

16 December 2025

2026-27 Budget Submissions  
Chief Minister, Treasury and Economic Development Directorate  
ACT Government  
**BY EMAIL: [budgetconsultation@act.gov.au](mailto:budgetconsultation@act.gov.au)**

## **2026-27 PRE-BUDGET SUBMISSION TO THE ACT GOVERNMENT**

### **Introduction**

1 The Canberra Business Chamber is the peak body representing the ACT's business sector. Our membership is diverse, reflecting the 35,000 or so businesses operating here. The private business sector is a key part of the ACT economy, and drives employment, economic growth and, ultimately, the revenue base of the ACT Government. Collectively, the private sector employs around two-thirds of working Canberrans, compared to around one-third that work in the public sector.

2 That said, we acknowledge the critical importance of the ACT and Federal public sectors in creating opportunities for business, and in delivering services to the people and communities of Canberra. There are clearly areas in which the ACT Government needs to spend money to support the people, communities and businesses of the Territory, and additional investment is required in some areas.

3 However, the ACT is a small jurisdiction with a limited tax base. We are concerned that, over time, we are becoming more out of balance with competing jurisdictions.

### **The current economic environment**

4 The Canberra business community, as well as the Canberra consumer community has been facing challenging times.

5 Over the last couple of years, businesses have faced steadily escalating costs, as well as a depressed operating environment. Many businesses report that their revenues have fallen, as their costs have increased. Businesses are often unable to increase their costs because consumers are also squeezed and unable to pay more. A significant proportion of businesses report that they are not generating a profit. This is not a sustainable position in the long-run, and carries a risk that businesses will not survive.

6 We respectfully suggest that the focus of the next ACT budget should be holding all rates, fees, taxes, levies and other charges steady, rather than assuming they can be increased.

### **Common business practice in budgeting**

7 Over recent years, many businesses have found that they are under significant pressure, with increased costs and, in some, cases, reduced revenues. The normal business response to this situation is to rebudget and prioritise. Good business practice is to budget from the ground-up and to identify areas of savings before looking to put up prices. Applying this in a Government context would be seeking to new fund new spending by reallocating existing spend to areas of higher priority or need.

### **Public sector precedent**

8 We note that Dr Chalmers, the Federal Treasurer, and Senator Gallagher, the Federal Finance Minister, have recently asked Commonwealth agencies to identify savings of five per cent within their budgets. The intention is that this spending will be reallocated within the Federal budget.

9 We endorse the approach of the Commonwealth Government as it prepares for the next Budget. It is prudent and sensible to identify savings as a key part of preparing its next Budget.

### **The ACT Government should do likewise**

10 We recommend that the ACT Government implement a similar approach and seek to identify savings of between 5-10 per cent as part of its budget process. This would enable the funding to be reallocated to a higher area of need.

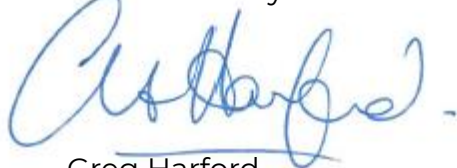
### **What would this mean in practice?**

11 This is not necessarily a specific call for headcount reductions per se. Often, businesses can identify and realise significant efficiencies across multiple areas including IT, licensing, travel, systems, catering, carparking, vehicles. While we do not have visibility over a line-by-line general ledger of the ACT Government, we respectfully suggest that it would be prudent and sound to undertake an assessment, and ask directorate heads to identify savings.

### **The Chamber stands ready to assist**

12 Should it be useful, the Chamber would be happy to provide support for such a review.

Yours faithfully



Greg Harford  
Chief Executive