

Master Builders Victoria - Materials and Trade Shortages

Statement – May 2021

Dear Members,

Builders, Tradespeople and suppliers across Victoria are reporting significant supply issues with some building materials and trades. This appears to be having an impact on the progress of building works as well as causing an increase in the costs of some material and trades.

There are several factors contributing to the current challenges:

- A sudden demand surge created by Government incentives, such as the Federal Government's HomeBuilder grant
- Imported materials are still being delayed due to COVID-19
- Bushfires have impacted timber production for trusses and frames
- Fires at timber mills in Queensland
- Train derailments on the Nullarboar
- Shipping delays due to the Suez Canal blockage

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

MBV is continuing to work with Government and industry partners to find a solution. However, the reality is that delays are unavoidable and will need to be factored into build times. We urge members to work closely with clients to discuss alternative timeframes and we also strongly advise customers to plan for price increases. MBV has produced a member FAQ on this issue and we urge all members to review it to consider whether the current issues can be managed in client building contracts.

We acknowledge that times are challenging. However, we all worked together at the start of the pandemic and it's vital that we all continue to work together now to find a solution to these issues. Please remember to be patient and be kind with each other in these unprecedented times.

MBV will continue to update members on a regular basis, please visit our website or check out our social media to view the latest updates.

Stay well and stay safe

Best wishes, Rebecca

Rebecca Casson, CEO, Master Builders Victoria