INTERNATIONAL STUDENT ACCOMMODATION SYMPOSIUM

DOES AUSTRALIA HAVE A COMPETITIVE DISADVANTAGE IN STUDENT ACCOMMODATION?

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This report compares the housing market faced by international students in Australia with that of six other countries – Canada, Hong Kong, Malaysia, Singapore, the UK and the USA – to assess the extent to which housing cost and availability may affect international students, particularly at the tertiary level.

The methodology employed involved studying the price and availability of accommodation within 10 kilometres of a number of case study universities in each of the selected countries. When making housing choices, students will take into account cost, availability, locational access and quality. This report concentrates on the first three factors in terms of data and only offers qualitative statements on the latter.

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EXECUTIVE SUMMARY

This report compares the housing market faced by international students in Australia with that of six other countries – Canada, Hong Kong, Malaysia, Singapore, the UK and the USA – in order to assess the extent to which housing cost and availability may affect international students, particularly at the tertiary level. The methodology employed involved studying the price and availability of accommodation within 10 kilometres of a number of case study universities in each of the selected countries. When making housing choices, students will take into account cost, availability, locational access and quality. This report concentrates on the first three factors in terms of data and only offers qualitative statements on the latter.

The results are also applicable to non-university tertiary education providers, which often share similar locations, but these institutions were not included in the sample as comparable data on such institutions is more difficult to obtain. Unfortunately, there is no information about the secondary school context as most other countries have very few international students in their school systems. Moreover, as they tend to stay with relatives or in homestay (a little recorded or researched sector), it is difficult to research the housing implications at the secondary level. The case study method of the report drew attention to some of the characteristic features of the Australian housing system as it related to international student demand and highlighted two inter-related problems.

The first problem is the lack of campus collegiate living in Australia. Without the organised structure and activities that collegiate living can offer, it is much harder to provide information to potential students on the availability of accommodation and the student experience. It also means an inability to provide meals, which is potentially important given many international students have little experience of cooking. Finally, university-provided accommodation affords greater security and safety as well as freedom from the risk and uncertainty associated with private rental.

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The second problem, deriving from the former, is that international students in Australia are dependent on the private rental sector more than in any of the other case study locations. While there is a small private rental sector specifically constructed and managed for international students, the broader rental market is still relied on by many students. This presents several problems for international students, although the problems vary by location. For Australian universities in high-demand locations, particularly inner-city areas, rents are expensive compared to most other international locations and there are also major problems of availability.

More generally, and partly related to the supply shortfall, the sector offers poor protection through residential tenancy law (Hulse et al. 2013) and decreasing availability of lower-cost rental (Wulff et al. 2012, Hulse et al. 2015). In addition, there are widespread reports about the recent targeting of international students by an inadequately regulated sub-sector of boarding and rooming houses with a history of exploitation and rent gouging (AHURI 2015).

As a result, Australian universities' international recruitment potential is subject to the performance of a housing sector over which they have little control, other than to build up greater levels of university provided and managed accommodation over time.

Compared to universities in global cities like London, San Francisco, Boston and Los Angeles, Australian housing costs are not a competitive disadvantage, but the inability to attract students through university-managed housing may be. The real threat to Australia may come from cities that can offer both affordable collegiate living, as well as affordable and available private rental. These are the regional cities of Canada, the USA and the UK where, compared to Australia, international student numbers are low and therefore have the capacity to grow. Singapore and Malaysia are probably outliers, but Hong Kong could also represent a minor threat given a tradition of offering collegiate living at very affordable rents.

Overall, even at the exchange rates operative as of May 2015 (0.78A$ to the $US), there is some evidence to suggest housing in Australia potentially provides a cost deterrent, although it is not uniform. There is also a need to distinguish between private rental and university-provided accommodation. For the limited amount of university-provided accommodation, the evidence suggests no significant cost disadvantage for Australia except in relation to Malaysia and Hong Kong. The problem here is more one of availability.

For private rental it is a much more mixed story. For inner city institutions, private market rents are equal to or above some of the most expensive international cities. Australian universities in suburban locations are more competitive against the high cost international universities but are not competitive compared to Canada, regional UK universities and some regional US universities. In short, virtually all countries studied are a competitive threat when it comes to availability of university provided accommodation. Canada, regional UK universities and some regional US universities also represent a cost threat to Australia if they ramp up their international student marketing.

On top of this is an issue of actual availability. While the overall supply-demand relationship for Melbourne in 2015, as measured by the vacancy rate, was reasonable (around 3 per cent), this is not the case for the lower end of the market. In inner urban locations of Melbourne there is effectively no affordable accommodation and this is likely to be replicated for at least Sydney, Brisbane and Perth.

It is difficult to separate the effect of the high cost of the Australian dollar and student housing issues on international student enrolments over the last five years as they are interrelated. Both the high value of the dollar and rising housing costs in recent years are related to the fact that after the global financial crisis (GFC), the Australian economy was in a 'parallel universe' to other English speaking countries and continued to grow while other economies contracted. This meant a double impact of increased living (including dwelling) costs, which were magnified by a high value dollar.

However, the GFC also meant a contraction in university budgets in other countries both in terms of government assistance and weaker local student markets. This brought greater attention to the potential of the international student market and placed Australia in a much more competitive market than was the case pre-GFC. With dwelling prices and rents in Australia continuing to rise well above GFC levels, and those of other countries having dropped and not yet full recovered, the housing market may be a continuing drag upon the Australian international education sector – despite the devaluing of the dollar. This is likely to be reinforced by a perceived lack of availability of stock and major quality problems.

1 INTRODUCTION

Assessing the potential contribution of accommodation costs and availability to changes in enrolment numbers is not easy. There are multiple providers, numerous related housing markets and data is not readily accessible. The data that does exist is not presented in a way which is directly comparable. To address these problems a methodology has been adopted whereby a number of case study universities have been analysed in each of the selected countries. These case studies have been chosen to represent a sample of different types of providers and locations.

When making housing choices students will take into account cost, availability and quality. Data will vary from country to country on these measures, with quality being the most problematic. Little data is provided in this report on the latter, although there are some qualitative observations. The main forms of student housing are:

- Homestay (private home with meals provided)
- Purpose-designed student housing (university or privately provided and managed with either meals provided or independent living)
- Private rental.

In this report there is little said about homestay as it is not a major sector in other countries, largely because of the role of purpose-designed student housing. Whether homestay is an adequate substitute for collegiate living cannot be determined in this study.

To contextualise the comparative analysis, some preliminary comments need to be made about the Australian student housing system.

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Unlike US and UK universities, there is little tradition of purpose-designed student housing in Australia. Most Australian students have historically commuted to a local university and the bulk still live with parents while studying. By comparison, the availability of scholarships and a culture of college living in other countries meant that students relocated to, and lived in, their chosen university which was often a large distance from the parental home. To facilitate this process universities had to provide large amounts of residential accommodation. In some cases (e.g. Boulder, Durham, Edinburgh, LSE, UCLA and Oxford), the collegiate system guarantees accommodation for all first-year students for at least one year of study. At UCLA, the offer is for three years.

Historically, Australian universities had minimal such accommodation and this puts them at a disadvantage in their ability to accommodate international students in university-specific accommodation. However, university collegiate accommodation is often provided for the academic year only, requiring either a return to country of origin or the need to find alternative accommodation. For an additional cost many universities provide accommodation during the breaks. Moreover to make guaranteed places available for new first year students, many students in subsequent years must move on. These factors may limit the attractiveness of collegial accommodation for many international students.

