

UPDATE

BY THE PROPERTY INVESTORS COUNCIL OF AUSTRALIA



Chairmans Message

As Australia heads into a critical federal election period, property investors face increasing pressure from policy debates and tenancy reforms that often overlook their contribution to the housing system. PICA continues to advocate for a balanced approach, warning that over-regulation is driving investors out of the market, reducing rental supply, and pushing up rents. The Chairman calls on members to support PICA's advocacy efforts and highlights the importance of investor voices in shaping fair and effective housing policy. **More on page 2.**



News & Research

New research jointly released by PICA and PIPA highlights a worsening rental crisis caused by a significant shortfall in property investor participation. Between 2019 and 2024, Australia's population grew by 1.8 million, creating demand for over 200,000 new rental homes. However, only around 110,000 new investors entered the market—well below the 145,000 needed—leaving a shortfall of nearly 35,000.

The data shows a steep decline in investor growth due to restrictive lending policies, rising taxes, and increasing regulation, which has discouraged many from entering or remaining in the market. Vacancy rates have dropped to record lows, rents have surged, and investor exits are accelerating—many properties are being sold to owner-occupiers, reducing rental stock further. **More on page 6.**



Chairmans message

Ben Kinglsey
PICA Chair

As we move into the second quarter of 2025, the landscape for property investors continues to evolve with significant challenges on the horizon, particularly the federal election approaches.

Housing affordability and rental demand remain hot-button topics, and its often the case that property investors are finding themselves in the crosshairs of policy debates. Meanwhile, there continues to be sweeping changes to tenancy laws that further tip the balance in favour of tenants at the expense of small business accommodation providers who provide this essential rental accommodation across Australia.

PICA remains steadfast in our mission to advocate for your interests during these crucial times. Our ongoing engagements with policymakers have highlighted the unintended consequences of so-called "tenant protection" measures. We've presented compelling evidence that over-regulation of the rental market leads to reduced supply and higher rents, and ultimately harms the very people these policies claim to help.

The data speaks for itself. States that have implemented extensive tenancy reforms without considering investors' rights have seen dramatic drops in rental availability and corresponding increases in rent prices. Meanwhile, states taking a more balanced approach are experiencing growth in rental stock and more stable pricing – a clear indication of what works. To see more concrete evidence, have a read of the feature article in this issue of the PICA magazine.



PICA has expanded our media presence in recent months – and we will continue to do so as throughout the election campaign and beyond. These engagements are critical in educating the public about how small business rental accommodation providers are an essential part of the housing solution, not the problem.

And right now, we need your support more than ever. I'm putting out a call for members who can contribute their expertise to PICA's board or assist with our advocacy campaigns. Whether you have experience in media relations, policy analysis, or simply want to share your story as an investor, your contribution can make a significant difference. Our strength lies in our collective voice and the diversity of our experiences.

Remember that property investment is about providing quality housing options for Australians while building your own financial security. PICA will continue fighting to ensure this vital role is recognised and respected.

To get involved, please contact us at info@pica.asn.au with your details and how you'd like to contribute.

~ **Ben Kingsley**

VICTORIA MEETUP & Market Update

When: May 21st @ 7pm

Where: Reservoir Community and Learning Centre 23 Edwardes St, Reservoir Vic.
\$20 Per Ticket - all proceeds to PICA not-for-profit fund.

Tickets available [HERE](#)

NSW Residential Tenancy Changes Webinar

Featuring NSW Rental Commissioner Trina Jones with PICA Chair Ben Kingsley

Topic: Know Your Obligations – Upcoming NSW Tenancy Law Changes Commencing 19 May 2025

When: May 2025 (exact date to be confirmed)

NSW Land Tax Educational Webinar

Featuring Vishal Sharma (ATO) & Michael Leahy (ATO)

Topic: Understand Your Land Tax Obligations – An Educational Workshop for NSW Property Owners

When: July 2025 (exact date to be confirmed)

Stay up-to-date

Make sure your contact details are correct to ensure you receive important information on upcoming events in your inbox.

Also, join our PICA Facebook Group to stay up-to-date on events and educational opportunities as well as engage with our community.





SO, WHAT CAN YOU DO TO HELP?

There are four simple actions you can take that will assist immensely with this work.

1. **Help Build Our Membership**
2. **Make Noise**
3. **Volunteer**
4. **Donate**

ADVOCACY CORNER

Property investors constitute a significant portion of eligible voters in Australia. However, historically, a lack of unified representation and adequate resources has meant investor concerns are frequently overshadowed by opposing advocacy groups with conflicting priorities.

In response, PICA has emerged as the representative voice for Australia's approximately 2.3 million property investors.

Since our foundation, we've made considerable progress in amplifying investor perspectives. Our efforts include collaborating with real estate institutes across various states to challenge disproportionately unfair changes to tenancy laws, and participating in consultative groups at the highest levels of government. Additionally, we prepare formal submissions regarding proposed legislation and leverage media opportunities to emphasize the crucial role property investors play in Australia's economic landscape and housing supply markets.

PICA's advocacy work, conducted alongside partner organizations, has successfully addressed legislative imbalances that unfairly disadvantaged Australian property investors. Perhaps most notably, we confronted proposed modifications to Queensland's land tax legislation that would have imposed unprecedented financial hardships on both property owners and their tenants. Through strategic media engagement and political dialogue, we played a vital role in having these proposals abandoned. This represents just one of several issues where our advocacy has proven effective. Our ability to participate meaningfully in public discourse has strengthened with growing membership support, though challenges persist.

