

Plumbing Industry Commission  
Annual Report 2005-06



# Connecting the industry

# About the Plumbing Industry Commission

The Plumbing Industry Commission (PIC) is established under Part 12A of the *Building Act 1993*.

It administers the licensing and registration system for plumbing practitioners, and promotes and enforces plumbing standards across Victoria. The PIC is supported by the independent Plumbing Industry Advisory Council, established under the *Building Act 1993*, which provides advice on plumbing regulatory matters to the Minister for Planning and the PIC.

It works proactively to promote plumbing practices that protect the health and safety of the community and the integrity of water supply and waste water systems. By monitoring the performance of plumbing practitioners, the PIC also contributes to the protection of water and gas supply, waste water, heating and cooling systems, and roofing.

The PIC also works with the community, industry professionals and educators to promote better plumbing standards and sustainable plumbing in Victoria and nationally.

In 2005–06, the PIC:

- Employed 49 staff (or 44 full-time equivalent employees) primarily at the PIC head office, located in Camberwell and regional offices located in Ballarat, Bendigo, Sale and Wangaratta
- Received \$9.1 million in total revenue, with a total \$8.4 million operating expenditure.

## Letter to the Minister

Rob Hulls MP, Minister for Planning

Dear Minister

In accordance with the *Financial Management Act 1994*, I am pleased to submit to you the *Plumbing Industry Commission's Annual Report* for the year ending 30 June 2006.

Yours sincerely



**Tony Arnel**  
Plumbing Industry Commissioner



Rob Hulls MP



Tony Arnel

Theme: **Connecting the industry**, to deliver a sustainable and safe plumbing industry for the future.

## PIC mission

To achieve community expectations of safety, health, environment and consumer protection through an efficient and effective plumbing regulatory system.

## PIC role

To administer the licensing and registration system for plumbing practitioners and to promote better plumbing standards.

## PIC values

The PIC is committed to:

- Putting customer and stakeholder needs first
- Integrity and accountability
- Just and fair outcomes in all actions, policies and procedures
- Developing individuals and embracing teamwork
- Accepting responsibility.

## PIC objectives

To help achieve the PIC's mission, its business strategies are focussed on the following objectives:

- Effectively administer the plumbing licensing and registration system in Victoria
- Promote, monitor and maintain expertise and competencies among industry professionals
- Monitor and enforce compliance with technical standards of plumbing work
- Promote plumbing practices that protect the environment, the health and safety of consumers, and the integrity of water supply, waste water, gas, and heating and cooling systems
- Work with the community to address concerns and resolve complaints about work carried out by plumbing practitioners

- Regularly consult and liaise with the plumbing industry to achieve transparency in reform processes and the promotion of innovative and effective plumbing solutions
- Actively promote and support a consistent and effective regulatory environment throughout Australia and New Zealand.

## PIC strategy

The 2005–06 Business Plan focused on three major strategic directions:

- An effective regulatory framework to deliver community safety and environmental sustainability
- A strengthened relationship with stakeholders to support a safe, healthy living environment
- A more effective and efficient PIC.

## PIC stakeholders

The PIC services clients and stakeholders including registered and licensed practitioners, industry professionals, peak industry bodies, manufactures, all levels of government, educators within the industry and the wider Victorian community.

The PIC actively engaged with stakeholders throughout 2005–06 and will continue to build on these relationships into 2006–07. Engagement practices include community consultation, advice, information seminars and established committee structures.

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# Highlights for 2005-06

## Practitioner registration, licensing and development:

Increased overall number of individuals holding registrations and/or licences to a total of 20,486, an increase of 2.7 per cent from 2004-05, providing consumers with greater choice in qualified practitioners.

## Compliance, audits and inspections:

Audited 5.3 per cent of all compliance certificates lodged and 5.4 per cent of all below-ground sanitary drains booked for inspection, exceeding minimum targets for auditing five per cent of all compliance certificates lodged and five per cent of all below-ground sanitary drains booked for inspection, ensuring high levels of consumer protection.

## Investigations:

Responded to 472 formal written complaints about plumbing work, representing less than 0.1 per cent of all compliance certificates lodged, ensuring community concerns about the standard of regulated plumbing work are adequately addressed and resolved.

## Industry and consumer awareness:

Conducted 16 industry information seminars on water saving and backflow prevention in both metropolitan and regional areas, attended by more than 3,000 practitioners, ensuring the industry is knowledgeable about the plumbing regulatory system.

## Regulatory development:

Commenced a major review of the *Plumbing Regulations 1998*.

## Financial performance

	2004-05 \$	2005-06 \$	change %
Total income	8,802,638	9,085,637	3.2
Total expenses	8,489,410	8,404,091	-1.0
Net result for the period	313,228	681,546	118.0
Total assets	7,994,051	10,065,099	25.9
Total liabilities	3,250,824	3,469,151	6.7

# Commissioner's report

Victoria's plumbing industry continued to operate at peak levels during 2005–06, with strong growth and development in areas, including registration and licensing, and compliance certificate lodgement.



Plumbing Industry Commissioner  
Tony Arnel

The Plumbing Industry Commission (PIC) faced a challenging year of regulating a thriving industry, while maintaining high plumbing standards and shaping a more sustainable future for the industry and consumers.

### Growth in qualified plumbers

In 2005–06, the number of individuals holding a plumbing license or registration continued to increase, with a total of 20,486 qualified practitioners now operating in Victoria. This figure is an increase of 2.7 per cent from 2004–05 and indicates that the industry is continuing to attract new participants and provide greater access to qualified practitioners.

While apprenticeships remained the major entry route for new practitioners, there was significant growth in the number of practitioners from non-apprentice backgrounds, with 849 individual class applications made to the Qualification Experience Review Committee, a 33.9 per cent increase from 2004–05.

Reflecting the growth in licensed and registered practitioners, the PIC responded to increased demand for practitioner qualification and skill assessment, with more than 1,900 examinations coordinated across all plumbing disciplines, an increase of 22.7 per cent from 2004–05.

### Ensuring compliance with regulations

In 2005–06, the total number of compliance certificates lodged with the PIC increased by 1.9 per cent to 289,275, signalling strong compliance with regulatory requirements for practitioners to self-certify their work.

The PIC again surpassed its responsibility to audit a minimum of five per cent of all compliance certificates lodged, with 5.3 per cent of all compliance certificate lodgements audited. The audit process ensures that plumbing work complies with relevant regulations, standards and codes.

Consumer satisfaction with the standard of plumbing work remained at high levels, with the PIC receiving just 472 formal written complaints about plumbing work during the period, representing less than 0.1 per cent of all compliance certificates lodged.

The PIC's role in addressing and resolving community concerns, was highlighted by continued activity in investigating and prosecuting practitioners who breach the Act and regulations. In 2005–06, the PIC undertook a total of 388 investigations, an increase of 3.2 per cent from 2004–05.

### Keeping industry and consumers informed

The PIC also maintained its focus on strengthening industry standards and consumer awareness through proactive communication activities, including consumer advertising, the distribution of technical information sheets and advice, as well as conducting information seminars around Victoria.

### Sustainability in plumbing

Commitment to sustainability efforts in the industry remained high, with the PIC contributing to the Victorian Government's *Our Water Our Future* policy, and participating in the World Plumbing Council Conference centred on sustainability in plumbing practices.

Important sustainability advances were also marked by the implementation of the full 5 Star standard on 1 July 2005, following a 12 month transitional period. The 5 Star standard for residential houses ensures significant energy and water savings for all Victorians, with new homes now required to meet a mandatory minimum energy efficiency rating and include water-saving features. The PIC played an important role in delivery of the 5 Star standard, including policy development and industry education to ensure compliance with the new standard.

### Achieving greater organisational efficiency

During 2005–06, the PIC undertook an organisational redesign to enable a greater focus on regulatory activities and position the PIC to be part of a shared corporate services model with the Building Commission, achieving greater efficiency and effectiveness for both organisations.

### The year ahead

In 2006–07, the PIC will work towards better industry and consumer outcomes through increased registrations, greater levels of compliance, and the promotion of regulations and sustainable plumbing practices.

I would like to congratulate the PIC's employees and stakeholders for their achievements in 2005–06 and look forward to continued success in the year ahead.

A handwritten signature in red ink, appearing to be 'Tony Arnel', written over a white background.

**Tony Arnel**  
Plumbing Industry Commissioner

# Plumbing Industry Advisory Council

Under the *Building Act 1993*, the Plumbing Industry Advisory Council is responsible for providing advice to the Minister for Planning and the PIC.

The Council includes up to 12 members representing industry employers and employees, vocational education, water and gas regulators, the building industry and consumers.

In 2005–06, the Council undertook the following activities:

- Member training to further enhance skills in chairing disciplinary hearing proceedings, as part of a strategy to establish a panel of professionals available to chair disciplinary hearings
- Developed and implemented research into water and energy savings through the plumbing and water protection systems of buildings
- Provided strategic direction during the initial stages of the PIC's 2006–07 business plan development
- Formally responded to the Victorian Competition and Efficiency Commission *Inquiry into Housing Regulation Draft Report* and monitored issues arising out of the inquiry.

Council members as at 30 June 2006	Meetings attended (10 in total)
<b>Vacant, Chair*</b>	–
<b>Tony Arnel</b> , Commissioner, Plumbing Industry Commission	10 (100%)
<b>Carmel Coate</b> , Executive Director, National Fire Industry Association <i>Nominated by the Minister for Planning</i>	8 (80%)
<b>Michael Ebdon</b> , Executive Manager, Infrastructure Safety, and Deputy Director, Energy Safe Victoria, <i>Nominated by the Minister administering the Gas Safety Act 1997</i>	9 (90%)
<b>Geoff Foster</b> , Manager, Apprenticeship Policy and Service, Office of Training and Tertiary Education <i>Nominated by the Minister administering the Vocational Education and Training Act 1990</i>	6 (60%)
<b>Ray Herbert</b> , Executive Director, Master Plumbers and Mechanical Services Association of Australia (MPMSAA) <i>Nominated by MPMSAA</i>	9 (90%)
<b>Ian Marris</b> , Field Officer, VICTEC Group Training <i>Nominated by Communications, Electrical and Plumbing Union – Plumbing Division</i>	7 (70%)
<b>Paddy McCrudden</b> , Victorian Coordinator, Cbus Superannuation <i>Nominated by Communications, Electrical and Plumbing Union – Plumbing Division</i>	9 (90%)
<b>David Seedsman</b> , Regional Manager Construction South, AE Smith and Sons <i>Nominated by Air Conditioning and Mechanical Contractors' Association of Victoria</i>	6 (60%)

\*The PIAC Chair was appointed in July 2006, subsequent to the period of this report.

