

# NATIONAL OFFICE MONTHLY REPORT

## FROM THE CEO

The focus for September has been timber shortages, vaccine campaign and industry shutdowns/restrictions.

After months of lobbying we have been successful in securing funding from the Federal Government for a freight subsidy to move otherwise uneconomical logs for structural timber to under-utilised sawmills. At this stage the bulk of the timber under this subsidy will see logs moved from Kanagroo Island. This support combined with a direction by the NSW Government to its Forestry Corporation to redirect logs from export for use in the domestic market will substantially resolve the current shortage. Nevertheless, our work in this space has highlighted the lack of structural timber in the future and as such we have recently released a report in conjunction with Australian Forest Products Association to identify policy solutions to resolve the shortage which has been calculated at around 400,000 hectares.

We identified through focus group testing that there was a significant cohort of men under 40 in our industry that were hesitant to get vaccinated predominantly because of a lack of certainty by leaders in how vaccines will play a role in reopening the country. As such we produced a communications campaign that was launched during September and has been used by a number of Member Associations to advertise the importance of vaccine uptake. The campaign included a partnership with the Pharmacy Guild to promote the ease of access to vaccines through the pharmacy network.

We continue to support Member Associations in NSW, Vic and ACT as they manage the operations through the lockdowns.



**Let's get the job.  
Let's get it done.**

We have all had a awful of COVID. Governments will only let us open up when vaccination rates reach 70 and 80%.

Getting the job is easy at a community pharmacy. Scan the QR code to book your vaccination today.



The Pharmacy Guild of Australia

## VAX THE NATION

THE AUSTRALIAN MONDAY, SEPTEMBER 13, 2021



Steve Wilson and Mattie Waters have been successful in securing funding from the Federal Government for a freight subsidy to move otherwise uneconomical logs for structural timber to under-utilised sawmills. At this stage the bulk of the timber under this subsidy will see logs moved from Kanagroo Island.



Tradies fear shift on plan to reopen. Tradie leaders are calling on governments to ensure that when the country opens up, tradies will be able to get their jobs back. The industry is concerned about the impact of COVID-19 on the construction sector and the need for government support to help tradies get back to work.



Father and son bust the border blues with team effort. A father and son duo have formed a team to help tradies get back to work. They are providing support and resources to tradies who are struggling to find work in the current market.



Regal Princess poised to rule again. The Regal Princess is set to return to the water. The ship is being prepared for a new voyage and is expected to depart in the coming weeks.

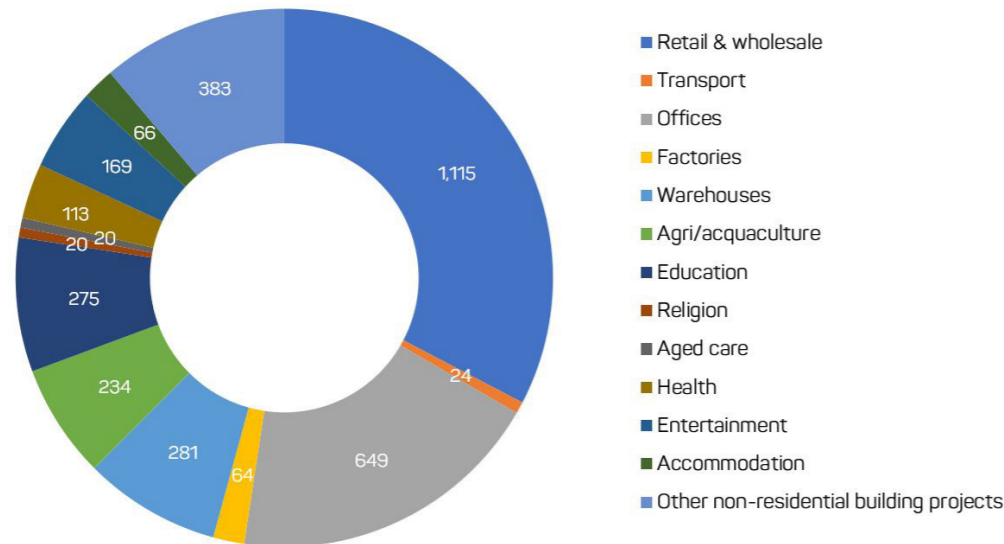
REGAL PRINCESS | TRADIES | REAL ESTATE | AUTOMOTIVE | PRIVATE CARE | SPORTS & LEISURE

## NATIONAL ECONOMIC DATA SNAPSHOT

### NON-RESIDENTIAL BUILDING

3,413 non-residential building jobs valued at \$4,983.2 million were approved in AUS in July 2021. Public sector share of non-residential building jobs approved in July 2021: 37.7%.

