

# The West Australian

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## Manufacturer blamed for pipe burst chaos, with as many as 1200 WA homes impacted

**John Flint** The West Australian  
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As many as 1200 [WA homeowners](#) have been caught up in the mass failure of plumbing pipes, with a State Government investigation pointing to a “manufacturing defect”, rather than incorrect installation.

And while builders were breathing a sigh of relief that they might be off the hook for the huge cost of repairs, the manufacturer is not yet conceding liability.

However, it has agreed to help construction companies BGC and Delstrat groups replace the pipes in affected homes.

In a statement to the Australian Stock Exchange on Monday, Fletcher Building said it would financially assist the two major Perth homebuilders deal with the replacement of pipes in ceilings across WA.

Although the company doesn’t concede liability, it said it was aware a State Government investigation into the deluge of burst pipes, resulting in flooded houses and costly repairs, was expected to blame a “manufacturing defect”.

Replacement and repair work would only be done in the event of a burst and if the polybutylene plumbing pipes were of the Pro-fit brand and manufactured between mid-2017 to mid-2022.

As revealed by The West Australian, homeowners impacted by the failure of extensively used pipes are demanding all such piping is replaced, not just the sections that have torn and caused leaks.

They complain it’s only a matter of time before there are fresh bursts.


The Pro-fit pipes were manufactured by Iplex Australia, which is part of the ASX 100-listed Fletcher Group.

The company, which stopped selling its Pro-fit brand of pipes on May 31 last year, is understood to be baffled by the mass failure in WA, given the pipes were used widely across the country without any reporting of anomalies.

“Reports to Iplex Australia are that to date about 1200 of the 15,000 houses constructed in Western Australia using Pro-fit in the period mid-2017 to mid-2022 have experienced leaks,” the statement to the ASX said.

“The date range is relevant as builders have told Iplex Australia they have not experienced unusual levels of leaks in homes constructed prior to that period.”



 Defective polybutylene plumbing pipes have been stripped out of hundreds of new homes in WA. Credit: Unknown/Supplied

The WA Department of Mines, Industry Regulation and Safety has been investigating the failure of the piping for the past few months.

“DMIRS has advised Iplex Australia that while its tests are not yet complete Iplex Australia should expect its results to lead to DMIRS finding that the leaks are due to a manufacturing defect,” the Fletcher Group statement said.

“A Western Australia group home builder has also advised it expects to deliver to Iplex Australia the results of its own tests once they are completed.

“For its own part, Iplex Australia is undertaking its own ongoing, extensive investigation into the root cause. At this time, the work that has been completed does not identify a manufacturing defect.

“In the near term, Iplex Australia expects to work with DMIRS and other stakeholders on the appropriate path forward.”

The company said it had proposed interim arrangements with two large group homebuilders in Perth – BGC and Delstrat – which together constructed about 90 per cent of the affected homes to assist them.

“These are commercial proposals on a no-liability basis which do not address, nor are they based on, causation,” the statement said.

“They offer a basis for an interim period for the two builders to replace ceiling product in homes that have leaked and repair damage . . . In addition, Iplex Australia will establish a fund of \$2 million to assist other WA plumbers and builders who also constructed affected homes on a no-admissions basis to reimburse costs incurred by them for the same scope of work as may be agreed with the two group home builders.”

Fletcher Building chief executive Ross Taylor said the company acknowledged 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.

The company has put aside \$15 million to address the issue.

“That amount will be revisited if facts emerge to warrant it and as part of the full-year financial reporting process,” it said.

Building and Energy executive director Saj Abdoolakhan said officials were aware the torrent of bursts and leaks “have caused stress and inconvenience for many homeowners”.

“We are working hard to complete a thorough investigation into whether this is a product manufacturing issue, substandard workmanship during installation or a combination of both,” Mr Abdoolakhan said.

“While the investigation is in progress, I am encouraged that Iplex Australia and its parent group, Fletcher Building, are working proactively with builders to put interim arrangements in place to assist consumers.”

Master Builders Association WA executive director John Gelavis said he was encouraged by the development.

“Master Builders acknowledges the work by the department regarding this matter as we have been working with them on behalf of our members and the public to ensure a

thorough investigation is conducted so the matter can be addressed, and confidence can be restored,” he said.

“We are also encouraged by the response to the ASX by Fletcher Building in their commitment to work with the department and industry stakeholders to arrive at an acceptable outcome for both industry and homeowners.

“As the housing sector continues to decline in activity from its peak in 2020-21, consumer confidence in the industry is paramount so we welcome the recent developments on this issue and a step in the right direction.”

Building and Energy has set up an online register for consumers to lodge their details if they are affected by burst pipes:

<https://www.commerce.wa.gov.au/publications/information-owners-new-homes-polybutylene-plumbing-pipes>