TrustSignal

Construction - Company Insolvencies

FY2025/26 chart pack

Thought leadership - Construction-focused insolvency analysis

Data published 27 July 2026
Data to 12 July 2026

Executive summary: construction risk cooled, but did not normalise

3,472
FY26 construction insolvencies

24.5%
Share of all company insolvencies

89.3%
NSW + VIC + QLD share of construction

796
Construction restructuring appointments

1 The peak eased, not the risk environment

Construction insolvencies were -3.4% below FY25, but remained 2.7x FY22 levels.

2 Construction is still the standout industry

The sector represented roughly one in four company insolvencies and was the largest FY26 industry category by a wide margin.

3 Geography matters for outreach

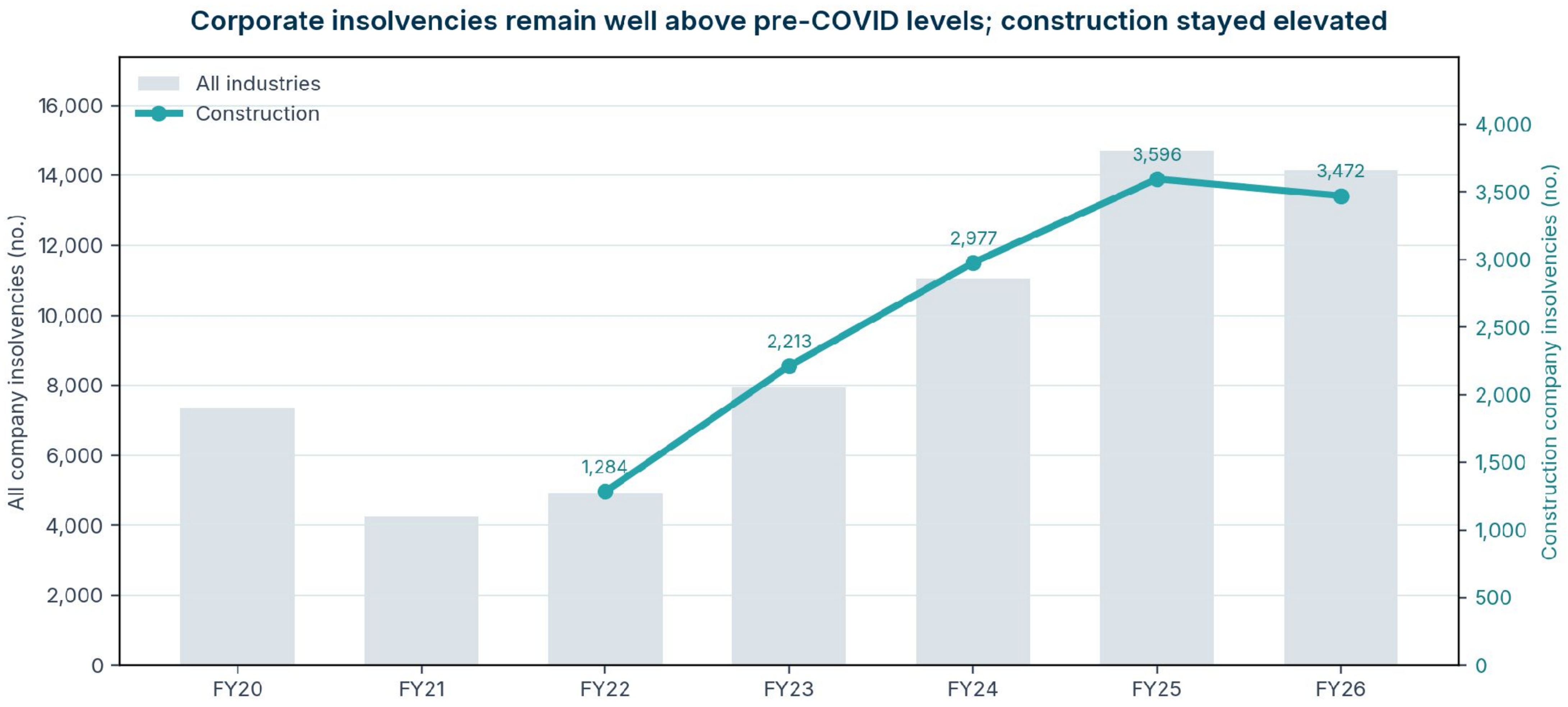
NSW, Victoria and Queensland together accounted for almost nine in ten construction insolvencies in FY26.

4 SBR is now part of the story

Small business restructuring commenced on 1 January 2021. It surged in FY25 and remained material in FY26.

