

# UPDATE

**BY THE PROPERTY INVESTORS COUNCIL OF AUSTRALIA**



## Chairmans Message

Property is the hottest topic in Australia right now, and with the Federal Government openly considering changes to Capital Gains Tax (CGT), it's vital that the debate is based on facts, not slogans. One of the most repeated claims is that "CGT reform in 1999 caused property prices to explode." The data simply doesn't support that. Over the long term, price growth before and after those settings is broadly comparable. When the public conversation starts from a false premise, we risk policy made for headlines rather than outcomes. **More on page 2.**



## News & Research

### Supply Shortfalls, Rental Pressure and Investor Confidence

Australia's housing challenges continue to intensify. FY2025 completions reached 173,232 homes — nearly 67,000 short of the annual Housing Accord target — meaning delivery must lift to around 260,000 homes per year to recover lost ground. Planning reform progress remains uneven across states.

At the same time, rents have risen 5.4% over the past year and 43.9% over five years, well ahead of wage growth, driven by tight supply. Investor confidence is also softening, with many reconsidering their position amid potential CGT changes — a shift that could further tighten rental availability. **More on page 6...**



# Chairmans message

**Ben Kinglsey**  
**PICA Chair**

The Government's public case for reform centres on intergenerational inequality and the idea that investors are "crowding out" first home buyers. There's truth in parts of the affordability story, deposits are harder to save and entry-level competition is intense, but the reality is more nuanced than the political framing suggests. First home buyers have not "fallen off a cliff," and changes in demographics and behaviour (including later partnering and longer working lives) have also influenced the timing of home ownership.

Where the Government's argument becomes more credible is the call to reduce short-term speculation at the entry level. Investor borrowing capacity can be higher because rental income is included in servicing assessments, and that advantage, in the hands of inexperienced, hype-driven buyers, can distort the market. Australia needs a sustainable rental system and long-term investment, not a trading culture.

But CGT reform is also being discussed for reasons that sit behind the curtain: budget pressure, debt and deficits, and the search for revenue that is politically palatable. That reality matters, because when governments pursue revenue without protecting supply incentives, the unintended consequences land hardest on renters and future first home buyers.

PICA's position is clear: any reform must protect the single biggest priority in housing policy — more supply — while discouraging speculative churn. Broad-brush cuts to the CGT discount, or removing it entirely, risk reducing investor confidence, slowing development pre-sales, and shrinking the pipeline of new housing.

That's why PICA continues to advocate for a balanced, pro-supply approach that targets speculation without punishing long-term investors who provide the



the majority of Australia's rental homes. A sensible pathway is one that rewards time in the market, discouraging quick flips, while preserving confidence for long-term investment decisions that support rental availability.

Alongside tax policy, PICA has also intensified our advocacy on an equally important issue: protecting consumers from unlicensed property advice and misleading marketing. We have been engaging with industry bodies to reinforce the boundaries of the Corporations Act, particularly where "property advice" is being packaged, promoted, or sold in ways that may stray into unlicensed financial product advice. The goal is simple: lift standards, reduce harm, and ensure Australians aren't being funnelled into poor decisions by advertising dressed up as expertise.

In the months ahead, we will continue to push for genuine consultation with the property investor community. Housing policy affects everyone: owners, renters, first home buyers, and the 2.3 million Australians who invest to provide rental accommodation. If governments want better outcomes, they must work with the sector, not talk about it from a distance.

Thank you for standing with PICA as we advocate for fair, evidence-based policy - and for a housing system that is sustainable for the long term.

~ **Ben Kingsley**

#### **UPCOMING WEBINAR**

**When:** Tuesday 21<sup>st</sup> April, 2026

**Time:** Midday AEST

#### **Topic: Commercial Property 101: A Practical Introduction**

A Practical Introduction for Property Investors PICA invites you to join an upcoming lunchtime webinar focused on building a foundational understanding of commercial property investing.

Hosted by **Bill Triantis (PICA NSW State Council)**, this session will feature **Steve Palise** from **Palise Property**, who will share practical insights into how commercial property works and how it differs from residential investing.

This session is designed to be educational and accessible, making it ideal for anyone curious about commercial property or considering whether it may play a role in their broader investment strategy.

- What Will Be Covered:

- The fundamentals of commercial property investing
- Key differences between residential and commercial assets
- Understanding leases, tenants, and income structures
- Risk considerations and common misconceptions
- Where commercial property may fit within a diversified portfolio

**Tickets available [HERE](#)**



## 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 emphasise the crucial role property investors play in Australia's economic landscape and housing supply markets.