Australian universities are predominantly located in six capital cities. In the UK and USA universities are scattered across a wide range of cities and even towns, which means a large number of institutions are located in housing markets with relatively weak demand. In Australia, on the other hand, there is intense demand in all capital cities which can affect both price and availability. In this regard, Australian cities are more equivalent to Hong Kong and Singapore.

Because of the lack of collegiate tradition, international students in Australia are much more dependent on the private rental sector than in other countries. It is also a problematic sector offering poorer protection through residential tenancy law (Hulse et al. 2013), contracting availability of lower-cost rental (Wulff et al. 2012, Hulse et al. 2015) and a shortage of supply with low vacancy rates.

In short, over the last decade international students have had to compete for rental housing in a difficult market. Recently, international students have been drawn into an inadequately regulated sub-sector of boarding and rooming houses with a history of exploitation and rent gouging (AHURI 2015).

Australia has evolved a small private rental sector specifically for international students, such as the properties provided by UniLodge. These tend to be studios or 1-bedroom apartments and, with few exceptions, do not provide the meals and collegiate lifestyle offered by university colleges. Research has documented how the dependence on such accommodation and the wider private rental sector isolates international students from the student experience and engagement with Australian society generally (Fincher and Shaw 2009).

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Much Australian private rental accommodation is in detached housing often with three bedrooms, unlike Singapore, Hong Kong, Malaysia and even the UK and parts of the USA. Moreover, bedroom sizes are quite large even in apartments (except for some recent buildings). This creates the potential for sub-letting and sharing in ways that are less possible in more compact dwelling forms. Thus, while an Australian property on face value may be more expensive, when shared by a number of students it can be cheaper. This may represent a diminution in housing quality if the numbers get excessive (which word-of-mouth suggests they sometimes do), but for students this inconvenience is normally a relatively short-term situation. Sharing also requires skills and networks to organise and this is not readily available to new international students in the first months of arrival.

The structure of the private rental sector in the USA and Canada is different to that of Australia and other countries. In those two countries much of the multi-unit housing stock is not strata titled and apartment buildings are more likely to be owned by a property company. This means property management is less fragmented and in many respects more professional than when owned by a multiplicity of 'mum and pop' and overseas investors – a sizeable minority of whom (almost a quarter) self-manage rather than using estate agents. The Australian rental sector is therefore potentially more prone to exploitation and abuse.

An international student's choice of country in which to study may be affected by perceptions of cost as communicated by other students or the media. In a study of student perceptions of the affordability of 50 university cities, Australian cities are ranked poorly: Sydney ranks 46, Perth 44, with Melbourne and Brisbane at 42. The only rival cities below or equal to those of Australia was London at 50 and New York on 45 (QS 2015) (See appendix 7.2).

Interestingly the data in this study does not suggest a problem of this scale except in terms of inner urban private rental locations. Given that this is where many of the key international universities are located, the perceptions may be a reflection of this.

2 METHOD

A number of universities were used as case studies, including a mix of institutions representing a diversity of locations, size and rankings. In some cases they were selected because the university and the local housing market were familiar to the researcher, in other cases because they were examples of the top ranked universities in a country or those which attracted the most international students. Housing data and student numbers were obtained from the accommodation websites of the selected universities, national databases such as Craigslist, Realtor, Flatmate Finders and other published reports (Ruiz, 2014). Supplementary housing market data was obtained from university private housing market websites, and from housing and planning reports associated with each city.

In Australia one city was chosen (Melbourne) to capture differences across metropolitan submarkets. The University of New England (Armidale, New South Wales) was chosen for a regional comparison and the University of Queensland as a check on the relevance of Melbourne as a focus city. While the case studies are all universities, the findings have relevance for vocational education and training (VET) providers given their institutions tend to be located in the same general area and often have links to nearby universities. In a later section other Australian universities are compared to the Australian case study universities. However, this is only in respect of private market rental costs using Realestate.com, not university-provided accommodation availability and cost.

The coverage of private rental websites varies. Australia and the UK have very comprehensive and easily accessible sites; other countries are poor by comparison. This in itself is a problem for potential students searching for rental accommodation. There are no sites with national coverage in these countries on the same scale as Realestate.com or Domain.com. However, there are some sites such as Realtor in the USA and Rentboard in Canada that have wide but not deep coverage. Recognising the importance of shared accommodation for students and singles generally, most countries have specific websites for shared accommodation (e.g. Flatmate Finders in Australia). These had to be supported by local sites, many of which lack clarity of bedroom numbers in multi-unit properties and only publish a rent range in many cases. Thus, multiple site searches were required for this report. Recognising the importance of location for students, property searches were conducted for locations within 10 kilometres of the university. In the case of most locations, this meant large parts of the entire city. However in Melbourne, Los Angeles and the San Francisco Bay area this meant different sub-markets. Thus, La Trobe University (18 kilometres north east of Melbourne) and Monash University (20 kilometres south east) are in very different submarkets to RMIT in the central business district (CBD).

The case study universities are documented in Table 1 with total student numbers and percentage of international students shown.

In assessing accommodation costs all case study data has been controlled as much as possible to make rental costs comparable per person and for the relevant number of rooms. It is assumed for a 2–3 bedroom property there will be two people sharing a two bedroom property and three for a three bedroom. For university-provided accommodation and purpose-built student housing (often very small rooms) this is certainly the case. Data is provided for both catered and non-catered accommodation. In some cases the total number of on-campus beds is not enumerated. This had to be built up from a review of the situation for all halls and colleges. The number of beds is estimated as it is unclear in a small number of colleges what proportion of properties are single or double occupancies.

We have attempted a rough calculation to illustrate the economics of sharing rooms in private rental accommodation, which is common in Australia where rooms are typically much larger than in student source countries. This is part of a more general methodology that we could only apply to the Victorian housing market as no equivalent data was available for other locations. This looks at different combinations of student living arrangements for those on two different low income levels ($15,000 and $25,000 per annum). Based on Residential Tenancies Bond Authority data (as prepared by Swinburne University of Technology), it shows the number of rental properties in Melbourne (broken into regions) that were available in the March quarter of 2015 and that were affordable and available for students on these incomes – whether individually or sharing in combinations of two, three, four or five.

It is initially assumed that a single student will be looking at any sized property in their price range, that two sharing will look for a property with two or more bedrooms and three sharing will look for properties of three or more bedrooms. Numbers sharing in excess of these numbers in an Australian context would be seen as overcrowding. Nevertheless, that it what students do and thus we also look at what is available if 4 or 5 people shared a three-bedroom dwelling.

Appendix 7.2 and 7.3 document samples of the material that was used to construct the relevant metrics in the report.