# Performance highlights

	Objectives	Performance measures	2004–05	2005–06	change
<b>Practitioner registration, licensing and development</b> (See page 6)	Administer the registration and licensing of plumbing practitioners, maintain a public register of all registered and licensed practitioners and manage practitioner qualification and skill assessment	Total number of individuals holding a plumbing licence and/or registration	19,947	20,486	2.7%
		Total registration assessments (apprentice and non-apprentice)	1,186	1,434	20.9%
		Licence exams	369	474	28.4%
<b>Compliance, audits and inspections</b> (See page 13)	Coordinate and monitor the distribution and lodgement of compliance certificates, and monitor and enforce compliance with technical standards of plumbing work	Compliance certificates lodged	283,945	289,275	1.9%
		Audits undertaken of certified plumbing work (minimum of 5%)	5.6%	5.3%	-0.3
		Inspections undertaken of below-ground sanitary drains (minimum of 5%)	6.0%	5.4%	-0.6
<b>Investigations</b> (See page 17)	Work with the community to address concerns and resolve complaints in relation to the standard of regulated plumbing work	Respond to formal written complaints	419	472	12.6%
		Investigations undertaken	376	388	3.2%
		Rectification notices and orders issued	170	184	8.2%
<b>Industry and consumer awareness</b> (See page 20)	Provide advice on technical, industry and regulatory developments	Respond to telephone enquiries	35,423	38,812	9.6%
		Respond to in-person enquiries	8,119	8,526	5.0%
		Coordinate information seminars on industry related topics such as 5 Star, water saving and backflow, and recycled water	15	16	6.7%
		Campaign to promote use and awareness of licensed practitioner ID cards*	7,316 ID cards distributed	12,199 ID cards distributed	66.7%
<b>Regulatory development</b> (See page 23)	Manage and develop the plumbing industry's regulatory system and provide advice on technical, industry and regulatory developments	Process modification requests	346	284	-18.0%
		Commence review of the <i>Plumbing Regulations 1998</i>	N/A	Review of <i>Plumbing Regulations 1998</i> commenced by June 2006	N/A
<b>Organisational performance</b> (See page 29)	Match human resources, culture and conduct of employees with corporate strategies and values	Days lost to OH&S or industrial action	0	0	0%
<b>Financial performance</b> (See page 32)	Deliver strong financial governance and financial management as a self-funded statutory authority	Total income	\$8.8 million	\$9.1 million	3.2%
		Total expenses	\$8.5 million	\$8.4 million	-1.0%
		Net result for the period	\$0.3 million	\$0.7 million	118.0%

\*ID cards are distributed during registration and licence renewal

### Objectives

Under the *Building Act 1993*, the PIC is responsible for administering the registration and licensing of all plumbing practitioners in Victoria, maintaining a public register of all registered and licensed practitioners, administering reciprocal recognition agreements regarding plumbing accreditation with interstate and international regulatory organisations, and assessing all registration examinations.

### Highlights for 2005–06

In 2005–06, the PIC's practitioner registration, licensing and development achieved the following outcomes:

- Increased overall number of individuals holding registrations and/or licences to a total of 20,486, an increase of 2.7 per cent from 2004–05, providing consumers with greater choice in qualified practitioners
- Continued to support overseas and interstate opportunities for practitioners through the PIC's reciprocal recognition of interstate and overseas plumbing accreditations under four main categories, resulting in a total of 451 practitioners receiving reciprocal recognition
- Coordinated 1,908 examinations across all plumbing disciplines, an increase of 22.7 per cent from 2004–05, ensuring a high standard of practitioner assessment in Victoria
- Continued to support the promotion of better plumbing standards through sponsorships and awards funded by the PIC Trust.

# Practitioner registration, licensing and development

### Registration and licensing

Under the *Building Act 1993*, practitioners may be registered or licensed.

Licenses are usually granted for 12 months and require evidence of insurance. Licensed practitioners can carry out work in a particular class of plumbing, supervise other registered or licensed practitioners in carrying out work in that class, and purchase, sign or lodge compliance certificates for that class of work.

Registrations are usually granted for three years and allow a practitioner to carry out work in a particular class of plumbing under the supervision of a person licensed in that class.

Provisional registration may be granted for 12 months to allow a practitioner to complete further assessment during the period in order to progress to full registration.

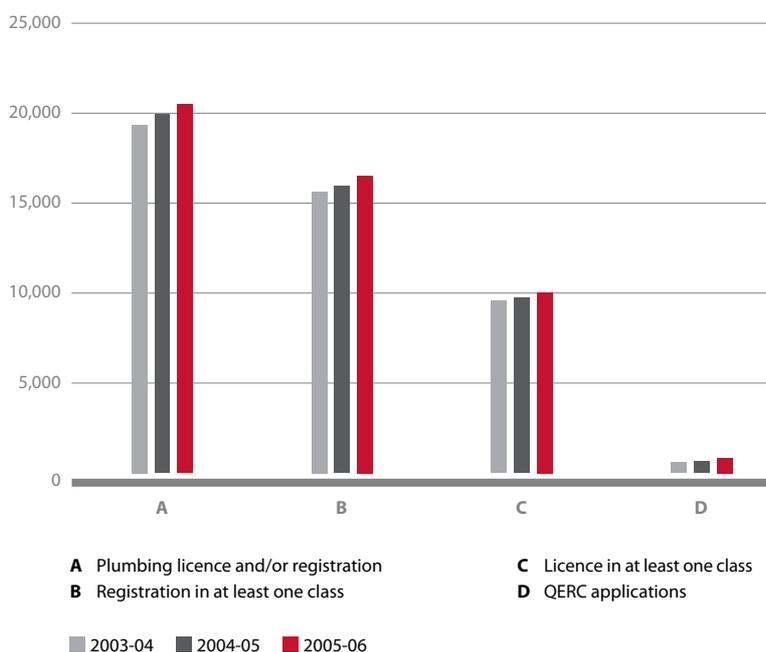
The PIC accredits individuals only (not companies or other corporate entities) according to class of plumbing, including restricted and specialised classes.

In 2005–06, the number of individuals holding accreditation continued to grow strongly and consistently across both registration and licence holders:

- Practitioners holding accreditation of any kind increased by 2.7 per cent to 20,486, compared with 2004–05

- Practitioners holding registration in at least one class of plumbing increased by 3.5 per cent to 16,523, compared with 2004–05
- Practitioners holding a licence in at least one class of plumbing increased by 3.1 per cent to 10,046, compared with 2004–05
- Qualification Experience Review Committee (QERC) applications continued strongly in 2005–06, with 849 individual class applications, a 33.9 per cent increase from 2004–05, reflecting growth in practitioners from various non-apprenticeship backgrounds.

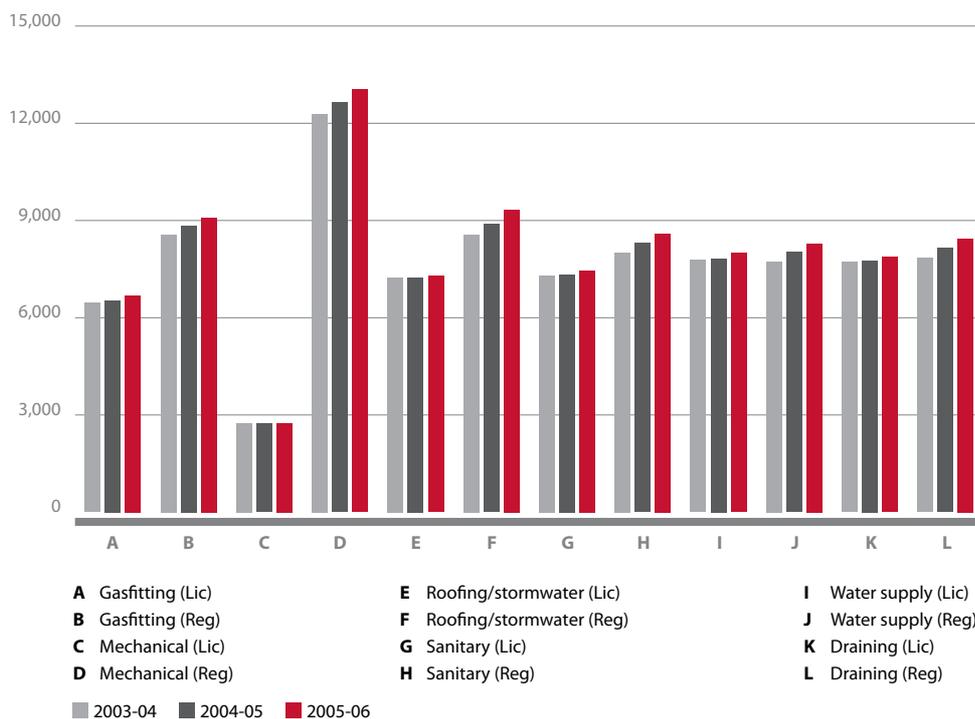
Total registrations and licensing (Total no.)



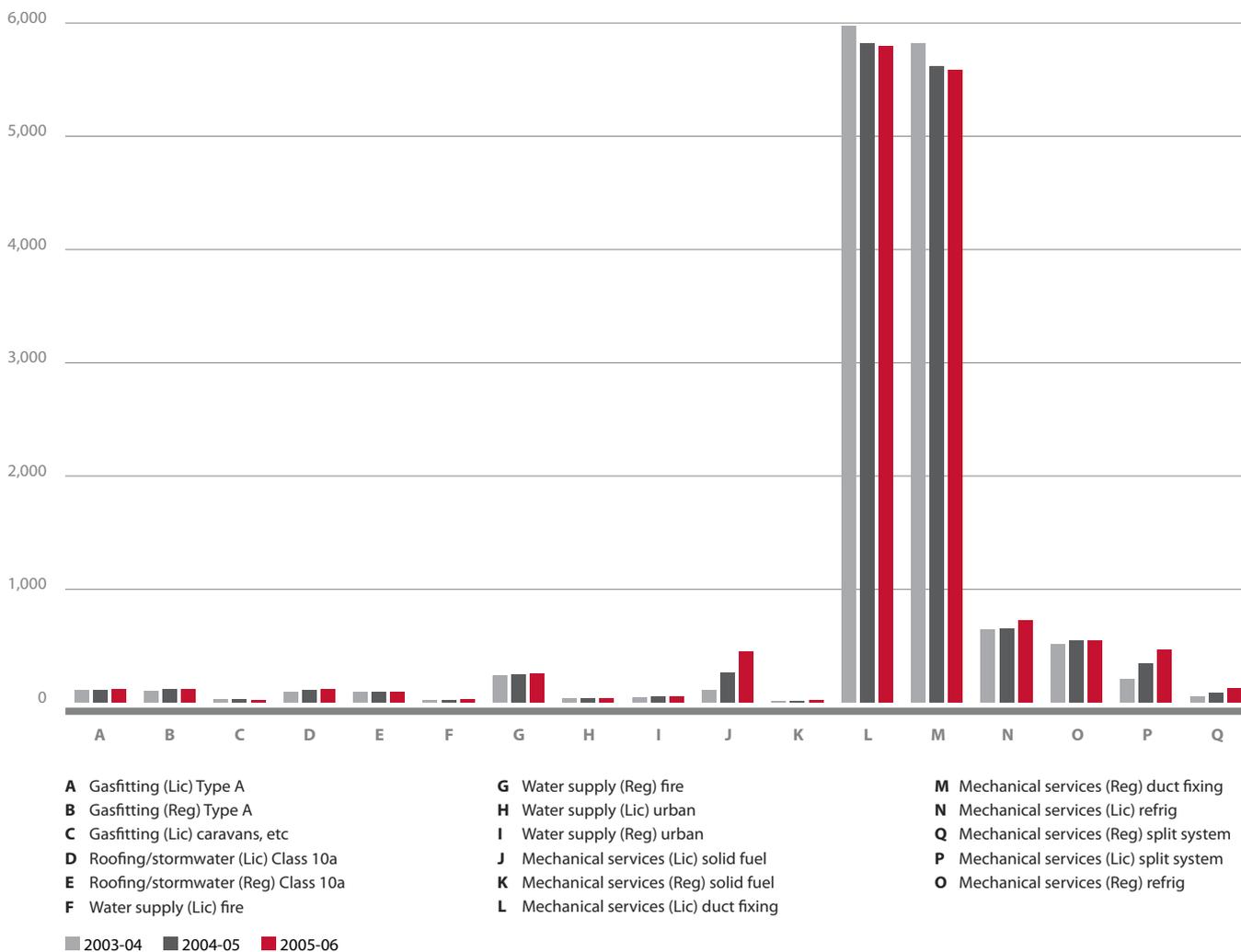
### Total registrations and licensing

	2003–04	2004–05	2005–06	% change
Total number of individuals holding a plumbing licence and/or registration	19,361	19,947	20,486	2.7
Total number of individuals holding a registration in at least one class	15,634	15,955	16,523	3.5
Total number of individuals holding a licence in at least one class	9,588	9,741	10,046	3.1
Qualification Experience Review Committee (QERC) applications	588	634	849	33.9

