

Best (or worst) Practice in International Student Accommodation

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Best (or worst) Practice in International Student Accommodation

- Framing the accommodation problem
- The Australian student housing context
- How do we compare? (The IEAA study)
- What does it all mean?

Framing the problem. What do students want?

Affordability- cheapness including through sharing

Location-proximity to place of study

Availability- choice of accommodation options

Informational certainty and low search costs- knowledge of market and easy access

Tenure rights- protection from exploitation

Educational experience-connectness to services and student life.

The Australian Context

- No tradition of student housing meaning small stock of on campus provider managed housing
- High dependence on private rental: Most of which is non purpose built or managed and in many cases is poorly located.
- Most educational providers located in cities of intense demand therefore high price and poor affordability
- Relatively weak consumer protection

International comparison-University Provided Accommodation

	University-provided beds	University-provided beds per 1000 students	Typical catered single person daily rate (\$A)	Typical self-catered single room shared dwelling daily rate (\$A)
AUSTRALIA				
Monash University	3,000 (est)	48	Na	\$35
RMIT University	465	8	Na	Na
Swinburne University of Technology	240	7	Na	\$37
La Trobe University	1,300	38	\$44	\$28
University of Queensland	3,000	59	\$35	\$28
Hong Kong				
The University of Hong Kong	4,000	88	\$12	\$11
City University of Hong Kong	3,700	182	\$14	\$10
UNITED KINGDOM				
University of Birmingham	4,900	159	\$33	\$35
Durham University	4980	300	\$47	\$35
University of Exeter	6,100	325	\$31	\$45
London School of Economics & Political Science	4,000	407	\$35	\$36
UNITED STATES				
Boston University	4,900	148	\$70	\$60
Cornell University	6,500	310	\$40	\$29
University of Colorado	5,700	191	\$44	\$31
Kent State University	6,200	225	\$49	\$34
Purdue University	11,100	360	\$34	\$34
CANADA				
University of Alberta	3,000 (est)	90	\$34	\$25
University of Toronto	8,900	105	\$52	\$38
University of British Columbia	9,400	165	\$45	\$32

Private Rental Typical rent two bedroom dwellings (shared)

University	Rent two bed dwelling p/person
UCLA,	360-400
London School of Economics & Political Science	326-350
Berkeley, Sydney. UTS, NSW	280-300
RMIT, UWA, Melbourne, Macquarie,	250-300
Boston University	250-270
University of Hong Kong	230-280
City University of HK	195-250
Cornell University	190-210
University of Colorado (Boulder)	190-210
Swinburne . UWS	170-200
Monash University, Deakin City, La Trobe University	150-170
National University of Singapore	140-200
U.Exeter UQ, USC, Newcastle, Woolongong, Griffith, QUT, USQ	140-170
University of Toronto, Adelaide, UniSA, Tasmania, Griffith, Flinders,	140-160
University of Edinburgh	120-160
University of British Columbia	130-150
University of Birmingham	100-150
Purdue University	100-130
University of Alberta	115-130
University of Manitoba	100-120
University of New England, Southern Cross, James Cook	100-115
Kent State University	100-110
Durham University	75-100
University of Malaya	45-60

Affordability Melbourne case study; Student on \$25000

	One person		Two persons		Three persons		Four persons		Five persons		Six persons	
Annual Income	\$25,000		\$50,000		\$75,000		\$100,000		\$125,000		\$150,000	
40% for rent	\$10,000		\$20,000		\$30,000		\$40,000		\$50,000		\$60,000	
Rent per week	\$190		\$380		\$580		\$770		\$960		\$1,150	
Property Type	1 & + br		2 & + br		3 & + br		3 & + br		3 & + br		3 & + br	
Available Properties												
Region	Dwell	%	Dwell	%	Dwell	%	Dwell	%	Dwell	%	Dwell	%
Inner	80	0.6%	1,120	7.8%	430	3.0%	1,110	7.8%	1,510	10.5%	1,610	11.2%
Middle	330	1.8%	6,860	36.4%	5,870	31.2%	7,030	37.3%	7,340	39.0%	7,450	39.6%
Outer	100	2.0%	3,830	75.2%	3,250	63.9%	3,290	64.6%	3,300	64.8%	3,300	64.8%
Fringe	50	0.6%	6,340	81.2%	6,260	80.1%	6,340	81.2%	6,360	81.4%	6,370	81.5%
Metro	560	1.2%	18,160	39.4%	15,800	34.3%	17,770	38.6%	18,500	40.2%	18,720	40.7%
Geelong	160	7.2%	1,650	74.3%	1,370	61.7%	1,400	63.1%	1,400	63.1%	1,400	63.1%
Ballarat	150	12.1%	1,040	83.7%	750	60.3%	750	60.3%	750	60.3%	750	60.3%
Bendigo	100	9.3%	950	88.3%	680	63.2%	690	64.1%	690	64.1%	690	64.1%
Regional	410	9.0%	3,640	80.2%	2,810	61.9%	2,840	62.6%	2,850	62.8%	2,850	62.8%
Total	970	1.9%	21,800	43.1%	18,610	36.8%	20,610	40.7%	21,350	42.2%	21,560	42.6%

Other issues and conclusion

- Other Issues

- *Exploitation and protection*-Evidence of substantial problems
- *Market. Perceptions.* In a study of student perceptions of the affordability of 50 university cities Australian cities are ranked badly with Sydney having a ranking of 46th out of 50, Perth is 44th and Melbourne and Brisbane shared 42nd

Conclusion

- Australia is at the low end of best practice and is largely uncompetitive in student housing provision.
- Attracting future growth is going to be difficult in a context where other countries are entering international student housing market
- Relying on private sector is the problem not the solution

Interventions

- Tertiary providers establish their own rental agency and build up a rent roll of quality assured property.
- Tertiary providers in each jurisdiction collectively provide funding to existing tenant unions to build their capacity to provide information, counselling, and legal advice around student housing issues
- Lobby government to float government housing bonds with funds targeted to lower income rental housing provision including student housing.
- Dealing with the Lazy Balance Sheet; tertiary providers with underutilised land, e.g. car parking, evaluate use for university provided rental accommodation.
- Opening discussions with community housing agencies to evaluate capacity for jointly provided mixed use (lower income/student) housing provision