

## Media Release

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### **Government asked to extend HomeBuilder deadline as Australian timber sawmills ramp up to supply record volumes**

The national Association representing Australia's sawmills has reassured builders and homeowners that everything is being done to supply as much construction timber as possible to meet soaring demand.

Australian Forest Products Association (AFPA) Chief Executive Officer, Mr Ross Hampton, said the domestic timber industry supplies around 80 per cent of the timber used in home construction and has ramped up production to keep up with the record demand.

"We are seeing record levels of demand for building timbers in Australia due to both Government stimulus measures and the fact that Australians have been saving money by not travelling," Mr Hampton said.

"Our sawmills around the nation have greatly increased production by adding shifts and are running flat out – some are producing up to 40 per cent more timber than they were this time last year. But even this isn't enough to keep pace with a tidal wave of demand as Australians are choosing to focus on improving homes or building new ones. This has also been driven by the post-COVID move to much more home-based working environments."

Mr Hampton said AFPA has asked the Federal Government to extend the HomeBuilder construction commencement timeframe for all applicants to ease demand and allow more time for stock to be produced and delivered to builders. This does not need to cost the budget any more money but can take the heat of the market.

Mr Hampton thanked the Government for working with industry to develop and improve the successful HomeBuilder program.

"When the pandemic first hit most Australians stopped spending as they became very uncertain about their futures. Sawmills were facing plummeting demand forecasting a 50 per cent decline in production and rolling job losses in our regions. The Government's HomeBuilder package was a very welcome part of the solution and has worked very well. We recognise that the Government has been monitoring this closely and continues to work constructively with industry stakeholders. We are confident that they will implement measures to continue to drive the economic recovery."

According to the latest national data from the Housing Industry Association, sales in the three months to February 2021 were higher by 60.5 per

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cent than in the same three months the previous year. The number of construction loans to owner occupiers in the three months to January 2021 is 45.8 per cent higher than the previous quarter and is more than double the same time the previous year.

Mr Hampton said the short-term timber shortage we are experiencing highlights the urgent need for state and federal governments to work with the forestry and timber sector to ensure Australia can meet its future timber needs.

“Timber is the number one choice for builders because it is easy to use, low cost, versatile and environmentally friendly. This current surge in demand will pass but this period should be a wakeup call for policy makers around our nation. We have not been planting production pine trees to produce timber framing for the last decade or so. Unless we restart urgently, we will see more supply issues in years to come as our population grows,” Mr Hampton concluded.

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