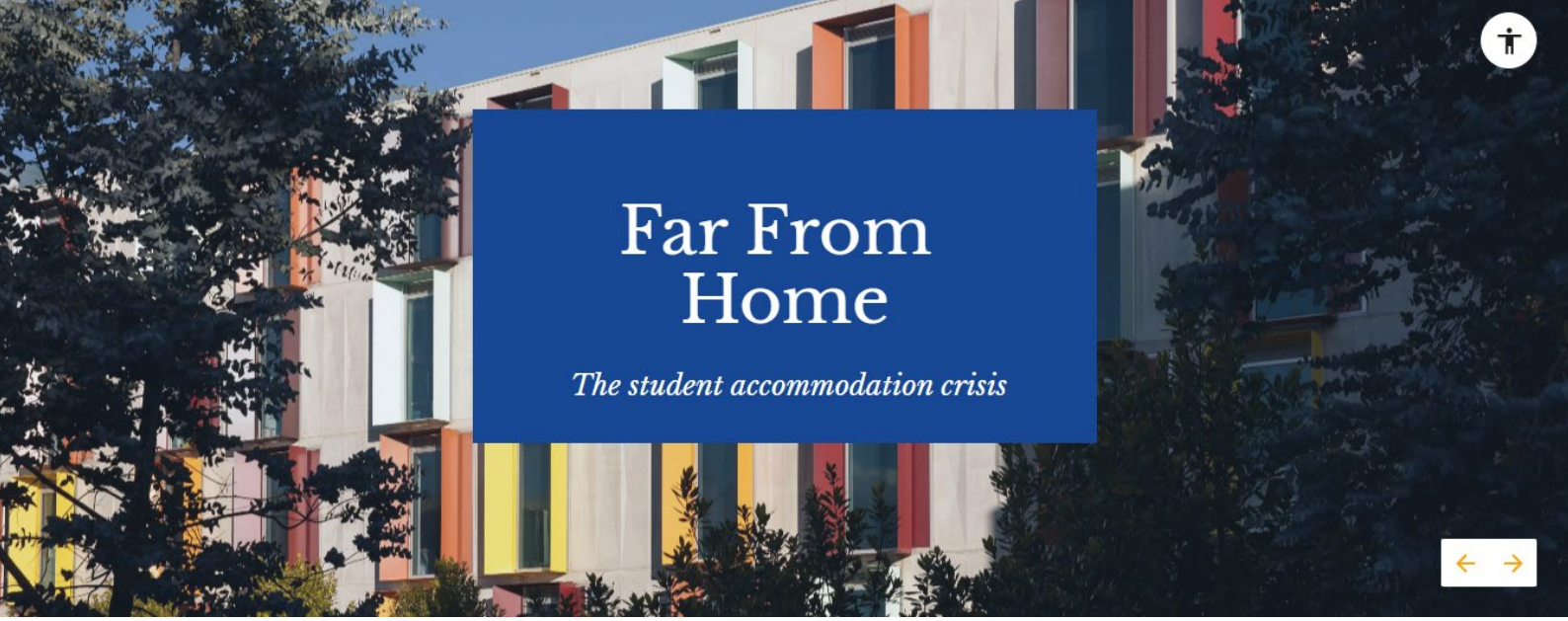

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Higher education is seeing an uptick after the COVID-19 pandemic. Many universities are happy to see enrolment numbers rising. However, after reports reveal a lack of housing, are universities, and their countries, truly prepared to fully accommodate international students? We look at different perspectives and solutions across major university hubs.

By Prisha Dandwani

It is not easy for Zennon Ulyate-Crow, Founder and President of the University of California Santa Cruz Housing Coalition, to reveal the more drastic details of student housing shortages.

“I know students that have slept out in the woods, camped in the woods, have a tent, and use communal lounges for the showers and kitchen,” he says.

“I walk around campus and I see vans that students are living in, I see lights on, or even solar panels on the roof. And I know people that are commuting every day from two hours away because they can’t find housing.”

The hard truth

According to a 2021 report by research, policy and advocacy organisation The Hope Center at Temple University, 14 percent of students in America experienced homelessness, the highest percentage the centre has seen since tracking began in 2015. Nine percent of students are homeless in The University of California, Santa Cruz (UCSC), where Ulyate-Crow studies as a second-year politics major.

