

Hot Topic



The home of building

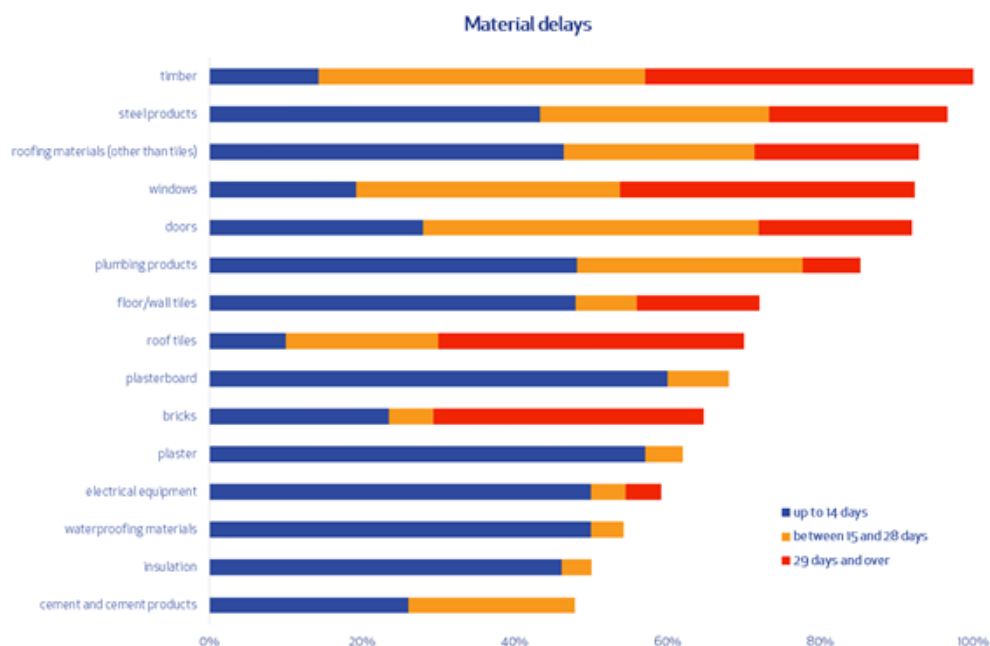
TRADE/MATERIAL DELAYS AND COST INCREASES

In September 2021, Master Builders surveyed members again on their ongoing experiences with the trade and material delays and cost increases. This third survey showed that the problem continues to grow for builders and trade contractors.

MATERIAL DELAYS & COST INCREASES

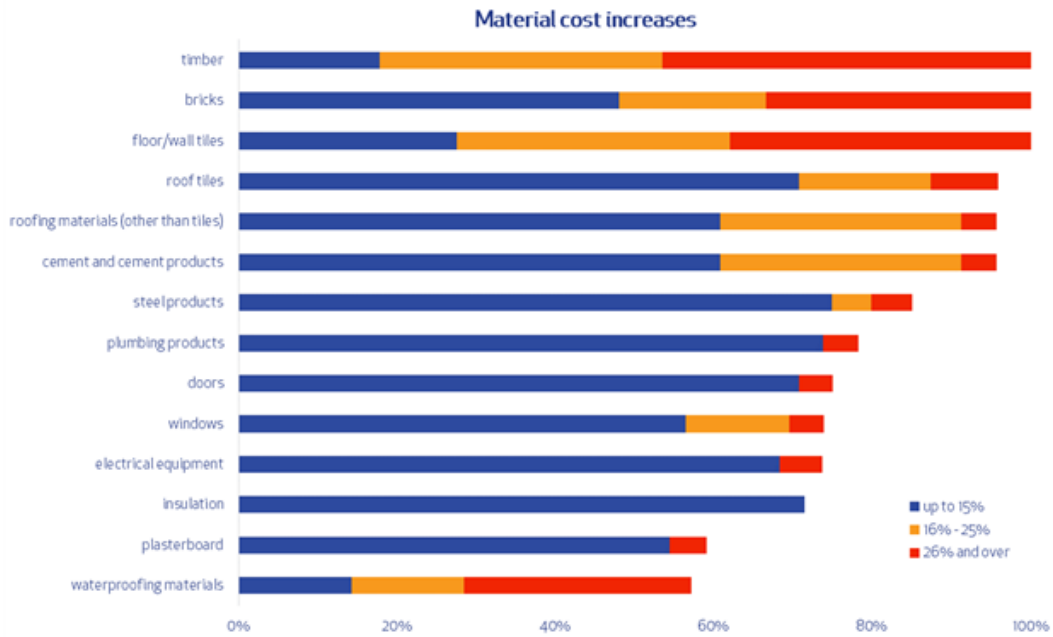
The lead time across all key building materials continues to blow out. All respondents continue to face excessive delays for timber. There is positive news in that the length of the lead time has fallen back to under a month for some builders as they learn to navigate the supply chain challenges. It's a different story for steel products where lead times continue to blow out. It is now over a month for one in five respondents.

"There is a two-three month lead time from ordering to supply."



