

Industry shortages in the residential construction industry

The Queensland residential construction industry is currently impacted by an Australia-wide shortage of building materials and skilled trades.

These challenges are a result of market forces, amplified by the COVID-19 pandemic. Industry shortages are impacting everyone in the supply chain, from suppliers and builders through to subcontractors, employees and consumers.

It is expected that it will take some time for the industry to get back to its usual supply and operating rhythm.

During the construction, renovation or repair of your property, keep in contact with your builder or tradesperson to understand how materials or labour shortages may impact your work and which measures can be put in place to address the situation.

Queensland laws, including those that help protect consumers and keep the Queensland building and construction industry safe and sustainable, still apply.

Your builder or tradesperson may need to seek an extension of time to complete your contract due to issues beyond their control. If they cannot access the products they usually use, or those specified in your contract, they may seek your agreement to use alternative products.

It is recommended you consider obtaining independent legal advice if you are looking to make changes to an existing contract. Parties should also be aware of risks associated with cost-plus contracts, information can be found qbcc.build/cost-plus.

If you have tried to reach agreement in relation to material and labour shortages but still have concerns, as a first step, you can consider mediation.

The Queensland Government's Accelerated Building / Consumer Dispute (ABCD) framework may be an option if you have a domestic building contract for a new home or a major renovation over \$150,000.



21% increase in dwelling building approvals *ABS March 2021*



82% of builders report delays with supplies or trades *HIA April 2021*



15-week lead time on frame and truss deliveries *MBQ March 2021*

To determine eligibility for the ABCD, you can contact the Queensland Building and Construction Commission (QBCC) via qbcc.qld.gov.au or by phoning the QBCC on 139 333.

If a dispute remains, it is important to be aware of the strict timeframes that apply for any claims under the QBCC's Home Warranty Scheme. For non-completion of a fixed price contract, the contract must end within two years of the day work starts, and you must make your claim with the QBCC within three months after the date the contract ends.

Delays, additional costs and flow-on effects can have a significant personal impact. If you feel you need support, please reach out to organisations that are there to help, like Lifeline (13 11 14).

Industry associations such as Master Builders Queensland and the Housing Industry Association are working together with the Queensland Government and the QBCC to help address the current situation.

For more information, please refer to qbcc.build/industry-shortages.



QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION



Queensland Government