

Australian Capital Territory

Budget

2025–26

Housing Budget Statement





Acknowledgement

We acknowledge the Ngunnawal people as traditional custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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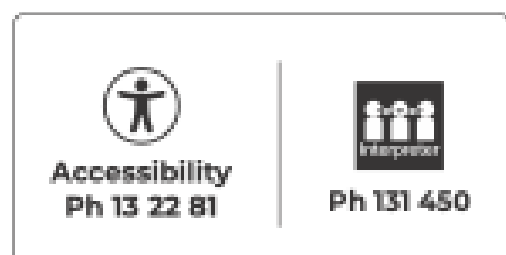
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Investing in housing choice for the Canberra community

The ACT Government is delivering more housing to meet the needs of a growing city, increasing supply, access and choice for Canberrans.

Investment for a growing population

In this Budget, the ACT Government is investing in a range of measures to increase housing supply, access and choice. This investment is needed to meet the needs of our growing city, including a population set to reach half a million by 2030.

The 2025-26 Budget includes more than \$145 million in funding over four years for housing initiatives:

- An additional \$20 million for the Affordable Housing Project Fund, bringing the total funding to \$100 million
- \$90 million for social housing
- \$12 million in planning and land release initiatives
- \$17 million to support renters and homeowners
- \$19 million for frontline homelessness services and emergency supports

These initiatives will help us work towards our commitment to enable 30,000 more homes including delivering 5,000 additional public, community and

affordable rental dwellings in Canberra by the end of 2030.

Enabling 30,000 homes by the end of 2030

Housing Supply and Land Release Program

The 2025-26 Budget features a plan to release land which would enable 25,948 new dwellings across Canberra over the next five years. The first year of this plan includes more housing in new suburbs such as Macnamara, Jacka and Molonglo, as well as urban sites in Belconnen, Coombs, Wright and the City.

The new commitments in this Budget will enable the Government to continue to work closely with the Commonwealth to increase the supply of housing, including through the National Housing Accord (the Accord) and the commitment to deliver 100,000 new homes nationally for first home buyers.

The ACT's share of 1.2 million homes nationally, under the Accord, supports the ACT Government's commitment to enable 30,000 new homes by the end of 2030.

The ACT has only a limited amount of land available for new suburbs, which means we cannot rely on new suburban developments and release of Government

land alone to meet the demands of our growing population.

We need to make better use of our existing suburbs and leased land to plan for a more compact, efficient and sustainable Canberra.

Beyond land release, the balance of 30,000 new homes by 2030 will be supported through new planning reforms including missing middle housing, well-located housing near transport, and more housing around shopping centres.

Missing Middle Housing

Currently, new homes in Canberra are mostly single houses or high-density apartments in our town and city centres. This leaves a ‘gap’ or ‘missing middle’ in the housing market.

Missing middle housing includes dual or tri-occupancies (two or three homes on one block), townhouses and terrace homes, and low-rise apartments. The ACT Government is responding to the demand for greater housing choice with reforms to our planning system which would allow more missing-middle and low-rise housing options in our existing suburbs to increase housing supply and support sustainable development. Funding has been allocated this Budget to support delivery of the next stages of planning reform.

Design Review

The 2025-26 Budget also includes funding to continue the National Capital Design Review Panel. The National Capital Design Review Panel supports decision-makers in delivering high quality, inspiring development and public spaces that meet

the needs of the broader community and ensure integration with the surrounding environment.

Supporting competitive, productive, safe and sustainable housing

National Competition Policy

Through the 2025-26 Budget, \$4.2 million has been allocated to implement National Competition Policy reforms, which will also attract Commonwealth funding. These reforms will encourage competition in sectors like housing and planning, reduce red tape, and simplify regulations and improve service delivery. A key focus of this work is modern methods of construction, which could incorporate modular housing. Work will also continue on building reforms and establishing a team of public building certifiers.

Supporting skilled workers

The ACT Government has committed to address skills needs in the building and construction sector, to support an increase in housing supply in the ACT. Subsidies will increase to 90 per cent for qualifications that are high priority, through the User Choice (Australian Apprenticeships) program. This includes courses in carpentry, plumbing, bricklaying and tiling.

