



Legislative Assembly for the
Australian Capital Territory

Standing Committee on Environment
and Planning

Submission Cover Sheet

Inquiry into Planning (Missing Middle Housing) Amendment Bill 2026

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MASTER BUILDERS
AUSTRALIAN CAPITAL TERRITORY

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MASTER BUILDERS ACT

Submission to the ACT Government on the Planning (Missing Middle Housing) Amendment Bill 2026



Introduction

As the peak industry body representing ACT's building and construction sector, Master Builders ACT's membership spans residential, commercial, and civil contractors, as well as subcontractors, suppliers, and professional consultants involved in delivering Canberra's built environment.

Master Builders ACT members are directly responsible for delivering the medium-density housing envisioned under the Missing Middle framework. Their on-the-ground experience provides practical insight into the interplay between planning regulation, cost feasibility, and construction capacity, factors that ultimately determine whether these reforms succeed in delivering successful outcomes.

The changes presented in the *Planning (Missing Middle Housing) Amendment Bill 2026 (the Bill)* are practical, sensible changes that will ensure Missing Middle housing delivers more houses and greater housing choices for Canberrans. Without these changes, there is a real risk that the Missing Middle reforms will lead to a clogged and delayed planning system which is unable to deliver any housing for Canberra.

Streamline pathways for Missing Middle Housing

Master Builders ACT supports the Bill. If passed, it will introduce practical steps that will facilitate the delivery of much-needed housing for Canberra.

The proposed reforms represent a sensible and balanced approach that maintains planning and building standards while providing a streamlined approval pathway for low-risk residential development types that are already contemplated within the planning framework. By simplifying approval processes for these forms of development, the Bill will help avoid unnecessary delays and reduce pressure on the planning system.

Master Builders ACT has long advocated for reforms that reduce complexity and duplication within the development approvals process. The measures contained in this Bill respond to these concerns and will assist builders and homeowners alike to progress projects more efficiently.

Historical context

The dominant model of residential growth in Canberra has historically been the release of new greenfields suburbs designed almost exclusively for freestanding detached houses. These suburbs are supported by streamlined development pathways that enable individual dwellings to be approved and constructed efficiently on a lot-by-lot basis. This approach allows housing supply in new suburbs to be delivered at scale with relatively low planning friction.

As a result of this development pattern, the ACT's planning system has been optimised for greenfield housing delivery rather than small-scale infill or medium-density development within established suburbs. Most residential land in Canberra remains zoned for single detached dwellings and detached houses continue to make most of Canberra's dwelling stock.

By contrast, medium/high density development in the ACT has typically occurred through large, site-specific projects, usually involving amalgamated blocks, precinct rezoning, or bespoke development applications rather than incremental, house-scale infill. Apartments and townhouses are typically concentrated around town and group centres and along major transport corridors, rather than dispersed throughout existing suburbs.

Without the changes proposed in the Bill, the ACT Government risks creating unsustainable pressure on a planning system that was never designed to accommodate widespread medium/high density infill. The current development assessment framework does not adequately contemplate a significant increase in small-scale multi-dwelling projects in established suburbs. As the ACT Government shifts away from greenfields development towards a more compact city, with more small- to medium-size infill, there is a real risk it will lead to a heavily congested planning system, with longer timeframes, and higher costs for Government, builders and homebuyers alike. The Bill represents a necessary structural response to the shift in Canberra's development patterns.

Economic and development implications

Retaining a full development approval process for minor, low-risk changes of the kind contemplated by this Bill would impose unnecessary and disproportionate burdens on the ACT Government and the building industry. The ACT Government would need to substantially increase resources across the entire planning system or divert finite resources away from higher-risk development types.

Missing Middle housing typologies are typically delivered by small to medium builders or individual homeowners, rather than large commercial developers. This means that individuals or small business (not large developers) wear the cost of delays and additional fees and charges. The existing planning approvals framework has largely been designed around either standard single-dwelling development in greenfield suburbs or larger, multi-unit developments undertaken by major builders. The process is not well suited to modest, incremental infill projects contemplated by the Missing Middle, such as the addition of a second or third dwelling on an established suburban block, being pursued by “mum-and-dad” property owners or small builders.

The additional time and cost imposed by a full development approval process for these smaller-scale developments could introduce sufficient additional friction and cost to the building process to turn homeowners and small builders away from these development types, creating further pressure on Canberra's urban fringe.

Industry conditions

The ACT building sector is currently facing a challenging economic environment. Residential construction, in particular, is experiencing significant downside risks arising from higher interest rates, global economic uncertainty, ongoing supply chain disruptions, and elevated construction input costs.

In this context, reforms that add regulatory burden, uncertainty, or delay risk exacerbating the decline in housing delivery at a time when demand remains strong. Streamlining the planning approval process for Missing Middle housing is an important step toward supporting industry confidence and sustaining construction activity in the Territory.

Master Builders ACT would encourage the ACT Government to proactively consider and pursue reforms that will assist to improve industry conditions and make the Missing Middle program a reality. These include:

- Removing or reducing Lease Variation Charge
- Making Australian Standards free to access for ACT builders
- Indefinitely pausing the introduction of NCC 2025 as is the case in both Tasmania and South Australia
- Including more housing typologies as 'exempt development' to ensure smoother planning and development pathways
- Limiting the rights for third parties to appeal to the ACT Civil and Administrative Tribunal to level the playing field for commercial players

Missing Middle Implementation Unit

Master Builders ACT has encouraged the ACT Government to create a Missing Middle Implementation Unit within the City and Environment Directorate. This Unit would monitor the implementation of the Missing Middle reforms and make recommendations to Government if any adjustments are required to ensure the implementation matches the policy intent. The Unit could convene a Reference Group with industry representatives to provide ongoing feedback on the implementation of the reforms, to assist in identifying which reforms are working, and which require further tweaks to ensure their effectiveness.

The introduction of this Unit would assist in providing review of the changes proposed by this Bill to ensure the changes are working as intended.

Conclusion

Master Builders ACT welcomes the ACT Government's commitment to improving the planning system and reducing approval timeframes. The Bill is a positive and necessary reform that will help unlock additional housing supply while maintaining appropriate safeguards and standards.

We encourage the Committee to support the Bill and continue to engage with industry to ensure implementation delivers its intended outcomes without creating unintended barriers to development.

Recommendation

Master Builders ACT recommends the ACT Legislative Assembly pass the *Planning (Missing Middle Housing) Amendment Bill 2026*