Non-residential building jobs approved, July 2021 (number of jobs)



### CIVIL CONSTRUCTION

Civil construction work, March 2021 quarter



Civil works by activity, March 2021 quarter (\$m)

Activity	Started	Done	To be done
Other transport	\$3,267.6	\$2,969.1	\$18,246.5
Roads	\$4,118.9	\$4,351.5	\$15,978.3
Water & sewerage	\$1,545.7	\$1,390.4	\$4,242.1
Electricity	\$3,383.7	\$2,698.1	\$10,261.8
Telecommunications	\$1,496.5	\$1,654.4	\$249.2
Heavy industry	\$4,025.4	\$6,201.7	\$16,688.0
Recreation & other	\$1,623.8	\$1,507.0	\$1,105.9
<b>TOTAL</b>	<b>\$19,461.5</b>	<b>\$20,772.3</b>	<b>\$66,771.7</b>

### RESIDENTIAL BUILDING

House prices: year to August 2021



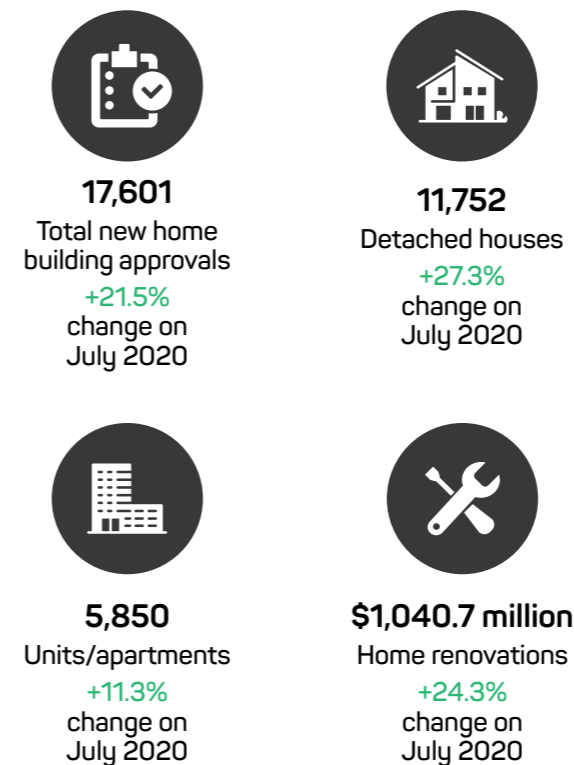
Unit prices: year to August 2021



Rental price changes in Australia



Building approvals: July 2021



Residential building work during March 2021 quarter

Category	Commenced New Homes	Completed New Homes
All dwellings	48,288	40,458
Detached houses	33,314	22,692
Apartments/units	14,974	17,766

New homes still under construction on 31 March 2021



All dwellings	193,581
Detached houses	75,824
Apartments/units	117,757

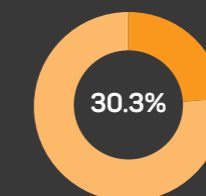
New homes approved but not yet commenced as at 31 March 2021