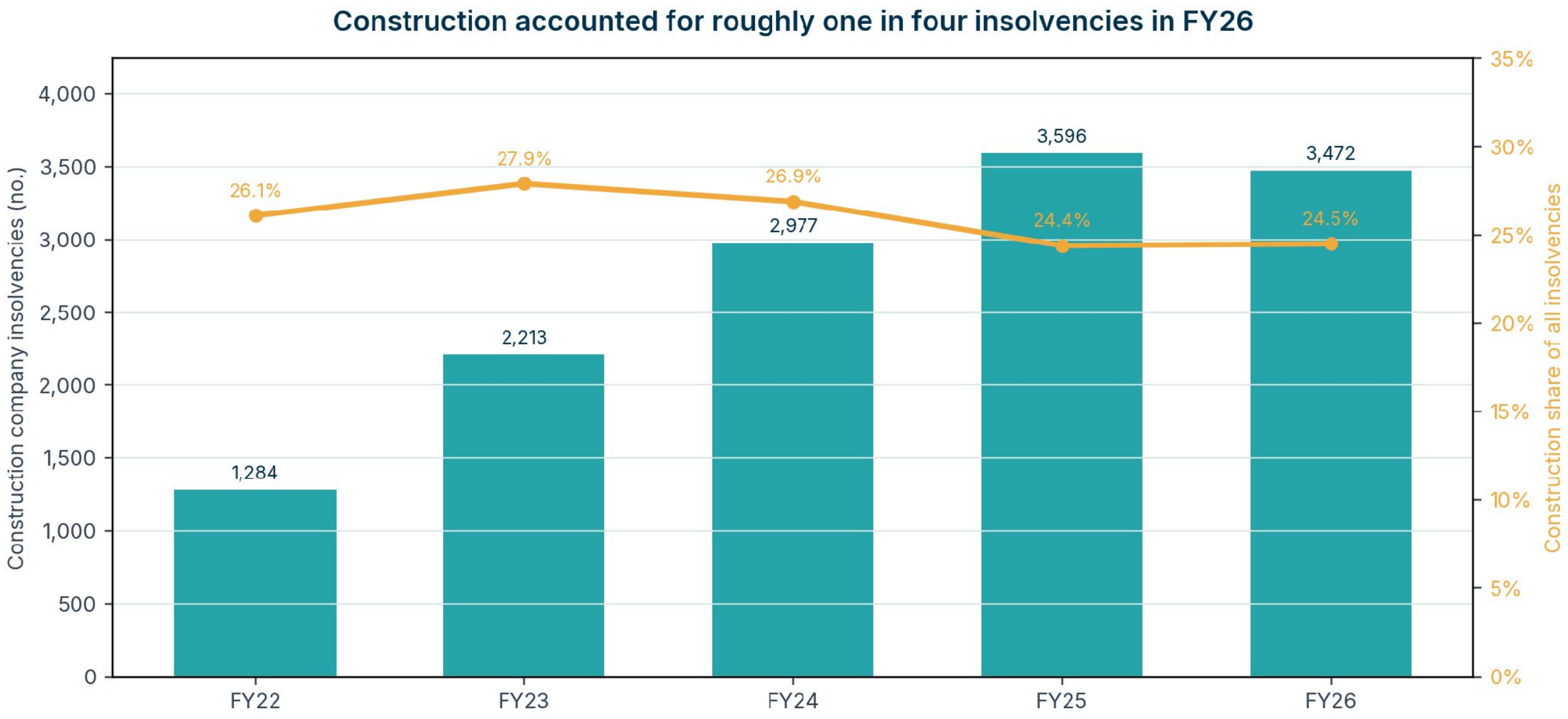
Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

