

Perth leaky waterpipe crisis - Fletcher Building's Iplex, builder BGC involved

By [Anne Gibson](#)

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“Is it going to take someone being electrocuted and killed?”

That’s what a Perth homeowner asked about a place with water pipes made by Fletcher Building subsidiary Iplex and built by Western Australian builder BGC where water poured through a light switch.

She asked why the Iplex polybutylene pipe hadn’t been recalled.

“This product is not fit for purpose. 1600 local Perth members and rising rapidly ... we need action!” she said, citing a Facebook group with 1800 members with a focus on potential Iplex polybutylene-related class action.

Another complainant showed water dripping from a light fitting in the bathroom of her 8-year-old child and also raised safety concerns.

Fletcher and the West Australian builder are both involved in investigations, although Fletcher [entered a trading halt yesterday](#) while it tried to work out what an Australian builder plans to present in relation to the problem. Builder BGC is itself the subject of possible pending class action across the Tasman, although it’s said it will “vigorously defend” itself.

Investigations centred on leaks in around 1600 Perth homes.

Fletcher has [set aside A\\$15 million](#) to cover that, but the saga is [now speculated across the Tasman to be a \\$1.9 billion crisis](#).

A Fletcher spokesman said today: “All our testing points to it being an installation issue.”

But the builder cited preliminary findings from Western Australia’s construction and plumbing regulator, Building and Energy.

It said the regulator found problems were caused by Pro-fit polybutylene pipes manufactured by Iplex Australia.

“Building and Energy’s thorough investigation, which encompassed inspections at more than 50 properties, has yielded valuable insights into the cause of pipe failures.

“The preliminary results indicated that installation work practices and workmanship were not contributing factors to these incidents. Instead, the focus has shifted to the failure of the product itself,” BGC said.

BGC chief executive Daniel Cooper said: “Having attended to more than 1600 bursts across nearly 1000 homes, we understand the challenges and frustrations that homeowners have experienced due to these water pipe failures. We appreciate the efforts of Building and Energy in conducting an extensive investigation to uncover the root cause of these issues. Their findings align with our own continuing investigation, which indicates the pipe failures are a result of manufacturing issues.

‘Australia-wide issue’

“Having understood the root cause, we believe this is an Australia-wide issue and that WA is simply the tip of the iceberg.”

BGC said it understood Building and Energy’s findings were sent to the Australian Competition and Consumer Commission, the national body responsible for product safety and product recall regulation.

“As the plumbing regulator has determined that installation practices were not at fault, it is now appropriate for the ACCC to assess and manage any potential product-related concerns. While BGC is not responsible for the manufacturing of Pro-fit polybutylene pipes, we remain committed to supporting our customers through burst repairs and preventative works,” Cooper said.

In April, Fletcher [chief executive Ross Taylor announced issues with Pro-fit](#).

“We acknowledge the frustration and inconvenience impacted homeowners and their families are facing. We are working hard with builders to arrive at an acceptable outcome for affected homeowners,” he said then.

Fletcher revealed problems after receiving many complaints about the hot and cold water polybutylene pipe product.

“The complaints relate to leaks in homes, primarily built by group home builders in Western Australia, which have required repair or replacement of the pipes and, in some cases, damage to the affected homes,” the company told the NZX today.

Iplex Australia had a fund to assist other WA plumbers and builders on affected homes on a “no admissions basis to reimburse costs incurred”, the company added.

Western Australia’s building regulator, the Department of Mines, Industry Regulation and Safety, is doing its own investigation into the Iplex pipes.

Reports to Iplex Australia show about 1200 of the 15,000 Western Australia homes with Pro-fit installed between 2017 and 2022 had leaks.

Building and Energy executive director Saj Abdoolakhan said: “Understandably, these incidents have caused stress and inconvenience for many homeowners. Our investigation has been comprehensive and involved detailed laboratory work to determine if the cause was a product manufacturing issue, substandard workmanship during installation or a combination of both.

“As the plumbing regulator, we have formed the view that installation work practices were not the causes of these failures,” Abdoolakhan said.

Fletcher’s spokesman said today no Pro-fit pipes were sold in New Zealand.

He said Fletcher Building had provided interim funding to assist Perth builders and plumbers to address the failures and work collaboratively with them on establishing the root cause of the failures so the most timely and efficient fix could be found.

Iplex had continued to work with builders and had undertaken 20 separate testing regimes on more than 875 individual samples which showed a categoric correlation between basic plumbing installation failures or mistakes and the location of the plumbing failures, he said.

“At this time, the work that Iplex Australia has undertaken or commissioned does not identify a manufacturing defect,” the spokesman said.

“Ultimately, homeowners deserve a co-operative and timely response to this problem by all members of the building industry,” he said.

Anne Gibson has been the *Herald’s* property editor for 23 years, has won many awards, written books and covered property extensively here and overseas.