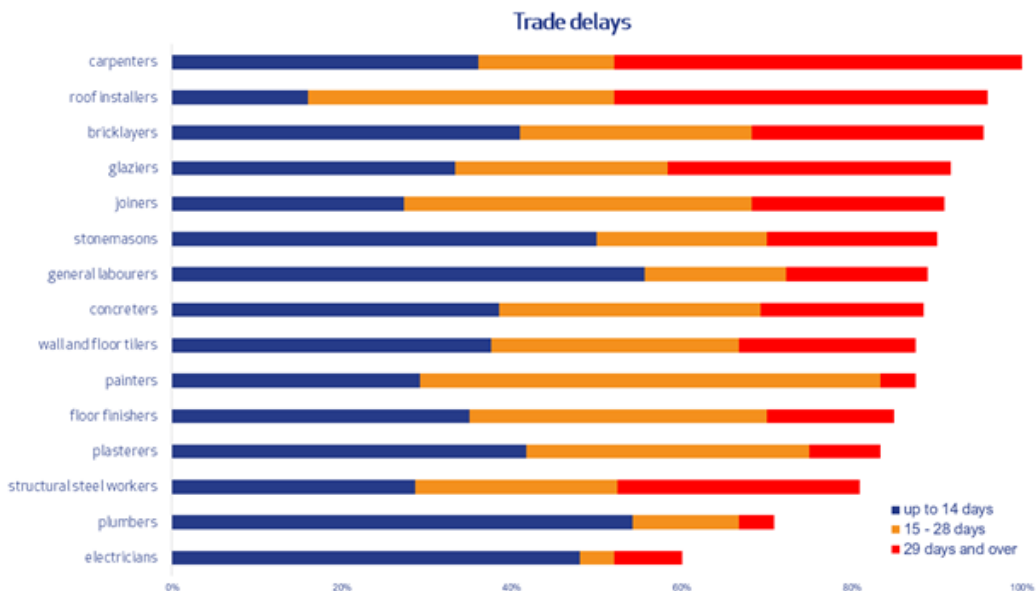
The shortage in supply is also playing out in price increases across all building products. Respondents are struggling with price increases across all building materials. The biggest challenge is in timber, bricks and tiles where prices have increased by more than a quarter for many.

“Structural bearers and joists are up more than 60% this year.”

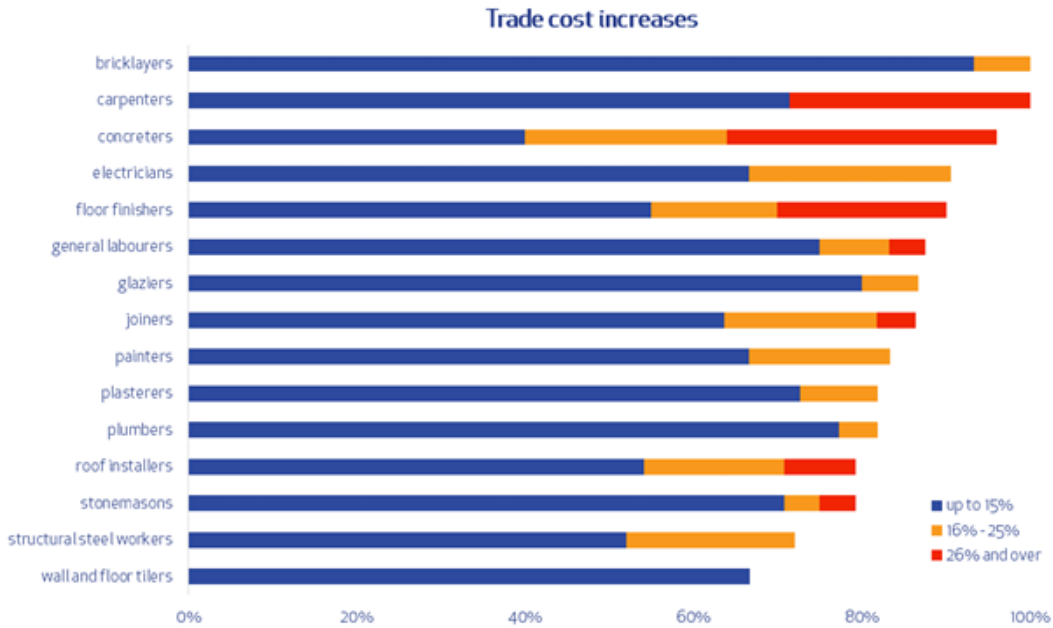


TRADE DELAYS & COST INCREASES

Since the June survey, carpenters and bricklayers have moved up to join roof installers as the most difficult to secure trades. Delays in getting roof installers to site has eased marginally with fewer respondents waiting excessive lead times. Small comfort, however, with delays across every other trade stretching out still further.



The scarcity of key trades is also reflected in cost increases. Everyone is needing to accommodate price hikes for bricklayers. One in five respondents are now paying their carpenters over 26 per cent more.



"We have no chance in securing the subbies we need to finish our contracts now when they are being offered double what they previously were. We are locked into our contracts and we just can't afford to match that. We'll go under if we do. We're stuffed either way."