The post-COVID insolvency rebound did not unwind in FY26

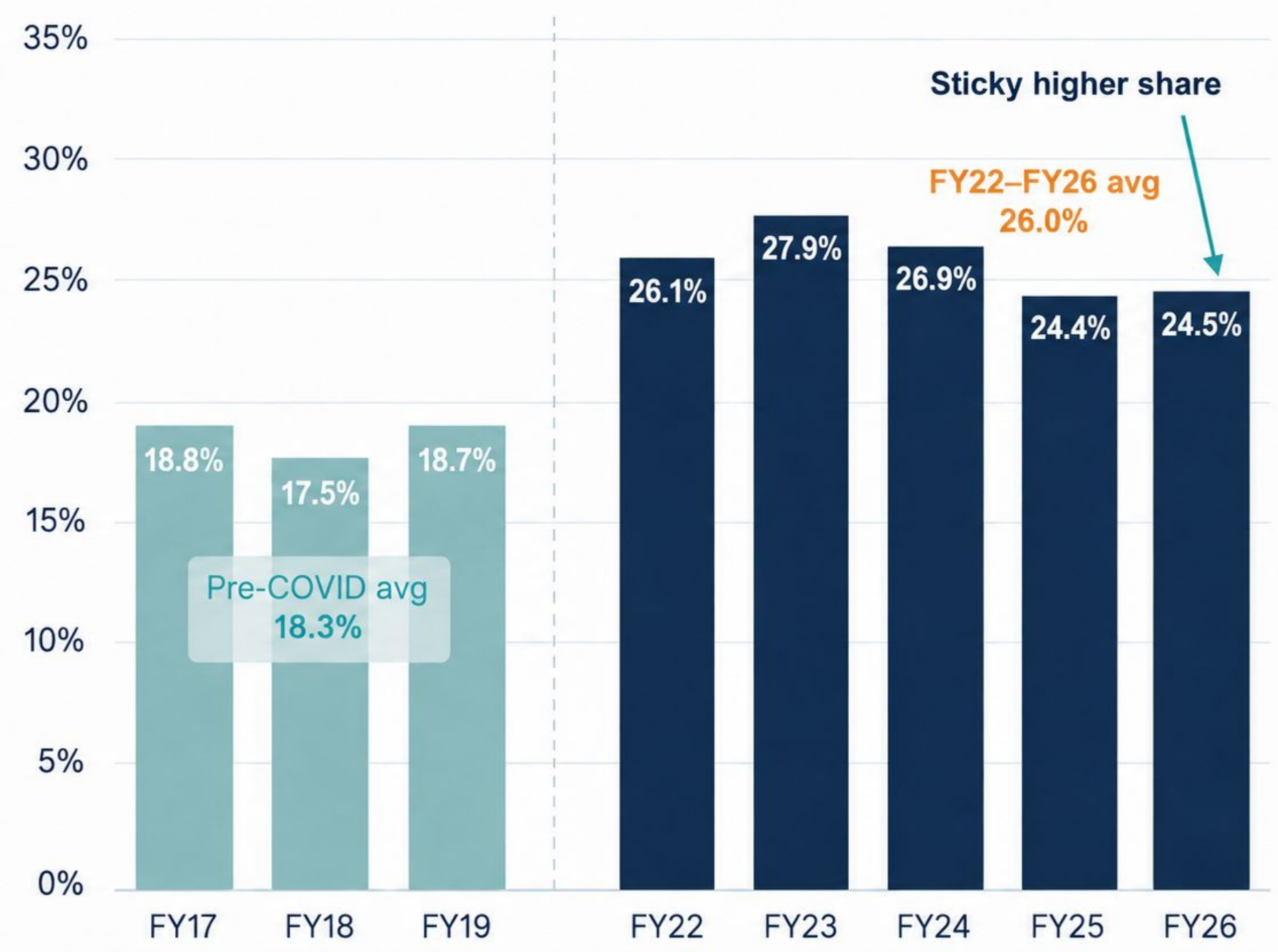


Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

Construction remained about one quarter of all insolvencies



Construction's insolvency share shifted up - and stayed elevated

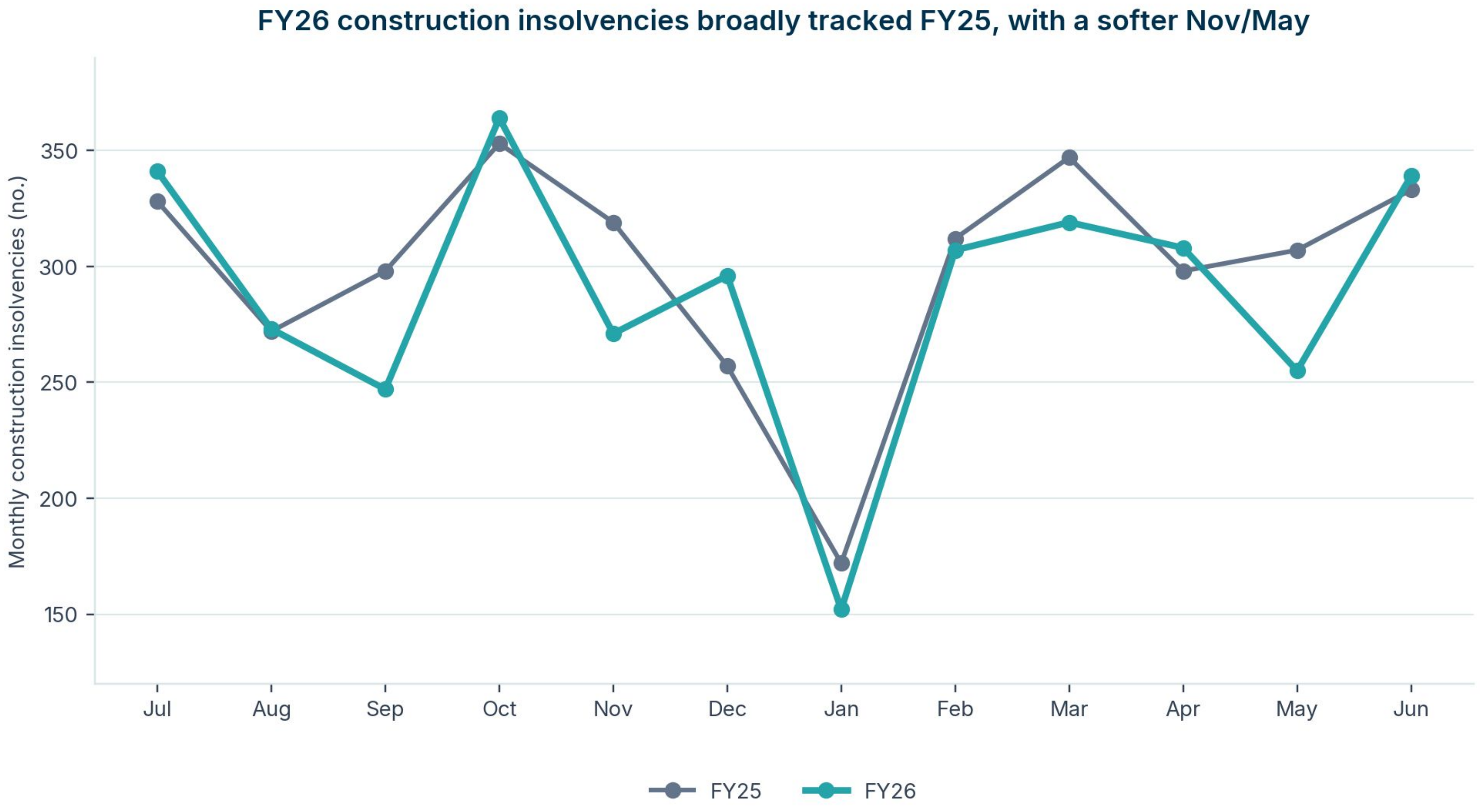


RBA observations

- Fixed-price contracts amplified materials and labour cost shocks.
