

PLUMBING SUPPLY FORUM 2018

THE BIG PICTURE

The biannual Plumbing Supply Forum took place recently in Sydney, with an array of presenters both from within and outside the sector discussing the important issues facing the plumbing industry. Adelle King takes a look at some of the highlights from the event.

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On 22 May, Plumbing Connection, in partnership with the Plumbing Product Industry Group (PPIG), brought together leading industry figures to discuss a range of issues affecting the plumbing industry at the biannual Plumbing Supply Forum



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Plumbing Connection publisher Jeff Patchell welcomes attendees to the Plumbing Supply Forum in Sydney.

Held at the Rydges Hotel – Sydney International Airport Terminal, the event provided more than 150 attendees with an opportunity to update themselves on challenges facing the industry, learn from peers and network with other industry stakeholders.

After an opening address by Plumbing Connection magazine publisher Jeff Patchell, BIS Oxford Economics managing director Robert Mellor kicked off the day with his keynote address about the economic forecast for Australia. Overall the message was positive.

Worldwide economic growth is relatively strong and while there will be a downturn in high density housing across all states, there will be a lot of activity for plumbing fittings in non-residential buildings in the next couple of years. This is being driven by office construction and the growing aged care market.

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"If you look at overall building activity, it's fairly good news. Growth of 5% is expected in 2018-19 before a bit of an easing in the residential building sector," says Robert.

"However, in terms of work done you're probably not going to feel too much pain in 2019-20. Growth in non-residential buildings will begin in 2016-17 so that sector is going to do very well."

There will be a downturn in the home improvements market though, which Robert estimates accounts for 45%-50% of demand for plumbing services and fixtures.

"There has been weakness in the home improvement market and growth has been modest for a couple of reasons," says Robert.

"We've seen a decline in home ownership, and investors are less likely to do renovations to the same degrees as owner-occupiers. We've also had weakness in wages growth, which is impacting private consumption expenditure and that in turn is restricting home improvement expenditure."

However, Robert says migration, which BIS Oxford Economics estimates will sit around 235,000-240,000 by 2020, will drive demand for housing. This is good news for the home improvement market as historically, alternations and additions activity tends to have a strong relationship with real estate markets.

The discussion then moved on to a topic that Plumbing Connection has covered regularly, non-conforming building products. The panel consisted of I J Donaldson & Associates principal consultant Ivan Donaldson, Queensland Building and Construction Commission (QBCC) director of industry quality Robert Monro and GS1 Australia senior manager – trade, transport and heavy industry Bonnie Ryan, and was moderated by PPIG president and Zetco managing director Scott Michaels.

“Non-conforming building products is an extremely topical issue at the moment and the plumbing sector has not been immune,” says Scott.

“There is no doubt in 2018 that the consumer has heightened expectations in terms of what our industry provides regarding safe drinking water and sanitation.”

As a result, Ivan says there have been calls for change on a range of issues right across the building and construction industry. However, based on past experiences, these changes only happen after catastrophic events occur.

“This is a pattern that’s been there for a very long time,” says Ivan.



Scott Michaels, Bonnie Ryan, Ivan Donaldson and Robert Monro after the 'Non-conforming Building Product' panel.

“We get a regulatory response to these terrible events because the community is able to see the consequences of inadequacy in the system. The building and construction industry is taking the lead in trying to generate change but the government and industry need to work together.”

Robert says this has begun in Queensland, with new chain of responsibility legislation introduced in 2017. The bill – the Building and Construction Legislation (Non-Conforming Building Products – Chain of Responsibility and Other Matters) Amendment Act 2017 – commenced on 1 November 2017. It introduces various duties on supply chain participants, including designers, manufacturers, importers, suppliers and installers, regarding building products.

“While we always looked at defective building work in Queensland, we only pursued the installers if we found there was defective work. The new amendments mean the QBCC can now take action against anyone in the chain of responsibility,” says Robert.

Bonnie says this is particularly important as supply chains become increasingly complex.

There have been a number of regulatory changes occurring recently, which were outlined in the panel session comprising Standards Australia chief executive Dr Bronwyn Evans, Australian Building Codes Board (ABCB) chief executive Neil Savery, Water Efficiency and Labelling Standards (WELS) scheme director Dr Carol Grossman and JAS-ANZ chief executive Dr James Galloway.

Bronwyn spoke about the Technical Governance Review that Standards Australia is undergoing as part of a broader governance review plan.