TABLE 1: CASE STUDY UNIVERSITIES

Total students and percentage of international students (most recent available data)

	TOTAL STUDENTS	PERCENTAGE INTERNATIONAL (%)
AUSTRALIA		
Monash University (excluding overseas campuses)	54,800	28
RMIT University (excluding non-HE, overseas campuses and offshore partnerships)	33,901	25
Swinburne University of Technology	31,786	28
Latrobe University	33,892	22
University of New England, Armidale	20,912	5
University of Queensland	50,749	24
SINGAPORE		
National University of Singapore	37,972	17
HONG KONG		
The University of Hong Kong	45,809	38
City University of Hong Kong	20,283	25
MALAYSIA		
University of Malaya, Kuala Lumpur	17,192	23
UNITED KINGDOM		
University of Birmingham	30,700	16
Durham University	16,570	28
University of Edinburgh	27,690	13
University of Exeter	18,720	23
London School of Economics & Political Science	9,805	51
Oxford University	25,670	28
UNITED STATES		
University of Boston	32,300	16
Cornell University, Ithaca	20,939	20
University of Colorado Boulder	29,772	7
University of California, Berkeley	37,581	15
University of California, Los Angeles (UCLA)	43,239	14
Kent State, Ohio	28,000	4
Purdue University	39,550	22

CANADA		
University of Alberta	39,000	18
University of Toronto, Ontario	85,600	17
University of British Columbia, Vancouver	59,659	20
University of Manitoba, Winnipeg	28,000	9

Sources

Australia: www.australianunivercities.com.au, Australian university annual reports, USA Ruiz 2014, Singapore Ministry of Education 2014, University World News (various editions). The Australian data has to be treated with some caution as there is no consistency in how universities report student numbers (and the breakdown of international and domestic). It is also difficult to determine how many students are actually attending the university versus studying online, in international partnership programs or at overseas campuses.

Relative costs between countries will obviously be affected by exchange rates. For the purpose of this report the following exchange rates have been used. Clearly, the exchange rates from two years ago would have rendered Australian housing more expensive at that time compared to almost all other locations.

TABLE 2: EXCHANGE RATES (1 MAY 2015)

COUNTRY	EXCHANGE RATE
Canada	0.96
Hong Kong	6.20
Malaysia	2.82
Singapore	1.06
United Kingdom	0.52
USA	0.78

3 CASE STUDY UNIVERSITIES

3.1 Australia

Four of the case study Australian universities are in Melbourne. This is deliberate in order to illustrate the impact of housing cost and availability in different sub-markets. Of the two other case study universities, one is in Brisbane and the other is in Armidale in regional NSW.

The Melbourne housing market is one of high demand and produces house prices and rents that are very high on the international scale. In fact, Australia has five of the most expensive cities for home purchase in English-speaking countries (Demographia 2015). Like all Australian cities, demand is most intense in inner and middle-ring suburbs and this is where the bulk of rental accommodation is provided. Unusually by international standards, a slight majority of all Melbourne rental accommodation is in the form of detached dwellings – mostly of three and four bedrooms (Hulse et al. 2012). These are mainly in the middle and outer suburbs while multi-unit accommodation is disproportionately in the inner city, some of which has been purpose-built for student housing. Despite substantial investment in the private rental sector in recent decades, research has shown there is an absolute shortage of low-cost rental stock and this has got progressively worse over the last two decades (Hulse et al 2015). The rental vacancy rate in March 2015 was three per cent (which some say is a market in demand supply balance), however it is only in the last two years that the market has achieved this rate (REIA 2015). Prior to 2012 the rate was around two per cent for some years, representing a tight market. However, this is an overall figure and there is still considerable tightness at the cheaper end of the market reflecting contracting supply and continuing strong demand.

By international standards (see Hulse et al. 2014), residential tenancy legislation is relatively weak and can lead to exploitation in the market. International students, who are generally less informed, are more likely to be open to potential exploitation. The Tenants Union of Victoria reports that a disproportionate share of issues it deals with are related to international students and that similar issues confront equivalent organisations in other Australian states. Anecdotal evidence in the housing community also suggests there is a problem – as with low income renter households generally – with predatory practices and exploitation because of a reliance on informal networks to find accommodation, often involving people from the renter's own ethnic background. However, there is little formal research into these problems. By way of illustrating how bad it may be, *The Age* newspaper recently reported on student occupancy rates well in excess of legal levels in inner-city, high-rise apartments that represented a major fire risk (see Appendix 7.1). No doubt students report such conditions back to other students in their countries of origins, potentially damaging Australia's reputation.

Compared to other countries, the small provision of university-provided accommodation means that international students are more dependent on the private rental sector with all of its search costs, availability, affordability and quality issues.

Monash University

Monash is one of the largest universities in Australia with 54,800 students in the South East of Melbourne, across two major campuses located in suburban locations (Clayton and Caulfield), and two smaller campuses on the city's fringe (Berwick and Frankston)*. The Clayton campus is more suburban and located where there are fewer rental apartments and more detached housing. On the other than, Caulfield is closer to the city and has access to more apartments but these are relatively expensive. Monash has a very high percentage of international students (28 per cent) but, relative to need, it has a smaller number of university-provided beds (3,000) – not all of which are available for international students. Private market rents in its catchment area are more affordable than inner Melbourne with the median rent for a two-bedroom apartment being $360 while a three-bedroom house (in much greater supply) was the same (DHS 2014).

** Monash also has overseas campuses in South Africa and Malaysia. These have not been included in the study.*

La Trobe University

La Trobe is located in the outer Northern suburbs of Melbourne (Bundoora), with smaller campuses in regional cities (Bendigo and Mildura). Its main campus does not confront the intense demand pressures of the inner Melbourne market. There is a relatively limited stock of apartments with most dwellings in the catchment area being detached housing. The median rent for a two-bedroom apartment in the catchment area was $350. There are few one-bedroom apartments available, but a lot more three-bedroom houses. These rent for a median of $380 per week, which when shared is an affordable rent by international standards (DHS 2014).

Swinburne University of Technology

Swinburne is a smaller, inner-city university (31,800 students) in an older, established and affluent suburb. The areas around the university are heavily built-up with little room for residential growth by the university itself, but it does have a good proportion of older private rental apartments and more recent high-rise apartments – many of which have been built specifically for the student market. Swinburne has minimal university-provided accommodation. The median rent for a one-bedroom apartment in the host local government areas (Boroondara) was an expensive $295 per week. Many of these apartments have been marketed and, in some cases, built for students. While expensive, the stock availability was good. Two-bedroom private rental apartments were $385, while the cost of a three-bedroom house was prohibitive at $620 (DHS 2014).

RMIT University

RMIT is one of the largest tertiary institutions in Australia partly because it offers a wider range of educational programs than other providers (university, TAFE, VET, ELICOS and Foundation studies). It has 33,901 higher education students in Australia, 25 per cent of whom are international students. Its main campus is located right in the CBD where there has been considerable growth of high-rise rental apartments in the last decade or so. Much of this has been targeted at the international student sector. RMIT has one student village (not near the campus with some 450 beds), but is largely dependent on the private rental market. The median rent for one-bedroom apartments in the Melbourne CBD was a very high $380 a week, despite a good supply of this dwelling type (DHS 2014). Stock with the more affordable rents, equivalent to those in more outer areas of Melbourne or in some of the other international case study cities, was minimal. There was also a large stock of two-bedroom units available but these produced a median rent of $500 (DHS 2014). Again, availability of stock with affordable rents was minimal and there was virtually no stock of three-bedroom dwellings at any price. Part of the problem for potential students in the inner city is that they are competing with all the other Melbourne households that want to rent in the CBD with its large labour market and lifestyle attractions.

