

12 May 2026

Budget Paves the Way, But Contractors Still Carry the Load

The Civil Contractors Federation National (CCF) says the 2026–27 Federal Budget will leave many civil contractors disappointed, with little direct support for businesses already under pressure from escalating fuel and material costs.

CCF National CEO Nicholas Proud said while the Budget contained welcome measures around productivity, housing enabling infrastructure and reducing red tape, it failed to adequately respond to the immediate pressures facing contractors delivering projects across Australia.

“There are positive elements in this Budget, particularly around productivity reform and housing enabling infrastructure,” Mr Proud said.

“However, many contractors across the country will be disappointed there was very little direct support for businesses currently dealing with skyrocketing fuel costs, escalating material prices and growing pressure on fixed-price contracts.”

Mr Proud said CCF welcomed the Government’s additional \$2 billion investment in housing enabling infrastructure and continued commitment to the national infrastructure pipeline, saying it reflected growing recognition that housing delivery depends on civil construction.

“You cannot build homes without roads, water, sewerage and enabling infrastructure,” he said.

“This investment is an important acknowledgment that housing delivery starts with civil infrastructure.”

“However, much of this funding will take significant time to flow through planning and approvals processes before work reaches contractors on the ground, and for many businesses currently under pressure that delay may simply be too long.”

However, Mr Proud said it was disappointing the Budget failed to include meaningful targeted investment in the civil construction workforce and training pathways needed to deliver the projects governments continue to announce.

“The Government clearly recognises the role civil construction plays in housing and infrastructure delivery, but it is disappointing we did not see significant targeted investment in the skills and workforce needed to actually deliver those projects,” he said.

“Civil construction is already facing major workforce shortages across plant operators, civil trades and site-based roles, yet there were no substantial new measures directed at addressing those gaps.”

Mr Proud said CCF did welcome the Budget’s focus on reducing regulatory burden and improving productivity. “Contractors are spending increasing amounts of time and money dealing with duplication, compliance and administrative requirements,” he said.

“Any practical measures that improve productivity and reduce unnecessary costs are steps in the right direction.”

For further information: Rowan Carter, Director of Policy and Advocacy, 0407 896 862