

Engineers disagree on whether Australian high rise is safe to reoccupy

By John Wilson
15 January 2019

While only two of the four engineers' have concluded it is safe to reoccupy the building, some residents have moved back in to Opal Tower, either voluntarily or because their hotels were cancelled by the builder. The engineers for the body corporate say they are waiting on further information before they can declare the building safe to occupy, while the New South Wales (NSW) state government only released its own assessment by three academic engineers today.

The builder, Icon, told residents in a letter on January 10 that engineers WSP, who designed the building, and Rincovitch Partners, had both declared the building to be “structurally sound.” No explanation was given, however, why a concrete panel on the 10th level of the 34-storey tower had cracked. The extent of temporary bracing that has been placed through a number of floors—up to a hundred jacks, each of which can support ten metric tonnes are being used—suggest that there are still concerns the building will continue to shift.

Icon's letter stated: “It is entirely up to the residents whether they want to move in or not. Our view and the view of the engineers is that the building is safe to occupy.” Residents have complained about the lack of information.

A one page letter sent on January 11 by Cardno Engineering, who have been engaged by the body corporate, called for completion of the reinforcing and asked for further tests to “confirm finding of the non-compliant reinforcing in the precast on Level 10” and whether the significant spalling is a “one-off occurrence” or a “systemic problem.”

The NSW government report released today, which was prepared by Professors Mark Hoffman, John Carter and Stephen Foster, stated that “significant rectification works are required to repair and strengthen damaged hob beams and in some cases the panels that rest on them.” It assessed that the “probable cause” was “localised structural design and construction issues,” but further investigation is needed.

The building was partially evacuated on December 24 and then completely evacuated on December 27 after cracks in a

six-by-three metre concrete panel were discovered and doors to some apartments were jammed by structural shifts in the building. Workers have stripped walls from some apartments to look for problems and drilled inspection holes in the walls of others.

Residents of apartments close to the damage have had their possessions put into storage and have been told it will be six weeks before they can move back in. Apartments with inspection holes will have to wait at least a week while minor repairs are done.

The WSWS spoke with one resident on Sunday who was moving back in because Icon had cancelled their booking at the hotel. Icon had told residents on January 10 that they would no longer pay for accommodation from 11am on Sunday. They later backed down and extended this to Wednesday.

Other residents have also moved back. A night photo of the building posted on Saturday night showed five apartments on one of the three sides of the building with their lights on. There are 392 apartments in the building. In a Facebook comment on the “Opal Tower Sydney Residents” page one tenant wrote: “Have moved back in and getting on with life.”

A 2012 survey of 1,500 residents in NSW revealed that 85 percent of buildings constructed since 2000 have “defects” of one kind or another, compared with 70 percent overall. The WSWS was told by a resident of one of a 14-storey tower near Opal Tower that their seven-year-old building had had a hot water pipe burst in the lift well, disabling the lift for several weeks and forcing residents to take the stairs.

Under the current law, if “major defects” (which means the building is uninhabitable) arise within the first two years of occupation then the builder must rectify the problem at their own expense. The builder is also liable for minor defects up to six years. Despite these nominal protections, building companies are often asset-free shell entities that can declare bankruptcy in the case of any liability.

Ian Bailey SC, a professor and prominent construction barrister told the *Australia n* last week: “People who are

buying anything above three storeys don't have any protection at all."

Michael Lambert, a former secretary of the NSW Treasury who authored a 2015 report into the building industry, told the *Sydney Morning Herald* last week that the defects at Opal Tower "are likely just the top of the iceberg."

Lambert noted the government had ignored most of the 150 recommendations he had made, except those relating to fire safety. His report found that "the incidents of building defects is significant" and "the incidence appears higher in NSW than elsewhere."

Builders Collective of Australia's national president Phillip Dwyer told Special Broadcasting Service (SBS) news on Friday that the "actual regulation and compliance of the industry is nowhere near strong enough and that is the core issue of why we exist and why we are concerned."

On January 9, the WSWS spoke to Yogi, 33, who works in construction and is one of the tenants of Opal Tower forced to stay in a hotel. He asked: "If the building is sound why have we got propping from the basement right up to the top in multiple locations?"

When told that industry leaders had said they were not surprised about these problems in construction, Yogi said: "If these experts, the deans and the professors, have got these concerns, what satisfaction does that give residents of living in these sorts of buildings. Human life versus costs and profits. There's no other way to put it out there. Do we care about human life or do we care about the big fat profits that are going to these corporations? I'm all for business and profits, but ethics are being thrown out the window."

Despite the escalating crisis there have been no further comments in the public over the weekend from either the Liberal-National Coalition state government and the only action demanded by the Labor Party opposition was for the release of the government report. There is also no public comment at all so far from the building industry union, the CFMMEU, or from the Greens.

The initial response of the government and the opposition was to scape-goat the certifiers and building surveyors to divert attention from the rest of the industry. In Victoria, Australia second most populous state, this scapegoating has been extended with the announcement last week that the Victorian Building Commission will investigate up to five sites where Icon has a building permit, including a \$250 million development in Docklands.

The *Australian Financial Review* reported on January 10 that leading valuation firm Preston Rowe Paterson had downgraded prices of apartments in Opal Tower by 16 percent and issued an alert to their bank clients.

Class action lawyers are already offering their services to the owners and tenants of Opal Tower apartments. Maurice

Blackburn lawyers has offered to lead a class action on a "no win, no fee" basis and have costs of \$6.2 million deducted from any settlement.

The *Australian* revealed on January 11 that the state-owned Sydney Olympic Park Authority may be sued because it is the owner of the land, whereas Ecove, the developer, and the builder Icon may have no directly liability. The premier, Gladys Berejiklian, had previously been calling on residents to take legal action.

Master Builders NSW's Brian Seidler told SBS News: "There's billions and billions of dollars' worth of construction happening in NSW and this is a most unfortunate and I think an extraordinary example of something going wrong."

In fact, far from being "extraordinary," the faults in Opal Tower appear to be just a severe example of routine problems in residential construction. While sections of business fight between themselves to avoid liability and pass the cost on to home owners and residents, the inability to provide safe and secure housing in an advanced economy raises the need for workers to develop their own perspective to protect their interests.

The author also recommends:

Opal Tower structural flaws expose rot in Australian construction industry
[7 January 2019]

Evacuated Opal Tower residents in Australia express anger and dismay
[8 January 2019]

Flammable cladding rife in Australian construction industry
[27 June 2017]

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>