### Main plumbing classes (Total no. of registrations and licenses)

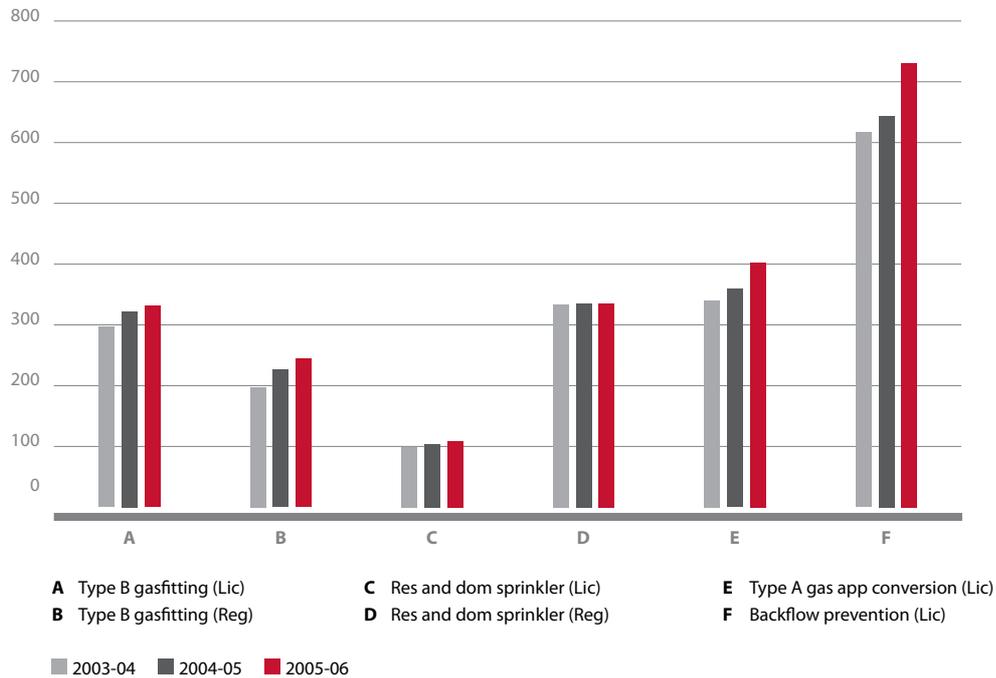


### Restricted classes of plumbing\* (Total no. of registrations and licenses)



\* In 2005-06, significant movement occurred in the mechanical services restricted class (solid fuel heaters) licences, due to the number of existing practitioners who were deemed competent to certify in this class, under transitional arrangements. A small number of registrations and licenses were also issued in categories: water supply (domestic) and gas fitting (caravans).

Specialised classes of plumbing (Total no. of registrations and licenses)



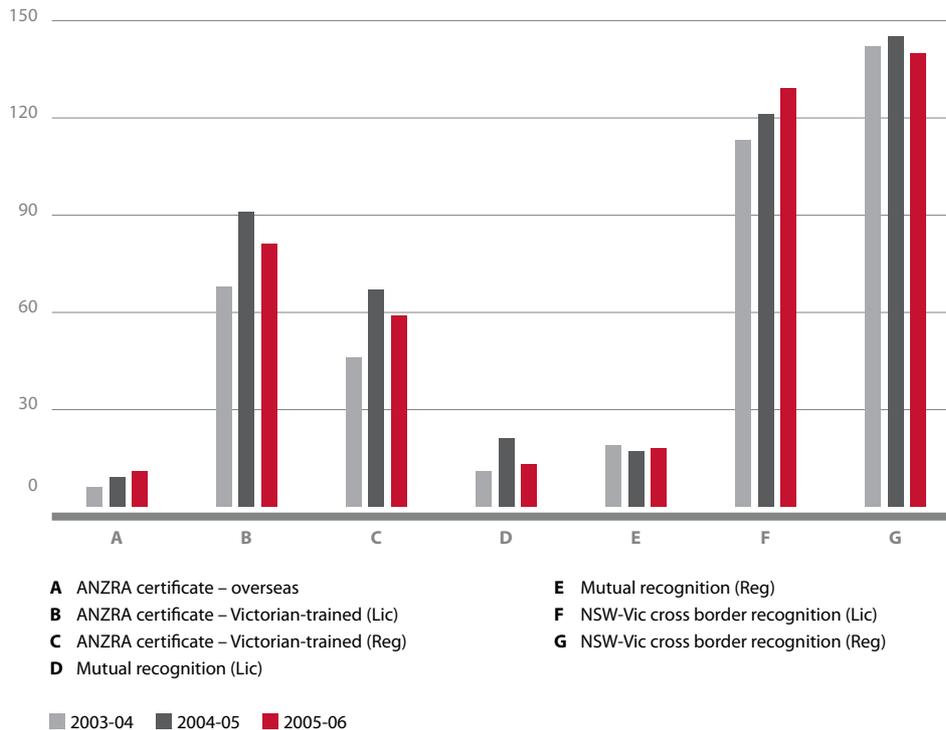
In 2005-06, the number of individuals holding accreditation continued to grow strongly and consistently across both registration and licence holders

### Reciprocal recognition of plumbing practitioners

In 2005–06, the PIC continued its reciprocal recognition of interstate and overseas plumbing accreditations under four main categories:

- Overseas practitioners registered in accordance with the reciprocal recognition agreement with the Australia and New Zealand Reciprocity Association (ANZRA), increased by 22.2 per cent, with 11 registrations in 2005–06 (See page 25)
- Victorian-trained practitioners (registered and licensed) who received reciprocity certificates under the ANZRA agreement in order to undertake work in other Australian states, territories or overseas, decreased by 11.4 per cent, with 140 certificates issued in 2005–06
- Interstate plumbing accreditations (registered and licensed) recognised under the *Mutual Recognition Act 1998*, decreased by 18.4 per cent, with 31 mutual recognitions in 2005–06
- NSW-based practitioners who work along the border of New South Wales and Victoria, and who are reciprocally registered or licensed in Victoria, increased by 1.1 per cent, with a total 269 reciprocal registrations in 2005–06.

Reciprocal recognition by category (No. of registrations and licenses)



### Examining practitioners

The PIC is responsible for conducting examinations of all individuals seeking a plumbing practitioner's licence or registration. Examinations are held across all plumbing disciplines.

While an apprenticeship is still the traditional form of entry to the plumbing industry, the *Building Act 1993* ensures there are also entry options for practitioners who gain their plumbing skills through other means, including:

- Hands-on industry experience gained overseas, interstate, or within Victoria

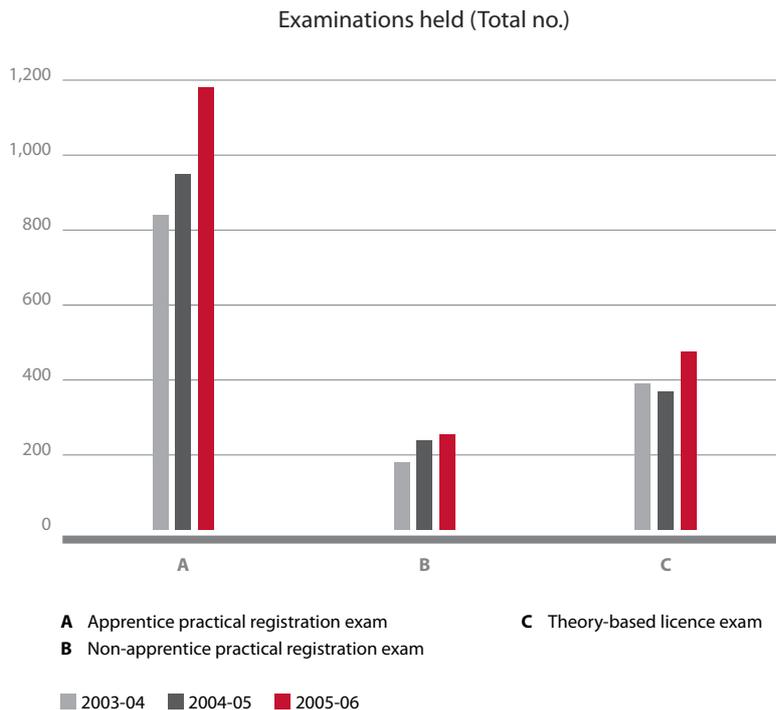
- Overseas trained and qualified practitioners whose qualifications are not recognised for immediate registration under the ANZRA agreement.

The PIC has an ongoing agreement with the Department of Labour Advisory Committee, ANZRA, other regulatory authorities, and employer/employee groups to ensure national consistency through three levels of occupational licensing:

- Provisional registration (same title under ANZRA)
- Registered person (known as journeyman level under ANZRA)
- Licensed person (known as independent certifier – independent level under ANZRA).

The PIC offers both competency-based practical examinations for registration classes for apprentices and non-apprentices, and theory-based examinations for licensed classes to determine eligibility. This ensures that migrants and others are assessed consistently and without discrimination.

In 2005–06, examinations across all plumbing competencies increased, with pass rates remaining similar to previous years, indicating solid growth in the number of individuals seeking registration and licensing.



	2003-04	2004-05	2005-06	% change
<b>Apprentice practical registration exam</b>	840 (63% pass rate)	948 (63% pass rate)	1,180 (60% pass rate)	24.4
<b>Non-apprentice practical registration exam</b>	179 (59% pass rate)	238 (64% pass rate)	254 (69% pass rate)	6.7
<b>Theory-based licence exam</b>	390 (37% pass rate)	369 (37% pass rate)	474 (38% pass rate)	28.4

### Promoting industry standards through scholarships and awards

In 1999, the PIC established the Plumbing Industry Commission Trust to provide scholarships and awards to promote better plumbing standards in Victoria. The Trust is administered by three independent trustees. Its income and expenditure is described in the financial statements of this report.

In 2005–06 the PIC provided three sponsorships and awards:

- The Jack Williamson Victoria-New Zealand Scholarship provides an apprentice with financial assistance to the value of \$3,000 and support in finding six months employment as a plumber in New Zealand to gain broader industry experience. There was no awardee in 2005-06
- The John Rutherford Overseas Training Scholarship, awarded to Gary Bath from Bendigo Regional Institute of TAFE, provides a plumbing teacher with financial assistance to the value of \$5,000 to undertake research into overseas industry training programs to improve training and education in Victoria
- The Graham Roy Hansen Achievement Award provides an apprentice with financial assistance to the value of \$500 to assist the candidate in completing their apprenticeship. There was no awardee in 2005-06.

### Focus for 2006–07

In 2006–07, the PIC will focus its practitioner registration, licensing and development strategy on:

- Streamlining the licence renewal process by providing access for insurance providers to electronically download practitioners' insurance details through the PIC website, [www.pic.vic.gov.au](http://www.pic.vic.gov.au)
- Introducing online licence and registration applications and renewals to provide improved processes and services to practitioners
- Implementing an apprenticeship information program and database to ensure apprentices have sound knowledge of the plumbing regulatory system as they transition to become registered and licensed.

