Builders warn of lethal imports

EXCLUSIVE

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Unsafe building materials made cheaply overseas and shipped for use in Australia — despite their failing to comply with standards — are being cited in legal advice as a major risk for builders and homeowners.

The peak body for building and construction in Queensland, Master Builders, said fraudulent documentation was endorsing the products, which could kill people and destroy their homes.

The *Weekend Australian* reported the property development company owned by publisher and developer Morry Schwartz faces being sued by apartment owners in Melbourne after noncompliant and flammable cladding on his signature project was found to have fuelled a $5 million inferno.

Property funds manager Charter Hall and Mr Schwartz’s development company, Pan Urban, jointly developed the building in Melbourne’s Docklands apartment complex. Mr Schwartz said last week his company had nothing to do with the tower development and rights had been on-sold to Charter Hall.

The cladding from China, which has been found to be dangerous, did not comply with Australian combustibility standards and contributed to the rapid spread of the blaze last November. The builders, surveyors and installers are potentially liable in a Slater & Gordon class action as it is likely to be alleged they all had a hand in the cladding, called Alucobest.

Master Builders wants a national response to crack down on what it describes as a worrying and dangerous proliferation of unsafe building material imports that are cheaper partly because they do not meet standards.

“Products that don’t comply with Australian safety standards are making their way on to the market. These are dangerous, life-threatening or costly to replace,” said deputy executive director Paul Bidwell.

He said solar roof panels that caused fires, asbestos taps, exploding glass that shattered without warning, unstable wall systems and “dodgy cladding that burns too fast” such as that in the Melbourne fire were widely used.

“Products are being imported from overseas, mainly from China, with false paperwork,” Mr Bidwell said. “China is a big culprit but these products are coming from a number of countries. There are also products being built in Australia that are failing. “The products are being used because the documentation that comes with them is fraudulently claiming that it meets the standards. In other cases there is slackness in the building process and a preference to use cheaper products.”

The growth of fraudulent documents was “frightening”, and companies would liquidate to avoid rectification costs.

A legal opinion obtained by Master Builders warns that builders face damages claims for any losses suffered, including “consequential loss such as damage to property and personal injury”.

Master Builders, which has been alarmed also at the widespread use of another dangerous product, Infinity Cable, has urged its members to try to manage their legal exposure by identifying all cases in which it was installed, and responding to a product safety recall notice for it to be removed or made safe.

The Australian Competition & Consumer Commission has banned the electrical cable product as it “will deteriorate over time, posing a dangerous fire hazard and creating a high risk of electric shock from direct contact”.

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