

### 3. METAL PALLETS

#### 3.1 The Market

There are currently approximately 9.5 million pallets in use throughout Australia, of which only 0.4 million are of metal. Timber pallets of standard size, 1168 x 1168mm, dominate the market.

The market for pallets is cyclical due to the seasonal variations in consumer demand, particularly in the food and drink industries.

Approximately 70% of all pallets are hired, with the remainder owned by the end-user.

The annual market for pallets is estimated at 3 million units of which 15,000 are of metal. At the current (3/89) market price of \$50, ex-tax and ex-works, the annual metal pallet market is therefore worth approximately \$750,000 compared to the total market value of nearly \$35 million.

In the last 2 years plastic pallets have been released on the Australian market and these are taking market share from both wooden and metal pallets. Both plastic & metal pallets tend to be used for in-house applications particularly in the food industry. Concern over theft has restricted growth of the metal pallet market.

The major suppliers of metal pallets are:

Celsiunator Industries - importers of pallets from the Groko Company in Sweden.

Tubemakers - manufactures metal pallets.

Gerrard Strapping - manufacturers Palpac steel pallets.

Palmat Engineering - manufacturers of the "Perma" pallet.

Boral Cyclone - manufacture steel pallets.