All dwellings	28,495
Detached houses	10,691
Apartments/units	17,804

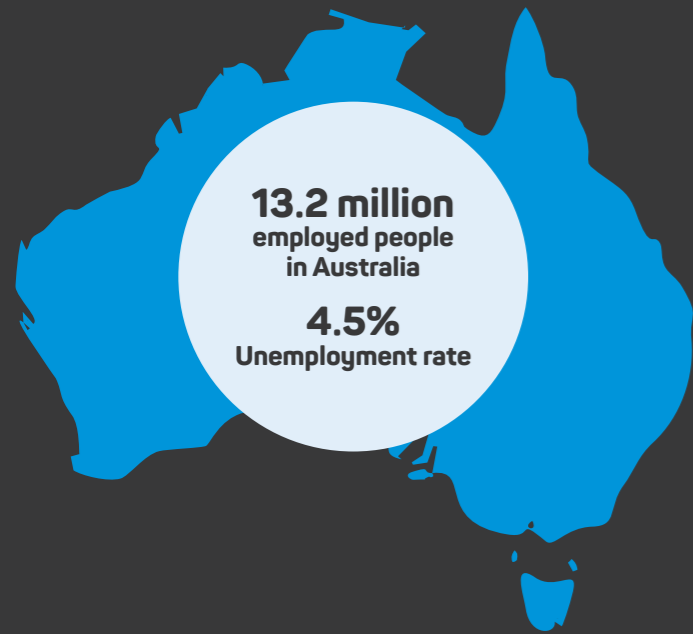
Lending indicators: July 2021

Loans to owner occupiers for construction of new home	5,207	+38.0% change on July 2020
Loans to investors for construction of new home	1,521	+52.9% change on July 2020
Loans to owner occupiers for residential land purchase	2,970	-27.6% change on July 2020
Loans to investors for residential land purchase	1,120	+36.6% change on July 2020



First Home Buyers share of loans

**LABOUR MARKET,  
August 2021 quarter**



**1,112,601 million**  
People employed in  
construction in Australia

**316,384** Resi/commercial  
builders

**103,140** Civil construction  
builders

**693,077** Resi/commercial  
subcontractors

**8.6%**

Of Australian  
jobs are in  
construction

**13.0%**

Account for women  
working in Australian  
construction



**397,022**  
Construction Businesses



**98,570**  
Construction apprentices in-training  
(end of Dec 2020)

**SIZE (# WORKERS)**

<b>0</b>	239,331
<b>1-19</b>	152,002
<b>20-199</b>	5,494
<b>+200</b>	195

**SIZE (TURNOVER)**

**19.3%**

turnover less than \$50,000

**1.4%**

turnover greater than \$10m

**38,840**

new starts  
(year to Dec 2020)

**16,535**

completions  
(year to Dec 2020)



**4,305**  
apprentice  
carpenters  
in training



**2,740**  
apprentice  
plumbers  
in training

**PRIORITY POLICY ISSUES**

POLICY AREA	KEY ACTIONS	ISSUES PROGRESSING
<b>Building Regulation</b>	<ul style="list-style-type: none"> <li>National office hosted an online forum with members on Energy Efficiency Changes for residential buildings. The ABCB presented and responded to questions on proposed changes in the 2022 NCC public comment draft.</li> <li>National office preparing submission to the National Construction Code – Public Comment Draft – Energy Efficiency and Condensation.</li> <li>ABCB released its Consultation Regulatory Impact Study (CRIS) on proposed energy efficiency changes.</li> <li>Meeting – Dept Industry/Energy division - National Framework for Energy Efficiency Disclosure - Existing Stock</li> <li>Meeting – Department of Agriculture, Water and the Environment (DAWE) Building Sector Leaders: Enabling design for environmental good</li> <li>Meeting – Dept Industry/Energy division - Trajectory Stakeholder Reference Group - Trajectory for Low Energy Buildings 2021-2022</li> <li>MBA Podcast recording - 3 episodes</li> </ul>	<ul style="list-style-type: none"> <li>National Construction Code – Public Comment Draft - General + Energy Efficiency and Condensation. Consultation closes 17 October 2022.</li> <li>Public comment period for the ABCB NCC energy efficiency CRIS closes 7 November 2022.</li> <li>Dept Industry/Energy division - National Framework for Energy Efficiency Disclosure - Existing Stock</li> <li>Department of Agriculture, Water and the Environment (DAWE) Building Sector Leaders: Enabling design for environmental good</li> <li>Dept Industry/Energy division - Trajectory Stakeholder Reference Group - Trajectory for Low Energy Buildings 2021-2022</li> <li>Podcast – finalise/release 3 episodes</li> </ul>
<b>Contracts</b>	<ul style="list-style-type: none"> <li><b>Strengthening protections against UCTs</b> – The Department of Treasury is currently consulting on draft legislation to address what it sees as weaknesses in the Unfair Contract Terms Legislation.</li> <li><b>ABIC/MBA National Contract Suites</b> – In addition to the internal administration of our various contract suites, the National Office fielded an unusually large number of enquiries about various contracts this month. This also included a spike in contract sales.</li> <li><b>National Contracts Advisory Committee</b> – A planned meeting for early in the month was delayed due to ongoing construction lockdowns in several jurisdictions.</li> </ul>	<ul style="list-style-type: none"> <li>Master Builders holds a number of concerns about the proposed changes to the regime, such as a broadening of the test to whom the laws apply. We will continue to advocate that standard form construction contracts are a key feature of the BCI and that they should be carved out of the legislation.</li> <li>Although this work is behind the scenes, the National Office devotes significant time to servicing members as part of this important work and it is heartening to see the number of contracts sold and executed across the country at this time remains strong.</li> <li>A re-scheduled meeting will occur in the coming weeks.</li> </ul>



