories of resident in the city of Melbourne 1991–2006.](source)

Note: Data for “Producer service sector” is created by summing numbers in the census TSP categories “Financial & insurance services,” “Rental, hiring & real estate services,” “Professional, scientific & technical services” and “Administrative & support services.”
the employees in the producer service category (created by summing numbers in the census categories “Financial & insurance services,” “Rental, hiring & real estate services,” “Professional, scientific & technical services,” “Administrative & support services”) over the whole period.

The impact of students upon residential development in the city of Melbourne has another distinctive feature: it is concentrated in certain parts of the city. This can be seen in Figure 5 which shows the share university students have of the total population, as well as the actual number (with a proportional symbol), in small areas across the City. In 1991, high shares were obvious just in the limited parts of the north of the CBD. By 2006, in several parts of the city of Melbourne in the north, south and across parts of the CBD, 30% or more of the population were students, and some of the cells in the map accounted for 200–500 students. While these locations correspond with proximity to two major university campuses in the northern sector, it is also possible that they are in places where commercial use of sites was less attractive in the depressed market of the early 1990s. Sites surrounding the CBD (for example Southbank to the south of the CBD where early policy initiatives stimulated residential development) have also emerged as important locations of student apartments. In this way an understanding of the operation of the commercial investment decisions and the effects of policy in the face of a new growing residential demand is an important source of insight on change in the city of Melbourne.

Figure 5. Student numbers and shares of resident population in the city of Melbourne (1991 and 2006).
Source: Australian Bureau of Statistics.
Special purpose student residential accommodation

The scale of student residential demand is also illustrated in the way developers responded to Melbourne city council policy to provide special buildings for student accommodation. There has long been student accommodation in the city of Melbourne, largely in the form of residential colleges associated with the University of Melbourne campus. The new wave of buildings was very different. As described in detail by Fincher et al. (2008: 14) they provided small self-contained units, and in some cases central building management and security, as well as some shared community facilities. Apart from the smaller size of the units, one important difference of these buildings was that they did not have to supply car parking, a requirement of other residential construction elsewhere in the city. The organization of construction in some cases was also different from traditional developer activity. In a number of buildings developers sold units (with rental income guarantees based on prospective student tenancies) to individual investors, who were able to take advantage of taxation regulations on property investment. These negotiations were carried out by developer-owned building management firms who handled income from the individually-owned properties on behalf of the owner. This unusual set of links perhaps reflects the difficult circumstances surrounding the property industry at this time, circumstances that called for innovative ways to raise funds and earn fees from the management of the buildings and their income flow.

Data has been assembled for Figure 6 from a commercial survey of apartment construction in Melbourne from 1992 to 2006 (with estimates of supply available in 2007). The survey identifies conventional as well as managed and non-managed student apartments with more than ten units. This shows that student apartment construction was a small part of overall total building activity (at 14%), but that in areas to the north of the CBD (especially Carlton) student-specific buildings have been a very important share of all apartment supply. The geography of this supply once again reflects proximity.
to two large tertiary institutions (University of Melbourne and RMIT University) but also corresponds to locations traditionally seen as having lower commercial potential. That lower potential was reflected in low-rise commercial buildings in these areas, with a mix of factories and warehouses. In contrast however, the grid of the CBD has been a strong location, perhaps reflecting again the circumstances surrounding property in that area as the traditional office building offered inadequate returns to the property sector. It is apparent that student buildings have not been constructed in the high status residential areas aligned in the ring of the CBD (East Melbourne, St Kilda Road and Parkville), nor in the specially planned and controlled Docklands, nor in the traditional financial core of the CBD. This local concentration of a sub-sector of apartment supply illustrates that the broader urban policy favouring residential development had more bite in some locations than others. These measures show that student housing demand has had a major aggregate, as well as specific local impact on the city of Melbourne.

Concluding Remarks

This paper has analysed residential development in an inner city location to show how the interaction between the commercial property industry, local urban policy and a specific source of demand shape what have been labeled “new build” outcomes in the gentrification of inner city areas. A review of policy showed that the encouragement of residential development in the city of Melbourne was substantial. The paper was able to show the fundamental role of the demand created by international students in this outcome.