## Objectives

Under the *Building Act 1993*, the PIC is responsible for coordinating and monitoring the distribution and lodgement of compliance certificates that enable practitioners to self-certify their work, auditing a minimum of five per cent of all certified plumbing work and inspecting a minimum of five per cent of all below-ground sanitary drains booked for inspection.

## Highlights for 2005–06

In 2005–06, the PIC's compliance, audits and inspections achieved the following outcomes:

- Increased the total number of compliance certificates lodged by 1.9 per cent to 289,275, signalling strong compliance with regulatory requirements
- Increased the number of accredited outlets for compliance certificates to 254 throughout Victoria, an increase of 23 per cent from 2004–05, providing greater ease of access for practitioners
- Received more than 212,500 calls through the PIC's Interactive Voice Response system, an increase of 1.2 per cent from 2004–05, reflecting continued strong reliance on this efficient automated system
- Completed 15,231 audits of plumbing work, representing 5.3 per cent of the total number of compliance certificates lodged, above the minimum target of 5.0 per cent
- Reported a total failure rate of audits of 9.7 per cent, a decrease from the 2004–05 figure of 11.1 per cent
- Completed 2,394 below-ground sanitary drain inspections, representing 5.4 per cent of all drain inspections booked, above the minimum target of 5.0 per cent.

# Compliance, audits and inspections

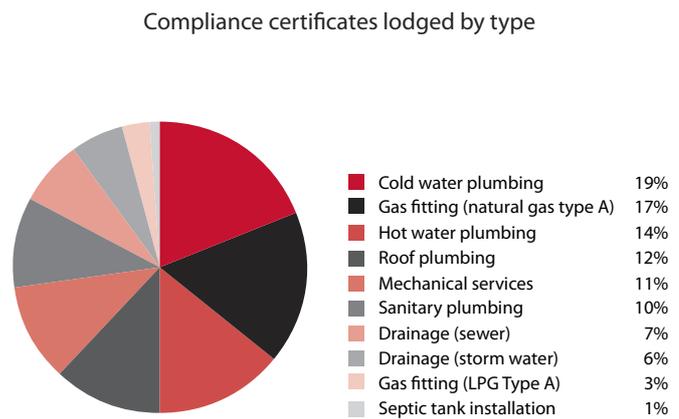
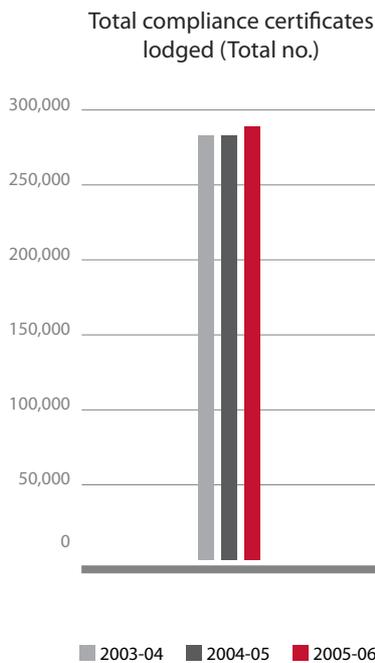
### Compliance certificates

Under Part 12A of the *Building Act 1993*, licensed practitioners in Victoria are required to self-certify their plumbing work. Self-certification means that a licensed plumber who has either performed or supervised the carrying out of plumbing work, must certify to the consumer and the PIC that the work complies with all relevant regulations, standards and codes.

This certification is made on a compliance certificate, detailing the particular job completed, which must be completed and lodged when:

- The total value of the work, including appliances, material and labour, is valued at \$500 or more (irrespective of whether the plumber supplied appliances/materials)
- Certain Type A gas fitting work has taken place, or
- A below-ground sanitary drain or associated gully has been constructed, installed or altered.

In 2005–06, the total number of compliance certificates lodged was 289,275, an increase of 1.9 per cent from 2004–05. The figure reflected the continued high levels of building and plumbing activity in Victoria during the period. The total number of compliance certificates lodged also forms the basis of the PIC’s responsibility to audit a minimum of five per cent of all compliance certificates lodged.



	2003–04	2004–05	2005–06	% change
<b>Total compliance certificates lodged</b>	283,294	283,245	289,275	2.1

### Easy access for practitioners

In 2005–06, the PIC continued to improve ease of access for practitioners to purchase compliance certificates, through PIC offices, the PIC’s Interactive Voice Response (IVR) system, or accredited resellers.

In 2005–06, 254 outlets were available throughout Victoria to purchase compliance certificates, an increase of 23 per cent from 2004–05.

The PIC’s IVR system, introduced in 1997, allows practitioners to lodge compliance certificates and book live underground sanitary drainage inspections. The 24-hour, seven day-a-week system provides significant time and cost savings for practitioners, with 30 per cent of all calls in 2005–06 received outside normal business hours. The timing of calls reflects previous years, with a large number of calls placed immediately prior to 4pm due to the deadline for booking drainage inspections for the following day.

In 2005–06, more than 212,500 calls were received through the IVR system, representing an increase of 1.2 per cent from 2004–05. A total of 44,306 sanitary drain bookings were lodged, an increase of 1.4 per cent from 2004–05.

The IVR is also used to post compliance certificate sale information (from resellers) and to exchange transaction information with water authorities and gas resellers.

	2003–04	2004–05	2005–06	% change
Total IVR calls received	215,046	209,917	212,521	1.2
Number of sanitary drains booked for inspection	47,209	43,690	44,306	1.4

**254 outlets  
are available  
throughout  
Victoria to  
purchase  
compliance  
certificates**

### Audits and inspections

The PIC is responsible for auditing a minimum of five per cent of all certified plumbing work and inspecting a minimum of five per cent of all below-ground sanitary drains booked for inspection.

In 2005–06, the PIC undertook the following activities to meet its obligations:

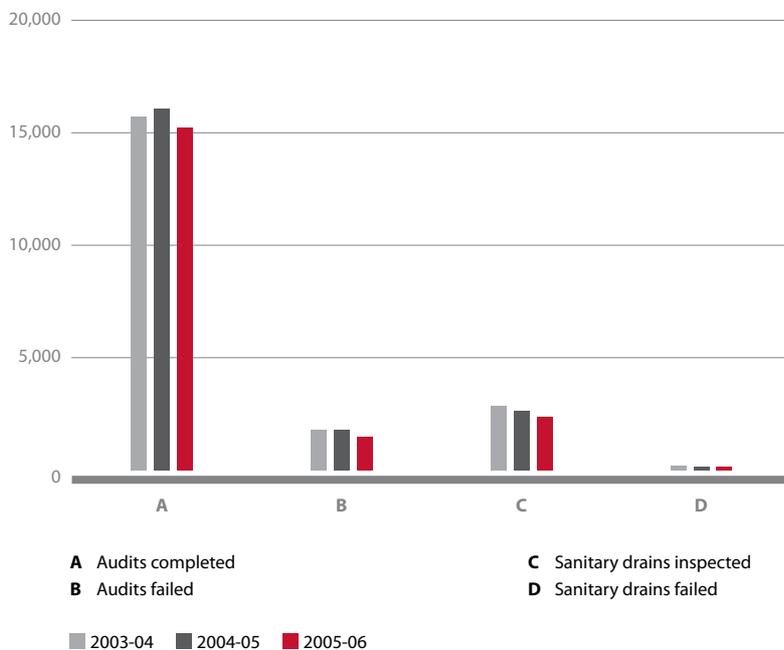
- Completed a total of 15,231 audits, representing 5.3 per cent of the total number of compliance certificates lodged, a decrease of 0.3 per cent from 2004–05 and 0.3 per cent above the minimum target of five per cent
- Reported a total failure rate of audits of 9.7 per cent, a decrease from the 2004–05 figure of 11.1 per cent
- Health and safety failure represented 5.6 per cent of audit failures, compared to 8.1 per cent in 2004–05, with a re-inspection occurring after each failure was rectified
- Of the inspections booked, a total of 2,394 were inspected, representing 5.4 per cent of all bookings, down 0.6 per cent from 2004–05, and 0.4 per cent above the minimum target of five per cent
- Reviewed service provider contracts for outsourced audits and inspections and renegotiated two-year contracts with LM Plumbing Consultants for drainage inspections and Casey Inspection Services for auditing services.

### Focus for 2006–07

In 2006–07, the PIC will focus its compliance, audits and inspections strategy on:

- Improving access to compliance certificates through the provision of online purchasing and lodging facilities to maximise the number of practitioners using the compliance system, resulting in a high degree of consumer protection
- Auditing a minimum of five per cent of all compliance certificates lodged and a minimum of five per cent of all below-ground sanitary drains booked for inspection
- Analysing audit and inspection results to communicate technical information proactively, targeting areas of failure in order to reduce future fail rates and improve the standard of plumbing work.

Audits and inspections completed (Total no.)



	2003–04	2004–05	2005–06	change
<b>Audits completed</b> (% of total compliance certificates lodged)	15,730 (5.5%)	16,092 (5.6%)	15,231 (5.3%)	–5.4% (–0.3)
<b>Audits failed as a % of total</b>	11.3%	11.1%	9.7%	–1.4
<b>Sanitary drains inspected</b> (% of total inspections booked)	2,859 (6.0%)	2,641 (6.0%)	2,394 (5.4%)	–9.4% (–0.6)
<b>Sanitary drains failed as a % of total</b>	7.5%	6.2%	5.7%	–0.5

### Objectives

Under the *Building Act 1993*, the PIC is responsible for working with the community to address and resolve concerns in relation to the standard of regulated plumbing work.

In 2005–06, the PIC focused on investigating complaints from consumers and the industry in relation to breaches of the Act and regulations, and undertaking prosecutions as a result of investigations where necessary.

### Highlights for 2005–06

In 2005–06, the PIC's investigations achieved the following outcomes:

- Responded to 472 formal written complaints about plumbing work, an increase of 12.6 per cent from 2004–05
- Conducted 388 investigations into practitioners, an increase of 3.2 per cent from 2004–05
- Conducted 2,055 site visits to authorised persons, an increase of 41.6 per cent from 2004–05
- Issued 184 notices and orders to practitioners as a result of investigations, an increase of 8.2 per cent from 2004–05.

# Investigations

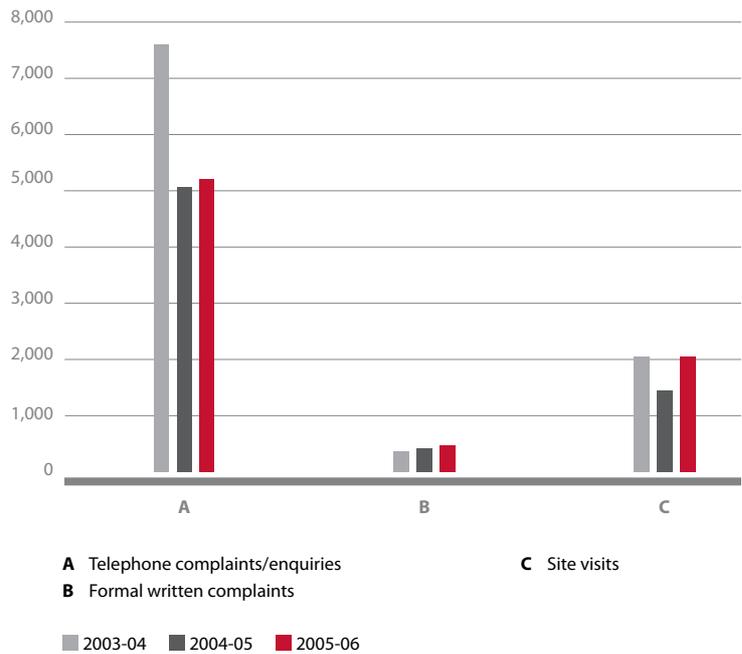
### Responding to consumer complaints

The PIC responds to all complaints about registered and licensed practitioners who may have breached professional standards or the *Building Act 1993* or *Plumbing Regulations 1998*.