When explaining how difficult it is for local and international students to find rentals, he says, “I had friends going to check an apartment and there would be a line of 60 people queueing up to see a place… it is a landlord’s market.

“Santa Cruz has the highest percentage of landlords, almost every single homeowner rents out a room, or a shed. Even then, these rooms, with shared facilities in a family home, go for about USD $1500 a month”.

In the UK, while student homelessness exists, the Higher Educational Policy Institute (HEPI) reported there is not enough data to determine clear numbers. Jon Wakeford, Director of Engagement and Chair of UPP, a full-service student residential company, headquartered in London, says “there are three full-time students competing for every PBSA (purpose-built student accommodation) bed in the UK.”

How did we get here?

“This has been decades in the making in California,” Ulyate-Crow tells QS Insights Magazine. “COVID-19 exacerbated so many issues. After the restrictions, everyone started moving back in, classes resumed in-person, and the price of accommodation is now eclipsing the price of tuition.

“This is not necessarily the university’s fault. They have not expanded housing, but infrastructure costs have also skyrocketed.”

Similarly, the UK is undergoing multiple challenges. Wakeford explains shortages are a result of “structural undersupply of accommodation and an increasing student population”.

“Whilst this appears a fairly obvious answer, the anatomy of the wider crisis in student housing dates back more than two decades, with the huge expansion in rates of participation in higher education following the 1992 Further and Higher Education Act (the act shifted higher education dynamics in the UK, such as removing 500 further education institutions from the local education authority (LEA) and established further education funding councils (FEFCs).

“And the number of full-time students has increased well over 700,000 since the year 2000.

“However, capital grants from the Higher Education Funding Council (HEFC) for accommodation projects were incrementally reduced and then scrapped altogether. UK universities, have, therefore, been generally unable or unwilling to develop accommodation leveraged off their own balance sheets.”

In Canada, the global housing crisis is reflected in the student housing shortages. Laurent Levesque, executive director of UTILE, an organisation based out of Montreal that develops affordable student accommodation, explains, “Governments and universities have invested heavily in recruiting international students, but similar efforts have not been put into increasing the student housing stock accordingly.”

According to a 2021 flash report from UTILE, about 1.3 out of 1.5 million students in Canada live in private apartments off campus. 43 percent said they live in an apartment in need of repair.

“Students have had to rely increasingly on the private rental market for housing, which has created significant pressure on the rental market in the neighbourhoods where universities are located,” says Levesque.

In Australia, meanwhile, after China’s announcement in January this year that online degrees from foreign institutions would not be recognised, people believed that the estimated 40,000 Chinese students rushing over for the term start caused shortages.

While the increased number of Chinese students is a contributing factor, David Bycroft, Founder of the Australian Homestay Network (AHN), which specialises in family hosted student accommodation, thinks this is more of a fuelling factor than a real cause.

“I think very little of this crisis is due to the direct announcement of China about online studies. The accommodation problem has come about because of a number of other economic factors”, he explains. A recent study by PEXA & Longview, demonstrates that housing prices have increased by AUS $7.1 trillion in the past 20 years.

Bycroft adds, “When COVID-19 hit, a lot of people ran for cover to the key safer cities - London, Brisbane, Sydney, Melbourne - where students want to go to”.

UCSC Student Housing Coalition demonstration, May 2022

Students as custodians, not landlords

In UCSC, many students take charge, and their political involvement has had an impact. Ulyate-Crow’s housing coalition has grown to 600 activists in the past year, and he sees his team’s hard work manifest in different projects, such as coauthoring the SB 886 bill. The bill, which successfully passed the Californian senate in September 2022, exempts student housing projects from the California Environmental Quality Act (CEQA), which tends to block new housing structures.

However, he acknowledges this housing crisis will take decades to fix. “The things I’m advocating for, I won’t see the benefit of, but I know that in 10 years, because of the work I did, it will help others.

“With the SB 886 Bill we’re expected to measurably reduce the timeline of student housing pipeline by years, but I wonder, why did it take a bunch of students to push for this, why could it not have been the universities themselves?”.

Community power

In Australia, hosted accommodation, such as the homestay network Bycroft founded, is one immediate solution as it calls on the community to open up their homes to international students at a reasonable rate. It gives families a chance to introduce a sense of culture and connection in their home as they foster new friendships. Earlier this year, Kerri Player, a Townsville host for students through AHN said, “We see familiar places through new eyes, and it is lovely to share these experiences with enthusiastic people, we also encourage our students to share their favourite foods and customs with us.”

