

Media Release

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POLICY ALIGNMENT NEEDED TO STABILISE AUSTRALIAN HOUSING BOOM

Timber industry advocacy groups are calling for the Federal and State Governments to work together in National Cabinet to implement policy alignment measures to deliver the best long-term outcomes for Australia's economic recovery and housing boom.

The Frames and Truss Manufacturers Association, Timber and Building Materials Association, Timber Trades Industrial Association and MGA Timber Merchants Association, congratulates all levels of government for their comprehensive response to the COVID-19 pandemic.

Australia's economic recovery from the pandemic is the envy of the developed world, because of the firm and decisive actions of our politicians in identifying and implementing measures to keep Australians safe and focus on keeping businesses going.

However, we believe policy alignments are required, to ensure that the HomeBuilder stimulus package will continue to deliver significant recovery for the Australian economy, while addressing the potential negative outcomes associated with a heated housing construction market.

What we are seeing at the moment is a perfect storm, where record levels of housing construction demand are aligned with significant supply chain challenges causing shortages of building materials, as well as shortages in the availability of trades and skilled labour, and we are concerned that all the good policy work will come undone, resulting in a housing industry collapse.

The group believes the impact of the JobSeeker and JobKeeper programs cannot be underestimated in terms of its impact on the availability of skilled labour and collectively, we also believe there is an urgent need for National Cabinet to recognise the timber supply chain as essential industries.

FTMA, MGA TMA, TABMA and TTIA have developed three recommendations for Governments and National Cabinet, focused on a suite of short and long term outcomes, including:

1. Reducing financial and commercial pressure on home builders and construction businesses by extending the required commencement date under the HomeBuilder Grants program by 18 months, and reconsidering extension of the program until June 2022.
2. Get people back to work by examining options to adjust the JobSeeker and JobKeeper programs to focus on mechanisms to encourage skilled workers back into the workforce, while continuing to work with industry on sustainable and workable solutions to skilled labour and trades shortages.
3. Reduce further economic disruption by recognising the role of timber processors, manufacturers, and merchants as essential industries not subject to lockdown, increasing efforts to recognise and reward the role of timber in construction as a positive for carbon storage and identifying and capitalising on longer term domestic timber security opportunities.

We encourage all levels of Government to continue to engage with industry and to seriously consider the policy alignment recommendations, which are intended to ensure the effective delivery of the intended outcomes of the existing measures.

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