- Delays raised costs and deferred payment milestones.
- Builders had thinner liquidity buffers than comparable firms.
- In 2026, wage and input cost pressures, together with thin margins, kept construction insolvency rates elevated.

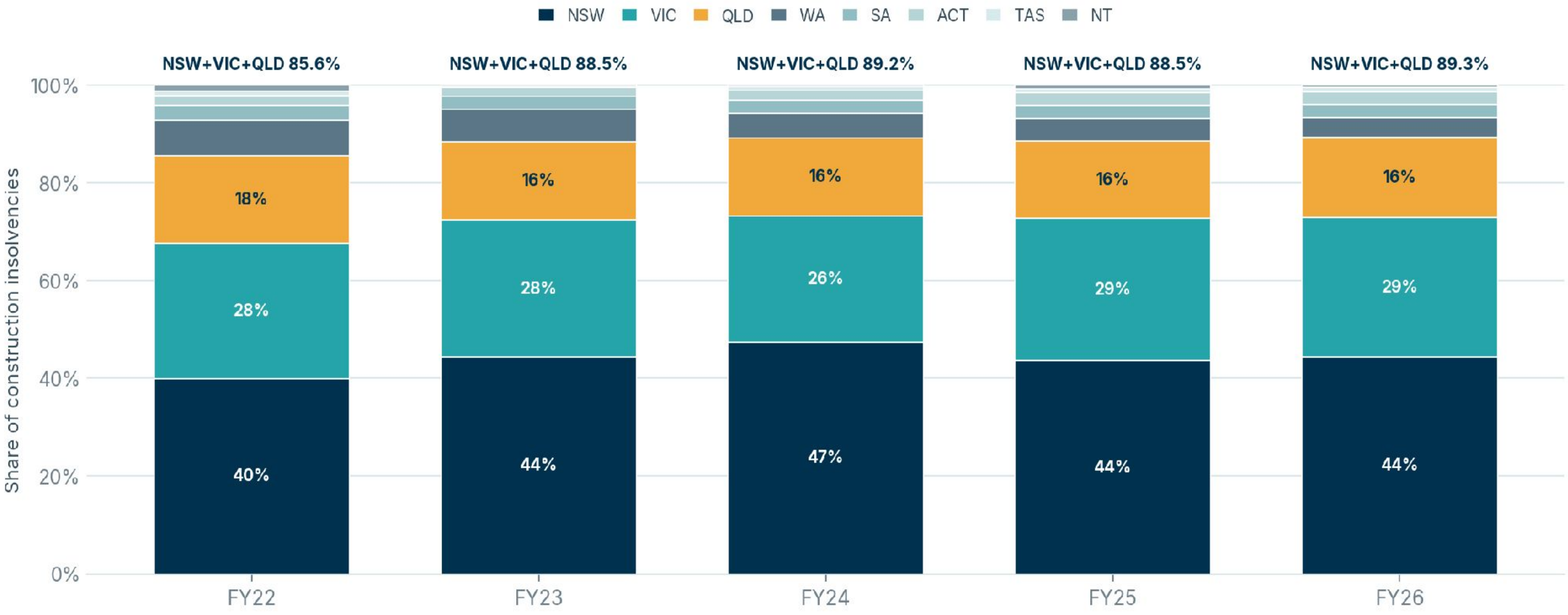
Source: ASIC insolvency statistics, historical and FY2025/26 releases; RBA Financial Stability Review, October 2022 and March 2026.

