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Pressure mounts on Fletcher over Aussie pipe failures

Complete remediation of all properties affected could cost A\$1.8b, says WA building group.

[Tim Hunter](#)
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Fletcher Building's potential liability for a mounting crisis of bursting pipes in newly built Australian homes could reach A\$1.8 billion, says a building company in Western Australia.

In a hastily brought forward presentation late on Wednesday, building group BGC took analysts and media through the detailed findings of an investigation into the causes of leaks affecting thousands homes in the state.

Its analysis casts Fletcher's [A\\$15 million provision to date](#) as woefully inadequate and pins the blame on a changed manufacturing formula for Profit brand plumbing products made by Fletcher's Australian subsidiary Iplex.

Ahead of the presentation Fletcher placed its shares [on trading halt](#) "to ensure the market does not trade materially influenced by false or misleading information".

Fletcher has had a copy of BGC's investigation report since June 2.

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Problems began emerging publicly with bursting pipes in WA in February although Fletcher has downplayed the scale of the issue, saying its causes were yet to be determined.

BGC, WA's biggest home builder, was uniquely placed to see a pattern in the emergency repair calls.

According to its data, there have been 2003 burst pipes in 1118 homes, 99% of them since 2017. Of those, 98% between 2020 and 2022 were in homes built using pipe made from Typlex-1050 resin imported from Ylem Technologies in Korea.

Previously the polybutylene pipe was made with a different resin.