3.2 Singapore

Singapore is a large metropolitan city with the same demand pressures that arise for large and growing cities. However unlike the other countries reviewed, urban development and housing is heavily directed by government housing policy. The bulk of housing is made up of high-rise apartments in large estates that are owned and managed by the government Housing and Development Board, but with individual properties strata titled to allow ownership within these developments. Eighty per cent of all dwellings in Singapore are provided as such, with 95 per cent of these being owner-occupied and the remaining, very small, percentage available for rental. International students are unlikely to be allocated to such properties directly, but rooms in apartments are widely advertised under sharing arrangements. It is not difficult to find online rental advertisements that explicitly state no Indian or Mainland Chinese, such as on the Propertyguru website. To what degree this sends a ‘don’t go’ there signal to international students from these major source countries is unknown, but it is not a good look. Private rental, where available, is expensive but some of the older, low-quality stock built before the 1980s has filtered down and some is quite affordable for students as shared ‘room only’ accommodation.

3.3 Hong Kong

All universities in Hong Kong are necessarily located in a large metropolitan city with intense housing demand. On some measures it is the world's most expensive housing market. However, this needs to be qualified by the fact that the high cost only relates to market housing; almost 40 per cent of Hong Kong housing is government-provided and is thus non-market housing. Another attribute of the Hong Kong market is that virtually all stock is high-rise apartments. Despite the proximity of the local students' place of residence to Hong Kong universities, there is still a large number of students who live in university accommodation. Consequently, there is a reasonable stock of live-in accommodation even for new universities such as City University of Hong Kong. The rental market is relatively small, but there is quite a lot of low-end, very small stock because of a large number of low-quality, high-rise apartments built in the 1950–70s that owner purchasers do not want. These are often rented out on a shared basis (i.e. by the room).

Hong Kong University

Hong Kong University (46,000 students) is the oldest and highest ranked of HK universities and is located on Hong Kong Island. While the island has the most expensive stock on average for Hong Kong, the university is located immediately above an area of older style high rise (the Western District) that is relatively affordable. This area is beginning to gentrify which will affect future affordability.

City University of Hong Kong

City University of Hong Kong (26,000 students) is on mainland Hong Kong at the fringes of the new territories and was built in a then green field site. It is close to Mong Kok, the most populous area of Hong Kong, and like the Western District has a stock of old rental apartments.

3.4 Malaysia

The Malaysian Government has an explicit objective of making Malaysia a regional and international study hub and has set an ambitious goal of becoming the world's sixth largest international education provider. It is difficult to separate university numbers from the other educational providers in Malaysian statistics. Overall there are some 1.1 million students in various forms of tertiary education (500,000 at degree-level), of which some 100,000 (9.2 per cent) are international students. Malaysia has a different mix of source countries to Australia, with China, Indonesia, Iran, Nigeria and Yemen accounting for 50 per cent of the total.

Kuala Lumpur

Like Singapore and Hong Kong, Kuala Lumpur has experienced prolific growth over the last 50 years although the income level is not as high as those cities. This affects the cost of housing as does the availability of more space and a less interventionist planning system. This means it a much more sprawling city where land values do not have the same premium. Like Hong Kong, Kuala Lumpur has a sizeable proportion of properties that are obsolete by contemporary standards, many of which are potentially available for student renting and are advertised as such. It is cheap by Australian standards.

The University of Malaya

The University of Malaya (26,500 students) is the largest and oldest institution in Malaysia. Perhaps because of its British tradition, as well as historic issues of geographical accessibility, the university has a very large stock of on-campus accommodation which comes in a variety of forms with various rental, catered and self-catered arrangements.

3.5 The United Kingdom

Universities in the UK are scattered geographically and not necessarily in just the largest cities, as is mostly the case in Australia. They are dispersed across a wide range of housing markets, from those with intense demand and associated high rents (such as London) to those in areas of economic weakness with greater availability and lower rents. Because of cultural factors and the historic nature of student funding, British universities have a collegiate tradition with a large proportion of university-provided and managed accommodation. Many guarantee first year students such accommodation.

University of Birmingham

University of Birmingham (31,000 students) is located about five kilometres from central Birmingham in a suburban area of mixed dwelling use (Edgbaston). It has a relatively large stock of university-provided accommodation, but still not sufficient to prevent some need for private rental. Much of the surrounding housing is made up of working class terraces available for rent, a good deal of which are offered furnished or part-furnished, unlike in Australia. A May 2015 web search (Rightmove.com) reveals there is a large available stock of 1–2 bedroom properties directly marketed at students for less than $1,000 a month ($230 a week). Such properties, in many cases, recognise that students share rooms and advertise a per-person rate. These range from $130–$180 a week.

Durham University

Durham University is an old high-reputation university (16,500 students) in North East England located in an area of economic weakness. Durham has 15 large on-site colleges offering some 5,000 beds, sufficient to offer at least all first year students accommodation. Moreover, all first year students, whether resident in one of the colleges or not, will be a member of such a college and the 'student life' facilities they offer. In the private rental market there was a large number of properties of mixed types advertised on Rightmove.com for less than $1,000 a month, with many of these being three-bedroom properties. A per-person rate was thus between $80–$160 per week.

Edinburgh University

Edinburgh University (27,600 students) is located in central Edinburgh and partly because of that does not offer on-campus accommodation like many other UK universities. However, it does have a stock of catered and self-catering residences scattered around the city but not to the same degree as many other UK universities. There is therefore greater dependence on the private rental market and the university has a dedicated website (edinburghstudentpad.co.uk) where landlords can advertise. Edinburgh has a stronger housing market than Birmingham or Durham and private rental accommodation was more expensive and equivalent to outer urban Australia costs (e.g. Monash). While relatively expensive, there was still good supply.

3.6 The United States

Like the UK writ large, USA universities are scattered geographically and not necessarily in just the largest cities. They are thus dispersed across a very wide range of housing markets from those with intense demand and associated high rents such as UCLA and Boston University, to ones in areas of economic weakness with greater availability and lower rents (e.g. Purdue University). The US has a long tradition of collegiate living best exemplified by the sorority houses that form the basis of many US teen movies. A large proportion of students live on or near campus in university-provided and managed accommodation. Many guarantee first year students such accommodation.

Boston University, Berkeley and UCLA

Boston University, Berkeley and UCLA all share common characteristics: they are located in large metropolitan areas with highly successful economies and moreover are located in prime locations within the three metropolitan areas of Boston, San Francisco and Los Angeles. This means they all have pressured housing markets. As a result, supply of affordable student housing is very limited and entry into the private housing market is much more expensive than the sample of the Australian universities. However, consistent with the collegiate tradition, all three have a relatively large stock, by Australian standards, of university-provided accommodation.

Cornell and Purdue

Like many universities across the US, Cornell and Purdue are located in a regional city or town of relatively small size, equivalent to Bendigo in Victoria or Armidale in NSW; Ithaca in the case of Cornell and Lafayette in the case of Purdue. In Cornell's case it is one of the top universities in the USA and attracts large numbers of international students (33 per cent of 21,000 students). It has a strong collegiate tradition and a large number of beds (6,500) provided and managed by the university. While located in an area of upstate New York with a relatively weak economy, the smallness of the town, size of the university and affluence it brings means that private housing demand is strong.

Purdue University

Purdue also has a good international reputation and by USA standards has a large proportion (22 per cent) of international students. It has made a concerted effort to attract international students, experiencing growth from around 4,800 in 2005 to 8,700 in 2013. Like Cornell, the university itself is the largest industry in Lafayette, but the city also has a significant but declining manufacturing base. Purdue also has a strong collegiate tradition some 36 per cent of all students are resident in 11,000 university-provided beds. Because of a weaker local economy than Ithaca, the private rental market is competitive and relatively affordable. The regional universities of the US (and perhaps the UK) may represent a competitive threat to Australia if, like Purdue, they make concerted international student marketing efforts.

