Australian Property Institute Ltd.
ABN 49 007 505 866
ACN 608 309 128

1 July 2026

To
Senator Barbara Pocock
Chair, Select Committee on Intergenerational Housing Inequity
PO Box 6100, Parliament House, Canberra ACT 2600
Via email: housinginequity.sen@aph.gov.au

Dear Chair

Re: Submission to the Senate Select Committee on Intergenerational Housing Inequity

The Australian Property Institute (API) welcomes the opportunity to assist the Select Committee on Intergenerational Housing Inequity (the Committee). Submissions formally closed on 15 May 2026, and we provide this as a late or supplementary submission, ahead of the final report due on 30 September 2026.

Our purpose is narrow and deliberately apolitical. The API does not advocate for or against particular tax, lending or planning settings. Our point is one of principle: almost every option before this inquiry, whatever its merits, depends on the ability to assess property value accurately, consistently and defensibly, and that assessment is the work API valuer members undertake. That foundation has had little attention in the discussion and evidence to date, and this carries real implementation risk if it continues to be overlooked.

Each section below states the principle at stake and a recommendation; the recommendations are consolidated in Appendix A and mapped to the Terms of Reference in Appendix B.

1. About the Australian Property Institute

The API is the peak professional body for property valuers and advisers in Australia. Founded in 1926, it represents more than 7,000 members, of which over 5,000 are professional valuers, most accredited as Certified Practising Valuers (CPV) or Residential Property Valuers (RPV).[1] Valuers are bound by the API Rules of Professional Conduct, and apply the principles-based framework of International Valuation Standards (IVS) when providing valuation services. They value property for purposes including mortgage security, statutory rating and land tax, compulsory acquisition, financial reporting, stamp duty, family law and compensation. The significance for this inquiry is simple: most of the reforms before the Committee would, in practice, be delivered through valuation services already undertaken by API valuers.

2. Valuation is the measurement layer beneath the whole inquiry

The way housing inequity is described, and the way most proposed remedies would be delivered, both rest on assessing property value. The headline measures of the problem are themselves valuation-derived,[2] and concepts such as land value, market value, development uplift and loan-to-value ratios run through almost every option canvassed. Two important distinctions matter:

[1]Australian Property Institute, 2024 Annual Report.

[2]For example, the price-to-income ratio and the time taken to save a deposit, as presented to the Committee by the National Housing Supply and Affordability Council (Submission 7) and in the proof Hansard of the Canberra public hearing, 18 May 2026 (uncorrected proof).

1. price is not value (a price is one sale on one day, whereas value is an independent estimate by a valuer, subject to a defined basis of value as at a specified date, as per IVS 102 Bases of Value), and
2. the majority of the value of the family home is often in the underlying land value, so most of the growth driving inequity is increases in land value, not buildings. Yet of the 128 submissions received, the valuation profession is not represented, and this critical measurement layer has gone largely unexamined.

(a) API Recommendation: Engage the valuation profession directly.

The Committee should draw on independent valuation expertise, including the API and its members, when testing the feasibility of any option that depends on assessing land value, market value or development uplift.

3. Land-based taxation and value capture depend on statutory valuation

There is wide, cross-camp support for replacing stamp duty on transfers of real property with a broad-based land (value) tax regime and for capturing development uplift. Each option is only as sound as the valuations that underpin it. Statutory valuations that distinguishes land value and improvement value across all properties on a regular cycle and valuing uplift due to zoning changes is core work for API valuers. A reform of this scale would be a step-change in statutory valuation demand, so valuer capacity and data may pose a practical limit on how quickly it could be implemented. In addition, this quantum shift on tax-base would most likely generate large volumes of objections/reviews that appropriately qualified valuers [3]are the professionals who can provide expert advice to assist in the resolution of disputes. Australia already has mature statutory valuation systems in every jurisdiction, which provide an established foundation should governments choose to pursue land-based reforms.

(b) API Recommendation: Treat valuation capacity as an implementation prerequisite.

Where reform increases reliance on land value based taxation or value capture, the Committee should ensure valuation capacity, workforce and data are resourced and modernised in step. This is an implementation point, not a policy endorsement.

(c) API Recommendation: Anchor expanded valuation in recognised standards.

Any expanded use of assessed value for taxation or value capture should be anchored in API standards, International Valuation Standards (IVS) and applicable legislation; and undertaken by appropriately qualified valuers, so assessments are independent, consistent and defensible.

4. Tax reform at acquisition, transfer and death rests on valuation

Changes to the capital gains tax base and to negative gearing are in prospect,[4] and submissions to date have proposed taxing gains at death, narrowing the principle place of residence exemption, and wealth or estate taxes. Each of these proposed measures turns on the requirement for an independent valuation, as is currently provided by API valuers for

[3] An individual holding appropriate qualifications and certifications from a recognised valuation professional organisation

[4] Per Treasury evidence to the Committee, proof Hansard of the Canberra public hearing, 18 May 2026 (uncorrected proof). Detail should be confirmed against the final budget papers.

purposes such as rating and taxation, family law and estate purposes. The fairness of any such measure depends on the quality and consistency of the market value evidence at acquisition, transfer and death.

(d) API Recommendation: Provide for defensible valuation at transfer and death.

Where reform relies on capital gains, estate or wealth settings, the Committee should ensure the value at acquisition, transfer and death is assessed on a defined basis as per IVS by appropriately qualified valuers, with clear review rights.