PICA's advocacy work, conducted alongside partner organisations, 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 2026 will demand continued vigilance as we encounter further pressure from political factions that mischaracterise the mainstream property investors who make up the majority of our sector.



# MEET THE BOARD



## Board Member Profile

**Meet Tim Graham**

**Role on the PICA board:**  
National Board Member and Chair of the Victorian Council

**Board member since:** 2024

**Where do you live?** Melbourne

## Where do you invest?

New South Wales, South Australia, Queensland & Victoria

## Why did you start investing in property?

I've loved real estate for as long as I can remember. Even as a kid, I was always drawn to it. When I first started investing, I looked at different asset classes, but property just felt familiar. It was something I could understand, something tangible, and something that felt reliable. Like many people, I didn't set the world on fire with my first investment. But once I started approaching property more strategically, I began to see just how powerful it can be as a long-term wealth-building tool.

## Do you have a favourite investment?

Yes, a property in Springfield, Queensland. Not because of the property itself, but because of the story behind the city itself. Maha Sinnathamby had a vision over 30 years ago to build an innovation city on what was essentially swamp land in Ipswich. To watch that vision come to life over time, the infrastructure, the jobs, the community, and then see the flow-on effect into property values has been incredible. It's a great example of how long-term vision and fundamentals drive real growth.

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

I've been a board member since 2024. I chose to volunteer because I genuinely believe the work the Property Investors Council of Australia does is critical. Over time, I became increasingly frustrated watching the narrative around property investors shift. Investors play a vital role in providing housing, yet we're often portrayed as the problem. I felt strongly that if we don't stand up and have a voice, no one else will. That's what motivated me to get involved, and it's why I'm even more committed today.



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

The biggest issue is decades of misinformed policy that have contributed to the housing challenges we're dealing with today. Property investors are often blamed, but the reality is we are a major part of the solution, providing the vast majority of rental housing across the country.

My concern is that the policy environment continues to move against investors. If that continues, we risk discouraging investment at a time when we need it most. That's why PICA's role is so important. We need a stronger, louder voice to ensure policymakers understand the real impact of their decisions.

My view is simple: if investors don't start speaking up, we'll continue to lose control of our assets, face increasing taxation, and ultimately bear the long-term consequences of poor policy decisions.

# NEWS & RESEARCH

## Housing Reform Leaders Identified in New HIA Scorecard

A new Housing Industry Association (HIA) scorecard highlights significant gaps between states in delivering the planning reforms needed to meet the Federal Government's Housing Accord targets.

Nationally, 173,232 dwellings were completed in FY2025 — 66,768 homes short of the annual target. To catch up, Australia would need to build around 260,000 homes each year for the next four years.

Western Australia and South Australia are leading the way, driven by large-scale rezonings and proactive land release programs that are increasing shovel-ready land. These reforms are translating into stronger housing supply outcomes.

Victoria and the ACT show some progress but remain constrained by slow planning systems. Questions also remain about whether NSW's transport-oriented rezonings will deliver sustained supply. Tasmania continues to struggle with weak land supply planning, while Queensland and the Northern Territory rank as the poorest performers in housing reform.

The message is clear: without meaningful planning reform and faster land release, housing targets will remain out of reach. Increasing supply is fundamental — not just for affordability, but for maintaining adequate rental availability and long-term market stability.



## Rental Surge

Rental affordability remains under pressure, with rents continuing to rise faster than wages across Australia.

Nationally, rents increased 5.4% in the 12 months to January and are up 43.9% over the past five years. Over the same period, wage growth has not kept pace, placing additional strain on tenants.

Regional markets are again leading rental growth, with combined regional areas up 6.1% over the past year compared to 5.1% across the combined capital cities. Regional Western Australia recorded the strongest annual growth, followed by Regional Tasmania and Regional South Australia.

Among the capitals, Darwin posted the highest annual rental increase, ahead of Hobart and Brisbane.

Since 2020, tight vacancy rates, smaller household sizes and sluggish new housing supply have shifted the market into a phase where rental demand is consistently outstripping supply.

The figures reinforce a key point: without meaningful increases in housing delivery, rental pressures are unlikely to ease in the near term.

## Investors Threaten to Leave

One in three investors is threatening to sell up if capital gains tax is increased, with a peak investment body warning it will make the rental crisis even worse.

Research from the Property Investment Professionals of Australia (PIPA) found 35% of investors would stop investing in property if the capital gains tax amount is increased by changing the formula for calculating CGT.

