University Apartments: evidence of the power of higher education to deliver new futures

In both bricks and mortar, and human capital, the University Apartments in Hobart’s Melville Street are an emblem of the way higher education delivers economic, social and cultural renewal in a city.

At the apartments’ official opening today, University Vice-Chancellor Professor Peter Rathjen applauded those behind the delivery of the project, funded through the Australian Government’s National Rental Affordability Scheme (NRAS).

“Across the life of this project, we have seen the transformation of a carpark into a bustling student precinct, along the emergence of Midtown as an attractive new locality in the city,” Professor Rathjen said.

“Not so long ago this area was a dead spot between the waterfront and the restaurant district to the north.

“We have seen property values in Midtown lift and the precinct populated with new business attracted to the life and energy of the student hub.

“In opening these apartments today, they take the transition from a vision splendid, to a vision delivered for Hobart.”

Professor Rathjen said the increasing presence of the University had provided significant direct economic investment, along with jobs and increased student numbers.

Modelling by the University showed the Institute of Marine and Antarctic Studies (IMAS) and Medical Sciences Precinct (MSP) combined had resulted in:

- an additional 1,400 domestic students;
- 600 more international students;
- a $20 million per annum increase in research funding; and
- 440 direct University jobs and 300 indirect jobs.
The delivery of the apartments, and construction of The Hedberg performance and creative arts centre, would serve to augment the positive economic impact by the University in the city.

The apartments also underpinned projected increases in international education for the State – now an export sector in its own right – having surpassed the value of the cherry, abalone and wool industries in Tasmania.

“Through this project we have dramatically raised the profile of the University in Hobart and in such a way that it will become a normal part of the landscape for young Tasmanians,” Professor Rathjen said.

“These apartments, fully subscribed in their first year, show demand is there for further investment; there is opportunity to be explored.

“The evidence is elsewhere that private investment has an important role to play in the provision of student accommodation.”

The NRAS funding delivered University apartments at West Park (40) on the Cradle Coast, Newnham (180), Inveresk (120) and Hobart (430) which – under the terms of the funding - must be offered for a minimum of 20 percent below market value rates. Now complete, these 770 new apartments represent a $120 million investment in Tasmania.

The complexes provide quality accommodation at a more affordable price, close to centres of study, transport links, hospitality and entertainment.

“Apartments such as these have high appeal with prospective students and give Tasmania an edge in a highly competitive marketplace for students,” Professor Rathjen said.

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