The FY26 monthly pattern was high but not accelerating

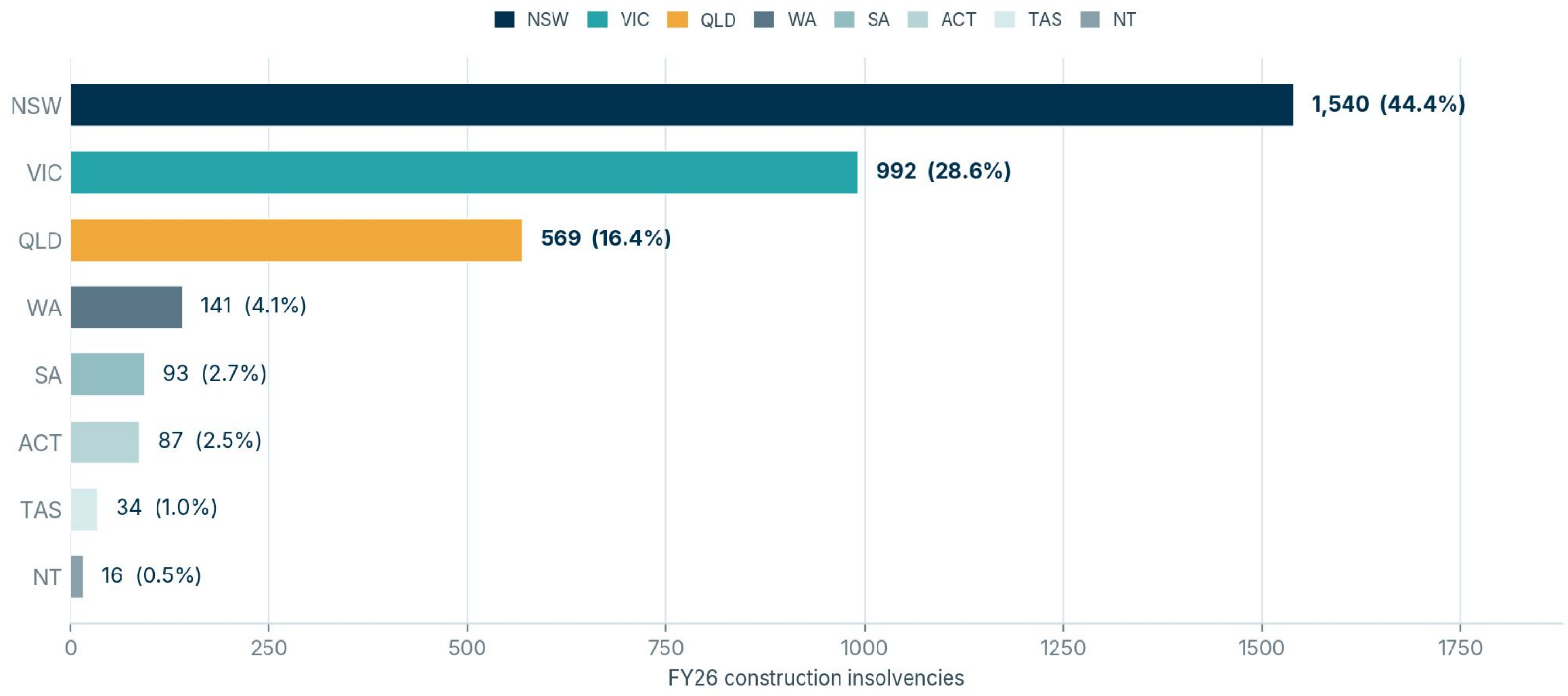


Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

State mix: NSW + Victoria dominate the construction footprint