University of Colorado

University of Colorado (Boulder) is also located in a regional city, but as yet does not have the international numbers of Cornell and Purdue. It has a strong economy and associated housing market. The amount of university-provided accommodation is high by Australian standards, although not sufficient to meet the needs of all students. There is little affordable accommodation, with rents as high or higher than the Australian case study universities.

Kent State University

Kent State University has a number of campuses across Ohio but the main campus is located in Kent, which like Ithaca (location of Cornell) is a smaller regional town with the university being one of the major employers. The university has some 28,000 students of which only four per cent are international students, suggesting considerable capacity for growth. The university has a relatively large number of colleges offering some 6,000 beds. The private rental sector offers highly affordable housing largely because, as a regional centre, is does not have the growth pressures of a large metropolitan city.

3.7 Canada

The Canadian housing market is a lot like that of Australia; most universities are in a small number of metropolitan areas. Toronto and Vancouver share with Melbourne and Sydney some of the highest dwelling prices in the English-speaking world. As of May 2015, prices and rents are still increasing. Like in Australia, most students are local, live with parents and commute to the university from home so there is not the same provision of on campus accommodation, but still much more than Australia. Largely because of climatic factors there is less detached housing and more energy-efficient multi-unit housing, which are the types of dwellings that students tend to use. There is a good availability of apartments and, excluding Vancouver, rents are cheaper than in Australia despite high purchase prices.

Toronto University

Toronto University has three campuses with the main one located in central Toronto. It has around 9,000 rooms across dozens of colleges but, relative to the 85,000 students (14,400 international), provision is not as comprehensive as in other overseas countries. Nevertheless, on a per student basis (105 per 1000), this is twice as good as Australia's best for an equivalent large metropolitan university (48 per 1000 students at Monash). There is still high dependence on private rental, with rents for inner Toronto much the same or slightly less than Melbourne. Availability however appears better.

The University of Alberta

The University of Alberta in Edmonton has 33,000 students overall. It has 12 residential colleges with an estimated 3,000 beds. Colleges, unusually, are specific to a year of study, so that first year students live only with other first years and so on. This requires students to relocate at the end of the year, many of which will move to private rental. However rents are lower than in Australia and there is more availability.

The University of British Columbia

The University of British Columbia (60,000 students of which 9,800 are international) is located in Vancouver and shares with Melbourne (and Toronto) the housing pressures of a market under strong demand pressure. However, with some 9,400 beds, UBC is much better placed than equivalent Australian universities to cope with demand. Although, like Monash, it is located in the suburbs, rents are slightly more and there is less stock available at the lower end of the market. The catchment area for UBC is more like an inner-city location than a suburban one in terms of costs and availability.

The University of Manitoba

The University of Manitoba in Winnipeg has some 28,000 students of which only nine per cent are international. It is a university that tends to serve the local population and therefore has less university-provided accommodation than other Canadian universities (much the same ratio to student numbers as Monash). The rental market is affordable by Australian and Canadian standards and, despite a relatively tight market, has adequate stock.

4 FINDINGS: UNIVERSITY-PROVIDED ACCOMMODATION

Australia has an unusual tradition of non-collegiate study. Universities in the other countries examined provide a much greater proportion of their students with accommodation, with many universities able to guarantee all first-year students accommodation. However, the arrangements for these vary considerably, rendering direct cost comparisons difficult. Many offer term-only rates with the expectation of returning home during term/semester breaks. The length of these breaks varies across institutions and differs in arrangements and costs for those who want to stay on. The accommodation can also vary, from individual studios to shared accommodation in up to six bedroom apartments, and in terms of being catered for and self-catered. (See Appendix 7.3 for detailed data on the range of pricing and catering options for the various universities.)

In terms of availability and alleviation of stress associated with the search for accommodation, the ability of other universities to offer a large amount of, and in some cases guaranteed, accommodation must put Australia at a competitive disadvantage. But perhaps more importantly, such collegiate living offers students a more connected and more community-focused educational experience. There is little doubt that the strong philanthropic tradition among US students towards their old alumni university derives to a large extent from the much closer relationship built up through collegiate living. Few local or international students in Australia can experience such a life.

Table 3 shows the amount and cost of university-provided accommodation at the case study universities. Numbers are rounded because constant new provision and, in some cases, lack of clarity on how many beds per dwelling make accurate numbers difficult. The table provides data on total beds and beds per 1,000 students as well as rents per person per day. A per day measure is used because campus terms vary from country to country and university provided accommodation is priced per term. Moreover all universities have a relatively wide range of costs across their various colleges so the lowest cost option has been documented where possible. This accommodation serves both local and international students.

There are two stories here. One is how minimal university-provided accommodation in Australia is. In terms of beds per 1,000 students, the University of New England has the largest relative numbers at 100 per 1,000 and Swinburne the lowest (7). By contrast, international universities provide up to 407 per 1,000 at the LSE, 325 at Exeter, 310 at Cornell. The lowest among the non-Australian universities considered is Edinburgh with 83, still higher than the best Australian metropolitan performer (UQ at 59). The second story here is the cost of on-campus accommodation. Where provided, the price of such accommodation in Australia is not uncompetitive by international standards, falling into the mid-range of the US, UK and Canadian universities but certainly more expensive than those of Asia. In terms of university-provided accommodation, the broad conclusion is that it is not cost but lack of availability that creates a potential competitive disadvantage for Australia.

TABLE 3: UNIVERSITY-PROVIDED ACCOMMODATION (MAY 2015)

	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	n/a	$35
RMIT University	465	8	n/a	n/a
Swinburne University of Technology	240	7	n/a	$37
La Trobe University	1,300	38	$44	$28

TABLE 3: UNIVERSITY-PROVIDED ACCOMMODATION (MAY 2015)

	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)
University of New England, Armidale	2,000 (est)	100	$28	$26
University of Queensland	3,000	59	$35	$28
SINGAPORE				
National University of Singapore	n/a	n/a	$25	$15
HONG KONG				
The University of Hong Kong	4,000	88	$12	$11
City University of Hong Kong	3,700	182	$14	$10
MALAYSIA				
University of Malaya	10,000	270	n/a	$12
UNITED KINGDOM				
University of Birmingham	4,900	159	$33	$35
Durham University	4,980	300	$47	$35
University of Edinburgh	2,300	83	$31	$25
University of Exeter	6,100	325	$31	$45
London School of Economics & Political Science	4,000	407	$35	$36
Oxford University	n/a	n/a	$47	$57
UNITED STATES				
Boston University	4,900	148	$70	$60
Cornell University	6,500	310	$40	$29
University of Colorado	5,700	191	$44	$31
University of California, Berkeley	5,300	141	$43	$33
University of California, Los Angeles (UCLA)	n/a	n/a	$54	$53
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
University of Manitoba	1,350	48	$44	$31

Source: University accommodation websites

5 FINDINGS: PRIVATE RENTALS

If students are unable to access university-provided accommodation, private rental is the next option. This can range from studio apartments built specially for university students, such as those of UniLodge, through various dwelling permutations ranging from rooming houses to large detached houses.