## Economy & Productivity

### • Government responds to timber shortage

- In recent months, Master Builders Australia has been in close contact with the federal government with regard to possible remedies for the timber market. Earlier this month, the government responded by announcing that it will financially support the export of timber from Kangaroo Island in South Australia.
- The timber reserves on Kangaroo Island are estimated to be large enough to support the creation of between 8,000 to 10,000 new homes across Australia. In the absence of federal government support, the cost of removing them from the island would not have been commercially viable. In addition to this measure, the NSW government announced that it would provide \$15.1 million to facilitate the transportation of logs from marginal plantations to mills. This intervention is expected to boost the supply of timber by 270,000 tonnes over the next 3 years.
- Master Builders continues to monitor the supply of materials and labour to the industry with a view to alerting the federal government to any supply issues. Our supply chain survey is part of this process and is currently open to participants (see below).

### • Supply conditions survey

- The quarterly Master Builders Australia Supply Conditions Survey is currently open. The survey assesses latest developments with respect to costs and delays in the market for building products as well as skilled trades.
- Previous versions of the survey have been vital in providing evidence to government with regard to the difficulties the construction industry's supply chain over the past year. The recent win with respect to the timber supply subsidy is an example of how high quality information about challenges on the ground can provide the evidence base for policy intervention.
- Those wishing to partake in or distribute the survey can do so [here](#).

### • Lockdowns start to hurt construction jobs

- The lockdowns in Australia's two largest states have started to hurt construction employment according to latest ABS labour market data.
- Over the year to August 2021, the number of people employed in construction is estimated to have dropped by 90,000 in New South Wales alone. It is likely that the impact of the Victoria and ACT lockdowns will not be captured until the next set of figures for November 2021 are published.
- It is worth stressing that construction employment has gained significantly over the past year in several of the states not directly affected by lockdowns such as Queensland (+14,700), South Australia (+9,920) and Tasmania (+3,370).
- Nationally, August saw about 146,000 fewer people at work in all sectors compared with July. Unsurprisingly, part-time jobs which tend to be concentrated in the most Covid-exposed sectors accounted for a disproportionately large share of the job losses. The mass closedown of some sectors means that some of those losing their jobs had no option but to exit the labour force temporarily. This means that they were not officially recorded as unemployed.
- Over recent months, Master Builders Australia has supported the member associations in terms of highlighting the daily and weekly costs of construction industry lockdowns with respect to jobs, lost earnings and delays to the supply of new homes. Member associations are welcome to get in touch with the national office should any further support be required.

