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Construction techniques and building material decisions of Australia's largest home builders - *summary*

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Prepared for

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by

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Executive Summary

This report examines construction techniques and the building materials purchasing decisions made by Australia's largest volume builders. The HIA surveyed the top 20 Australian residential volume builders about construction methods, specific usage rates of timber, and environmental and energy issues. In addition the motivations and influences regarding the choice of material were considered. Qualitative comments were also sought and are included in their entirety.

The key general findings of the report were:

- Over the current decade to date there has generally been a decline in the market share of the top 20 volume builders in Australia.

- The main driver of this declining share has been a growth surge in regional house construction due to unfavourable affordability conditions and a lack of land in cities.

- Detached house construction was the dominant form for the top 20 builders (83 per cent) with 12 per cent of construction accounted for by townhouses and units, and 5 per cent accounted for by high rise apartments.

- The incidence of knock down rebuild activity is increasing.

- The most common size of home was within the 200 to 249 square metre (sqm) range (or 22 to 28 squares).

- The most common outer wall construction material was brick veneer.

- The incidence of timber external walls for all of the industry is 4 per cent of homes.

- Companies almost exclusively reported the availability of mixed cladding on facades was "much higher" than five years ago and that decorative timber was currently far more prevalent than corrugated steel.

- Timber floor construction accounts for 10 per cent of the top group's homes compared to the industry average of 11 per cent.

Beyond the general findings an important aspect of the study considers environmental and energy issues as perceived by Australia's top 20 volume builders.

While a select few of these builders have signed on to voluntary codes or initiatives the overwhelming fundamental drivers in the area of energy and the environment remain price, time, and mandated code and regulatory requirements.

Sustainability is not presently a prescribed requirement. This situation gives the timber industry time to develop its own responses to the challenges posed by the issue

of sustainability and these can be marketed to the home building section once 'whole of life' resource utilisation (LCA) appears in building codes.

In order to further quantify the use of timber within Australia's largest 20 home builders, HIA measured specific categories of usage. Some key findings were:-

- Timber was reported as the most prominent material for roof frames.

- Timber was not as prominent when used for fascia boards.

- The use of timber structural board was not as high as other structural components of homes.

- There was little usage of timber floating floors.

- 55 per cent of the largest 20 builders use timber for architraves and skirting boards virtually all the time.

- Timber decks are increasingly becoming part of a standard offer on house and land packages.

The survey also revealed additional uses for timber in the typical homes of the top 20 builders. These uses included: Verandah posts and fretwork; Door jambs; Internal Stairways; Timber lattice work; screening out sub-floors on 2 storey homes; Gable vents; Eaves brackets; and Piling.

The motivations and influences on material choice were also been measured and some key findings were:

- The biggest influence on choice of exterior cladding was quality of material.

- The quality of material was the biggest influence on material choice for internal fix-outs.

- Homeowners were found to have a significant influence on material choice for internal fit-outs, as did architects and carpentry sub-trades.

- Aside from builders, architects and home owners were found to be the dominant decision makers in the exterior cladding of homes.

In seeking qualitative comments among the largest 20 builders, the majority were satisfied with the costs and the competitive nature of timber products. There was also an overwhelming majority who rated timber quality as good to excellent.

For availability and lead times the responses were evenly mixed between those who were satisfied and those who had experienced problems. Not surprisingly, there were more companies with skills availability problems than those without.