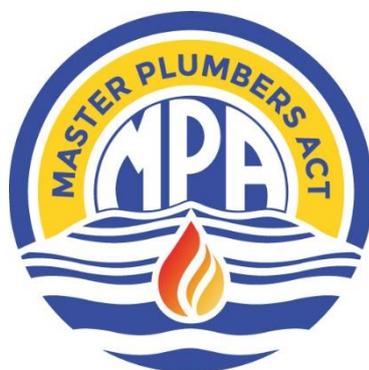


Master Plumbers ACT

Submission

to the

ACT 2023-24 ACT Budget Consultation



Master Plumbers Association ACT (MPA) was established in 1976 and is the region's peak organisation for the plumbing industry, aimed at supporting a strong and professional industry, a satisfied community, and a flourishing environment. We do this through our support of training excellence, industry leadership, an emphasis on environmental protection and sustainability, protection of public health and safety, and upholding highest ethical standards.

MPA's work importantly brings all groups together to underpin best outcomes for the ACT community & ACT Government through our collaborative endeavours.

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1. Executive Summary

Master Plumbers Association - Canberra ACT (MPA), as the peak membership association for the plumbing sector, is delighted to accept the invitation from the Chief Minister and Treasurer to submit a pre-Budget Submission to the ACT Government. Our proposals are aimed at supporting the government's unwavering focus on promoting economic, social, and community recovery to ensure the well-being of Canberrans now and in the future (ACT Government, 2023).

Given our significant impact on environmental sustainability and public health and safety, as well as our direct engagement with over 470,000 ACT residents, it is vital that the ACT Government provides substantial funding and promotional support to MPA. Therefore, the proposals outlined in this submission aim to enhance the recognition and impact of MPA's extensive range of programs (Appendix 1).

MPA is encouraged by the participation and operational support from the ACT Government for the Plumbing Industry Leadership Alliance (PILA), which was established following our recent Budget Submissions. Through PILA, a diverse group of industry leaders has made significant progress in several areas, including timely updates on national activities, community education and engagement on the crucial importance of Backflow Prevention Devices, training updates, and evolving opportunities. Furthermore, MPA has been working diligently to support the best outcomes for our community, environment, and government. Recently, the collective effort of MPA, with support from the PILA community, led to the discovery of misleading, deceptive, and unconscionable conduct by an unethical non-member plumbing business operator through the ACT legal system.

The plumbing industry is a crucial sector of the ACT economy, contributing approximately \$1 billion and involving around 4,000 licensed plumbers, in addition to administrative staff and allied organizations that support the industry (Joboutlook, 2022). To ensure the best outcomes in this critical sector, support from the ACT Government is essential.

In our 2023-34 Budget Submission, MPA Recommends the ACT Government:

- ◆ **Recommendation 1: Partner with MPA to promote reputable, evidence-based research around all energy options available to transition to Zero Emissions**
\$50,000 per annum for 3 years (\$150,000 total, est gov savings \$2-3M per yr)
- ◆ **Recommendation 2: Support increased training capacity and excellence across the Plumbing profession**
\$200,000 per annum for 3 years (\$600,000 total, Easing of workforce shortage, lifting of professional standards, easing of government and community/ratepayer costs)
- ◆ **Recommendation 3: Actively promote MPA Membership and the MPA Consumer Guarantee as underpinning best community, government, and environmental outcomes**
\$50,000 per annum for 3 years (\$150,000 total, easing of government and community/ratepayer costs)
- ◆ **Recommendation 4: Support MPA to provide expert reports where there are substantial consumer concerns, both directly and through partner organisation including Care Consumer Law**
\$180,000 per annum for 3 years (\$540,000 total, Efficient resolution of consumer concerns, lifting of professional standards, easing of government and community/ratepayer costs)



2. About Master Plumbers Association – Canberra ACT

Master Plumbers Association – Canberra ACT (MPA) is the peak membership association for the plumbing sector, with a vision of a thriving, professional industry, a safe and healthy community, and a flourishing environment.

MPA members include experts across the breadth of the industry including policy makers, contracting businesses from those with 200+ employees to sole operators, training organisations, apprentices across the breadth of the 6 years of study to become fully licensed, product suppliers and allied organisations. The purpose of MPA is to support our members in their efforts to uphold highest possible ethical and professional standards through knowledge sharing, professional development, networking and advocacy.