- **Master Builders sets out roadmap for better housing affordability**
- In our recent submission to the federal House of Representatives inquiry on housing affordability and supply, Master Builders Australia identified the issues currently resulting in poor housing affordability outcomes including restrictions of the supply of land, the ever-increasing burden of regulation, the amplification of taxes through the housing production line and the delays related to planning.
- Our submission repeatedly stresses that improved affordability can only be achieved by bringing down the cost of creating new homes and shortening the time taken to build additional dwelling stock. We explain how the burden of regulations on the building industry must be lightened and the role of individual taxes in causing affordability to worsen must be investigated more intensively. The Master Builders submission also recommends that the monopolistic position of state and local governments with respect to land, planning and infrastructure provision be disrupted.

## Industrial Relations

- **New Casual NES and Construction Modern Awards** – New arrangements for casual employees came into effect on 27 September. The changes arose from the passage of legislation that created the new Casual NES, which required the Fair Work Commission to examine casual award provisions and ensure they operate effectively with the NES.
- The National Office made multiple submissions this month, arguing the Construction Awards should not be carved out of the new NES arrangements for casuals. Not only did the CFMMEU strongly object to that approach, but it also sought to restore pre-modern award arrangements for casual conversion.
- Master Builders appeared at a hearing on 6 September and shortly after a decision was handed down in support of our submissions, with a key win being that casual conversion rights under the Construction Awards now arise after 12 (rather than the previous 6) months.
- Following further submissions made on the draft determinations, the Commission issued final versions, with the changes now in effect.
- The National Office prepared materials on all of the amendments which was provided to the State/Territory Associations for circulation amongst their respective memberships.

- **Respect@Work Bill** – The Sex Discrimination and Fair Work (Respect at Work) Amendment Act 2021 passed the Parliament on 2 September and received Royal Assent on 10 September.
- The changes, now law, give effect to several recommendations contained in the "Respect@Work Report" including:
  - An expansion of who is covered by the Sex Discrimination Act;
  - The prohibition of sex-based harassment and victimising conduct;
  - New powers to the FWC to issue stop sexual harassment orders;
  - A clarification that sexual harassment can be a valid reason for dismissal; and
  - Providing women who experience miscarriage access to compassionate leave.
- **ABCC** – The National Office has continued its background work which will form the centrepiece of our on-going advocacy of the importance of maintaining the ABCC in the lead up to the next Federal Election.
- **ACCI Workplace Policy Committee** – The National Office worked with ACCI this month on the development of key policy positions, such as Job Security, Trade Unions and Registered Organisations, Termination of Employment, as well its consultation with the recently formed Respect@Work Council.
- **Discussion with Master Plumbers Association - redundancy deficiencies** – On 9 September, the National Office had discussions with Master Plumbers to discuss their mutual concerns about the unconventional treatment of when an employee is deemed redundant under the various Construction Awards.
- **Vaccines** – The National Office has continued this month to field numerous enquiries from members about the ever-changing policies various governments have in place regarding vaccines.
- **National Industrial Relations Advisory Committee** – NIRAC met on 22 September and discussed several key topics including:
  - Federal Election policy development;
  - ABCC research; and
  - Recent Award changes
- The concerning element of the Bill which would have imposed a positive duty upon employers to take measures to eliminate discrimination and harassment on the grounds of sex and victimisation, was ultimately defeated.
- We have prepared information and advice for Members.
- The National Office has met on multiple occasions with consultants EY as they continue work will quantify the real impacts if the ABCC was to be abolished. The related Steering Committee has also met twice.
- Building and construction is at the forefront of most IR debates, and this forum is useful to influence other industry groups and employers generally about core MBA policy.
- Noting the issue was dealt with at length during the 4 Yearly Review of Modern Awards, Master Builders continues to hold the view that current award arrangements which allow redundancy entitlements to be triggered in all circumstances when employment comes to an end (except for employee misconduct) is entirely inconsistent with other sectors.
- We will continue to work with relevant government departments and agencies to ensure arrangements are clear and as consistent across the States and Territories as possible.
- As we move closer to the Federal Election, the National Office will continue to work with the Committee on the development of key IR policies.

