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MEDIA RELEASE

INTERNATIONAL STUDENTS NOT TO BLAME FOR HOUSING CRISIS

International students make up only four per cent of Australia’s rental market and are not to blame for the housing crisis, it has been revealed in a landmark report released by the Student Accommodation Council.

The rise of smaller and solo-person households, intrastate migration and a trend to re-purposing second bedrooms into home offices are all impacting the supply and affordability of rental homes across the country.

While international students have returned to Australia post-Covid, the increase in rents do not align with their return. In fact, rents began rising in 2020, when there was no international student migration and most students had returned home.

Between 2019 and 2023, median weekly rent increased by 30 per cent. Over the same period, student visa arrivals decreased by 13 per cent.

The report also shows the current pipeline of new purpose-built student accommodation (PBSA) developments will not meet future needs – with the projected 7,770 new beds due to come online by 2026 not enough to alleviate demand in the private rental market.

“International students have been unfairly blamed for the rental crisis, yet this report shows that long term structural issues in Australia’s housing market are the real cause for rental pressures,” said Torie Brown Executive Director of the Student Accommodation Council.

“There are more domestic students in rental homes than international– yet no one is suggesting we ban share-houses for local university students.

“We need to look at the broad spectrum of issues driving up rent and reducing the supply of homes, rather than blaming a single cohort.

“If we continue to build new student accommodation assets at the current rate, we will see an extra one per cent of international students forced into the private rental market.

“We need the pipeline of PBSA projects to add 66,000 new beds to the market by 2026 to maintain the proportion of international students living in our buildings rather than the private market.”

Anouk Darling, Chair of the Student Accommodation Council and CEO of Scape said the will to develop new PBSA buildings is there but it’s a drawn out and expensive process to bring a project to completion.



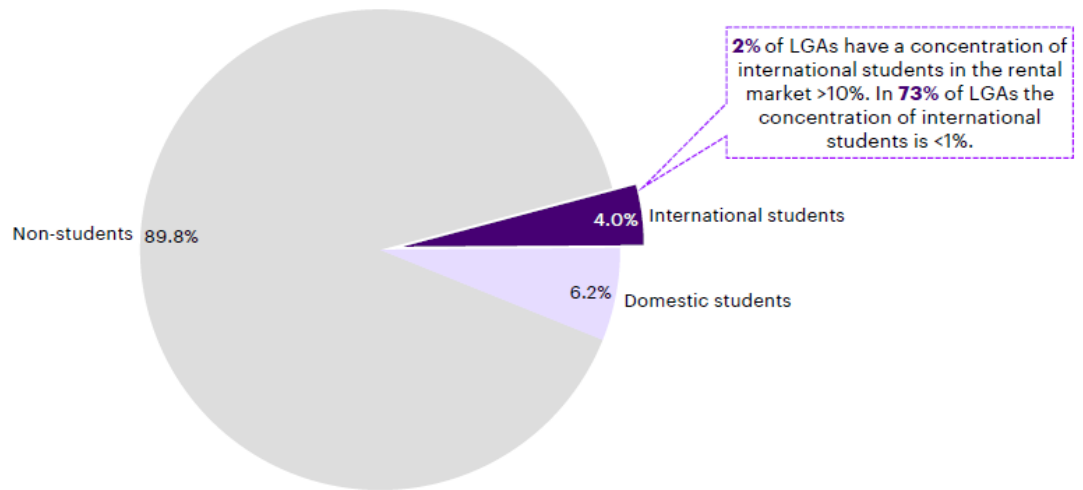
"The difficulties faced by the sector include slow planning systems, high property taxes and clunky state-based legislation.

"International students contribute \$25.5 billion to the Australian economy, and they deserve the best housing experience when they arrive in our country.

"We need governments to work with us to grow the supply of professionally managed, custom built and safe student accommodation which alleviate pressure on the private rental market."

Exhibit 6: Demographic distribution of renters in Australia, by student status

Composition of renters by student status, international and domestic, 2021



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