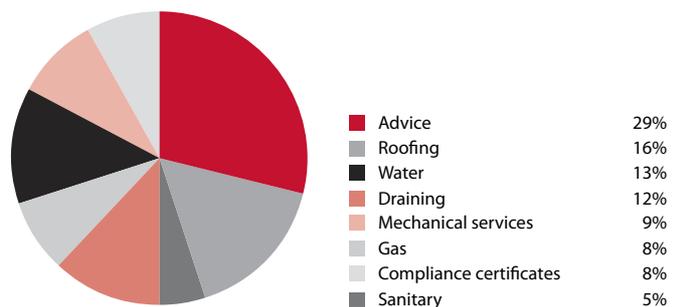
In 2005–06, the PIC:

- Addressed 5,208 telephone calls regarding complaints and seeking advice during the year, an increase of 2.7 per cent from 2004–05
- Responded to 472 formal written complaints about plumbing work, an increase of 12.6 per cent from 2004–05, and representing less than 0.1 per cent of all compliance certificates lodged
- Conducted 2,055 site visits to authorised persons as part of a proactive scheme to meet with practitioners and apprentices at their workplace, an increase of 41.6 per cent from 2004–05.

Total complaints and site visits (Total no.)



Type of complaints/enquiries for 2005–06



### Investigating practitioners

The PIC conducts investigations into unregistered or unlicensed people engaged in plumbing work, as well as investigating complaints about plumbing works completed by registered or licensed people who may have breached the Act or regulations.

Where an investigation produces sufficient evidence, the matter is either prosecuted in the Magistrates' Court or the practitioner may be required to attend a disciplinary hearing at the PIC offices.

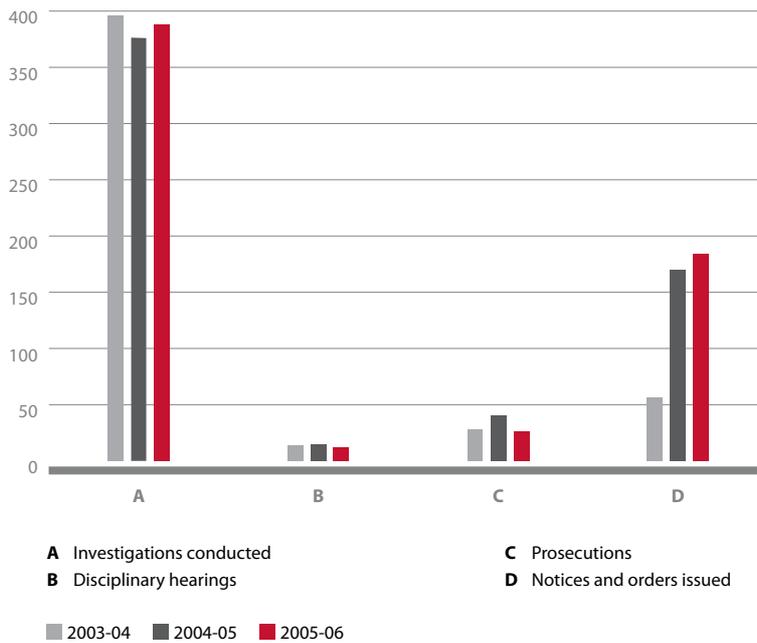
In 2005–06, the PIC undertook a total of 388 investigations, an increase of 3.2 per cent from 2004–05, resulting in 12 disciplinary hearings, 26 prosecutions and 184 notices and orders.

### Focus for 2006–07

In 2006–07, the PIC will focus its investigations strategy on:

- Continuing to respond to formal written complaints about plumbing work to ensure consumer protection in Victoria
- Conducting investigations into breaches of the Act and regulations and undertaking prosecutions as a result of investigations where necessary
- Contacting all newly licensed practitioners within two months of gaining their licence, to ensure new practitioners understand and meet compliance requirements.

Investigation results (Total no.)



	2003-04	2004-05	2005-06	% change
Investigations conducted	396	376	388	3.2
Disciplinary hearings	14	15	12	-20.0
Prosecutions	28	40	26	-35.0
Notices and orders issued	56	170	184	8.2

### Objectives

Under the *Building Act 1993*, the PIC is responsible for providing advice on technical, industry and regulatory developments.

In 2005–06, the PIC's industry and consumer awareness strategy focused on providing advice to consumers about their rights and responsibilities relating to plumbing work and disputes, and providing practitioners with technical advice and up-to-date information on changes to installation standards, regulations and codes.

### Highlights for 2005–06

In 2005–06, the PIC's industry and consumer awareness strategy achieved the following outcomes:

- Conducted 16 information seminars on water saving and backflow prevention in both metropolitan and regional areas, attended by more than 3,000 industry practitioners
- Addressed 38,812 telephone enquiries and 8,526 in-person enquiries relating to registration and licensing, and general plumbing enquiries, increases of 9.6 and 5.0 per cent respectively, compared with 2004–05
- Undertook a major consumer advertising campaign to inform domestic plumbing consumers about the requirement to use a licensed plumber
- Produced two issues of *The Registered Plumber*, distributed to more than 20,000 registered and licensed practitioners
- Continued the rollout of photo ID cards to support consumer marketing campaigns, with 12,199 photo ID cards distributed, an increase of 66.7 per cent from 2004–05, resulting in approximately 70 per cent of all registered and licensed practitioners holding a photo ID card in 2005–06.

# Industry and consumer awareness

### Informing and educating consumers

The PIC undertakes a range of activities to inform and educate plumbing consumers to ensure consumers are knowledgeable about the plumbing regulatory framework and the requirement to use a licensed plumber.

In 2005–06, the PIC undertook the following activities in relation to consumer information and education:

- Continued the PIC's successful metropolitan and regional television and radio advertising campaign, which began in May 2005 and was repeated in April 2006, to increase consumer awareness of the requirement to use a licensed plumber and to receive a compliance certificate when plumbing work is completed. The campaign demonstrated the benefits of using licensed practitioners to both consumers and manufacturers, as installations performed by a licensed plumber are covered by the practitioner's insurance and the product warranty
- PIC information brochures were reviewed and consolidated into a series of six brochures with consistent style and presentation, which were distributed to local councils and community groups for consumer use.

### Informing and educating the plumbing industry

The PIC undertakes a number of activities to inform and educate industry practitioners on technical matters, changes to installation standards, regulations and codes, and to promote best-practice plumbing standards.

In 2005–06, the PIC met with various government authorities, water authorities, and local government, including Delatite, Colac-Otways, Ballarat and Alpine to provide information seminars on the role of the PIC and its responsibilities.

The PIC also conducted 16 information seminars on water saving and backflow prevention in metropolitan and regional areas, attended by more than 3,000 practitioners, ensuring the industry is knowledgeable about the plumbing regulatory system. Information seminars were also held for apprentices across Victoria, covering registration requirements, working under supervision, the compliance certificate system and the role of the PIC.

Significant communication with industry participants was undertaken in relation to sustainability initiatives, including participation in the Environmental Protection Authority's Alternative Water Supply working group, sustainable energy forums held by the Business Council, and support and advice to the 40 Albert Road recycled grey water project – one of Victoria's first 6 Star Green Star – office design, commercial buildings.

Additional activities undertaken during 2005–06, included:

- Production of two issues of *The Registered Plumber*, distributed to more than 20,000 registered and licensed practitioners
- Production of three *Technical Solution Sheets* on industry issues: grey or recycled water (non-drinking water supply), mechanical services (thermal insulation of central heating water piping and ductwork) and cold water plumbing (water supply for dental consoles)
- Distribution of a combined technical practice note CD, with the Building Commission, to more than 20,000 registered building practitioners and 20,000 registered and licensed plumbing practitioners.

### Addressing consumer and industry enquiries

In 2005-06, the PIC continued to provide high levels of customer service to plumbing consumers and practitioners, to provide accessible information on plumbing standards, dispute resolution and technical advice.

The PIC responded to 38,812 telephone enquiries and 8,526 in-person enquiries during 2005-06, an increase of 9.6 per cent and 5.0 per cent respectively, when compared to 2004-05.

### Giving plumbers face value

Following the introduction of photo ID cards in 2004-05, to support marketing campaigns to inform consumers of the requirement to use a licensed plumber, the PIC continued to roll out photo ID cards in 2005-06 through its registration renewal processes.

A total of 12,199 photo ID cards were distributed in 2005-06, an increase of 66.7 per cent from 2004-05, resulting in approximately 70 per cent of all registered and licensed practitioners holding a photo ID card in 2005-06. This figure is expected to further increase in 2006-07, due to a significant number of three-year registrations coming up for renewal during the period.

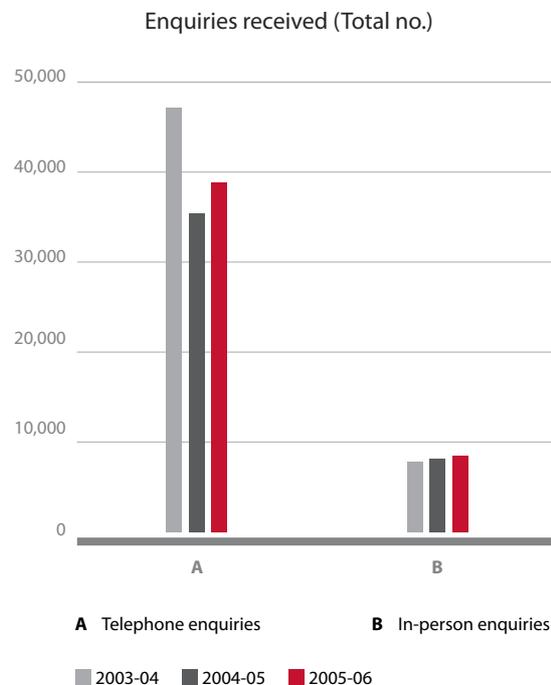
### Improving access to information

In 2005-06, the PIC commenced implementation of a major upgrade to its IT systems to benefit consumers by offering better access to plumbing information and services, and greater efficiencies to industry professionals with a faster more streamlined approach to processing compliance certificates and improved services from the PIC.

### Focus for 2006-07

In 2006-07, the PIC will focus its industry and consumer awareness strategy on:

- Implementing its IT upgrade, including an online electronic interface with all water authorities for the transfer of information about issues of consent, inspection booking and compliance certificate lodgement
- Introducing a 'find a plumber' search function on the PIC website, [www.pic.vic.gov.au](http://www.pic.vic.gov.au)
- Continued campaigns to inform and educate industry and consumers, including a significant upgrade to the PIC website, as well as a presence at selected consumer and trade home shows.



	2003-04	2004-05	2005-06	% change
Telephone enquiries regarding registration, licensing and general plumbing	47,227	35,423	38,812	9.6
In-person enquiries regarding registration, licensing and general plumbing	7,827	8,119	8,526	5.0

### Objectives

Under the *Building Act 1993*, the PIC is responsible for managing and developing the plumbing industry's regulatory system and providing advice on technical, industry and regulatory developments.

In 2005–06, the PIC's regulatory development strategy focused on promoting sustainable plumbing and efficient water use, including the use of grey and recycled water, responding to requests for modifications for plumbing regulations, ensuring national consistency of plumbing standards and addressing key industry issues, such as qualifications and competency requirements for metal roofing.

