



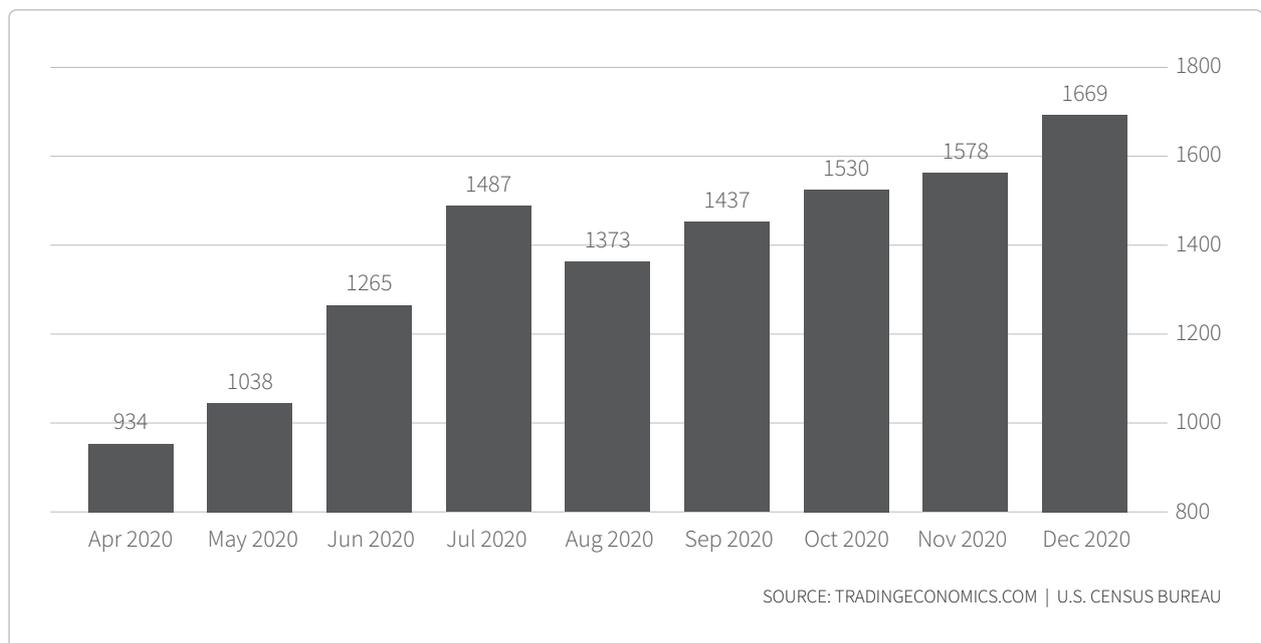
# FACTS:

## Why is my job about to cost more than I was originally quoted?

We don't have enough capacity in Australia to meet the demand for structural pine, so we are forced to import a significant amount from both Europe & the US.

Just like here in Australia, the rest of the World has been busy offering stimulus packages to their building industries to try and revive their Covid affected economies.

As a result, housing starts in the US, have gone from 934,000 per annum to almost 1.7 million, which is driving prices up and sucking wood away from Australia.



This situation has made even worse by the 2019/20 bush fires which wiped out significant amounts of forest.

So simple supply & demand theory is driving the price of structural pine up significantly.

Over 75,000 Homebuilder applications have also artificially inflated demand and created a shortage of trades across the board.

Consequently, the hourly rates demanded by carpenters, plumbers, brickies, etc. are also going through the roof.

All of these conditions have created a perfect storm to force build cost up and the reason contracts need to be revised.



# FACTS:

## What is delaying my job?

The shortage in structural pine means that materials don't get to site when they should and on critical stages, this can bring your job to a complete stop.

The supply shortages are especially acute in Engineered Wood Products (EWP) which are used in floor systems in high set construction.

So we can stand a lower frame no problem, but if we don't have a floor system available, then the upper floors cannot be installed and the job grinds to a halt.

The following advice from one of the largest EWP suppliers suggests at least 4 week delays are going to be the norm for the time being.

*"Due to International shipping restraints and the increased demand for Construction Timber Nationally, Dindas Queensland are no longer accepting any further orders requiring 45mm LVL & most common I-Joist sections for February 2021. We will resume normal supply for early March 2021 and should see regular supply for EWP after this period.*

*We appreciate your patience during these difficult times and will endeavour to return to our market leading service offer as soon as possible, thanks"*

So in these very strange times, we ask you to be patient and understanding in getting through this predicament. The entire building industry is in the same position, so we all need to work together to find the least painful compromise.

Thanks in advance for your support.