

Canberra Student Housing Co-operative (CSHC)

Submission to the Legislative Assembly for the ACT

Inquiry into accommodation needs of tertiary education students in the ACT

June 2011



Introduction

The Canberra Student Housing Co-operative (CSHC) welcomes this opportunity to provide a submission to the Legislative Assembly for the ACT. We believe that there are several significant areas of concern which need to be addressed, but that there exist achievable and effective solutions.

CSHC is an incorporated entity registered under the *ACT Cooperatives Act 2002*. We are a group of students who share a vision of creating a student housing co-operative in Canberra within the next few years. We seek to provide a new option for students, dedicated to creating an environment which fosters study and also encourages the social support networks created by group housing.

We are motivated by the current rental crisis in Canberra, and believe that students can be part of the solution. We formed to begin to create this solution, believing that a place to live while studying can be much more than a crash pad. We seek to create a home that fosters opportunity for personal expression and collaborative learning, a home where people share responsibility and can learn from and support each other.

Terms of reference #3 and #7:

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

7. General factors influencing availability and access to appropriate accommodation for the core demographic group (18-25 year olds)

Accommodation options for tertiary students in Canberra are inadequate in a number of ways. As a housing-focused student group at the ANU, we have a wealth of first- and second-hand experience of the various housing problems of students. An overview of these problems follows.

Cost

Accommodation in Canberra is unaffordable for many people; even more so for students. A full time study load requires a time commitment of approximately 28 hours/week [source: ANU UOS outline] - leaving 10hrs for part time work (\$155 at minimum wage). Students often work much more than this. Working many hours can have an adverse impact on academic performance and creates additional stress for students. It also prevents them from being involved in university life - a 2009 ANU Students' Association Survey found that two-thirds of ANU students stated that they wish they could be more involved in campus activities and programs but feel they lack the time.

Some students receive Centrelink assistance (maximum payments for Youth Allowance with Rent Assistance = \$233/week for students in share housing) however the majority of students are under 23 and therefore ineligible. International students are also ineligible for these forms of assistance.

Despite the resulting prevalence of student poverty, recent attempts at expanding supply have not addressed this issue. For example, UniLodge charges \$206/week for the cheapest

uncatered room; catered residential colleges are priced at around \$310/week. On campus communities are fast becoming the domain of students from wealthy families, fostering connotations of privilege and exclusivity that have been absent from ANU campus communities up to now. Supply of accommodation at cheaper residences, such as Fenner Hall and Burton and Garran Hall, is restricted and not expected to grow at the same rate as increases in ANU undergraduate enrolments.

Comparatively low ACT rental yields mean that many students can afford to look to share housing as an alternative to on-campus accommodation. However, securing such accommodation has become increasingly difficult for a number of reasons:

Supply restrictions

Assisted somewhat by ANU's first-year housing guarantee, many first year students aspire to live on campus. High demand for these positions has had unintended flow-on effects, such as the dire condition of temporary last-minute accommodation tenanted by ANU to fulfil this guarantee. Key examples are Citygate motel (in 2010) and 'Lyneham Hall' (in 2011) and University Gardens in Belconnen, where students are unable to access basic academic necessities (such as reliable Internet) or to build important social networks.

The rental market in Canberra is also notoriously difficult for students, with vacancy rates in the Inner North between 2% and 4% (source: SQM Research - <http://bit.ly/jAdhia>). The ACT Government's growth aspirations often come to light in the construction of premium housing stock (brand new apartments or house and land packages), causing a dire 'housing crunch' in the area of the market accessible to students - notably in high rental rates for old style detached houses in the Inner North. Competition with higher income professional applicants poses further difficulties in securing a lease; as does the incongruousness of residential contract terms with the university calendar (houses tend to be available at times when students are out of town on university break, overseas exchange, etc).

Whilst it is obviously not reasonable for students to expect to be able to occupy prime real estate at bargain prices, several considerations must be taken into account:

1. **Distance:** Students are disproportionately disadvantaged when forced to live far from university campuses. They are the least likely demographic to own cars, and yet (because of tertiary class scheduling) are the most reliant on off-peak and late night transport - where public transport is inefficient or non-existent.
2. **Appropriate housing stock:** Students are happy to live conservatively; lacking expectations of space and happy to share basic amenities with others. The correct type of housing stock is more than capable of providing competitive returns on capital invested - yet for the most part is absent from the market or in short supply.
3. **Lack of community:** Living further away from campus limits students' ability to participate actively in the campus community. Extra-curricular activities are crucial to a well-rounded education; both in terms of future employment prospects and for instilling community ideals in individuals.
4. **Competition:** As highlighted above, there is tight competition for affordable housing.