Our objectives include the promotion of a professional and ethical plumbing industry as a critical objective across government, business and the community; the promotion and advocacy of policies and practices that support public health and safety and environmental protection; the improvement of relative plumbing sector outcomes for vulnerable demographics and groups within the community; leadership and promotion of a collaborative environment encompassing all those with responsibility for and working in the plumbing industry; and support and advocacy for highest standards of training and continuing professional development across the industry.

Our direct contact with the 470,000+ ACT community members on a daily basis, coupled with our strong commitment to ethical practices, puts MPA in a unique position to influence community health and safety and environmental sustainability outcomes, and we take our responsibility seriously. We do however need the government's support for our substantial suite of programs, a selection of which are detailed in Appendix 1.

3. Our proposals

Our proposals are framed around the central tenets for the ACT Government's budget preparations, building our economic, social, and community recovery and to support the wellbeing of Canberrans now and into the future.

a) Partner with MPA to promote reputable, evidence-based research around all renewable energy options available to transition to Zero Emissions

MPA is acutely aware of misinformation being promulgated about natural gas, most recently the incorrect assertion in relation to negative impacts of gas use on health (MPA, 2023). This particular assertion has been thoroughly debunked, through independent, comprehensive, reputable research (Catalyst Environmental Solutions, 2023). It is particularly vital that the ACT Government relies on and shares reputable evidence with the broader Community to immediately and firmly correct false assertions.

\$50,000 in annual funding for 2023-2024 would provide much-needed support for operational activities to sustain and expand our promotional activities, which in turn supports the ACT community and Government to reduce the escalating costs of living pressures.



Proposal

Boost Consumer Protection & Equality Programs

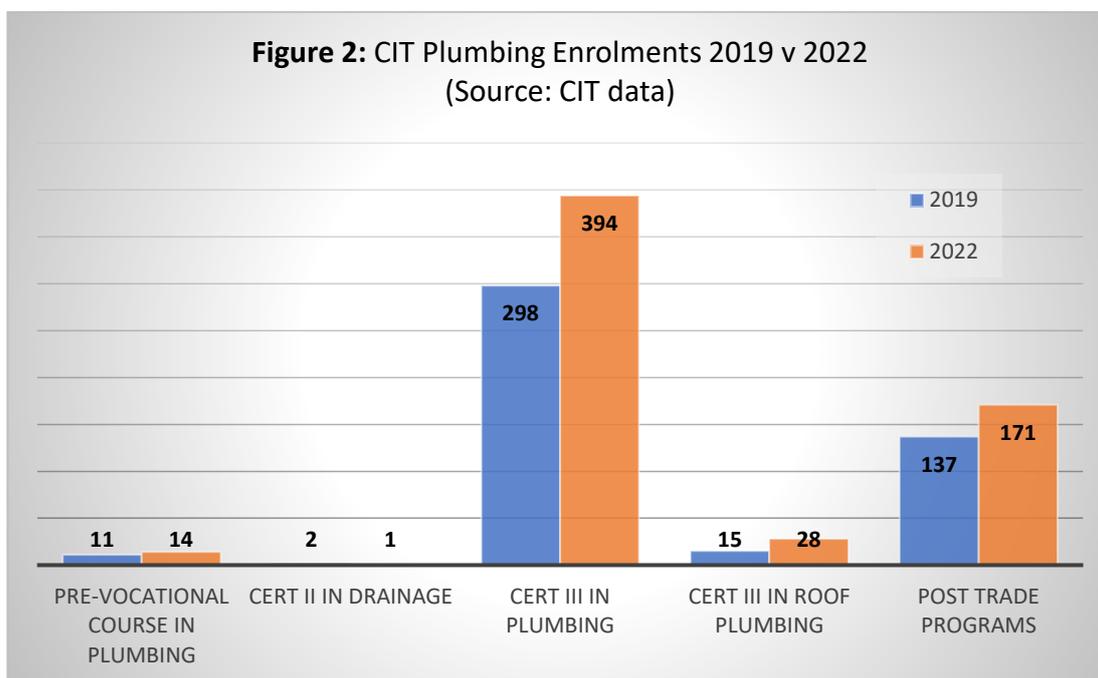
Financial commitment required: \$150,000 i.e. \$50,000 per annum for three years

Estimated ACT Government/community cost-saving: \$2-3M+ per year *est gov savings \$2-3M per yr*

b) Support increased training capacity and excellence across the Plumbing profession

The plumbing industry is one of only 3 licensed and regulated trades – plumbing, electrical and building. Training across our industry is unique as it takes 6 years to become fully qualified as a licensed plumber - 4 years via Certificate III training and practical experience to gain certification as a Journeyman Plumber, and a further 2 years to complete additional Certificate IV training to become fully licensed.