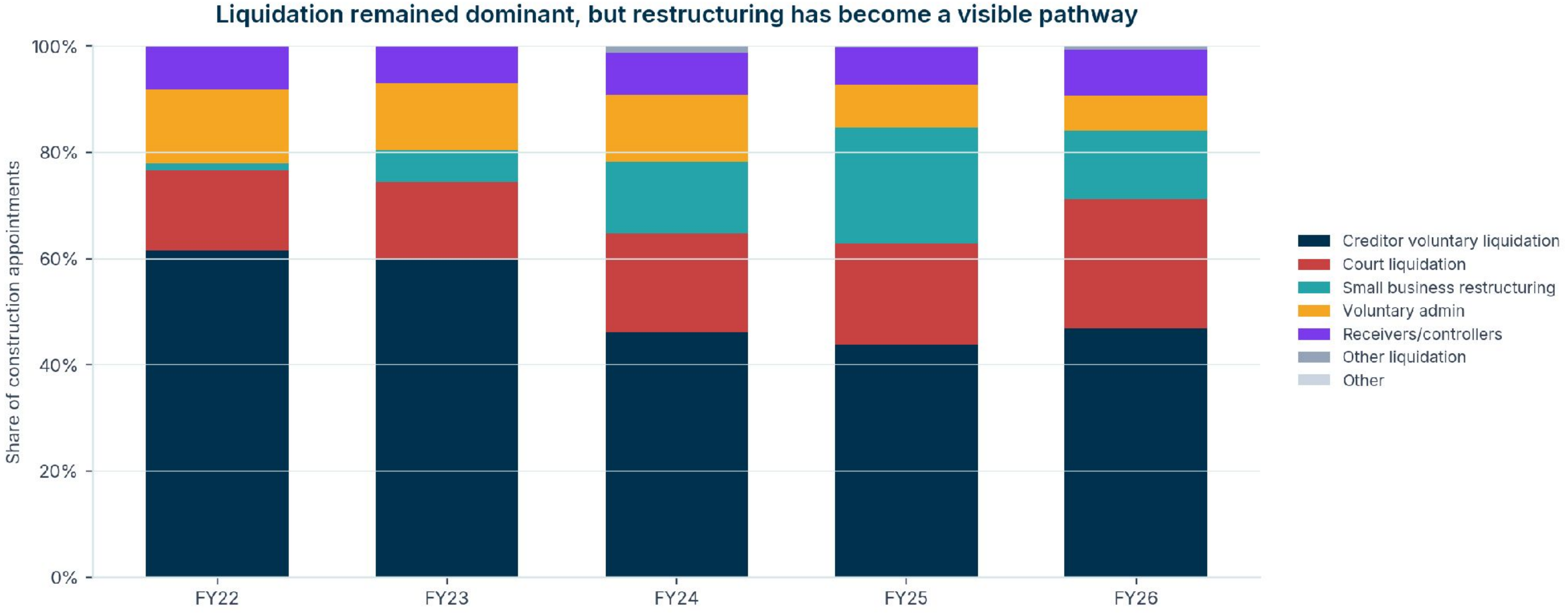


FY26 construction insolvencies were concentrated in the eastern states



Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

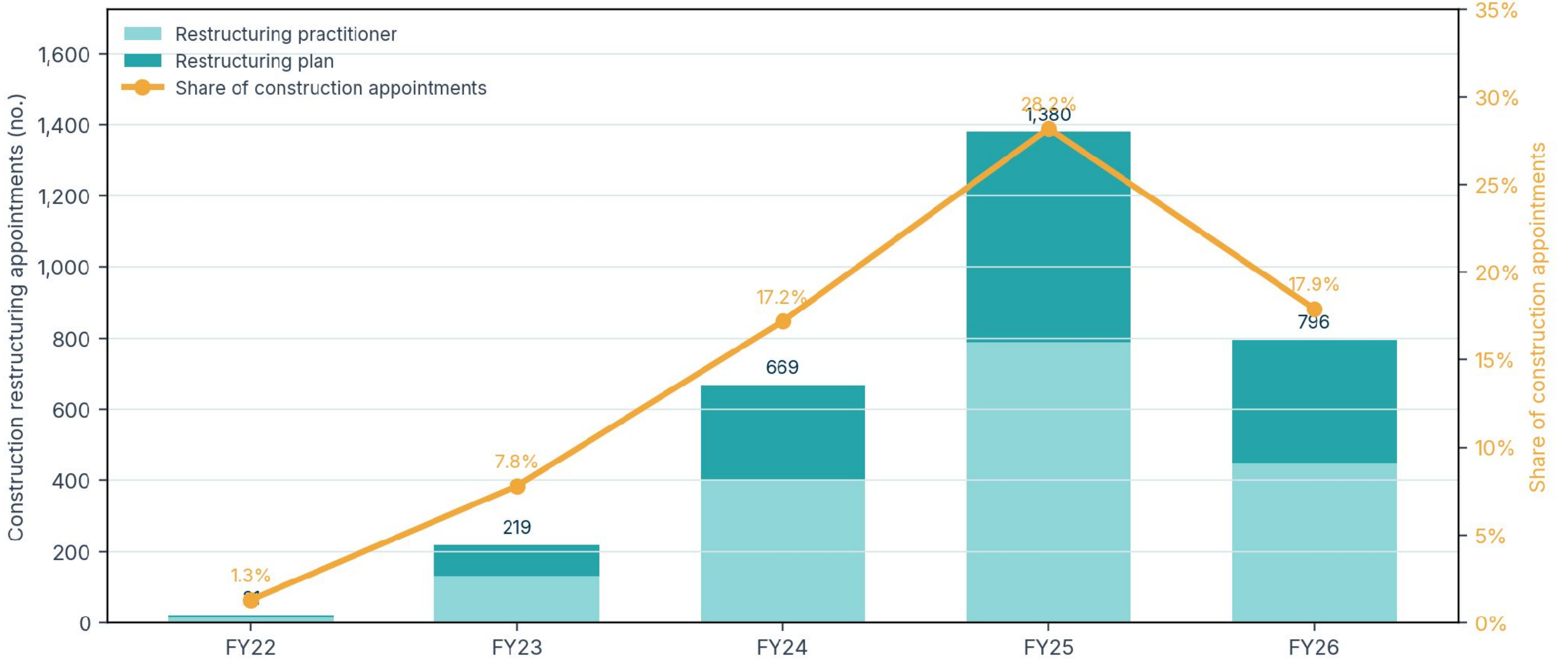