## Jobs & Skills

- With four submissions under the jobs and skills belt this month a big thank you goes to the National Committee for their continued engagement and insights. Thanks also to the Safety Committee for help with Silica and the Building Reg Committee for help on CPD on the NCC.
- **Submission - Silica Training** – Our submission supported the project, highlighted industry need for awareness training, suggested merging the manage and supervise units, and embedding the RPE unit into the awareness and trade level units.
- **Submission - ABCB: CPD on the NCC** – Our submission supported the introduction of CPD on the NCC, advocated for aligning CPD periods with licensing, reiterated that Australian Standards should be free, and addressed specific questions on types of CPD, evidence and compliance.
- **Submission - DESE: Qualification Design** – Our submission highlighted challenges to recognising broad competencies taught within highly contextualised training; raised the complexity of IR, licensing and apprenticeship requirements in our industry; and questioned how the proposed structure will better engage industry than current arrangements.
- **Submission - DESE: VET Workforce Strategy** – Our submission supported the concept of improving trainer training and professional support. However, questioned current requirements (full Cert IV TAE minimum) given there is no such requirement in higher ed and that not all trainers will design programs or assessment tools – training should meet occupational outcome needs.
- **Training - Waterproofing Project** – Master Builders wrote a letter of support for the project proposal to develop of a Certificate IV in Structural Waterproofing Design and Survey. The project will address key knowledge gaps within the industry thereby reducing defects. The proposal will be submitted to the AISC in October with a decision likely to be made at the AISC December meeting.
- **Training - Silica Project** – The timeline for the silica training development project has been extended by four months to 12 April 2022. The first public consultation took place in September. Findings will be discussed and updates made ahead of the final consultation period in November. More info is available on the [silica project page](#).
- **Skills reforms** – Under the proposed structure Industry Clusters will be formed to advise governments on workforce strategy, skills needs and training products (replacing and broadening the role of Industry Reference Committees). At present it is proposed that the cluster relevant to Master Builders will comprise residential, commercial and civil construction as well as property and real estate services.
- **Workforce Strategy** – the Strategy will be underpinned by data and analysis, take a practical and staged approach, and focus on four workforce pillars – attracting, training and retaining workers, and business skills.
- **Data analysis - ABS: Job vacancies** – The impact of lockdowns is clear. States not in lockdown saw increased job demand in August relative to July, while the number of jobs ads declined in NSW, VIC and the ACT. Nationally the three construction jobs with the highest above average job demand in August 2021 were: labourers, electricians and safety inspectors.
- **Data analysis - ABS: Labour Force** – The ABS estimates the construction industry at 1.11 million workers and 8.6% of all workers in Australia. Construction as a percentage of all workers has declined nationally (9.1% pre-pandemic) and in most states and territories (exc. SA and Tas), indicating weakness compared to other sectors.

## Work Health & Safety

- **Safe Work Australia September SIG WHS Meeting** – A meeting of the newly reconstituted SWA SIG WHS group was held on 16 September, with a number of important items addressed of particular relevance to the BCI. These included:
  - Draft guidance on WHS duties in a contractual chain;
  - Expanding WHS inspector powers and accountability for investigations;
  - Legislative reform to deal with the prohibition on insurance for WHS penalties; and
  - Revised guidance for working in heat.
- **Safe Work Australia OOS Items - Psychosocial Risk** – Meanwhile, this month Master Builders was consulted on the scope to be applied to draft Model Regulations on psychosocial risks, as well as a first draft of a related Model Code of Practice.
  - This is significant WHS reform and we have argued that for there to be robust consideration and consultation, SWA must release a draft regulation for stakeholders to consider.
  - In terms of the draft Code, we have provided detailed feedback and remain concerned that it goes beyond the scope of what was agreed by WHS Ministers earlier in the year.
  - We will continue to put pressure on SWA to ensure the best possible outcomes for our members.
- **Vaccinations and the Workplace** – As noted in the IR update, we continue to provide advice and information to the States/Territory Associations on this developing issue.
  - The National Office continues to assist members deal with this hot topic, noting that each jurisdiction has different requirements and taking slightly different approaches to implementation.
- **ASEA - Asbestos Risk Communications Guidelines Working Group** – The National Office attended a meeting of the Working Group on 17 September to discuss a revised version of the guidelines for agencies and organisations charged with disseminating information after an asbestos exposure event.
  - Once settled, the Guidelines will be put to HWSA (the national joint committee of WHS Regulators) for adoption. This provides a welcome opportunity to create greater consistency in asbestos communications across the jurisdictions.