The 2022-23 ACT Skills Needs List targets the plumbing industry across both gasfitting and plumbing streams (ACT Government, 2023), and although the number of CIT enrolments for plumbing has increased by 24% since 2019 (Figure 2), it will take 6 years to progress these trainees to fully-licensed status. Even then, the number of new entrants will not fill the skills gap that we are currently experiencing.



The increase in apprenticeship enrolments has spurred a corresponding increase in the support required through MPA activities – including via our apprentice/industry/stakeholder forums and our training rebate program for those about to become fully licensed or completing CPD.

MPA is proud of our enduring and mutually respectful partnership with our industry educator, the Canberra Institute of Technology, which ensures our next generation of industry professionals, together with their employers and their educators, works collaboratively to underpin a strong future for our industry.



Plumbing is a continually evolving profession, markedly impacted by the constant changes brought about by our transition to zero emissions and our emphasis on environmental protection and protection of public health and safety. MPA support provides vital industry/training/apprentice knowledge transfer and can be built on with great impact.

The current skills shortage is significantly impacting our industry in the training sphere, with CPD across the industry especially heavily impacted. We are aware of many businesses seeking upskilling and qualifications across a range of areas, for example, Restricted Electrical Licensing, but there is a shortage of qualified or available teaching staff to run the courses. This is one example of many, and MPA would like to work with CIT and other CPD providers to fill this gap and support the increasing demand for professionalism and emergency skills needs across our sector.

Proposal

Support for plumbing skills & workforce needs

Financial commitment required: \$600,000 i.e. \$200,000 per annum for three years

Estimated ACT Government/community cost-saving: *Easing of workforce shortage, lifting of professional standards, easing of government and community/ratepayer costs.*

c) Actively promote MPA Membership and the MPA Consumer Guarantee as underpinning best community, government, and environmental outcomes

We are seeking funding to support our pioneering Consumer Guarantee program, the first of its kind in Australia. This program assures that consumers receive the utmost professionalism from our Members and provides protection through a \$5,000 insurance scheme in the rare event of workmanship concerns. Our initiative effectively mitigates the potentially disastrous consequences for both the community and the environment that may arise from unscrupulous businesses or practices.

Given the current skills shortage affecting our region and the nation as a whole, it is essential to raise awareness about the importance of employing ethical and technically proficient professionals. Your support for our Consumer Guarantee program will play a crucial role in promoting this message and safeguarding the community.

We are also seeking your support to promote the benefits and importance of employing MPA Member plumbers. Our Master Plumbers Members undergo a comprehensive vetting process, which includes checking licenses, insurances, good standing within the industry, and adherence to our Code of Ethics and \$5,000 Consumer Guarantee.

The membership application process is both rigorous and meticulous, guaranteeing that only competent and committed individuals and organizations join and remain in our ranks. This strict procedure preserves exceptional standards in the industry and cultivates a professional community. Your financial and promotional support will help us in promoting the use of MPA Member plumbers, ensuring the continued excellence and reliability of plumbing services.



Proposal

Active promotion and support of MPA Membership and MPA Consumer Guarantee

Financial commitment required: \$150,000 i.e. \$50,000 per annum for three years

Estimated ACT Government/community cost-saving: *Lifting of professional standards, easing of government and community/ratepayer costs through use MPA licensed, insured, ethical Members, who are covered by the \$5,000 Consumer Guarantee.*

d) Supporting MPA to provide expert reports where there are substantial consumer concerns, both directly and through partner organisation including Care Consumer Law

We are seeking funding to support MPA in providing expert reports in cases of significant consumer concerns, both directly and in collaboration with partner organizations such as Care Consumer Law. These expert reports are essential in addressing and resolving disputes, ensuring consumers receive a fair resolution while maintaining the credibility and professionalism of the industry (MPA, 2023).

MPA's expertise in the plumbing industry makes it an ideal candidate to produce these reports, as they have a thorough understanding of the technical aspects and industry standards. With the necessary funding, MPA can dedicate resources to investigate consumer concerns and deliver comprehensive reports that will aid in dispute resolution and uphold the rights of consumers.