### Highlights for 2005–06

In 2005–06, the PIC's regulatory development strategy achieved the following outcomes:

- Commenced a review of the *Plumbing Regulations 1998*
- Provided input into the Victorian Competition and Efficiency Commission inquiry into *Regulation of the Housing and Construction Sector and Related Issues*
- Monitored recycled water installations on inner-city multi-storey buildings with private treatment plants, with the result that two buildings are now complete and three more are near completion
- Worked with practitioners at the Melbourne Zoo to implement a major recycled water project.

# Regulatory development

### Sustainability in plumbing

The PIC recognises the need for all Australians to use water resources efficiently and is committed to developing and promoting sustainability efforts in the plumbing industry and supporting key initiatives in this area.

In 2005–06, the PIC contributed to a study assessing the options for water and energy saving requirements in buildings, as part of the implementation strategy of the Victorian Government's *Our Water Our Future* policy and energy efficiency policy.

### Recycled water development

In 2005–06, the PIC implemented a program to monitor the installation and regulation of new recycled water systems in commercial and residential projects throughout Victoria. Other activities in recycled water development for the PIC in 2005–06 included:

- Developed and maintained a database of the reticulated recycled water projects in all three metropolitan water authority regions, including data on individual practitioners and their level of performance in relation to mandatory inspections of recycled water installations
- Provided technical information to 37 plumbing contractors through scheduled on-site visits to metropolitan recycled water sites
- Monitored the recycled water installations on inner-city multi-storey buildings with private treatment plants, with the result that two buildings are now complete and three more are nearing completion
- Worked with practitioners at the Melbourne Zoo to implement a major recycled water project
- Collaborated in and provided technical assistance for the production of a South East Water educational DVD on recycled water
- Participated in a technical working group that produced the discussion paper, *A Framework for Alternative Urban Water Supplies*, as part of the Environmental Protection Authority's guidelines on recycled water.

### Standards Australia

Victoria's plumbing regulations incorporate a range of Australian standards. It is important that these standards are maintained and updated in accordance with technological developments. The PIC was actively involved with several Standards Australia committees, related to standards referred to under plumbing regulations, during the year to keep plumbing standards up-to-date.

### Modifications and technical information

If a plumbing installation cannot comply with relevant plumbing regulations, either the property owner or the responsible plumber may apply to the PIC to vary or modify the regulations in that particular instance.

During 2005–06, 284 requests for modifications were received, with 99 per cent of applications completed within two working days.

### Total modification requests

	2003–04	2004–05	2005–06	% change
Modification applications	316	346	284	-18.0
Mod requests completed within two days	99%	99%	99%	0

### Metal Roofing

In accordance with the government response to the Victorian Competition and Efficiency Commission recommendations relating to metal roofing, the PIC is a key member of an industry group established in 2006 to investigate training and registration for metal roofing. This group is scheduled to provide a report to the PIC and the Minister for Planning on outcomes by July 2006.

### National Plumbing Regulators Forum

In 2005–06, the PIC continued to play an active role in pursuing national consistency in regulatory approaches to plumbing through the National Plumbing Regulators Forum (NPRF).

During the period, the NPRF met in Sydney in November 2005 and in Melbourne in May 2006.

The major focus for the NPRF in 2005–06 was the implementation of the Plumbing Code of Australia (PCA) and a response to the Council of Australian Governments (COAG) reform initiative that promotes effective operation of mutual recognition arrangements.

The NPRF provides an opportunity for regulators to exchange views on policy or technological developments and promote consistent national responses to the plumbing industry.

The COAG reform agenda will challenge the current regulatory arrangements and will require the cooperation of all jurisdictions to adopt consistent competency requirements that will allow practitioners to work anywhere in Australia without additional regulatory hurdles.

### Australian and New Zealand Reciprocity Association

The Australian and New Zealand Reciprocity Association (ANZRA) operates under a voluntary reciprocity agreement. The objectives of this association are to facilitate uniform recognition of overseas plumbing qualifications within Australia and New Zealand and to encourage the adoption of consistent high standards of industry qualifications and practices. (See page 7)

The PIC provided secretariat services to ANZRA until November 2005, when these services rotated to the New Zealand Plumbers, Gasfitters and Drainlayers Board.

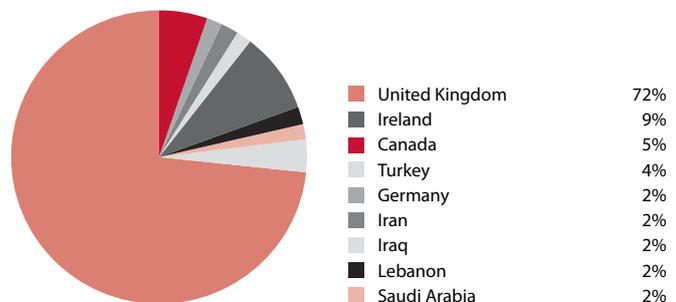
In 2005–06, the ANZRA secretariat evaluated 56 overseas plumbing qualifications, with the majority of practitioners originating from the United Kingdom, in line with previous years.

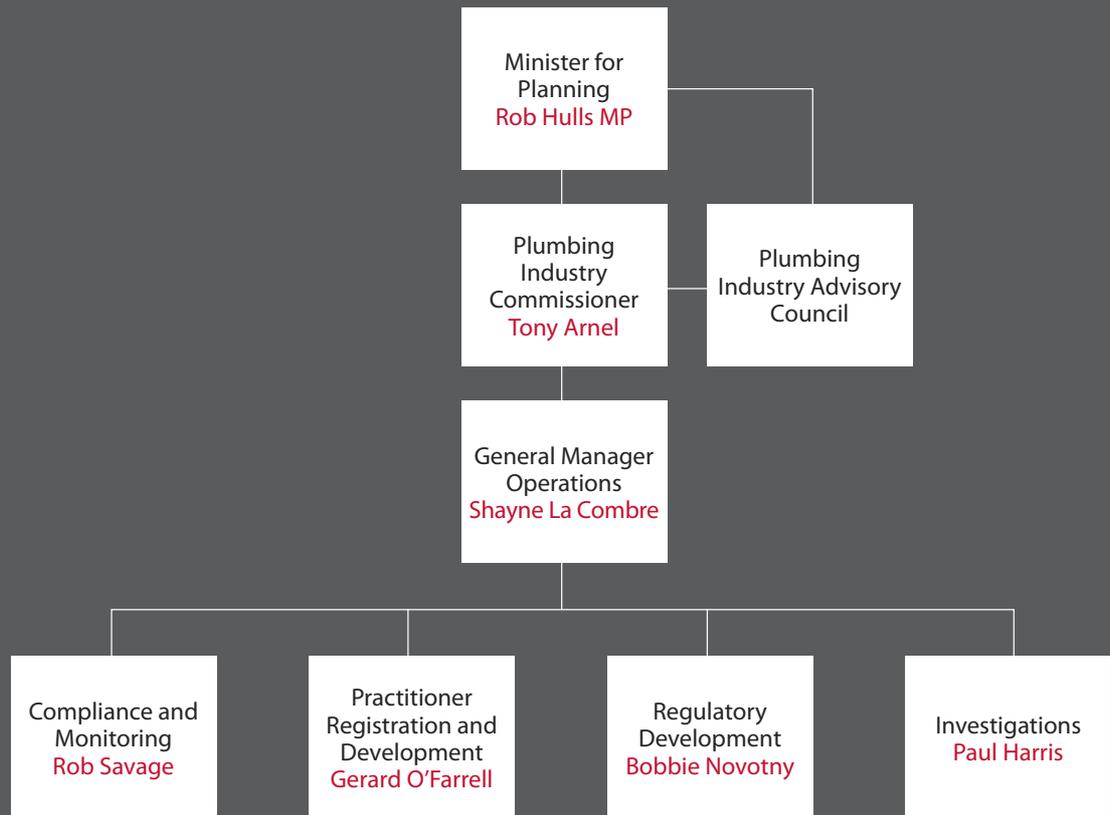
### Focus for 2006–07

In 2006–07, the PIC will focus its regulatory development strategy on:

- Undertaking a major review of Victorian plumbing regulations due to the scheduled expiry of the *Plumbing Regulations 1998* in 2008, with the aim of improving the overall effectiveness of the plumbing regulatory framework
- Continuing support for sustainable plumbing practices through effective regulatory responses to government sustainability policies and the promotion of sustainability within the plumbing industry.

Overseas plumbing qualifications by country of origin (%)





Senior management team, from left to right: Tony Arnel, Shayne La Combre, Gerard O'Farrell, Rod Savage, Paul Harris and Bobbie Novotny.

# Organisational Structure

# Senior management team

## Tony Arnel

### Plumbing Industry Commissioner

Appointed as Plumbing Industry Commissioner in January 2005, Tony Arnel has also held the position of Building Commissioner since 2000. Tony has been instrumental in shaping and delivering sustainability initiatives in Victoria and nationally, including the 5 Star standard.

Tony has overseen the plumbing regulatory system for 18 months, during which time he has responded to the Victorian Competition and Efficiency Commission inquiry into the *Regulation of the Housing and Construction Sector and Related Issues*.

As Commissioner, Tony is responsible for the PIC's performance and direction. He reports to the Minister for Planning.

Tony holds a bachelors degree in architecture, a masters in urban planning, and is a Life Fellow of the Royal Australian Institute of Architects and a Fellow of the Australian Institute of Company Directors. Tony also serves on the boards of the Melbourne International Comedy Festival and Common Fate. He is also deputy chair of the Green Building Council of Australia.

## Shayne La Combre

### General Manager, Operations

Shayne La Combre was appointed General Manager, Operations for the PIC in November 2005. Shayne is responsible for managing the PIC's core functions, including practitioner registration, compliance, investigations and regulatory development.

A second-generation plumber, Shayne has extensive plumbing industry experience, having worked for the Gas and Fuel Corporation for 19 years and several privatised gas corporations. His career experience also includes roles with Standards Australia and Energy Safe Victoria.

In addition to degrees in business and law, Shayne is also undertaking a masters degree in public policy and management.

## Paul Harris

### Manager, Investigations

Paul Harris joined the PIC in 1999 and is responsible for managing complaints from consumers and industry in relation to breaches of the Act and regulations.

Paul is responsible for providing advice to consumers about plumbing work and disputes that arise as a result of that work and keeping practitioners up-to-date with changes to installation standards, regulations and codes while helping them to understand the legislation, functions and technology of the PIC.

Paul is a plumbing and gas industry professional with more than 20 years experience. After beginning his career with the Gas and Fuel Corporation in the early 1980s, he established his own business in 1994 before joining the PIC.

### **Bobbie Novotny**

#### **Manager, Regulatory Development**

Bobbie Novotny joined the PIC in 2001 and is responsible for maintaining and developing the plumbing regulatory system. She also provides advice on technical, industry and regulatory developments.

Since the early 1990s, Bobbie has been involved in various areas of public administration and understands the policy principles underpinning the regulatory responses. Bobbie holds a masters degree in sociology and philosophy.

### **Gerard O'Farrell**

#### **Manager, Practitioner Registration and Development**

Gerard O'Farrell has been the Registrar for the PIC since 1999 and is responsible for administering the PIC's registration and licensing system. He is also responsible for coordinating and monitoring the distribution and lodgement of compliance certificates, maintaining a public register of all registered and licensed practitioners and for the conduct of all examinations conducted by the PIC.

Gerard has worked extensively within the public sector, including the Commonwealth Employment Service, the Department of Employment and Industrial Relations and the Building Commission.

Gerard is a Chartered Member of the Australian Human Resources Institute.