Liquidation dominated, but restructuring has become visible



Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

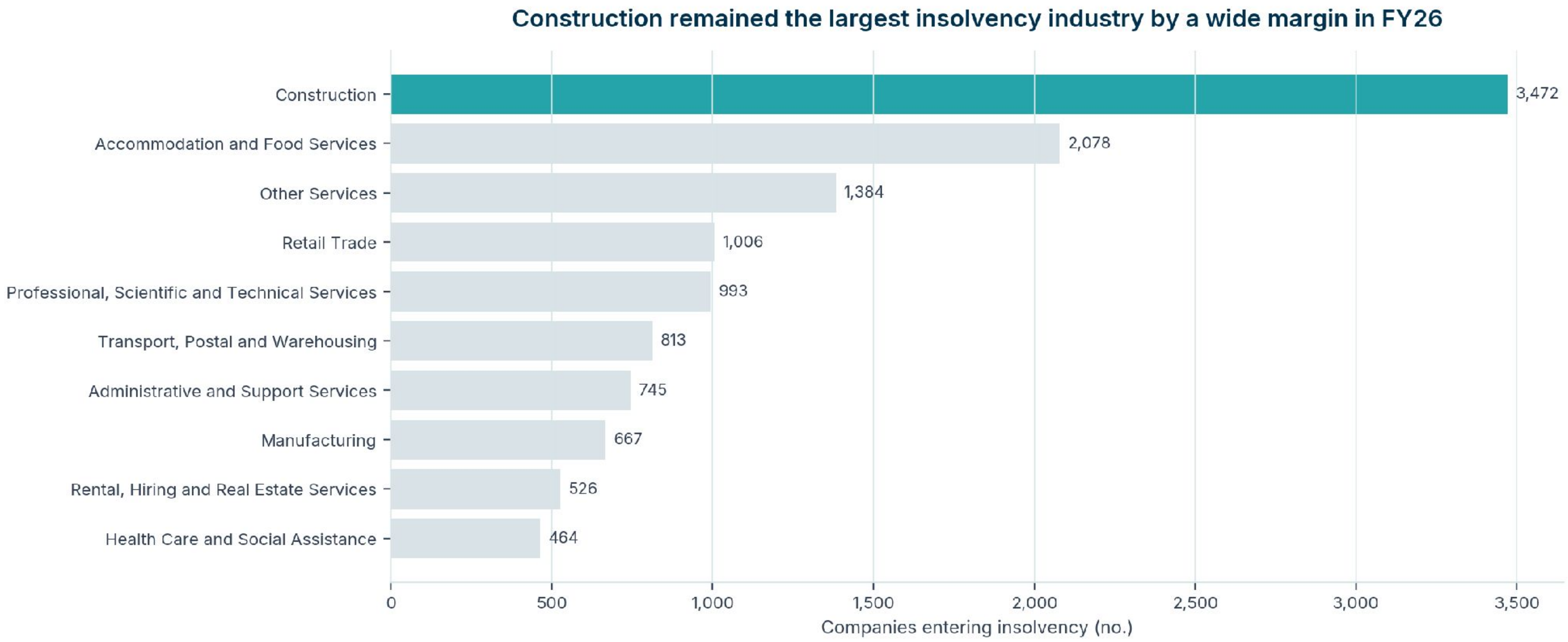
SBR is now material, even after falling from the FY25 peak