Your financial support will enable MPA to expand this critical service, fostering trust in the plumbing industry and ensuring that consumer concerns are addressed effectively and efficiently. This initiative not only benefits the consumers and the ACT Government, but also promotes a high standard of workmanship and ethical practices among industry professionals.

Proposal

Supporting MPA to provide expert reports where there are substantial consumer concerns

Financial commitment required: \$540,000 i.e. \$180,000 per annum for three years

Estimated ACT Government/community cost-saving: \$2m-\$3m per year *Efficient resolution of consumer concerns, lifting of professional standards, easing of government/legal and community/ratepayer costs. Note this is strongly supported by Care Consumer Law*



4. Conclusion and Recommendations

The plumbing industry requires robust support from the ACT Government to navigate the evolving economic landscape and the shift towards achieving Zero Emissions by 2045. This support will benefit not only the government and the environment but also our community. By providing this support, we can enhance consumer confidence in our industry, elevate professional standards, prepare for future advancements, and eliminate unethical operators and practices that are draining valuable government resources and harming vulnerable community members.

As a collaborative multi-stakeholder organisation, MPA possesses the expertise, experience, and knowledge necessary to move forward with purpose and maximum impact. While we have made significant progress as an organization and industry, we require the government's partnership and support to continue advancing. Together, we must make the right investments to achieve our shared goals. MPA recommends that the ACT Budget 2023-24 include the following measures and investments:

In our 2023-34 Budget Submission, MPA Recommends the ACT Government:

- ◆ **Recommendation 1: Partner with MPA to promote reputable, evidence-based research around all energy options available to transition to Zero Emissions**
\$50,000 per annum for 3 years (\$150,000 total, est gov savings \$2-3M per yr)
- ◆ **Recommendation 2: Support increased training capacity and excellence across the Plumbing profession**
\$200,000 per annum for three years (\$600,000 total, Easing of workforce shortage, lifting of professional standards, easing of government and community/ratepayer costs)
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\$180,000 per annum for three years (\$540,000 total, Efficient resolution of consumer concerns, lifting of professional standards, easing of government and community/ratepayer costs. Note this is strongly supported by Care Consumer Law)

MPA appreciates the opportunity to make this submission and contribute to best possible public health and safety outcomes, and to ensure protection of our precious environment. Please do not hesitate to contact us should you require additional information or have any queries in relation to this submission.

Claire Howe
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Jason Tait
President
Master Plumbers ACT



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Appendix 1 – Our Programs

MPA has implemented a range of programs aimed at protecting consumers and our environment from unethical practices of non-MPA Members, and at supporting best outcomes for those who are financially vulnerable through our *pro bono* work. Unfortunately, Covid impacts have made our endeavours difficult. This impact has been exacerbated by a severe disruption to the global product supply chain, and a worsening skills shortage across the sector ([University of Melbourne, 2022](#))

MPA estimates the combined costs to the ACT Government and community as a result of unethical plumbing practices is in the region of at least \$2m-\$3m per year. This is based on 30-40 plumbing industry cases being progressed through the lower court system alone (noting many more cases are unreported, or are tied up in the legal system prior to entering court), the duplication or remediation costs of often unnecessary work required by consumers, and the costly damage to our environment and publicly funded infrastructure from unethical and unprofessional practices.

A strong reflection of the growing pressure across our industry is the closure of plumbing businesses. These businesses have made the heart-wrenching decision to leave the industry due to rapidly escalating costs and product supply constraints. A survey of our members indicates the closure rate is around 8% and is disproportionately affecting small businesses.

It's especially disappointing to lose operators who have spent 6+ years of specialised training to become fully licensed. These industry-wide impacts will take many years to reverse, and unfortunately open the door to consumers becoming increasingly susceptible to unethical operators.

Fair Trading at Access Canberra continues to be a vital service enforcing the Australian Consumer Law in the ACT. MPA has been working in partnership with Fair Trading and other ACT regulators and allied organisations to protect our community from unethical plumbing operators. Unethical operators damage the reputation of our industry and the government, most importantly in contravening the ACT Government's mandated regulatory systems that have been designed to benefit the community.

