

TIMBER QUEENSLAND MEDIA RELEASE



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Immediate Release

Queensland timber industry backs calls for economic stimulus to avert building cliff and avoid job losses

The peak body for the Queensland timber industry has backed calls by the building sector for targeted economic stimulus to avert a looming cliff in future building activity as the pipeline of existing projects starts to dry up.

Timber Queensland CEO Mick Stephens said recent industry surveys have warned of a dangerous decline in building activity that will affect up to 240,000 Queenslanders working in the construction sector.

“These concerns have been laid bare by Master Builders Australia who found that 73% of their members have already reported a substantial fall of 40% in forward work. Similarly, the Australian Forest Products Association has predicted a 50% reduction in sawn timber demand across Australian sawmills in the next six months as demand for forward orders decline,” Mr Stephens said.

“Given that timber and wood products are a major input into the state’s construction sector, any fall in building demand will cascade down through the supply chain to the 25,000 direct and indirect workers supported by the Queensland timber industry,” he said.

“We are echoing calls from Master Builders Queensland for well-targeted stimulus, who are warning that the industry is facing thousands of job losses as Queensland builders and tradies are set to run out of new work if nothing is done.”

Timber Queensland says the current economic uncertainty is clearly affecting consumer and building confidence in new investment. It is therefore crucial that the Queensland Government acts now to boost future building work, subject to adequate health and safety protocols. There are a range of measures the Government can introduce to help shore up activity over the next few months. These include:

- incentives to assist with new building projects (e.g. new home owner and investor grant schemes) and measures to boost the household renovation sector;
- streamlining red tape and delaying non-critical regulation; and
- increasing State Government capital expenditure on public buildings and housing projects.

Mr Stephens said as part of any building stimulus program, priority should be given to local suppliers and manufacturers of construction materials for public works, in order to maximise the impacts of the stimulus measures on the Queensland economy and local jobs.

“We are not asking for a hand-out from Government, but rather a hand-up, to keep the construction sector operating and sustain these essential jobs during the COVID-19 situation. The housing and construction sector is an engine room for growth in Queensland’s economy, and will be critical in sustaining jobs, communities and the timber industry,” he said.

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