- **OFSC** – The National Office met with the Federal Safety Commissioner, his office and related consultants this month to cover a number of matters including:
  - Compliance issues around scaffolding, culminating in us providing feedback on its draft Scaffolding Guide;
  - The upcoming WHS Scheme Review;
  - General WHS items during the Industry Reference Group meeting; and
  - Crane safety, as part of the OFSC Hazard 2020 webinar series.
- **ACCI WHS & WC Committee** – Ongoing discussions were held this month with ACCI's WHS & WC Committee to address the plethora of issues discussed at the SWA SIG WHS meeting, as well as the ongoing work to develop Psychosocial Regulations and associated Model Code.
- **National Work Health and Safety Committee** – The NWHSC did not meeting formally this month however out of session discussions have, as always, continued.
- Scaffolding safety continues to be an ongoing concern for the sector, with a raft of issues contributing to an increasing rate of non-compliance under the OFSC's Accreditation Scheme. The National Office is working with the OFSC to develop awareness strategies to arrest this alarming trend, including producing a video case study on scaffolding best practice.
- As a member of both the OFSC's Industry Reference Group and WHS Accreditation Scheme Review Advisory Board, we will work closely with the Agency to ensure it continues to function to deliver strong and practicable safety outcomes for the sector.
- The National Office continues to be one of ACCI's key partners in SWA's consultations.
- A formal meeting of the committee will be scheduled in the coming months.

## WOMEN BUILDING AUSTRALIA

Through September, WBA has run training courses as part of our Business Resilience program.

Although the training has been impacted by the Covid lockdown situations, WBA, with the help of MBA state associations, has been able to adapt delivery formats and provide training courses via live stream and online formats.

Training courses that have been provided by WBA as part of the Business Resilience program are:

- Social Media Training - delivered by MBA ACT
- Introduction to Digital Marketing - delivered by MBA Qld
- Building Profitability e-learning course - delivered by MBA NSW

Further training is scheduling through October and November, including:

- Finance Essentials delivered by MBA Qld
- Modern Marketing for Trades and Construction delivered by MBA SA
- Business Resilience for the Women Behind the Scenes delivered by MBA WA
- Finance - Boom or Bust Workshop by MBA SA

September saw robust engagement across WBA's social media channels. Engaged was driven by two key content areas: WBA's involvement in Master Builders Australia's Vaccination campaign and the Champions of Change Influencer's initiative. The Champions of Change Influencer's Initiative profiles women that are making their mark in the industry. This draws strong engagement as the influencers themselves have strong social media followings amplifying WBA's reach.

On the back of Social Media engagement levels, WBA's social media followers grew across all platforms:

- Instagram - 11.5% increase
- Facebook - 8% increase
- LinkedIn - 3% increase

Follow WBA on Facebook, Instagram and LinkedIn for the latest updates.

## WE HAVE MOVED THE 2021 NATIONAL AWARDS TO 2022!

Due to the changing border closures, the National Excellence in Building and Construction Awards will take place in Cairns in late April 2022, with events located at:

### THURSDAY 28TH APRIL

**Simonds Homes Sunset Dinner**  
6-10pm  
Pacha Mama – based at the Crystalbrook Bailey

### FRIDAY 29TH APRIL

**Toyota Welcome Dinner**  
6.30-10.30pm  
Hemingways Brewery

### SATURDAY 30TH APRIL

**National Awards Gala Dinner**  
6.30-11.30pm  
Cairns Convention Centre

Early advise forms for will be emailed out in the coming weeks.  
For any more information, contact Luke Lowes on 0402 291 877

## KEY DATES IN OCTOBER

Fri 8 Oct	Policy Forum National Board Meeting
Tues 12 Oct	EDs Zoom
Mon 18 Oct	EDs Zoom
Thur 21 Oct	Finance Committee Zoom
Tues 26 Oct	EDs Zoom
Thur 28 Oct	Risk Management Committee Zoom
Fri 29 Oct	Monthly National Economics & Productivity Committee Zoom