- **Our rigorous MPA Membership Application process**

Master Plumbers members are thoroughly vetted – licences, insurances, good standing in the industry, and must agree to abide by the terms of our Code of Ethics and our Consumer Guarantee ([MPA, 2023](#)).

The membership application process is rigorous and thorough, ensuring that only qualified and dedicated individuals and organizations become members. This stringent procedure helps maintain high standards within the industry and fosters a professional community.

- **Our standout Consumer Guarantee**

With our \$5,000 Consumer Guarantee, we are leading by example as the first Program of its kind across Australia.

Our Consumer Guarantee ensures consumers are provided with the highest standard of professionalism from our members, and in the unlikely scenario they have concerns about workmanship, they are protected through our \$5,000 insurance program.



This program counters potentially devastating outcomes (for our community and the environment) from any unethical businesses/practices that may be in operation. This is particularly vital with the skills shortage that is evident across our region (and the rest of the nation). It is vital that the community is aware of the importance of using ethical and technically first-class professionals (MPA ACT, 2023).

- **Our Pro Bono Plumbing Program**

MPA is especially pleased to report on a new and successful *Pro Bono* Program that we have developed to support our community, this time with Care Inc. Our *Pro Bono* Program assists members of our community who are experiencing financial difficulties and have urgent plumbing work they would otherwise be unable to have completed.

Our *Pro Bono* Program has seen many of our members put up their hand to help, for free, when needed (MPA ACT, 2023) and ensures our financially-vulnerable consumers are protected.

- **Consumer Education Programs**

Our activities provide many opportunities to encourage feedback and/or educate the community about the importance of many ACT Government and associated partner programs and services. This includes, for example, supporting our partners, including the ACT Government, Icon Water and Evoenergy, in consumer education around health, backflow prevention, safety, and protection and sustainability of our environment.

Our plumbing businesses and business partners/sponsors are in direct contact with the 470,000+ ACT and region community on a daily basis, which provides a convenient and immediate access point to share important messaging. In addition, our social media platforms and media promotional activities bring a much wider community lens to our collaborative activities and programs.

- **Our Members' commitment to the MPA Code of Ethics**

MPA Members sign up to the MPA Code of Ethics when they join. Our Code of Ethics is incorporated in our By-Laws as a means of supporting the highest standards of personal and business conduct by Members (MPA, 2023).

- **Support for ACT Government efforts through legal departments, fair trading, consumer legal services, the MPA complaints portal, & our referral and dispute resolution service**

MPA includes our work as an industry complaints portal as an important pillar in protecting the reputation of our industry, in particular our regulators who set the mandated standards for our work.

Our work to support the government involves provision of industry expertise & advice to all those involved in the dispute resolution service. We would appreciate support to expand these programs, in tandem with the ACT Government, and expedite the expulsion of unethical operators in our industry.

A recent example of our success addressing unethical operators via the ACT legal system is comprehensively outlined in our 15 February e-Newsletter to Members (MPA, 2023)



- **Our annual Plumbing Industry Excellence Awards which recognise, reward and promote our industry champions and ambassadors**

Our annual Plumbing Industry Excellence Awards celebrate the outstanding ambassadors and projects across our industry, which is an important contributor to an environment where professionalism and excellence is rewarded. In October this year we are looking forward to holding our in-person Gala Dinner and Awards event, noting the photos from last year's event have been viewed over 170,000 times ([MPA, 2023](#)). This is a significant outcome, and a sign of the importance of this event as a vehicle to collaborate and celebrate our sector's achievements.

- **Charity events – raising funds for deserving community causes**

Our annual Charity Bowls Day event is a highlight on the calendar for our industry, and in 2021 this was especially popular with a spotlight on road safety. Our guest speaker, Peter Frazer OAM from the Safer Australian Roads And Highways Foundation (SARAH), was a powerful presenter, and helped the audience make the link between the industry we work in and the impact of preventable road trauma ([Safer Australian Roads And Highways \(SARAH\), 2022](#))

We recognise the ACT Government is a strong supporter of National Road Safety Week which is an initiative implemented by SARAH. Noting our charity event raised hundreds of dollars for SARAH, with government support we would like to strengthen the road safety outcomes achieved across our industry.

Last year our Charity Event raised several thousand dollars for the Canberra Hospital Foundation, in support of families and children unlucky enough to be in hospital over the festive season. With your targeted support, we can continue to make a meaningful difference in the lives of those affected by illness and hospitalization during what should be a joyous time of year.