In this Budget, the ACT Government is also expanding the Try-a-Trade program from five to ten public schools. Try-a-Trade improves career opportunities for young women and creates a pipeline of skilled workers for the construction industry.

Increasing housing choice and affordability

Measures in the 2025-26 Budget focus on working with the community housing sector to increase housing choice and access to affordable housing.

Delivering 5,000 public, community and affordable rental homes by the end of 2030

A pipeline of social and affordable housing

The ACT Government is working closely with the community housing sector to support the development of social and affordable housing for Canberrans, by releasing a pipeline of land for Community Housing Providers and leveraging co-funding initiatives, including the ACT Government's Affordable Housing Project Fund, the National Housing Accord and Housing Australia Future Fund.

In 2025-26, 20 per cent of suitable residential land in the Housing Supply and Land Release Program is being allocated for community, public and affordable housing. Requirements placed on buyers will mean that this year's program will lead to the delivery of:

- 58 public housing dwellings
- 239 community housing dwellings
- 55 affordable housing dwellings.

This year's sites are spread across Belconnen, Coombs, Macnamara, Jacka and the City.

Build-to-Rent

The 2025-26 Budget delivers financial assistance for Build-to-Rent providers to deliver, in partnership with the ACT Government, new affordable rental homes in Build-to-Rent developments across the ACT. These homes will be rented to eligible tenants at less than 75 per cent of market rent.

Some of these affordable rental homes will be built in the Molonglo and Gungahlin Town Centres, on sites that Government will release for Build-to-Rent in coming years.

The ACT Government will continue to work with the private sector, including Westfield Belconnen, Westfield Woden and Southpoint Tuggeranong, to explore options for Build-to-Rent housing.

Affordable Housing Project Fund

The 2025-26 Budget provides an additional \$20 million for the Affordable Housing Project Fund, bringing the total funding to \$100 million.

Over 800 new affordable rental homes will be supported through the Affordable Housing Project Fund pipeline. These homes will be managed by Community Housing Providers.

Several projects have previously been announced, including:

- Build-to-rent-to-buy homes through the Ginninderry Women's Housing Initiative
- Affordable rental homes as part of a Build-to-Rent development in Phillip, being delivered by CHC Australia and the Canberra Southern Cross Club
- Affordable rental homes in Curtin, being delivered by Marymead CatholicCare Canberra and Goulburn
- Affordable rental homes in Turner being developed by Canberra Police Citizens Youth Club (PCYC), CHC Australia and the Snow Foundation.

The following projects are also being provided with financial assistance to facilitate over 450 affordable homes, including support for:

- Wesley Mission, to develop affordable housing in Curtin
- CHC Australia, to develop affordable housing in Taylor
- Assemble, in partnership with Housing Choices Australia, to develop affordable housing in Belconnen
- Housing Plus, to develop affordable housing in Taylor
- SEARMS, an Aboriginal Community-Controlled Organisation, to develop affordable housing in Gungahlin.

Growing the Affordable Community Housing Land Tax Exemption Scheme

The 2025-26 Budget increases the property cap of the Affordable Community Housing Land Tax Exemption Scheme from 250 to 1,000 properties. The scheme helps make rentals more affordable for people on low incomes and gives property owners a full land tax exemption if they rent their

properties to eligible tenants through a registered community housing provider at less than 75 per cent of the market rent. Increasing the cap enables more property owners and eligible tenants to benefit from the scheme.

Case Study – Affordable Community Housing Land Tax Exemption Scheme

One powerful story shows how this scheme can change lives. In October 2021, Mary* and her teenage son were left in a challenging situation after her husband passed away. She was working part-time and couldn't find affordable housing in Canberra.

They were accepted into a YWCA Rentwell property, paying just 74.9 per cent of the market rent. This gave them the stability they needed. Mary was able to work full-time and earn a promotion. With a stable home, her son could fully focus on school and later started university.

After four years of saving money thanks to their lower rent, Mary was able to buy her own home – breaking free from housing insecurity.