Across January to February this year, there have been a total of 3,233 homestay places active on AHN. They are on track for their first-ever year of 10,000 placements.

Responsibility of HE Institutions

When asked what universities can do, Ulyate-Crow feels administrations need to be bolder. “They tend to have a very, very, deep-rooted acceptance of the status quo and of the system. University administrations have a lot of power as they are usually the economic and cultural job centres of so many of the communities they reside in.”

If they used that power to proactively approach municipalities, seek more permits to build housing on their own, and integrate innovative techniques, such as modular housing, Ulyate-Crow believes it would make a significant difference.

He adds that even though the student population at UCSC has doubled in the past decade, not one new housing section has been built; and instead, his university has resorted to turning double rooms into triples.

Bycroft says he was already talking about shortages with university partners in Australia six months before demand skyrocketed this year. "There is a lack of people prepared to get ready for what was inevitably coming; universities usually respond to the disaster, not avoid the disaster”.

His advice to institutions is to “pretend it’s a crisis now and introduce your strategy, and that means getting people together to solve problems”.

Additionally, there are concerns that universities treat international students like cash cows without adequate care for their welfare. Bycroft believes the universities that do not take a holistic approach will find it difficult to continue operations in the long term.

“The [universities] that have got a plan for proper pre-departure orientation, proper partnerships for accommodation and mental health support, are the ones that will prosper in the new world.

“All these issues, such as the pandemic and housing crisis, are just forcing the industry to do business properly for international students.”

Levesque has a similar perspective, outlining that though housing is not a core business for Canadian institutions, they must prioritise housing as imperative to student well-being.

“Housing is a major source of student indebtment. On-campus accommodation should be treated as a student service, not as a source of revenue to finance universities’ other activities.”

UPP’s Wakeford summarises the responsibility of institutions, emphasising that “if the demand projections to 2030 and beyond are realised, and universities wish to benefit from the tide that floats all boats, it will be universities themselves that have to engage more actively with providers, as well as finding a way to be less reticent in developing residences on their own campuses”.

Partnerships

Wakeford acknowledges that in the past year, because of inflation and increased costs of borrowing, it is harder to build. “In the short-term, universities and operators need to work together to understand available stock across the country. An immediate action could be to launch a commission to establish the quantum of the issue. This would help to convene all the relevant actors and provide evidence-based policy recommendations to government and others,” he explains.

For many PBSA providers, the pressure is on as well. Anouk Darling, CEO of PBSA owner and operator, Scape Australia, reflects on her company’s experience during the pandemic. “It brought the PBSA industry to its knees, there was no support from the government or our education institutions. Scape stepped up to support hundreds of students left stranded, we dropped our rent, supported them with crisis accommodation and helped them find work in the community”, she recounts.

Responsiveness is key, however, as Darling decides to focus on what lies ahead. Scape is working with education partners to provide housing options across a variety of price points. “We’re focused on the future, including a robust development pipeline, lobbying local and federal government to fast-track regulatory process and review punitive taxes that inhibit capital growth to ensure ongoing investment in the sector”.

Urgent collaboration

No matter who was speaking to QS Insights Magazine about the shortages, it was evident the common thread is to work together. If the pandemic has emphasised anything, it is that no man is an island, nor can the sector afford to behave that way.

Bycroft emphasises the need for everyone to play a role, explaining that the government could make it clear to accommodation hosts that pensions will not be affected, or provide tax incentives. “They could even tax homeowners who do not rent out their properties to balance supply/demand. It is all solvable but needs a community approach.

“The thing is you’ve got people worried about the environment, war, country relations going sour; there’s only one common thing that stops all those things, and that’s international education.” When people from different countries come together to solve problems, increase awareness of global issues, and gain cultural understanding, it subdues separation.

Wakeford refers to the growth of higher education, which is a positive development, even if it means more investment into student welfare is required. “The number of young people aged 25 to 34 years old with a tertiary qualification increased by nearly 45 percent in OECD and G20 countries between 2005 and 2013. OCED projections expect this to just increase till 2030.

“This reflects the development of global economies generally and the approach of emerging economies to, for instance, fund their young people to be degree educated across the world”, he explains.

With higher education on the rise, and the opportunities it will bring, ensuring physical student security is a necessity.