



**100 YEARS OF SERVING
THE REAL ESTATE INDUSTRY**

Media Release

For immediate release – 29 May, 2024

LAST HURDLE ON CPI PROVING DIFFICULT

ABS data shows that the Consumer Price Index (CPI) rose 3.6 per cent in the 12 months to April, following a 3.5 per cent rise in the twelve months to March and 3.4 per cent in the twelve months to February.

“The annual movement for the monthly CPI excluding the volatile items of fruit and vegetables, automotive fuel and holiday travel and accommodation, rose 4.1% cent in April, the same as for March and up on February’s figure of 3.9 per cent.

“For the last four months the figure has been, on average, at just over 4 per cent. This stickiness is the same as other countries are experiencing in getting inflation into the target range of their central banks. Showing that the final hurdles are difficult,” said Real Estate Institute of Australia President, Ms Leanne Pilkington.

“The most significant price rises were housing (up 4.9 per cent), food and non-alcoholic beverages (up 3.8 per cent), alcohol and tobacco (up 6.5 per cent) and transport (up 4.2 per cent).

“Rental prices, supported by the Commonwealth Rent Assistance, showed a modest abatement in the rate of increase. Rents increased 7.5 per cent in the 12 months to April, down from 7.7 per cent in March and 7.6 per cent in February. In monthly terms, rental prices rose 0.5 per cent in April, down from a 0.6% rise in March.

“These changes reflect the increase in CRA in mid-March 2024, which has the effect of reducing rents for eligible tenants. The April CPI will also reflect this change in assistance.

“The figures highlight the importance of CRA in keeping a lid on rent increases for eligible tenants and support the REIA’s advocacy to increase the payment to levels of twenty years ago.

“Whilst the CPI figure taken alone can be seen as disappointing it comes on the back of other economic data including retail figures this week showing one of the weakest markets for generations. The Budget forecast of inflation down to 2.5 per cent by the end of the year appears optimistic but the current uptick in inflation should not flag an increase in interest rates merely a delay in a drop,” concluded Ms Pilkington.

For any further information please contact
Olwyn Conrau, REIA Media Consultant

0413 600 350
olwyn.conrau@reia.com.au

Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians.

For more information visit www.reia.com.au

