

MEDIA RELEASE

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Latest building forecasts show ACT to miss out on Housing Accord target

The ACT is on track to fall well short of its Housing Accord targets according to the latest Master Builders Australia Building and Construction Industry Forecasts (12 April 2025).

Master Builders ACT Chief Executive Officer, Anna Neelagama, said the outlook for the ACT was one of the worst in the nation.

“Productivity is going backwards; population growth is outpacing gains in GDP and labour productivity in the building and construction industry has declined by 16.4 per cent over the past decade.”

“In addition, 2023 to 2024 showed the lowest figures in new home building in well over a decade. While there has been a modest improvement in the latest forecasts, the figures show that the ACT is still on track to be short of our National Housing Accord target of 21,000 homes by 1,751 homes.”

“Less than 2,300 new homes were approved in the ACT over the year to February 2025. If approvals were to remain this weak over a five-year period, we would rack up a deficit of 11,200 homes relative to our Accord target.”

“The 2024-25 full year forecast for the ACT is the worst in Australia and is a reflection of what those in the ACT residential construction already know: that red tape and regulation has strangled our industry.”

State of the ACT

The ACT is likely to fall short of its Housing Accord target with a 1,700-home deficit forecast to occur over the Accord's five-year term.

For non-residential building, the next few years look reasonably favourable in the ACT. For the five years to 2029-30, it's projected that the value of non-residential building activity will be 9.6 per cent stronger than it averaged over the past five years.

Over the five years to 2029-30, the average annual value of engineering construction work is projected to be +28.4 per cent higher than it was over the five years to 2023-24.

The value of transport infrastructure construction work is expected to more than double (+125.9 per cent) over the forecast horizon with the Canberra Light Rail project representing a substantial piece of the action.

State of the nation

The outlook across Australia is cautiously optimistic, but will require coordinated action by all Governments to continue momentum on our housing ambitions. Master Builders Australia CEO Denita Wawn said “The MBA Construction forecasts show that Australia remains 160,000 homes short of the National Housing Accord target.”

“Governments at all levels must remove barriers and back policies that unlock supply, investment and skilled workers.”

“The next Federal Government must prioritise fast-tracking planning reforms via the National Planning Reform Blueprint to get us back on track.”

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Authorised by Anna Neelagama on behalf of Master Builders Association of the ACT.

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Charts and graphs

Note: the following charts are not for reproduction.

All construction activity: Master Builders Australia forecasts for ACT to 2029-30 (millions of 2022-23 dollars)