"We've had a lot of criticism of our processes so we commissioned independent consultancy company Cameron Ralph Khoury to review the governance of our committees. The main findings have been that while we're making changes, we're not making these fast enough for community expectations. There are three areas that have been identified where we need to improve – we need to be more open, more strategic and have better quality control."

Standards Australia has also been working on a pilot project to make standards more accessible and visual. The project is at the proof of concept stage in the form of Standards Australia's Innovation Incubator, which was established to test ideas, prove concepts and enable user focused change.

The ABCB is currently focused on the feasibility of introducing point of sale regulation for the WaterMark scheme and will take a WaterMark point of sale report to the Building Ministers Forum (BMF) in August.

Neil says one of the challenges moving forward is that regulators – states and territories – wouldn't be able to manage the cost impacts of a duplicate situation where there is point of sale and point of installation regulation.

There has also been discussion regarding the possibility of implementing a streamlined registration process for WaterMark and WELS, where WaterMark conformity assessment bodies (CABs) can undertake WELS registration on behalf of their clients.

“We think the CABs are well positioned to do this because they’ve already got the required documentation,” says Carol.

The other main regulatory issue discussed was lead. The ABCB has commissioned a research paper on lead in drinking water and the case for lead-free brass was discussed in a panel session between Reliance Worldwide export development manager Peter Flynn, IAPMO Oceana managing director Paul Bonsak and Galvin Engineering managing director Chris Galvin.

The panellists agreed Australia can learn from the US experience of introducing lead-free brass legislation, which was a long and ongoing process. Australia faces similar challenges to America, including the need to re-define exactly what lead-free means, unclear testing methods in standards and, the costs associated with change and a disconnect between national and state legislation.

“There’s still a lot of confusion in this area so there’s a lot of work that needs to be done to ensure we have a clear and consistent national approach,” says Paul.



Paul Naylor and Kevin Shinnars during the 'Skills Training Session' panel.

Before lunch, the discussion centred on new technologies, systems and processes that will, over time, improve efficiencies and support for industry and consumers. Wood & Grieve Engineers principal hydraulic and fire protection section manager John Lucchetti spoke about how building information modelling (BIM) is helping to optimise modular construction and the opportunities this technology represents in terms of building holistically.

Computer-aided 3D design has already largely replaced manual drafting of 2D designs and as BIM continues to add parameters, including time (4D), cost data (5D) and building system lifecycle (6D), we could see Australia introduce a UK-style BIM mandate on buildings.

The second keynote presentation of the day, by University of Technology Sydney (UTS) Institute of Sustainable Futures director Stuart White, also touched on the high-tech revolution slowly emerging in the plumbing industry.

Stuart says the urban water sector is undergoing rapid change as a result of new technology, such as smart metering, telemetry and controls, including the Internet of Things (IoT), as well as advanced water efficiency, source separation, localised reuse and changes in regulation and ownership of utilities and water services.

Drawing comparisons between the disruptions occurring in the electricity and telecommunications industries, Stuart outlined the future direction of the water sector.

“The sooner utilities realise they can be in the service business, focusing on customer’s premises, equipment, fixtures and processes, the sooner we’ll actually be in a better situation both in terms of the sustainability and the economic viability of those very utilities.”

Stuart’s presentation was followed by the skills training session panel with Master Plumbers Association of NSW executive officer Paul Naylor, the Service Trades College general manager in Queensland Adrian Shackleton and Shinners Plumbing managing director and Master Plumbers Victoria board member Kevin Shinners.

The panel was moderated by Apollo Flow Controls regional manager in Oceania and Backflow Prevention Association of Australia president Peter McLennan, who says the plumbing industry is currently grappling with questions about how to encourage more young people to take up plumbing apprentices.

The panel discussed the drop-off in apprentice rates and the different methods being trialled to deliver training that will not only help to attract and retain young people but also ensure they come out with relevant skills.

The event ended with a discussion of the day's proceedings by Enware Australia managing director and PPIG deputy president Adam Degnan, Cooke and Dowsett director and Master Plumbers Victoria director Scott Dowsett, Leonay Plumbing managing director Evan Campbell and Axis Plumbing general manager Bob Elliott, with a wrap up by PPIG executive director Stuart Henry.

Plumbing Connection would like to thank everyone who attended or participated in the event, with particular thanks going to our sponsors Caroma, Neoperl, IAPMO, WELS, the Department of Agriculture and Water Resources and Reliance Worldwide.

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