

## **MEDIA RELEASE**

18 September 2020

### **Master Builders Victoria Calls for Changes to Cladding Bill**

Master Builders Victoria today wrote to the Victorian Government to express its concern and call for changes to the Cladding Safety Victoria Bill 2020 that is currently before Parliament.

Master Builders Victoria CEO Rebecca Casson said the consequence of the legislation will see builders vulnerable to claims that they can neither have foreseen, nor protected against.

“While the legislation aims to protect consumers, it will mean claims against builders who have not been given any opportunity to protect themselves, and will result in further insolvencies, and further losses for the Victorian economy.”

The Bill outlines a two year extension for the time limit on compensation claims for removal of combustible cladding from 10 years to 12 years. Master Builders Victoria has the following concerns with this Bill:

- Retrospective legislation holds individuals to a standard that they could not have anticipated. In this instance, the retrospectivity applies to an absolute liability meaning there is no requirement to demonstrate any fault on behalf of the practitioner subject to that liability.
- The definition of a ‘cladding building action in connection with or otherwise related to cladding products’ is not limited to flammable or combustible cladding claims, the definition provided allows for a far wider scope of action.
- Builders will no longer have the opportunity to notify insurers of claims under policies which will protect against cladding related claims.
- The Victorian building and construction industry is already subject to a 10 year liability on building actions. This is a significant increase on the 6-year liability period which applies to most other industries.

“The finger pointing related to cladding must cease and greater collaborative consultation is required to develop effective solutions to the remaining problems.

“Without any consultation, this legislation is being introduced at a time when our industry is adapting to further changes imposed from the COVID-19 pandemic. We urge the Government to immediately reconsider the implementation of this Bill and allow all parties to focus on the urgent problems of survival and recovery from the COVID-19 pandemic,” said Rebecca Casson.

**ENDS**

## **MASTER BUILDERS VICTORIA**

[www.mbav.com.au](http://www.mbav.com.au)

Since 1875, Master Builders Victoria has grown to be Victoria's leading building and construction industry voice.

A broad-based organisation, we service the needs of the entire industry, from residential to commercial and engineering businesses, principal contractors to subcontractors, manufacturers and suppliers.

We continually assist in developing the skills of our members by providing access to a wide range of services and proactive representation to government and industry. Master Builders Victoria also serves the community by fostering best practice work standards and acting as an independent advisory service for our industry.

### **MEDIA ENQUIRIES:**

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