Students must not only compete against each other in a desperate bid to secure accommodation but are also pitted against higher earning professionals. Many real estate agents specifically do not accept applications from 'groups', i.e students.

5. Students not moving out of college: Due to the difficulties in securing accommodation in the private rental market, many students choose - or are forced - to stay in colleges on campus. This fosters a stagnant environment, whereby older students unable to penetrate the market opt for convenience over independence. This makes it harder still for younger students to get into college.

Term of reference #2:

"Models used in other jurisdictions to meet the accommodation needs of tertiary education students"

The Student Housing Co-operative

Student housing co-operatives have long operated successfully both in Australia and around the world to provide secure, affordable and supportive housing for students. Low overheads mean low rents - a product of residents' contributions to the administration and maintenance of the co-op, and often towards meals. The benefits also extend far beyond the financial, as co-operatives usually house vibrant groups of students contributing to the broader community.

Examples

- Sydney's STUCCO (www.stucco.org.au) was established in 1991 after an agreement between Sydney University and NSW government, and houses a community of 40 students in a former glassworks in the suburb of Newtown. CSHC has a collaborative relationship with STUCCO, and renowned 'green' architect Tone Wheeler (who designed STUCCO) has offered to work with us on building design for the Canberra Student Housing Co-Operative. There are currently plans to construct an additional four housing co-ops in disused railway land near to Sydney University.



STUCCO courtyard



STUCCO exterior - a former glassworks

- There are around 50 other housing co-ops in NSW, and POACH and ECHO (www.echohousing.org.au) in the ACT.
- The USA has a long history of successful housing co-operatives, with large co-op communities at the University of California, the University of Texas, and the University of Michigan in particular. The largest, Berkeley Student Cooperative (est. 1933) (www.berkeleystudentcooperative.org) houses 1300 students in 20 houses and apartment complexes.

How a co-operative works

Each co-operative is different and suits the needs of its community. As befits the name, a co-op is managed co-operatively by its members. Each member contributes towards the running of the co-op. They are responsible for the maintenance of the property as well as the everyday running of the co-op. This may include buying food, cleaning, repairs, training, cooking, gardening and organising events.

Benefits of co-operative living

- Co-ops provide long-term, secure and affordable housing for students.
- Co-ops are self-managed. Members have a say in how the co-op manages and maintains the housing (in accordance with relevant regulations and bylaws). This saves on overheads
- Co-ops are supportive communities, embracing diversity in their members and fostering a genuine sense of belonging.
- Each co-op is designed to meet the needs of that community. In the Canberra Student Housing Co-Op, for example, we aim to provide environmentally sustainable housing that is accessible and welcoming to a wide range of students.
- Co-ops help young people develop skills. Members gain knowledge and confidence in managing and maintaining their housing community. Co-ops also provide opportunities for leadership and personal growth.

More information

A local source of a wide range of information on housing co-operatives is Common Equity NSW: www.commonequity.com.au.

Implementation of this model in Canberra

We aim to establish and operate a physical residence in the Inner North that is controlled, occupied and operated independently by 20-40 student residents. We foresee the potential to scale up to additional properties in the longer term. This will deliver a proven model of student accommodation emphasising affordability, inclusiveness, sustainability and innovation.

What we need

As discussed, our model is low-cost and low-maintenance once established, but getting a

start in the ACT property market is a challenge (see above!). Our model is also remarkably efficient, having the proven potential to pay for itself. To this end, we are seeking opportunities including:

- Grants of land
- Financial support such as guaranteeing loans, or facilitating low-interest loans
- Support from the ACT Government, e.g. project management advice
- A strong working relationship with, and support from, the ANU
- Stronger partnerships with existing groups

Let's talk

Since our founding we have built relationships with a wide range of individuals and groups, including the ANU, community housing organisations, and existing housing co-operatives in the ACT and beyond. We are actively interested in building a working relationship with relevant officials and departments within the ACT Government to help achieve our goals.

Contact

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(our Constitution, Business Plan and other documents also available from this site)

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