As a starting point for working out relative private rental costs, a standardised affordable rent for a relatively low income international student was created. This was based on someone paying 30–40 per cent of a $30,000 annual income on accommodation. For a studio or one-bedroom property this roughly represents $1,000 a month or $230 a week per person – around 40 per cent of income allocated to rent. For a 2–3 bedroom property (assumed to be shared) it was $1,400 a month or $165 a week per person in the case of a two bedroom and $120 per person for the three bedroom. These outlays are closer to 30 per cent of income committed to housing costs. It is acknowledged that $30,000 may be a high income for a student, so a subsequent section looks at the implications of even lower incomes. With this benchmark the objective was to identify the relative availability of properties in this rent range.

The data included in Table 4 indicates that Australia does suffer a disadvantage in the rental market compared to all countries other than the USA, where there was no affordable accommodation other than at Purdue. However, inner-city Melbourne – exemplified by RMIT and holding for equivalently located universities in Australia – was as problematic as some of the large metropolitan US universities. Canada and regional universities in the UK (not London or Oxford) appear to have much more affordable private rental accommodation.

For some locations there were no properties available at the benchmark affordable rents, even for a relative generous assumed income. The question then needs to be asked, 'What is the typical entry rent for 2–3 bedroom shared accommodation in the respective locations and assuming reasonable supply at this rent?' These are not necessarily affordable rents, but are the lowest necessary to get a student into an available property in the relevant location. It is also assumed that students share in relation to number of rooms (i.e. two people in a two-bedroom property, three in a three-bedroom property). In the Australian context, however, there are substantial anecdotal and media reports that many students share with greater numbers. The larger size of many older Australian houses and apartments creates this option.

TABLE 4: AVAILABILITY OF AFFORDABLE PRIVATE RENTAL BY COUNTRY (MAY 2015, A$)

	LESS THAN $1000 p/m; STUDIO, 1 BEDROOM APARTMENTS		SHARED LOWER END LESS THAN A$1400 p/m, 2 BEDROOMS		SHARED LOWER END LESS THAN $1400 p/m, THREE BEDROOMS	
	RENT PER PERSON p/w	SUPPLY	RENT PER PERSON p/w	SUPPLY	RENT PER PERSON p/w	SUPPLY
AUSTRALIA						
Monash University	150–180	Limited	150–165	Reasonable	120	Limited
RMIT University	–	None	–	None	–	None
Swinburne University of Technology	180–250	Good	150–165	Reasonable	–	None
La Trobe University	150–250	Reasonable	150–165	Good	100–120	Good
University of New England, Armidale	140–200	Good	100–115	Good	90–120	Good

	LESS THAN $1000 p/m; STUDIO, 1 BEDROOM APARTMENTS		SHARED LOWER END LESS THAN A$1400 p/m, 2 BEDROOMS		SHARED LOWER END LESS THAN $1400 p/m, THREE BEDROOMS	
	RENT PER PERSON p/w	SUPPLY	RENT PER PERSON p/w	SUPPLY	RENT PER PERSON p/w	SUPPLY
University of Queensland	190–250	Reasonable	155–165	Reasonable	–	Very limited
SINGAPORE						
National University of Singapore	–	None	140–200	Good	140–200	Good
HONG KONG						
The University of Hong Kong	160–250	Limited but very small size	–	None	–	None
City University of Hong Kong	160–250	Reasonable but very small	–	None	–	None
MALAYSIA						
University of Malaya	100–150	Reasonable	45–100	Reasonable	60–100	Good
UNITED KINGDOM						
University of Birmingham	130–180	Good	100–150	Good	70–120	Reasonable
Durham University	140–180	Good	75–100	Good	110–120	Good
University of Edinburgh	190–220	Limited	120–160	Limited	100–115	Limited
University of Exeter	170–230	Moderate	140–165	Moderate	110–120	Very Limited
London School of Economics & Political Science	180–230	Good	–	None	–	None
Oxford University	200–230	Limited	–	None	–	None
UNITED STATES						
Boston University	170–180	Minimal	–	None	–	None
Cornell University	230	Very limited	–	None	–	None
University of Colorado, Boulder	–	None	–	None	–	None
University of California, Berkeley	–	None	–	None	–	None
University of California, Los Angeles (UCLA)	–	None	–	None	–	None
Purdue	150–200	Good	100–130	Limited	50–100	Reasonable
CANADA						
University of Alberta	160–180	Good	115–130	Good	60–80	Reasonable
University of Toronto	170–210	Limited	140–160	Good	110–120	Limited
University of British Columbia	200–230	Limited	130–150	Limited	–	None
University of Manitoba	150–180	Good	100–120	Good	80–110	Limited

For sources see section 6.3

Table 4 provides information on the supply availability of rental properties within 10 kilometres from the case study universities. 'Limited supply' was where there are typically less than 20 advertised dwellings, 'Reasonable' 20–50 and 'Good' in excess of 50 often going up to 100s. In many cases no properties were available in this affordable range. The fact that properties were advertised does not necessarily mean they are available for students, as they have to compete with others for the properties or there may be implicit or explicit exclusionary provisions. In some cases, notably the USA, Malaysia and the UK, some of the properties are furnished or part-furnished, which is rarely the case in Australia. Some in Canada and the USA also include utilities, which is not the case in Australia.

The assumed 40 per cent of income committed to rent is above the 30 per cent affordability benchmark commonly accepted as the threshold of housing hardship in Australia (see Yates et al. 2006). However, this higher figure is used based on the assumption that single students have more capacity to cope with hardship than say single parents or pensioners. Using a 30 per cent benchmark would worsen the access problem revealed by the data.

While controlled for rent and bedroom size, there is no control for quality in the data. Given this was entry level accommodation, the properties appeared to be fairly basic. It is also difficult to assess from photos the attributes of the local area. There is no doubt, particularly in the USA, that the affordability of some properties is due to their location in areas that would be deemed unsafe by the standards of other countries. On the other hand, many rooms in the US were bigger and in many cases offered two bathrooms, which is rare in entry-level property in Australia. Canadian properties appeared to be high quality across all types and rent ranges.

Table 5 shows the findings for 2–3 bedroom dwellings, ranked by relative cost. Note that the price is per-person, so a rate of $250 per week actually means $500 a week for a two-bedroom property. The table also includes some other Australian universities with broadly equivalent accommodation cost and availability to the case study universities. It clearly shows that Australian universities are towards the upper end of the rankings. Importantly, universities that are either the largest, or historically have enrolled the most international students, are near the top of the rankings. If housing cost and availability is a competitive factor these are the universities that may be affected the most. These are all inner-city located institutions and the obvious adaptive response by students is to move to more outer suburbs where rents are cheaper. This raises problems of high transport costs and further disconnects them from a quality university experience as their place of residence is completely de-linked from their place of study.