This story shows how the ACT Government's support, through schemes like this, can make a real difference in people's lives.

*Name changed for privacy

Increasing public housing and reducing homelessness

Safe and secure housing provides a critical foundation for all aspects of a person's life. The ACT Government is committed to growing the public housing portfolio to 13,200 homes by the end of 2030.

Supporting renewal and growth of public housing

The 2025-26 Budget is continuing to support the transformation of the public housing portfolio.

Older homes are being replaced with modern, energy-efficient and accessible homes, with maintenance and repairs to be supported by the insourcing of maintenance workers. Funding has also been allocated to support the electrification of more than 1,500 public housing properties.

At the same time, the ACT Government has committed to grow the public housing portfolio to 13,200 homes by the end of 2030.

Funding has been allocated for investment in future public housing projects following the Housing Australia Future Fund Round 2, with \$4.8 million for staffing and project planning to support the delivery of the ACT Government's commitments, which will see more than 1,000 additional public housing dwellings being delivered.

Collaborating with the Commonwealth Government

The ACT Government is continuing to collaborate with the Commonwealth Government to ensure investment in social housing for Canberrans. These programs will contribute towards the commitment to grow the public housing portfolio to 13,200 homes by the end of 2030.

The ACT has secured \$50 million in Commonwealth funding to support the delivery of up to 65 new homes through the Social Housing Accelerator Program, with funding allocated in this Budget to support homes in Coombs.

The ACT Government is also engaging with the Commonwealth Government and will deliver 85 homes as part of the Housing Australia Future Fund. In the 2025-26 Budget, \$75 million will be invested in this program.

Reducing homelessness

The ACT Government will also continue to support social housing and homelessness services, including through the National Agreement on Social Housing and Homelessness.

This Budget provides funding for 20 years for wraparound services and operational costs for seven properties, for women and children escaping domestic and family violence at risk of homelessness, with a priority for Aboriginal and Torres Strait Islander families. This complements the \$3.5 million secured by the consortium of Marymead CatholicCare Canberra and Goulburn, Yerrabi Yurwang Child and Family Corporation and the Domestic Violence Crisis Service from the Commonwealth Government for Crisis and Transitional Accommodation to purchase the properties.

In the 2025-26 Budget, \$11 million is being provided to maintain an existing funding boost for the homelessness sector. \$5 million over four years has been allocated to support the continued operation of MacKillop House, the Early Morning Centre weekend service, Ainslie Lodge and Axial Housing. Funding has also been allocated for homelessness emergency supports.

Support for home ownership

The ACT Government is continuing with its nation-leading tax reform program. Since tax reform commenced in 2012, the ACT Government has cut stamp duty in every ACT Budget.

Tax Reform and Stamp Duty

In the 2025-26 Budget, the ACT Government is continuing to phase out inefficient stamp duty and replace it with more efficient and stable general rates. The ACT Government has committed to progressively removing stamp duty for first

home buyers, pensioners, off-the-plan purchases, and vacant land (as long as it will be a principal place of residence).

From 1 July 2025, the Government will also increase the price threshold for the Home Buyer Concession Scheme, the Pensioner Duty Concession Scheme and the

Disability Duty Concession Scheme. Price thresholds will be indexed annually to the Canberra Consumer Price Index. In 2025-26, the threshold will be \$1.02 million.

In 2025-26, those looking to buy a new apartment, townhouse or a unit-titled property off-the-plan or in a suburban area (RZ1) for \$1.02 million or less may be exempt from paying stamp duty, provided other eligibility criteria are met.

This exemption aims to support the development of dual occupancy properties on RZ1 blocks, contributing to more housing choice, access and affordability in our suburbs.

Reducing stamp duty will help to lower barriers to Canberrans seeking to fulfil their goal of home ownership.

Affordable Home Purchase Scheme

A pipeline of homes will continue to be made available for eligible buyers participating in the Affordable Home Purchase Scheme.

The 2025-26 Budget also includes some financial assistance for buyers experiencing construction delays.

More information

For more information, visit <https://www.act.gov.au/housing-planning-and-property>.