Small business restructuring surged in FY25, then normalised in FY26



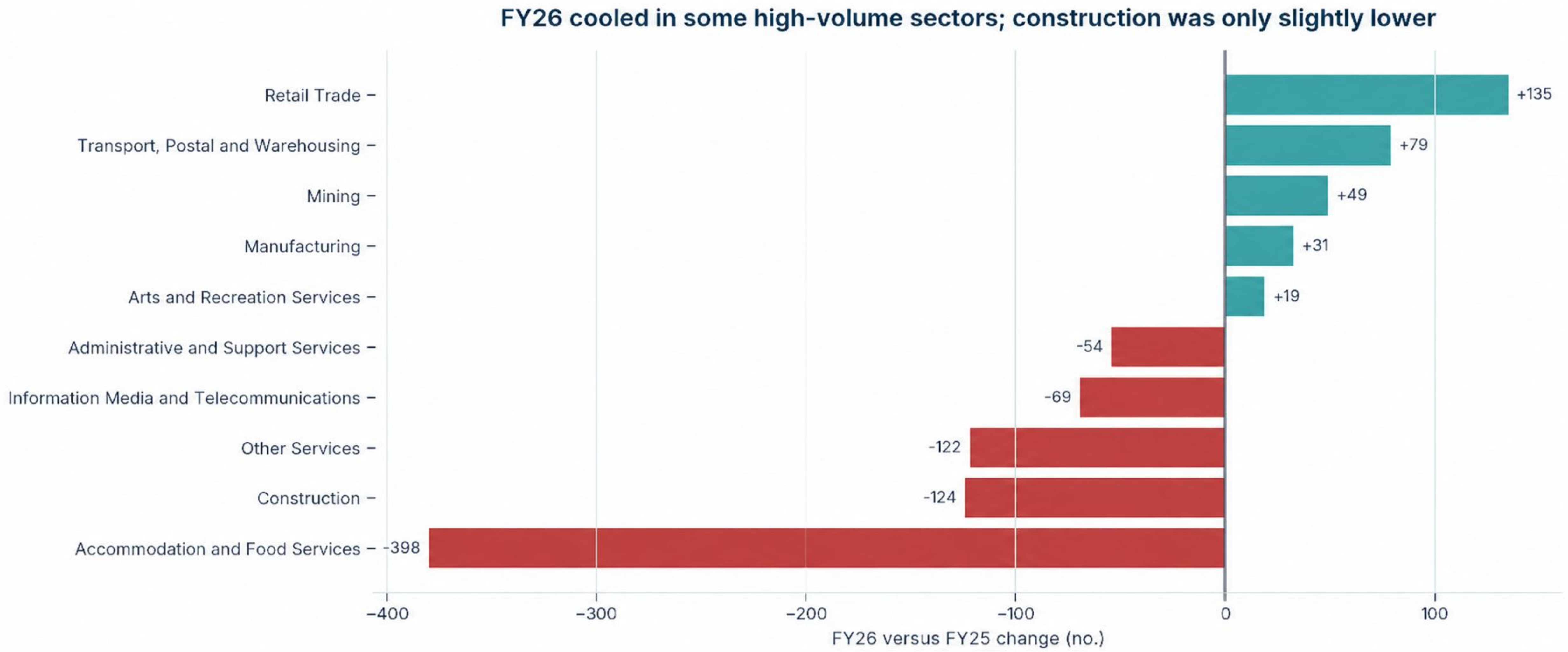
Note: small business restructuring commenced on 1 January 2021, so early years reflect a newly introduced process.

Construction was the largest insolvency industry in FY26



Source: ASIC insolvency statistics, Series 1 and Series 2, published 27 July 2026; data to 12 July 2026.

FY26 was cooler overall, but construction did not return to normal



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Thank you for your interest.

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