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Dear ACT Legislative Assembly Standing Committee on Education, Training and Youth Affairs,

RE: Comment on Terms of Reference relating to the accommodation needs of tertiary education students

I am one of the Sub Deans at John XXIII College at the ANU. I am contributing my opinions independent of my college, and these do not necessarily support the opinions of John XXIII College Management.

3. Student experiences of current accommodation options in the ACT, including the experiences of local, interstate and international students;

Currently at the ANU, demand for more collegiate-style colleges and halls is so great that many students wishing to gain acceptance into these collegiate residences do not attain this. Instead, they are placed in Unilodge, temporary residences, or instead choose a private, off-campus option. Unilodge is a private, for-profit accommodation provider with a more independent, private style of living. There is indeed demand for this style of living. However, there is unmet demand for collegiate residences, and so many students end up residing at Unilodge. These students do not demand the more private, independent style of accommodation that it provides. Most of these students are first year undergraduates, who require a more supportive community. They tend to prefer collegiate residences for their community spirit, support network, and culture of involvement in extracurricular activities. Parents prefer collegiate residences for the opportunities and well-rounded experience offered, as well as the strong sense of community, and supportive scaffolding.

It is important to obtain the appropriate style of accommodation to meet the demand that exists. Living at a university residence will be a formative part of a person's life, and much of their time as a student will be spent at this residence. University is a time to extend oneself, and be engaged in a community, and a supportive learning environment. Students require an extensive program of services and opportunities, to provide a strong community and supportive environment as well as fostering a culture of initiative and discovery. It is such an environment that will allow students to maximise their potential and prepare them for employment and life beyond education. The extensive demand for this type of experience is seen in the overwhelming demand for collegiate residences at the ANU.

Currently, the ANU's accommodation options are inadequate to meet these important demands and imperatives explored above. There is a fundamental flaw in the market for accommodation services at the ANU. Specifically, Unilodge is effectively a monopoly provider of accommodation for students wanting collegiate-style residences but who do not gain acceptance thereto due to a lack of supply

of such residences. Instead, these surplus students are placed in Unilodge. However, the incentives in this 'surplus student market' are skewed against the best interests of the student. This is because Unilodge does not compete against other residences in this surplus student market. Thus, there is no incentive for it to provide a more well-rounded experience with abundant opportunities and services. This is partially the result of it aiming to appeal to a student requiring a more independent style of living. A residence like Unilodge will indeed meet a demand for students desiring a less collegiate style of residence. Yet Unilodge also has a huge market share in this 'independent living market'. This means it does not face the competitive pressures to incentivise improvements in this market. The lack of competition from its monopolistic position in the 'surplus student market' and its dominant position in the 'independent living market' combined with its incentive to profit maximise will ensure that the students' needs are not met to an adequate standard. The only incentive for high standards is the need to attract enough students to fill beds, and this does not appear to be a problem, given the fact that many students from outside of the ACT come to study at ANU due to its reputation.

Issues of equity, and accessibility of ANU as a university option for less wealthy, and disadvantaged students, arise due to this problem. Currently, Unilodge is more expensive than Burton and Garran Hall (an undergraduate self-catered college and thus comparable to Unilodge), despite Burton and Garran offering a greater residential experience. When accounting for the Davey Lodge Scholarship (Davey Lodge is one of Unilodge's buildings at ANU; the scholarship applies to most residents) and looking at the cheapest option – the five bedroom multishare – Burton and Garran is still 10% cheaper, and Davey Lodge prices rise significantly from there. Furthermore, Unilodge only offers 48 and 52 week contracts, whereas Burton and Garran offers 40 week contracts. Thus, not only does Unilodge provide an inferior product, but it is significantly more expensive and residents are liable for this expense for a longer period - 48 or 52 weeks (most students like to return home over the summer). Equity and accessibility issues are obvious – disadvantaged students wanting to attend ANU and who do not gain access to a supportive collegiate residence, or the small number of competitors in the 'independent living market', have few options but to live in Unilodge, for a significantly higher price, fewer services, and they have no option to sign a regular 40 week contract as their peers at Burton and Garran do. This situation would be more palatable if students had a genuine choice, but such a choice does not exist. Thus, this unfairness is forced upon them. While the ANU's rationale for Unilodge's existence is to my knowledge financial, the effect is that the financial burden is now tilted more towards the student, who pays for Unilodge's profit margin. A wealth transfer, from students wishing to invest in their human capital, to a private company, is unacceptable, especially given that students have small incomes. This is unacceptable when trying to solve problems of unequal access to tertiary education, and involve socially disadvantaged students.

Recommendations:

Introduce competition into the 'surplus students market' and the 'independent living market' by allowing a rival to Unilodge to compete for students in these markets. Additionally, establish new collegiate residences that aim to break-even and reinvest their profits for student benefit, to cater for the excess demand for collegiate residences. Finally, increase the focus in decision-making on student happiness and welfare, and to account for indirect costs and social inclusion.