TABLE 5: PRIVATE RENTAL COST
TYPICAL ENTRY-LEVEL RENTAL, PER PERSON (MAY 2015)

CASE STUDY UNIVERSITIES	WEEKLY RENT PER PERSON IN 2-BEDROOM DWELLING ($A)	WEEKLY RENT PER PERSON IN 3-BEDROOM DWELLING ($A)	OTHER AUSTRALIAN UNIVERSITIES WITH EQUIVALENT ACCOMMODATION COST AND AVAILABILITY
UCLA	360–400	350–380	
London School of Economics & Political Science	326–350	220–240	
University of California, Berkeley	280–300	290–300	Sydney, UTS, UNSW
RMIT University	250–300	215–240	UWA, Melbourne, Macquarie
Boston University	250–270	245–260	
University of Hong Kong	230–280	200–250	
Oxford University	220–240	170–190	
City University of HK	195–250	200–250	
Cornell University	190–210	170–190	
University of Colorado (Boulder)	190–210	170–200	
Swinburne University of Technology	170–200	180–220	UWS
Monash University	150–170	160–170	Deakin (city campus), VU
La Trobe University	150–170	100–120	
National University of Singapore	140–200	160–200	
University of Exeter	140–170	110–140	
University of Queensland	140–170	135–150	USQ, USC, Newcastle, Woolongong, Griffith, QUT
University of Toronto	140–160	110–120	Adelaide, UniSA, Tasmania, Griffith
University of Edinburgh	120–160	100–115	
University of British Columbia	130–150	160–200	
University of Birmingham	100–150	70–120	
Purdue University	100–130	80–120	
University of Alberta	115–130	60–80	
University of Manitoba	100–120	80–110	
University of New England	100–115	90–110	Southern Cross University
Kent State University	100–110	n/a	
Durham University	75–100	110–140	
University of Malaya	45–60	60–100	

For sources see section 6.3

The benchmark rents used in Table 4 related to students on incomes in excess of $30,000, but it is likely that most students have lower incomes than this. Below we illustrate the constraints of the Australian rental market for students with a $15,000 income and a $25,000 income, with different combinations of sharing, and with all household members also assumed to be on the same income. Table 6 shows the results for the $15,000 income level and Table 7 for the $25,000 level. It would not only be international students competing for these properties, but all other households on low incomes such as single income pensioners and Newstart and disability support payment recipients. The data used here is Victorian Residential Tenancies Bond Authority (RTBA) data for all properties legally rented out in the first quarter of 2014, the period when students typically search for rental properties. No data is yet available for 2015.

The capacity of a student on $15,000 to live alone is minimal; only 80 properties in all of Metropolitan Melbourne, Geelong, Ballarat and Bendigo were available and affordable in 2014. It is little better for two students sharing, with only 720 properties available in all Melbourne and 675 in regional Victoria. These constraints are better revealed when expressed as a percentage of the total Melbourne stock; for one person only, less than one per cent of the stock is available and for two people sharing only 2.0 per cent of all properties are available for rent. These figures must be put in the context of around 30,000 new international students per annum requiring accommodation. In the inner region (roughly eight kilometres from the CBD), where many of the tertiary campuses are, the problem is much worse. Even for three persons sharing, the inner city has only 0.8 per cent of the affordable stock. Real affordability opportunities for those on a very low income only occur in the outer and fringe suburbs, typically 15–30 kilometres from the CBD. The situation improves once we go to four or more sharing (except still very contained in the inner city). However, here we get into potential problems of overcrowding and associated fire and health risks (as illustrated in appendix 7.1).

TABLE 6: AVAILABILITY OF AFFORDABLE AND APPROPRIATE PRIVATE RENTAL ACCOMMODATION. DIFFERENT SHARING ARRANGEMENTS FOR A STUDENT ON $15,000 (MELBOURNE 2014)

	ONE PERSON		TWO PERSONS		THREE PERSONS		FOUR PERSONS		FIVE PERSONS		SIX PERSONS	
Annual Income		$15,000		$30,000		$45,000		$60,000		$75,000		$90,000
40% for rent		$6,000		$12,000		$18,000		$24,000		$30,000		$36,000
Rent per week		$115		$230		$345		$460		$575		$690
Property Type		1 & + br		2 & + br		3 & + br		3 & + br		3 & + br		3 & + br
AVAILABLE PROPERTIES												
Region	Dwell	%	Dwell	%	Dwell	%	Dwell	%	Dwell	%	Dwell	%
Inner	10	<0.1%	105	0.7%	110	0.8%	200	1.4%	415	2.9%	785	5.5%
Middle	25	0.1%	285	1.5%	890	4.7%	4,020	21.4%	5,760	30.6%	6,695	35.6%
Outer	10	0.2%	170	3.3%	1,550	30.5%	3,035	59.6%	3,245	63.8%	3,290	64.6%
Fringe	5	<0.1%	160	2.0%	3,630	46.5%	6,030	77.2%	6,260	80.1%	6,325	81.0%
Metro	50	0.1%	720	1.6%	6,180	13.4%	13,285	28.9%	15,680	34.1%	17,095	37.1%
Geelong	10	0.3%	235	10.6%	755	34.0%	1,300	58.6%	1,370	61.7%	1,395	62.8%
Ballarat	10	0.6%	240	19.3%	585	47.1%	740	59.5%	755	60.7%	755	60.7%
Bendigo	10	0.9%	200	18.6%	545	50.7%	670	62.3%	680	63.2%	690	64.1%
Regional	30	0.6%	675	14.9%	1,885	41.5%	2,710	59.7%	2,805	61.8%	2,840	62.6%
TOTAL	80	0.1%	1,395	2.8%	8,065	15.9%	15,995	31.6%	18,485	36.5%	19,935	39.4%

Table 7 shows the same data for a more moderate but still low income ($25,000) and illustrates while there is improved affordability (as one would expect) it is not dramatic. For a single there is still minimal stock that is affordable (1.2 per cent of Metropolitan Melbourne). This jumps to 39.4 per cent for two students sharing, but with the bulk of this stock in outer and fringe suburbs. Only 7.8 per cent of the affordable stock is in the key inner city location. Even sharing five to a three-bedroom dwelling only finds 10.5 per cent of the affordable stock located in the inner city, but 60 per cent plus in the outer suburbs and 80 plus on the fringe. The housing market, for any combination of students living together, tends to push lower income students further and further out with the associated diminution in lifestyle if studying at an inner city campus. However, this is very good for suburban campuses.

The data thus reveals:

- the sheer supply limitations of the private rental market, particularly in the inner city
- how those on very low incomes are pushed to share at numbers which are problematic, and/or
- how students are constrained to live in more outer urban locations. There is little reason to believe that it is much better in other Australian housing markets except for Hobart, while Sydney is likely to be much worse.

TABLE 7: AVAILABILITY OF AFFORDABLE AND APPROPRIATE PRIVATE RENTAL ACCOMMODATION. DIFFERENT SHARING ARRANGEMENTS FOR A STUDENT ON $25,000 (MELBOURNE, 2014)

	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%

Source: Rental Bond Board Data, Swinburne University of Technology 2014

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6.2 Data sources

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- UNESCO Institute for Statistics (2014), *Global flow of tertiary level students*, http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx
- Universities Canada (2015) Facts and Stats Universities of Canada http://www.univcan.ca/canadian-universities/facts-and-stats/
- *University World News*, various editions

6.3 Private rental market websites

Australia

- Realestate.com
- Flatmate finders

USA

- Craigslist
- Hotpads
- Realtor

UK

- www.primelocation.com
- www.spareroom.com.UK

Canada

- Rentboard
- Craigslist

Malaysia

- Iproperty.com
- Propwall.my

Hong Kong

- easyroommate.com.hk

Singapore

- Easyroom.mate
- Propertyguru.com

7 APPENDICES

7.1 Student overcrowding fire risk, *The Age*

THE AGE THURSDAY, MAY 21, 2015

10 | NEWS

Fire safety High rise cramming alarms fire brigade

Flats so crowded sleep is in 'shifts'

Aisha Dow
City Reporter

Overseas workers and students are sleeping in single beds in "shifts" to cram more bodies into already overcrowded Melbourne apartments.

