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BGC still a no-show as State Government launches scheme to fix leaky Iplex pipes in hundreds of WA homes



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Thousands of WA homeowners have been impacted by the burst Iplex pipes. Credit: Daniel Wilkins/The West Australian

A scheme to help hundreds of WA homeowners suffering from a wave of burst pipes has kicked off, says the State Government.

So far, 11 builders have signed onto the scheme. (See the full list below)

But construction giant BGC will still not participate amid a Federal Court battle with Fletcher Building, the parent company of pipe manufacturer Iplex.

That comes after a bitter dispute over fault for the leaks, with Fletcher blaming installation errors as BGC chalks up the failures to manufacturing flaws.

Customers of BGC – once WA's largest builder – will need to lodge a complaint to regulators to access a resolution.

The State Government announced the industry deal in August and chipped in \$30 million.

Participating builders will have access to the cash to replace pipes in a staged program depending on the severity of leaks.

Leak detection units will also be installed in eligible homes.

"These pipe leaks have caused significant stress for affected homeowners, who remain front and centre for the Cook Government as we work to resolve this problem," Commerce Minister Sue Ellery said.

"Through the finalised agreement and important legislation changes, all homeowners can be reassured that the issue will be addressed in a co-ordinated way at no cost to them through either the Industry Response or a building complaint."

Fletcher boss Andrew Reding said the agreement was a "significant step".

He said "it provides a practical and immediate response to affected homes, at no cost to the homeowner".

"Fletcher Building has long recognised that industry co-operation was required.

"We are pleased to be collaborating with builders and the Western Australian Government – and we thank them for their partnership in this process."

Shares in Fletcher nudged down 0.2 per cent to be \$2.90.

Participating builders:

- Affordable Living
- Ideal Homes
- Broadway Homes
- Western Australia Building Company
- Status Residential
- Luxury Living Homes
- New Choice Homes

- Shelford Construction
- Aveling Homes
- WOW Homes
- Summit Homes