Just the fear of changes to capital gains tax has been enough for some investors to already pull out, with 19% selling in the past year over concerns about federal tax reform.

About half of the current investors surveyed say possible changes are making them consider selling within the next year or two.

PIPA chair Cate Bakos says it is renters who will feel the consequences first if investors pull out of the market.

She says the exit will shrink the rental pool and intensify competition for housing at a time when vacancy rates remain tight.

“CGT is an investor issue, but the rental market impact is broader,” she says. “If investors keep exiting, renters end up competing harder for fewer homes, and that pushes rents up.”



## Call To Cut Red Tape

New ABS multifactor productivity data confirms what the industry has been warning for years: Australia's building and construction sector has now recorded seven consecutive years of productivity decline, with output per input sitting 21.5% lower than it was just over a decade ago.

Of the 16 sectors measured across the economy, construction has experienced the sharpest productivity deterioration over the past ten years.

In practical terms, this means builders are using more labour and materials, yet delivering fewer homes and infrastructure projects. At a time when Australia is already falling well short of Housing Accord targets, this trend is deeply concerning.

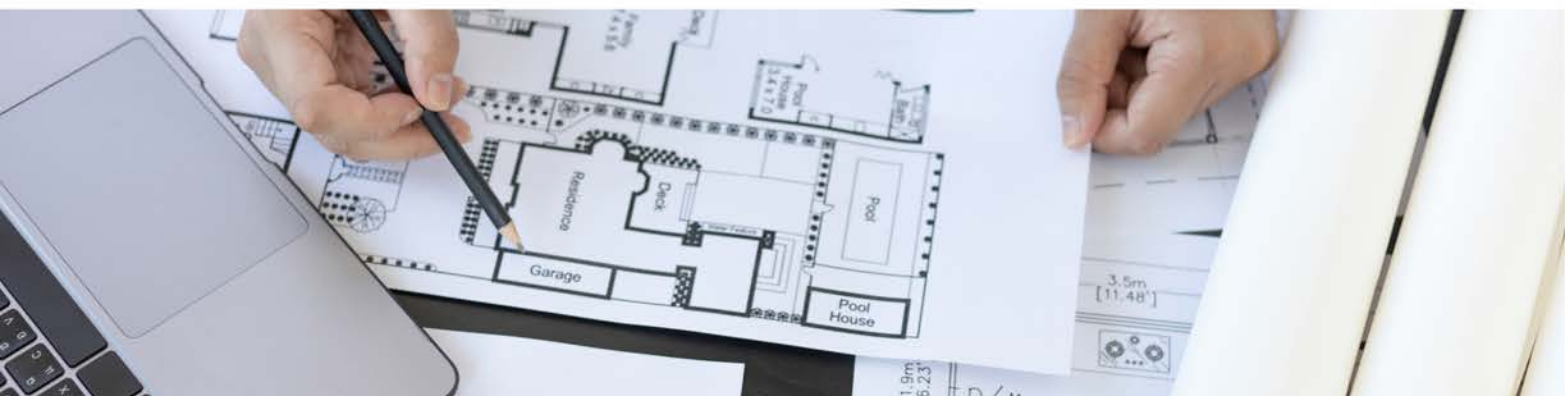
Master Builders Australia has attributed much of the decline to growing regulatory complexity, red tape and workplace constraints that limit flexibility onsite. Enterprise agreement provisions that restrict roster flexibility and subcontractor choice have also been cited as contributing factors.

For property investors — and renters — the implications are clear. Lower productivity slows the delivery of new housing and increases the cost of the homes that do get built. When housing supply becomes more expensive and delayed, affordability pressures intensify across the entire market.

Improving productivity is therefore not just an industry issue; it is central to solving Australia's housing shortage.

The upcoming Federal Budget presents an opportunity to address the problem. Industry leaders are calling for targeted incentives to support innovation and productivity-enhancing investment across the construction supply chain, including digital systems, manufacturing and modern construction methods. There are also calls to modernise the National Construction Code and reduce regulatory burden to streamline delivery.

At PICA, we continue to advocate for practical reforms that increase housing supply, reduce unnecessary cost pressures, and support a stable rental market. Without lifting construction productivity, housing targets will remain out of reach — and affordability will continue to suffer.



# VIDEOS

## Are New Capital Gain Tax Reforms Coming?



## The "Double Whammy" Worsening Australia's Housing Crisis - Negative Gearing Reforms





**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](http://www.pica.asn.au/join)