### **Rod Savage**

#### **Manager, Compliance and Monitoring**

An engineer with more than 40 years experience in the gas and plumbing industry, Rod Savage joined the PIC in 1997 when it was the Plumbing Industry Board. Rod is responsible for managing the compliance certificate system, including the key out-sourced functions of sanitary drainage inspection and audits of completed plumbing work subject to a compliance certificate.

During his career, Rod has worked in various marketing functions, engineering functions and management roles at the former Gas and Fuel Corporation.

#### **Objective and strategy**

The PIC aims to match its human resources, culture and behaviour with its corporate and business strategies.

#### **Organisational profile**

In 2005–06, the PIC's employee numbers reduced slightly by four per cent, to a total headcount of 49 as at 30 June 2006 (or 44 full-time equivalents).

The PIC is committed to equal employment access for women. This was evidenced by an improvement in female representation in the PIC's workforce, from 31 per cent in 2004–05 to 39 per cent in 2005–06.

#### **Occupational health and safety**

The PIC treats the health, safety and welfare of its staff and the public as a priority. In 2005–06, the Occupational Health and Safety Committee met every three months to monitor the organisation's standards, address areas of concern and consider initiatives to improve the workplace environment and surrounds.

During 2005–06, all PIC's buildings were assessed for compliance with occupational health and safety standards. As a result, a number of minor projects were undertaken and continue to be monitored. No lost time was reported due to accidents during 2005–06.

# Organisational performance

### Organisational redesign

In 2005–06 the PIC underwent a minor organisational redesign, which resulted in the previous five division structure being consolidated into four new divisions. The restructure enables a greater focus on regulatory activities and positions the PIC to be part of a shared corporate services model with the Building Commission, achieving greater efficiency and effectiveness for both organisations.

### Industrial disputes

No work time was lost due to industrial disputes during this year.

### Consultative committee

The consultative committee comprises an equal number of voting representatives from the PIC's management and staff. The role of this committee is to provide appropriate consultation on the PIC's policies, procedures and practices, taking into consideration the needs of both the individual employees and the organisation.

In 2005–06, the committee met quarterly to discuss and recommend actions on topics, including training, leave allowances, the 2006 Enterprise Bargaining Agreement, communication to all employees and a review of the staff incentive scheme.

In 2005–06, the committee included:

- Shayne La Combre, General Manager, Operations
- Paul Harris, Manager, Investigations
- Gerard O'Farrell, Manager, Practitioner Registration and Development
- Stephen Gilligan, Investigator
- Brian Glassborow, Investigator and OH&S representative
- Paul Gray, Examiner

### Merit and equity

All PIC employees are required to act with integrity and objectivity, with key employees required to complete a declaration, allowing potential conflicts of interest to be identified and managed appropriately.

All contract PIC employees sign a Declaration of Interest upon appointment.

All members of the PIAC must sign a Declaration of Private Interests.

In 2005–06, the PIC continued to promote core values to guide and shape how employees conduct themselves individually and as an organisation. (See page 1).

## Occupational profile and base salary band

	2003–04	2004–05	2005–06
<b>Executives and managers</b> Executives (Victorian Government Sector \$90,001-\$129,999)	7 (12%)	7 (14%)	5 (10%)
<b>Professional</b> (\$80,001-\$99,999)	9 (16%)	7 (14%)	5 (10%)
<b>Associate professional (including technical)</b> (\$50,001-\$69,999)	16 (29%)	17 (33%)	14 (29%)
<b>Admin/secretarial/customer service</b> (\$30,001-\$69,999)	24 (43%)	20 (39%)	25 (51%)
<b>Total headcount</b>	<b>56</b>	<b>51</b>	<b>49</b>
<b>Equivalent full-time (EFT)</b>	<b>52</b>	<b>47</b>	<b>44</b>
<b>Gender profile</b>			
Female	19 (34%)	16 (31%)	19 (39%)
Male	37 (66%)	35 (69%)	30 (61%)

### **Supporting young and Indigenous Victorians**

In 2005–06, the PIC provided support for VICTEC’s Indigenous Apprenticeship Plumbing Scheme through financial assistance from the PIC Trust. The program has been established to provide access to apprenticeships for Indigenous Victorians from regional areas. In 2005–06, the PIC Trust provided \$10,000 to VICTEC to carry out a pilot study now being undertaken in the Geelong area. A further \$10,000 will be granted in the latter half of 2006.

### **Supporting culturally and linguistically diverse communities**

The PIC supports the Victorian Government’s multicultural policy by incorporating the government’s four principles of valuing diversity, overcoming disadvantage, encouraging participation and promoting economic, social and cultural benefits for all Victorians, in all PIC strategies.

In 2005–06, this commitment was reflected through:

- The provision of interpreting services to assist customers to understand plumbing regulations and registration processes, utilised by 27 customers in 2005–06, a decrease of 10 per cent from 2004–05
- Producing and distributing consumer and industry information brochures in seven languages other than English, to provide greater access to important information on plumbing regulations and the use of licensed practitioners.

### **Focus for 2006–07**

In 2006–07, the PIC will focus its organisational strategy on:

- Designing and implementing a corporate learning and development program
- Developing and formalising the PIC’s Enterprise Bargaining Agreement 2006
- Aligning human resource management between the PIC and the Building Commission to gain greater efficiencies through shared corporate services.

# Financial performance summary

The PIC derives its income from registration and licensing fees, compliance certificate sales and other fees and services. The PIC's full financial performance is reported in the financial statements contained in this report.

	2004-05 \$	2005-06 \$	change %
Total income	8,802,638	9,085,637	3.2
Total expenses	8,489,410	8,404,091	-1.0
Net result for the period	313,228	681,546	118.0
Total assets	7,994,051	10,065,099	25.9
Total liabilities	3,250,824	3,469,151	6.7

In 2005-06, total income increased from \$8.8 million to \$9.1 million, up 3.2 per cent compared with 2004-05. The increase was primarily due to the net effect of additional revenue from an increase in sales of compliance certificates, an increase in PIC fees and a decrease in other income, reflecting a non-recurring government grant received in 2004-05.

Total expenses decreased from \$8.5 million to \$8.4 million, a drop of 1.0 per cent compared with 2004-05. The decrease was largely due to lower expenses in salaries and on-costs, due to a number of positions becoming vacant during 2005-06.

The PIC's net result for the period, at \$0.7 million, was up \$0.4 million from 2004-05, consistent with the net effect of the movements in total revenue and operating expenses.

Total asset holdings rose by \$2.0 million, primarily due to the net effect of the revaluation of freehold land and buildings as at 30 June 2006 (up \$1.1 million) and an increase in additional short term deposits (up \$0.9 million), reflecting the operating surplus for the year.

### **Objectives**

The PIC uses a strong corporate governance framework to ensure that it meets its objectives, is efficient in its operations, is accountable for its decisions and complies with the relevant Acts and regulations.

### **Responsible Minister**

The PIC is part of the portfolio of the Minister for Planning, Rob Hulls MP.

### **Powers, functions and duties**

The PIC is a statutory authority established under Part 12A of the *Building Act 1993* to regulate plumbing work with the aim of ensuring it is carried out safely and competently. This is achieved through the efficient and effective administration of the plumbing regulatory system for community health and safety, and environmental benefits.

The PIC derives its operational functions, powers and duties from the Act and the *Plumbing Regulations 1998*. The PIC's operational revenue is derived from fees (registrations, licences, compliance certificates, special audits and inspections and examinations), sale of publications, rent and Commonwealth Government grants.

# Corporate governance

### Corporate management

The senior management team is responsible for the PIC's strategic leadership and consists of the Commissioner, General Manager – Operations, Manager – Practitioner Registration and Development, Manager – Investigations, Manager – Compliance and Monitoring, and Manager – Regulatory Development.

### Committees

In 2005–06, the PIC and the Plumbing Industry Advisory Council had the following committees consider issues, formulate policy guidelines and provide advice:

**Finance committee:** Advises the PIC about expenditure, investments and banking requirements, consistent with the requirements of the *Financial Management Act 1994*.

Members of this committee were:

- Tony Arnel, Plumbing Industry Commissioner
- Ray Herbert, Master Plumbers and Mechanical Services Association of Victoria
- Carmel Coate, National Fire Industry Association.

The committee met seven times during the 2005–06 year.

**Audit committee:** Prepares audit procedures for the consideration of the PIC and advises on internal audits consistent with the requirements of the *Financial Management Act 1994*.

In 2005–06 the committee met four times. Independent members of the audit committee were:

- Michael Ebdon, Office of Gas Safety
- Geoffrey Foster, Office of Training and Tertiary Education

**Training Committee:** Addresses training needs as identified on an ad hoc basis.

Membership can include representatives from the Air Conditioning and Mechanical Contractors' Association of Victoria, the Building Commission, the Plumbing Division of the Communications, Electrical and Plumbing Union, the Fire Contractors Federation, TAFE colleges, the Office of Gas Safety, the Office of Training and Tertiary Education, the Master Plumbers and Mechanical Services Association, and the South Gippsland Water Authority.

The Training Committee did not meet during the 2005–06 year.

### Building Act 1993

The PIC complies with the building maintenance requirements of the *Building Act 1993*.

### National Competition Policy

The PIC also complies with the principles of National Competition Policy.

### Ensuring privacy

The PIC is required to comply with the provisions of the *Information Privacy Act 2000*. Generally, this Act:

- Applies to the collection, keeping, use and release of personal information
- Provides individuals with rights of access to information held by the PIC about them and the right to require the PIC to correct information about them.

The PIC received no requests for access to personal information and no requests to correct information. The Privacy Statement and the Information Privacy Policy is found on the PIC's website at [www.pic.vic.gov.au](http://www.pic.vic.gov.au) or a request for the policy may be made in writing to the PIC at 450 Burke Road, Camberwell, Victoria 3124.

### Freedom of Information

The *Freedom of Information Act 1982* gives the public the right to access documents held by the PIC.

The Plumbing Industry Commissioner is the Principal Officer for Freedom of Information. All requests for information under the *Freedom of Information Act 1982* should be made in writing to Ken Dare, Manager Freedom of Information, Plumbing Industry Commission, 450 Burke Road, Camberwell, Victoria 3124.

In 2005–06, the PIC received and processed 38 requests for information in accordance with the requirements of the *Freedom of Information Act 1982*. The requests were processed as follows:

Access granted in full	1
Access granted in part	29
Withdrawn	2
Not finalised at 30 June 2006	6

### Further information

Publications and general information literature produced by the PIC is available from its offices. Any particular information may be provided by mail at a minimal charge on receipt of a request in writing (identification of the particular information is necessary).

This annual report and key information can also be found on the PIC's website [www.pic.vic.gov.au](http://www.pic.vic.gov.au).

### Whistleblowers protection legislation

The *Whistleblowers Protection Act 2001* facilitates the making of disclosures about improper conduct by public bodies and public officials and contains provisions for protection of those who come forward with a disclosure. It also provides for the investigation of disclosures that meet the definition, as detailed in the Act, of a public interest disclosure.

The Ombudsman's Office is responsible for providing guidance on whistleblower issues. The Office will determine which disclosures warrant investigation. If a disclosure is considered worth investigating, the Office will either carry out the investigation itself, or refer it to the relevant public body for investigation.

Every public body must establish a set of written procedures for handling disclosures made under the Act. The PIC procedures are described on the following pages.

There were no disclosures made or referred by the Ombudsman to the PIC during 2005–06.

