

14 June 2021

TO WHOM IT MAY CONCERN

Builders and suppliers across Queensland are experiencing significant supply issues with some building materials and trades. This is having a significant impact on the progress of building works as well as causing an increase in the cost of some materials and trades.

A number of factors have come together to create a “perfect storm”.

- Global surge in demand for construction materials, particularly for timber and timber products.
- A local surge created by the *HomeBuilder* grant, a spike in interstate migration, relaxed mortgage lending criteria and the government’s early access to superannuation access scheme, all in an environment of continued low interest rates.
- Ongoing natural disaster insurance repair work, such as the hailstorms in Brisbane and Rockhampton in 2020, continue to monopolise many trade contractors.
- Imported materials are still being delayed by COVID supply chain disruptions.

The extent of the delays and cost increases varies depending on the contractor, their suppliers and their location, but it is a very real problem across the industry.

The situation is expected to remain challenging for at least the remainder of the year.

The Queensland Building and Construction Commission (QBCC) has recognised the problem and provides advice on its website at [www.qbcc.qld.gov.au](http://www.qbcc.qld.gov.au).

While we are working hard on trying to find a solution, the reality is that delays are unavoidable and will need to be factored into build times. We urge contractors to work closely with their clients to discuss alternative timeframes.

Yours sincerely



**Paul Bidwell**  
**Deputy CEO**