

MEDIA RELEASE



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ACT Budget: Tradies Shocked by 87% Reduction in New Capital Works

The ACT Government has today released its budget for 2024-25, including a \$6.4 billion capital works program over the next five years to 2028-29, comprising mostly of works already in progress. The budget papers reveal a meagre \$36.1m of new capital works in 2024-25 and \$57 million over the five years to 2028-29 to be shared amongst 6,500 local building businesses.

Master Builders ACT CEO Michael Hopkins said, “Many ACT building and construction businesses will be re-assessing the viability of their businesses after reading that the ACT Government is only budgeting for \$57 million of new capital works over the next five years.

“Last year’s budget committed \$1.0 billion of new capital works over five years. This has been significantly downgraded to a meagre \$57 million over the next five years to 2028-29.”

“The local building and construction industry currently employs around 20,000 people in 6,500 businesses who help build the homes and infrastructure needed to support Canberra’s growth.”

“The Government has failed to listen to our key message about the importance of providing a smooth and reliable pipeline of future work to sustain the construction workforce and keep local businesses viable.”

“The majority of the ACT’s infrastructure pipeline comprises works in progress, which reflects Government’s delay in getting tenders released, awarded, and getting project approvals in place.”

Master Builders ACT has long campaigned for increases in training subsidies for key construction trades to help grow and sustain our workforce.

Mr Hopkins said, “For a long time the ACT Government has subsidised the training for carpenters and plumbers at the lowest level of any State or Territory Government in Australia. Today’s budget does nothing to lift the ACT off the bottom of the funding ladder.”

“While apprentices and trainees will welcome a one-off \$250 cost of living grant, for tradies this amounts to around two tanks of fuel in their work ute, and hardly addresses the chronic lack of funding for apprentices in the sector.”

Mr Hopkins concluded, “The ACT budget forecasts an increase in Lease Variation Charge, payroll tax and rates, which will all add to the cost of running a business and delivering more housing in the ACT.”

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