

MEDIA RELEASE

Inflation climbs to three-year high, building industry hit hard

FOR IMMEDIATE RELEASE

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The latest data from the Australian Bureau of Statistics reveals inflation rates have soared to a three-year high, with housing costs emerging as the most significant driver.

Nationally, cost of living rose by 4.6 per cent over the year to March 2026, while housing inflation hit 6.5 per cent and was the largest contributor to inflation during March. In the ACT the annual inflation rate was 4.2 per cent, while there was a 2.2 per cent uplift in the cost of purchasing a new dwelling.

Inflationary pressures have been worsened by ongoing fallout from events in the Middle East, leading to substantial price increases for builders and heightened concerns for the construction industry.

Anna Neelagama, CEO of Master Builders ACT, stated, 'The construction industry is particularly vulnerable. Material prices, labour and other essential inputs continue to rise, and this is creating an unprecedented challenge for builders in the ACT.'

'The ongoing conflict continues to disrupt supply chains and has increased material costs significantly. We are now witnessing a direct impact on the affordability of housing, making it harder for builders to maintain pricing structures without passing on costs to consumers.'

The ripple effects of inflation are being felt not only by builders but also by potential homeowners, who face rising costs to enter the housing market.

'The ability to deliver affordable housing options is at risk,' said Ms. Neelagama.



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'Now more than ever, we need support for industry. We're calling on government to commit to fair and transparent pricing, and revisit our 11 key budget recommendations that focus on skills funding, taxation reform, and reducing unnecessary red tape.'

You can access the Master Builders ACT Submission to the 2026-27 ACT Budget [here](#).

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