The identification of the role of student demand has provided a new factor to be considered in the understanding of inner city residential change, as has emerged around Smith’s (2005) idea of “studentification.” These locations were commonly expected to draw upon high-skilled high income producer service sector employees in re-shaping the character and community of a part of the inner city. Indeed it was households drawn from this category of residents that responded to the initial residential opportunities of the property industry created in the city of Melbourne. Their demand effect was quickly surpassed however by international students attracted to Melbourne by a favourable national education policy, aggressive marketing by institutions and, at the time, relatively low tuition fees due to a low value Australian dollar. Essentially a renter, the student-tenant provided residential building developers with ideal customers, and as their numbers rose they reduced the initial over-supply conditions in some parts of the apartment market.

There are some special dimensions associated with this form of residential development. First, the numbers of international students enrolling in local education facilities may be volatile, and subject to a range of forces and influences outside the control of the city itself. These include competition from other cities, visa regulations in alternative destinations, the level of fees (as influenced by international currency valuation) and the opportunity for students to stay in their home countries and receive education. The volatility was seen in a slowing in the rate of growth, then an actual fall in intake in Australia in the early 2003–2004 periods.

National policy shifts are also relevant. Recent national education policy has removed a limit that had been placed upon the shares of international students in an institution’s total enrolment. National immigration policy is also responsible for that. For a time local immigration regulations have created opportunities to gain permanent residence in part due to time spent studying within Australia. Very recent shifts in that policy may change the inflow of students. Hence, although the short-term impact of students can be substantial, their numbers may be volatile so that their effect on the vitality of an inner area like the city of Melbourne is difficult to predict.

That effect will also depend upon the numbers who do decide to stay in Australia, and where they decide to live. The proportion of students that return after completion of their studies varies over time and by country of origin (Baas 2006). To understand their impact upon the inner city we need to know whether those students will continue to occupy the apartments used for their student time, or move to another part of the inner city, or elsewhere in the metropolitan area. More fine-grained behavioural research is needed to understand where they decide to live. Those in special “student” buildings (that require enrolment to qualify for residence) were expected to move after graduation: recent legal judgements have overturned barriers to non-students in “student” buildings. The variety of dimensions in the international student experience creates a new perspective from which to view the idea that student renters are “apprentice gentrifiers” (Smith and Holt 2007) who will underpin fundamental change in an inner city area. If their numbers are volatile, a high proportion return home, while those who stay elsewhere to live, and it seems unlikely that students can create the permanent population that will trigger the longer term social and community change associated with
gentrification.

Very recent work on the experience of international students in Melbourne (Fincher et al. 2008; Fincher and Shaw 2009) has made clear that the social and community development aspects of the influx of international students has been truncated, in part by the very buildings provided for them. In this way the outcomes associated with their increased numbers have been different to what might have occurred with similar numbers of people, say employees in local firms. In this way the Melbourne experience differs from the outcomes in UK cities described by contributors to the volume edited by Smith (2009a). There it seems local housing market impacts have been seen as negative, and a wide array of different local policies has been developed to address these outcomes. The consequences for Melbourne are deeper seated, and linked to broader social attitudes. Changing the latter will broaden and deepen the way that international students contribute to the vitality of the city of Melbourne, but those changes will not come quickly.

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**Notes**

1 In the body of literature on gentrification, many researchers pointed out that the poorer native residents of the neighborhood were forced to become displaced because they could not afford to pay increased rents through the gentrification process. However, most of the high-rise properties in Melbourne were built on vacant or redundant sites, not in the existing working class community areas, causing almost no claim for displacement of poorer native residents (Tsutsumi and O'Connor 2008).

2 Currently, almost three quarters of international students in Australian universities return to their own countries after graduation (Tsutsumi and O'Connor 2008).

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(J) written in Japanese

(JE) written in Japanese with English abstract