The year 2025 will demand continued vigilance as we encounter further pressure from political factions holding misconceptions about typical "mum-and-dad" property investors who make up the majority of our sector.



MEET THE BOARD



Board Member Profile

Meet Peter Barkham

Role on the PICA board:

National Board member and Chair of IT & Operations Sub Committee

Board member since: 2020

Where do you live? Brisbane

Where do you invest?

South east Queensland.

Why did you start investing in property?

My parents were long-time property investors and strongly encouraged me to consider it from a young age. I'm very aware that their journey wasn't always easy, and I've never assumed that property investing is a guaranteed or effortless path.

At first, I saw buying property as a form of enforced saving, a somewhat simplistic view in hindsight. But as I continued learning and understanding the broader landscape of property investment, I became increasingly engaged and passionate about it as a long-term wealth-building strategy.

Do you have a favourite investment?

I have always gravitated to existing houses in well-established areas with solid infrastructure drivers. The added autonomy to retain, renovate, or rebuild, and the higher potential for capital growth align with my long-term investment goals

How long have you been a member of PICA board and why did you join?

I joined the Queensland State Advisory Council in 2020 and assisted with advocacy for QLD. I joined the PICA national board in late 2020.

I felt that property investors like me lacked a voice and felt that there was an opportunity to share my experience in property investment to contribute to housing and accommodation discussions with governments. In my experience, bringing diverse perspectives will always contribute to better solutions.



What do you think is the most pressing issue facing Australian property investors right now and why?

From tenancy reforms and land tax changes to stricter compliance obligations and limitations on rent increases, the regulatory environment has shifted rapidly in recent years.

While many of these changes are well-intentioned and aimed at improving housing accessibility and tenant protections, the cumulative effect has been a growing sense of uncertainty among investors. The lack of national consistency adds further complexity.

NEWS & RESEARCH

by Kieran Clair

Part of our PICA campaigns on your behalf involve educating media and the broader community about the impact of unfair rental legislations and the real state of play when it comes to markets. To that end, we recently co-promoted a media release with our sister organisation PICA to highlight the fallout on market. This article has been written on the back of that media release:

Australia is facing a worsening rental crisis, with new research revealing a shortfall of tens of thousands of property investors needed to meet growing demand. The joint study, conducted by the Property Investment Professionals of Australia (PIPA) and the Property Investors Council of Australia (PICA), has highlighted the urgent need to reverse declining investor participation in the housing market.

The report found that from March 2019 to March 2024, Australia's population surged by approximately 1.8 million people. This growth created the need for around 212,000 new rental properties and, in turn, required 145,000 additional property investors to provide housing for new tenants.

However, Australian Taxation Office (ATO) data shows that only about 110,000 new investors entered the market over the five years to 2022, leaving a shortfall of nearly 35,000 investors. This gap is placing additional pressure on the already strained rental market, where availability continues to decline.

PIPA Chair Nicola McDougall said investor activity had historically kept pace with population growth and rental demand—until recent years.



"From 2003 to 2017, the number of individual property investors grew steadily, with annual increases ranging from 56,000 to 60,000," Ms McDougall said. "However, this upward trend disappeared in recent years due to factors such as increased market interference, restrictive lending policies, and new regulations, reforms, minimum standards, and tax hikes, all of which have deterred investors."

The research revealed that annual investor growth over the five years to 2022 averaged just 22,300, representing a 60 per cent decline compared to the long-term average.

PICA Chair Ben Kingsley warned that this trend is contributing directly to Australia's deepening rental crisis.

"Critics might claim we are self-serving, but various statistics confirm that investor activity is far below the level needed to house our growing population," Mr Kingsley said. "For instance, between 2015 and 2017, when investor growth was steady, the national vacancy rate was around three per cent, with 70,000 to 80,000 rental vacancies available nationwide, according to SQM Research. In October this year, the vacancy rate had dropped to just 1.2 per cent, with only about 36,000 vacancies available."

The issue is being further compounded by a trend of investors exiting the market. According to the 2024 PIPA Annual Investor Sentiment Survey, more investors sold their properties in the year to August than the year prior. The survey found that 14.1 per cent of respondents had sold at least one investment property during that time, up from 12.1 per cent the previous year.

"These properties are predominantly being bought by homebuyers, which means fewer rental properties are available for tenants," Ms McDougall said. "When you combine this with the ongoing decline in new investor numbers, it's easy to see why the situation is becoming more dire for renters."

Mr Kingsley emphasised the need for governments to support property investors rather than continue to introduce disincentives.

"It's not only in the broader economy's best interest, but also all levels of governments and, most definitely, in the best interest of renters," he said. "Instead of disincentivising investment, governments should be encouraging investment into the private rental accommodation market and let these small businesses do what they do best."

With vacancy rates at record lows and rental prices continuing to rise, both PIPA and PICA argue that urgent action is required. Encouraging more investors back into the market, they say, is essential for restoring balance to the rental sector and providing much-needed housing for Australia's rapidly growing population.





**PROPERTY
INVESTORS**
COUNCIL OF AUSTRALIA



A United Voice for Property Investors



For Property Investors, By Property Investors

The Property Investors Council of Australia (PICA) is a not-for-profit organisation committed to advocating and lobbying on behalf of property investors' interest and educating its members on the economic benefits and risks of property investing in Australia.

Join today from as little as \$5.

www.pica.asn.au/join