5. Lending rules turn on the integrity of mortgage valuation

The Terms of Reference expressly includes reference to lending rules. These controls keep lending practices including loan-to-value ratios meaningful and protects borrowers, including first home buyers from over-commitment and unserviceable mortgages. Major Australian lenders require appropriately qualified valuers to undertake mortgage valuations.[5] As lending and deposit-support settings change, valuation matters more, not less. The limits of automated valuation models (AVMs) are greatest in thinly traded or volatile markets. Proposals to expand shared-equity schemes add a further layer of risk to financial markets. It is critical that the property subject to these schemes are valued independently and consistently at entry and on exit. Automated valuation technologies and AI-assisted tools should complement, not replace, professional judgement wherever significant financial or public policy decisions depend on valuation outcomes.

(e) API Recommendation: Protect mortgage valuation integrity.

In considering lending rules, the Committee should recognise independent mortgage valuations undertaken by API valuers, as a consumer-protection and prudential control, ensure shared-equity interests are valued independently and consistently, and consider, understand and assess the limits of automated valuation models, particularly for the first home buyer segment of the market.

6. Non-market and specialised housing need specialised valuation

Build-to-rent, student accommodation, retirement living, land-lease communities, social and affordable housing are all proposed as part of the solution, as are affordability covenants placed on title. These are all specialised housing solutions that in many cases are valued differently to a standard house. API valuers with the relevant knowledge, experience and specialisation are best placed to provide credible, reliable and consistent valuations to facilitate the flow of institutional capital, governments to account for the assets they support, and lenders to assess the security of their funding.

(f) API Recommendation: Value non-market housing on a consistent basis.

Non-market and specialised housing, covenanted or encumbered title should be valued by appropriately qualified valuers, and API valuers are well placed to advise on the valuation of restricted-use properties and other specialised housing.

[5] Australian Property Institute, Submission to the ACCC in support of re-authorisation (2026); recognised by the ACCC in authorisation AA1000553.

7. Large-scale public housing depends on fair acquisition valuation

A return by government to large-scale construction, "land assembly" to permit an uplift for residential development would require purchasing and aggregating land holdings, sometimes compulsorily. Valuing these sites on a fair and equitable basis, subject to just terms or similar legislation is the expert advice that API valuers provide. If that capacity is under-resourced or applied inconsistently, delivery is delayed and landholders risk unfair treatment, which undermines the very programmes intended to improve equity.

(g) API Recommendation: Resource acquisition valuation.

Where reform relies on acquisition or "land assembly" for public or affordable housing, the Committee should ensure land is valued on a just terms basis by appropriately qualified valuers, so landholders are treated fairly and delivery is not delayed by avoidable disputes.

8. Conclusion

The API takes no position on the contested policy questions before the Committee. Our point is that the diagnosis of intergenerational housing inequity, and many of the proposed remedies, rest on the accurate and consistent assessment of property value, which is the work API undertake on a daily basis. The integrity of valuations underpinned by robust valuation standards and relevant, verified data and inputs will be critical to ensuring reform can be implemented fairly and monitored credibly. Consistent national assessment of property and land values, rents, vacancy and under-use would give the Committee a reliable baseline against which to track progress over time. The API is uniquely positioned to assist, because valuation underpins lending, taxation, financial reporting, acquisition and planning. Few professions sit at the intersection of housing policy, taxation, lending and public administration in the way the valuation profession does.

The API and its members would welcome the opportunity to appear before the Committee or to provide further technical assistance.

If the Committee would like to discuss this submission further, please contact Harriet Warr, General Manager Policy and Standards, on 0474 772 291 or at hwarr@api.org.au.

Kind regards,

John Winter

Chief Executive Officer
Australian Property Institute Ltd.

Appendix A: Consolidated recommendations

These recommendations concern process, capability and standards. They are neutral as to which tax, lending or planning settings the Committee ultimately recommends, and each draws on the valuation work API valuers already undertake for clients.

(a) **Engage the valuation profession directly.** Draw on independent valuation expertise, including the API and its members, when testing the feasibility of any option that depends on assessing land value, market value or development uplift.

(b) **Treat valuation capacity as an implementation prerequisite.** Where reform increases reliance on land-based taxation or value capture, ensure valuation capacity, workforce and data are resourced and modernised in step.

(c) **Anchor expanded valuation in recognised standards.** Anchor any expanded use of valuation for taxation or value capture in the API valuation standards and ensure that valuations are undertaken by appropriately qualified valuers, to ensure consistency and defensibility.

(d) **Provide for defensible valuation at transfer and death.** Where reform relies on capital gains, estate or wealth settings, ensure value at acquisition, transfer and death is assessed to a defined basis under IVS by appropriately qualified valuers, with clear review rights.

(e) **Protect mortgage valuation integrity.** Recognise independent mortgage valuations, undertaken by API valuers, as a consumer-protection and prudential control; ensure shared-equity interests are valued consistently; and consider, understand and assess the limitations of automated valuation models, particularly for the first home buyer segment of the market.

(f) **Value non-market housing on a consistent basis.** Engage appropriately qualified valuers to value non-market and specialised housing, including covenanted or encumbered title.

(g) **Resource acquisition valuation.** Where reform relies on acquisition or land assembly for public or affordable housing, ensure land is valued on a just terms basis by appropriately qualified valuers.

Appendix B: Coverage of the Terms of Reference

Term	Subject (summarised)	Where addressed
(a)	Extent and nature of inequity across tenure types	Section 2 (the metrics relied on are valuation-derived).
(b)	Measures most effective at reducing inequity, here and overseas	Sections 3 to 5; Recommendations (b) and (c).
(c)	Experience across population cohorts	Outside the API's technical remit.
(d)	Causes, including tax settings, lending rules and social housing	Sections 3, 4, 5, 6 and 7.

(e)	Factors that promote or impede reform	Sections 3, 4 and 7; Recommendations (b) and (g).
(f)	Policy, legislative and other options	All sections; Recommendations (a) to (g).
(g)	Any related matters	Engagement and technical assistance offered; Conclusion; Recommendation (a).