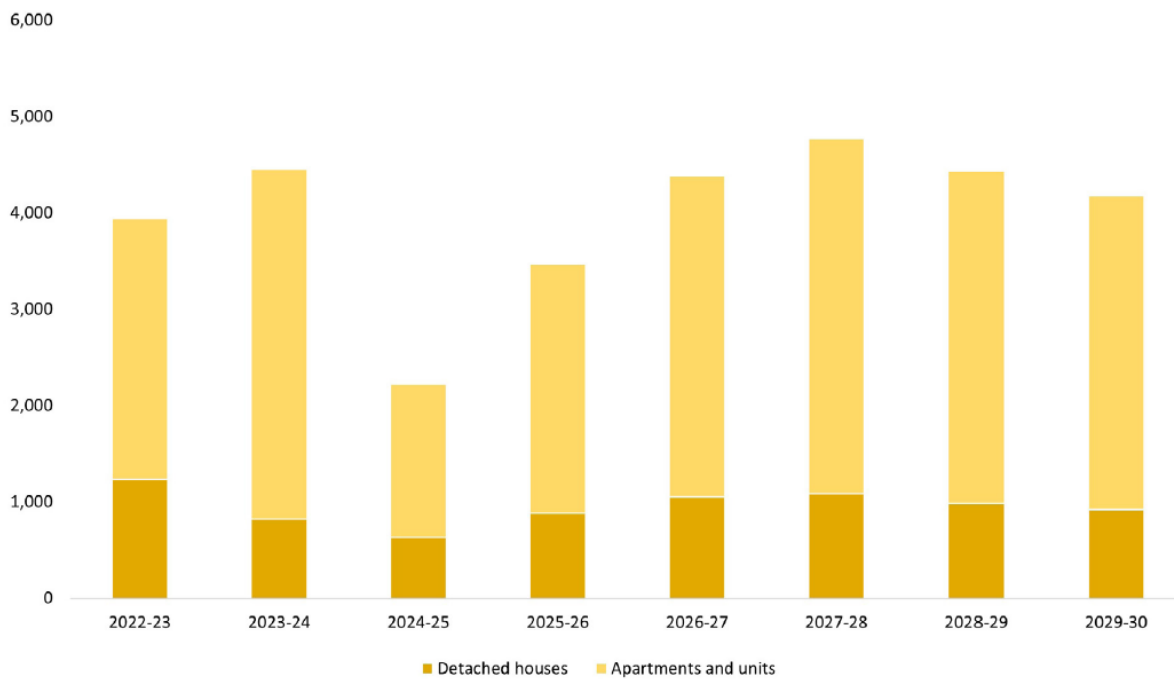
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Total building and construction activity	\$4,140.8	\$4,210.0	\$3,701.0	\$4,416.6	\$4,924.3	\$5,321.0	\$5,109.8	\$5,096.3
<i>Change on previous year (%)</i>	-0.3%	+1.7%	-12.1%	+19.3%	+11.5%	+8.1%	-4.0%	-0.3%
Residential building activity	\$2,033.9	\$1,944.4	\$1,670.9	\$1,878.1	\$2,532.1	\$2,898.8	\$2,881.4	\$2,715.8
<i>Change on previous year (%)</i>	-1.9%	-4.4%	-14.1%	+12.4%	+34.8%	+14.5%	-0.6%	-5.7%
Non-residential building activity	\$1,187.7	\$1,516.9	\$1,120.9	\$1,447.0	\$1,359.8	\$1,397.4	\$1,274.9	\$1,396.7
<i>Change on previous year (%)</i>	-8.3%	+27.7%	-26.1%	+29.1%	-6.0%	+2.8%	-8.8%	+9.6%
Civil and engineering construction work	\$919.2	\$748.7	\$909.2	\$1,091.4	\$1,032.4	\$1,024.7	\$953.4	\$983.7
<i>Change on previous year (%)</i>	+17.1%	-18.6%	+21.4%	+20.0%	-5.4%	-0.7%	-7.0%	+3.2%

Source: Master Builders Australia-produced forecasts and analysis of ABS Building Activity (8752.0)



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Master Builders forecasts of new dwelling starts by type to 2029-30



Master Builders Australia forecasts of total non-residential building activity for ACT to 2029-30 (millions of 2022-23 dollars)

2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
\$1,187.7	\$1,516.9	\$1,120.9	\$1,447.0	\$1,359.8	\$1,397.4	\$1,274.9	\$1,396.7
-8.3%	+27.7%	-26.1%	+29.1%	-6.0%	+2.8%	-8.8%	+9.6%

Source: Master Builders Australia-produced forecasts and analysis of ABS Building Activity (8752.0)

Comparison of latest Master Builders forecasts with National Housing Accord targets and previous forecast (11 April 2025)

	Housing Accord target	MBA forecast new starts (over five-year period)	Detached house share of total new home build over 5 years to 2028-29. <i>Note: higher density should account for 50%</i>	Projected over/underperformance relative to Accord targets	Under/overperformance as % of target (+/-)	Previous forecast round (September 2024)	Forecast upgrade (+)/downgrade (-) compared with September 2024 forecasts
New South Wales	375,730	290,423	42.7%	-85,307	-22.7%	303,280	-12,856
Victoria	306,940	296,743	61.2%	-10,197	-3.3%	286,500	+10,243
Queensland	245,980	224,533	58.1%	-21,447	-8.7%	224,282	+251
South Australia	83,430	66,531	76.4%	-16,899	-20.3%	58,527	+8,004
Western Australia	129,700	125,269	81.8%	-4,431	-3.4%	124,128	+1,141
Tasmania	25,810	13,856	89.4%	-11,954	-46.3%	14,304	-448
Northern Territory	11,380	3,526	62.1%	-7,854	-69.0%	3,841	-315
ACT	21,030	19,279	24.0%	-1,751	-8.3%	19,100	+179
Australia	1,200,000	1,040,159	58.5%	-159,841	-13.3%	1,033,962	+6,198

Source: Master Builders Australia analysis