



The Secretary
Standing Committee on Education, Training and Youth Affairs
ACT Legislative Assembly
GPO Box 2010
CANBERRA CITY ACT 2601

Inquiry into accommodation needs of tertiary education students in the ACT

We would like to thank the committee for the opportunity to participate in your deliberations around student accommodation in the ACT. The University of Canberra Studnets' Association has a somewhat unique view on this matter, as both the representative body for students at the University of Canberra, and also as a provider of student accommodation through its management of Arscott House, in Belconnen.

We note that in recent times there has been an expansion of options available to students away from the more traditional "on-campus" housing, however there remains unmet demand for housing within the tertiary student market, and also an increased reporting of undesirable student housing within that marketplace.

It is our view that accommodation options for tertiary students in the ACT might be broken down into the following broad categories:

1. Traditional Colleges and Halls of Residence – Either operated by universities or not for profit organisations for the benefit of Students, they typically provide catering, and a range of experiences that go beyond a mere landlord/tenant relationship.
2. Student Housing – Either on campus or off, typically operated either by the education institution or a private provider, often in "apartment style"
3. Grey Market Boarding houses – Private housing where rooms are allocated by a landlord within houses. This is sometimes done by institutions, or organisations holding head leases, but can also be performed in the private market.
4. Share Housing – Private housing where a group applies as regular tenants.

5. Home Stay – options typically provided by Universities through volunteer families. Targeted at International students Home Stay options provide a family environment.

It appears in recent times development of new housing for students has occurred within the context of apartment style accommodation, where students are allocated rooms within a group of 5-12, sharing bathrooms, kitchens and common areas.

In other markets this is a student housing “fad” that has been and gone, in Canada and the United States this model has largely been replaced with a return to more traditional Dormitory style accommodation. We note that it is the model being used by institutions in the ACT to gain NRAS funding, however believe that the premise of apartment living is particularly unsuitable for first year students.

We are also concerned about overcrowding within the “Student Apartment” space, with apartments shoe-horning in an extra student or two to add places (and profit). It seems to be too easy to turn a small two bedroom apartment into a residence for 5 students without proper consideration for logistical, privacy and personal issues.

There also appears to be some growth of the grey market boarding house, where the realisation is that larger profits can be gained by renting rooms on an individual basis i.e. taking a 4 bedroom house that may have rented in the private market for \$400/week, and renting each bedroom for \$125/week. Canny real estate investors are recognising this and using it as an opportunity to take advantage of students in desperate situations.

These grey market rentals are outside of the scope of a standard Tenancy Agreement, and that subsequently reduces the rights and protections of young people forced into renting outside of the normal, regulated, rental market.

We believe there should be some reform of the *Residential Tenancies Act* to better regulate the Student Accommodation sector, and in particular the small scale grey market boarding houses.

Internationally (most particularly in the United Kingdom) we have seen examples of successful head lease operations run by student organisations for tertiary students, where student organisations take out the lease on a large number of properties (providing security to

landlords of rental payments and property upkeep), and then renting the rooms to students using occupancy agreements that have been designed to ensure fairness. These schemes however appear to operate best in depressed housing markets, where there is an incentive for owners to lock in a tenant, however a thoughtful application of this to Canberra's current market could aid in accessibility to safe and fair accommodation.

Obviously the largest barrier to safe, affordable, quality housing for tertiary students in the ACT is the booming rental market within the ACT. And the lack of safe, affordable, high quality housing is an inhibitor to the growth of the tertiary sector.

It is the general experience in Australia that growth in student numbers leads to some growth in housing provision by institutions for their students. In other parts of the world this would be considered a back to front development plan.

In North America, student housing is considered an integral component of the campus experience, and in many cases living on campus is a required part of the first year college experience – as such, development of housing needs to precede any planned increase in student enrollments at an institution.

While there is not the same expectation that all students should live on campus in Australia, we would consider it prudent planning to properly assess what the housing needs of tertiary students were prior to growing student numbers.

Beyond that, the ACT Government could consider setting aside land in areas of high tertiary student demand for not for profit organisations to develop low cost housing particularly targeted at young people (and particularly students). Such a strategy would also ensure a level of competition with large private providers often preferred by universities as developer partners on their own land.

We would be happy to provide further comment to the Committee if required. If you have any further questions or queries, please feel free to contact:

Matt Lawrence
Executive Director, University of Canberra Students Association Inc
Phone: 02 6206-8380
Email: matt@theucsa.org.au