It comes after the Metropolitan Fire Brigade flew a drone in front of the Docklands tower ravaged by fire last year, only to find that the slum housing partly blamed for fuelling the blaze had already returned.

Authorities have admitted they were blindsided by the discovery of "illegal boarding houses" at the Lacrosse building and the poor treatments of some tenants, who were being "stood over" by landlords.

Melbourne City Council's emergency management coordinator, Christine Drummond, said in some units at the La Trobe Street tower, beds were being used by different people throughout the night and day.

"It was almost like a shift or roster for who slept in the beds at what time," Ms Drummond told a fire seminar this week.

There are also concerns that tenants in the building are being mistreated by landlords.

On one occasion a landlady took the hardship relief payments given to residents affected by the fire. The money cards, worth up to $520 for each person, had to be cancelled.

Ms Drummond said some of the residents were "pretty much stood over by members of their own cultural community" who they trusted, but actually were "really ripping them off very badly".

It is now suspected up to three times as many people were living in the Lacrosse building than it was designed for, when the fire stuck in November last year.

Two-bedroom apartments had up to 15 people living in them, with lounge rooms divided up by shower curtains, the Australasian Fire and Emergency Service Authorities Council seminar was told.

An MFB investigation found the Docklands fire started because of a discarded cigarette on an eighth-floor balcony, and was fuelled by both "non-complaint" combustible cladding on the facade and personal items stored on the balconies due to overcrowding.

The fire quickly spread from balcony to balcony, scorching 20 storeys of the 23-level building.

But recent video footage taken by a drone showed the lessons of last November were still yet to sink in. Many of the outdoor balconies were still piled with furniture, clothing and other items.

Although it is understood Melbourne City Council staff are trying to work with the building's managers to fix the problem, city authorities concede they have no way of knowing how many illegal boarding houses are hiding in Melbourne's high-rises.

Ms Drummond said building inspectors could only go into towers if they had received intelligence suggesting there was an issue.

MFB Deputy Chief Officer David Youssef said real estate agents would not necessarily know how many people were living in each apartment, because tenants were "buzzing each other into the building".

7.2 QS Ranking of perceived affordability of housing for international students

RANK	CITY	AFFORDABILITY	RANK	CITY	AFFORDABILITY
1	Taipei	83.0	37	Canberra	42.0
1	Mexico City	83.0	37	Adelaide	42.0
3	Berlin	74.0	37	Los Angeles	42.0
3	Vienna	74.0	37	Dublin	42.0
5	Munich	72.0	37	Coventry	42.0
6	Osaka	71.0	42	Melbourne	40.0
7	Madrid	70.0	42	Brisbane	40.0
8	Barcelona	69.0	44	Perth	38.0
9	Santiago	68.0	45	New York	37.0
10	Prague	67.0	46	Sydney	36.0
11	Shanghai	66.0	46	Auckland	36.0
12	Brussels	65.0	48	Copenhagen	33.0
13	Beijing	64.0	49	Stockholm	31.0
13	Kyoto	64.0	50	London	28.0
15	Hong Kong	63.0			
15	Buenos Aires	63.0			
17	Tokyo	62.0			
17	Helsinki	62.0			
17	Moscow	62.0			
20	Montreal	60.0			
21	Pittsburgh	56.0			
22	Zurich	55.0			
23	Paris	54.0			
23	Seoul	54.0			
25	Vancouver	53.0			
25	Milan	53.0			
27	Singapore	52.0			
28	Toronto	51.0			
29	Boston	49.0			
29	Philadelphia	49.0			
29	Washington DC	49.0			
32	Chicago	48.0			
32	Amsterdam	48.0			
34	San Francisco	44.0			
35	Edinburgh	43.0			
35	Manchester	43.0			

Source: QS Top universities (2015) Most Affordable Cities for Students
http://www.topuniversities.com/university-rankings-articles/qs-best-student-cities/most-affordable-cities-students-2015

7.3 University-provided accommodation. Price ranges for different accommodation options

UK (UK POUNDS)								
UNIVERSITY	ON-CAMPUS				OFF-CAMPUS			
	LOW	HI	LOW	HI	LOW	HI	LOW	HI
	SELF CATERED		CATERED		SELF CATERED		CATERED	
Birmingham	85	252	121	186	114	119	n/o	n/o
Durham	111	129	160	210	115	195	n/o	n/o
Edinburgh	n/o	n/o	n/o	n/o	57	133	118	242
Exeter	102	161	152	224	94	137	n/o	n/o
LSE	n/o	n/o	n/o	n/o	91	508	100	243
Oxford	115	189	n/o	n/o	95	221	n/o	n/o

AUSTRALIA								
UNIVERSITY	ON-CAMPUS				OFF-CAMPUS			
	LOW	HI	LOW	HI	LOW	HI	LOW	HI
	SELF CATERED		CATERED		SELF CATERED		CATERED	
La Trobe	100	249	305.	305	179.1	297.7	n/o	n/o
Swinburne	242	379	n/a	n/a	235	300	n/o	n/o
RMIT	n/o	n/o	n/o	n/o	152.5	510	n/o	n/o
UNE	140	252	234	388	n/o	n/o	n/o	n/o

ASIA (IN LOCAL CURRENCY)								
UNIVERSITY	ON-CAMPUS				OFF-CAMPUS			
	LOW	HI	LOW	HI	LOW	HI	LOW	HI
	SELF CATERED		CATERED		SELF CATERED		CATERED	
NU Singapore (S$)	n/o	n/o	$123	$248	S$75	S$425	n/o	n/o
Uni of HK (HK$)	$310	$465	$530	$617	$1,500	$3,750	$2,009	$2,042
City Uni HK (HK$)	$320	$637	n/o	n/o	$1,500	$3,750	$2,009	$2,042
U Malaya (RM)	45RM	450RM	70RM	70RM	295RM	625RM	n/o	n/o

n/o = Not offered. n/a = Not accessible.

USA (IN US$$)								
UNIVERSITY	ON-CAMPUS				OFF-CAMPUS			
	LOW	HI	LOW	HI	LOW	HI	LOW	HI
	SELF CATERED		CATERED		SELF CATERED		CATERED	
Boston	n/o	n/o	n/o	n/o	150	350	218	410
Cornell	186.5	244.75	242	325.5	200	4475	n/o	n/o
Colorado	176.25	357.5	325.65	432	926	1447	n/o	n/o
Berkeley	268.5	512	414	533	111.5	221.75	186.25	220.25
UCLA	182.4	454.6	320.7	543.35	450	712	n/o	n/o

CANADA								
UNIVERSITY	ON-CAMPUS				OFF-CAMPUS			
	LOW	HI	LOW	HI	LOW	HI	LOW	HI
	SELF CATERED		CATERED		SELF CATERED		CATERED	
Alberta	200.75	254.5	204.3	274.5	450	1995	200	212.5
Toronto	154	381	278	526.4	137.5	162.5	162.5	250
British Columbia	178.5	325	158.25	348.25	400	650	n/o	n/o
Manitoba	193	193	159.5	327.5	n/o	n/o	175	180

n/o = Not offered. n/a = Not accessible.

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