### Whistleblower's Policy

#### Procedures for Managing Disclosures Made Pursuant to the *Whistleblowers Protection Act 2001*

##### Statement of support to whistleblowers

The Plumbing Industry Commission (PIC) is committed to the aims and objectives of the *Whistleblowers Protection Act 2001* (the Act). It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The PIC recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The PIC will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

##### Purpose of these procedures

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by the PIC or its employees. The system enables such disclosures to be made to the protected disclosure coordinator or to one of the nominated protected disclosure officers. Disclosures may be made by employees or by members of the public.

These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

##### Objects of the Act

The *Whistleblowers Protection Act 2001* commenced operation on 1 January 2002. The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers that make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

##### Definitions of key terms

Three key concepts in the reporting system are improper conduct, corrupt conduct and detrimental action. Definitions of these terms are set out below.

##### **Improper conduct**

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

**Corrupt conduct**

Corrupt conduct means:

- Conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer’s or public body’s functions
- The performance of a public officer’s functions dishonestly or with inappropriate partiality
- Conduct of a public officer, former public officer or a public body that amounts to a breach of public trust
- Conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions
- A conspiracy or attempt to engage in the above conduct.

**Detrimental action**

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes:

- Action causing injury, loss or damage
- Intimidation or harassment
- Discrimination, disadvantage or adverse treatment in relation to a person’s employment, career, profession, trade or business, including the taking of disciplinary action.

**The reporting system**

**Contact persons within the PIC**

Disclosures of improper conduct or detrimental action by the PIC or its employees may be made to the following:

**Tony Arnel**

Protected Disclosure Coordinator  
Plumbing Industry Commission

450 Burke Road  
Camberwell, Victoria, 3124  
Ph: (03) 9889 2211

All correspondence, phone calls and emails from internal or external whistleblowers will be referred to the protected disclosure coordinator.

Where a person is contemplating making a disclosure and is concerned about approaching the protected disclosure coordinator or a protected disclosure officer in the workplace, he or she can call the relevant officer and request a meeting in a discreet location away from the workplace.

**Alternative contact persons**

A disclosure about improper conduct or detrimental action by the PIC or its employees may also be made directly to the Ombudsman:

The Ombudsman Victoria  
Level 3, 459 Collins Street  
Melbourne, Victoria 3000  
(DX 210174)

www.ombudsman.vic.gov.au  
Email: ombudvic@ombudsman.vic.gov.au

Ph: (03) 9613 6222  
Toll Free: 1800 806 314

**Ombudsman**

Dr Barry Perry  
Ph: (03) 9613 6202

The following table sets out where disclosures about persons other than employees of the PIC should be made.

**Roles and responsibilities**

**Employees**

Employees are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures.

All employees of the PIC have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

**Protected disclosure coordinator**

Protected disclosure coordinator will:

- Be a contact point for general advice about the operation of the Act for any person wishing to make a disclosure about improper conduct or detrimental action
- Make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace
- Receive any disclosure made orally or in writing (from internal and external whistleblowers)
- Commit to writing any disclosure made orally
- Impartially assess the allegation and determine whether it is a disclosure made in accordance with Part 2 of the Act (that is, ‘a protected disclosure’)

Person who is the subject of the disclosure	Person/body to whom the disclosure must be made
Employee of a public body	That public body or the Ombudsman
Member of Parliament (Legislative Assembly)	Speaker of the Legislative Assembly
Member of Parliament (Legislative Council)	President of the Legislative Council
Councillor	The Ombudsman
Chief Commissioner of Police	The Ombudsman or Deputy Ombudsman
Member of the police force	The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police

- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential
- Receive all phone calls, emails and letters from members of the public or employees seeking to make a disclosure
- Impartially assess each disclosure to determine whether it is a public interest disclosure
- Refer all public interest disclosures to the Ombudsman
- Be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the public body by the Ombudsman
- Be responsible for overseeing and coordinating an investigation where an investigator has been appointed
- Appoint a welfare manager to support the whistleblower and to protect him or her from any reprisals
- Advise the whistleblower of the progress of an investigation into the disclosed matter
- Establish and manage a confidential filing system
- Collate and publish statistics on disclosures made
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential.

#### **Investigator**

The investigator will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the public body. An investigator may be a person from within an organisation or a consultant engaged for that purpose.

#### **Welfare manager**

The welfare manager is responsible for looking after the general welfare of the whistleblower. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment
- Advise the whistleblower of the legislative and administrative protections available to him or her
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
- Ensure the expectations of the whistleblower are realistic.

#### **Confidentiality**

The PIC will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires any person who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information in breach of section 22 constitutes an offence that is punishable by a maximum fine of 60 penalty units (\$6000) or six months imprisonment or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- Where exercising the functions of the public body under the Act
- When making a report or recommendation under the Act
- When publishing statistics in the annual report of a public body
- In criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that is likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

The PIC will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the protected disclosure coordinator, protected disclosure officer, the investigator or welfare manager (in relation to welfare matters). All printed material will be kept in files that are clearly marked as a Whistleblower Protection Act matter, and warn of the criminal penalties that apply to any unauthorised divulging information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on floppy disc. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

The PIC will not email documents relevant to a whistleblower matter and will ensure all phone calls and meetings are conducted in private.

#### **Collating and publishing statistics**

The protected disclosure coordinator will establish a secure register to record the information required to be published in the annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

The register will contain the following information:

- The number and types of disclosures made to public bodies during the year
- The number of disclosures referred to the Ombudsman for determination as to whether they are public interest disclosures
- The number and types of disclosed matters referred to the public body by the Ombudsman for investigation
- The number and types of disclosures referred by the public body to the Ombudsman for investigation
- The number and types of investigations taken over from the public body by the Ombudsman

- The number of requests made by a whistleblower to the Ombudsman to take over an investigation by the public body
- The number and types of disclosed matters that the public body has declined to investigate
- The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation
- Any recommendations made by the Ombudsman that relate to the public body.

#### **Receiving and assessing disclosures**

##### ***Has the disclosure been made in accordance with Part 2 of the Act?***

Where a disclosure has been received by the protected disclosure officer or by the protected disclosure coordinator, he or she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

##### ***Has the disclosure been made to the appropriate person?***

For the disclosure to be responded to by the PIC, it must concern an employee, member or officer of the PIC. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure must be advised of the correct person or body to whom the disclosure should be directed. If the disclosure has been made anonymously, it should be referred to the Ombudsman.

##### ***Does the disclosure contain the essential elements of a protected disclosure?***

To be a protected disclosure, a disclosure must satisfy the following criteria:

- Did a natural person (that is, an individual person rather than a corporation) make the disclosure?
- Does the disclosure relate to conduct of a public body or public officer acting in their official capacity?
- Is the alleged conduct either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure?
- Does the person making a disclosure have reasonable grounds for believing the alleged conduct has occurred?

Where a disclosure is assessed to be a protected disclosure, it is referred to the protected disclosure coordinator. The protected disclosure coordinator will determine whether the disclosure is a public interest disclosure.

Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The protected disclosure officer will decide how the matter should be responded to in consultation with the protected disclosure coordinator.

***Is the disclosure a public interest disclosure?***

Where the protected disclosure officer or coordinator has received a disclosure that has been assessed to be a protected disclosure, the protected disclosure coordinator will determine whether the disclosure amounts to a public interest disclosure. This assessment will be made within 45 days of the receipt of the disclosure.

In reaching a conclusion as to whether a protected disclosure is a public interest disclosure, the protected disclosure coordinator will consider whether the disclosure shows, or tends to show, that the public officer to whom the disclosure relates:

- Has engaged, is engaging or proposes to engage in improper conduct in his or her capacity as a public officer
- Has taken, is taking or proposes to take detrimental action in reprisal for the making of the protected disclosure.

Where the protected disclosure coordinator concludes that the disclosure amounts to a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion
2. Refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a public interest disclosure.

Where the protected disclosure coordinator concludes that the disclosure is not a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion
2. Advise that person that he or she may request the public body to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a public interest disclosure, and that this request must be made within 28 days of the notification.

In either case, the protected disclosure coordinator will make the notification and the referral within 14 days of the conclusion being reached by the public body. Notification to the whistleblower is not necessary where the disclosure has been made anonymously.

## **Investigations**

### ***Introduction***

Where the Ombudsman refers a protected disclosure to the PIC for investigation, the protected disclosure coordinator will appoint an investigator to carry out the investigation.

The objectives of an investigation will be:

- To collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment
- To consider the information collected and to draw conclusions objectively and impartially
- To maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure
- To make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

### **Terms of reference**

Before commencing an investigation, the protected disclosure coordinator will draw up terms of reference and obtain authorisation for those terms by the chief executive officer. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The protected disclosure coordinator may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the protected disclosure coordinator who, in turn, is to keep the Ombudsman informed of general progress.

### **Investigation plan**

The investigator will prepare an investigation plan for approval by the protected disclosure coordinator. The plan will list the issues to be substantiated and describe the avenue of inquiry. It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- Notified by the investigator that he or she has been appointed to conduct the investigation
- Asked to clarify any matters
- Asked to provide any additional material he or she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

### **Natural justice**

The principles of natural justice will be followed in any investigation of a public interest disclosure. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

The PIC will have regard to the following issues in ensuring procedural fairness:

- The person who is the subject of the disclosure is entitled to know the allegations made against him or her and must be given the right to respond. (This does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced)

- If the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report
- All relevant parties to a matter should be heard and all submissions should be considered
- A decision should not be made until all reasonable inquiries have been made;
- The investigator or any decision maker should not have a personal or direct interest in the matter being investigated
- All proceedings must be carried out fairly and without bias. Care should be taken to exclude perceived bias from the process
- The investigator must be impartial in assessing the credibility of the whistleblowers and any witnesses. Where appropriate, conclusions as to credibility should be included in the investigation report.

### **Conduct of the investigation**

The investigator will make contemporaneous notes of all discussions and phone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower. Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his or her welfare manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

### **Referral of an investigation to the Ombudsman**

The protected disclosure coordinator will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- The investigation is being obstructed by, for example, the non-cooperation of key witnesses
- The investigation has revealed conduct that may constitute a criminal offence.

### **Reporting requirements**

The protected disclosure coordinator will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The protected disclosure coordinator will report to the Ombudsman about the progress of an investigation.

Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

### **Action taken after an investigation**

#### **Investigator's final report**

At the conclusion of the investigation, the investigator will submit a written report of his or her findings to the protected disclosure coordinator. The report will contain:

- The allegation/s
- An account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed
- The conclusions reached and the basis for them
- Any recommendations arising from the conclusions.

Where the investigator has found that the conduct disclosed by the whistleblower has occurred, recommendations made by the investigator will include:

- The steps that need to be taken by the PIC to prevent the conduct from continuing or occurring in the future
- Any action that should be taken by the PIC to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.

The report will be accompanied by:

- The transcript or other record of any oral evidence taken, including tape recordings
- All documents, statements or other exhibits received by the officer and accepted as evidence during the course of the investigation.

Where the investigator's report is to include an adverse comment against any person, that person will be given the opportunity to respond and his or her defence will be fairly included in the report.

The report will not disclose particulars likely to lead to the identification of the whistleblower.

### **Action to be taken**

If the protected disclosure coordinator is satisfied that the investigation has found that the disclosed conduct has occurred, he or she will recommend to the chief executive officer the action that must be taken to prevent the conduct from continuing or occurring in the future. The protected disclosure coordinator may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The protected disclosure coordinator will provide a written report to the Minister for Planning the Ombudsman and the whistleblower setting out the findings of the investigation and any remedial steps taken.

Where the investigation concludes that the disclosed conduct did not occur, the protected disclosure coordinator will report these findings to the Ombudsman and to the whistleblower.

### **Managing the welfare of the whistleblower**

#### **Commitment to protecting whistleblowers**

The PIC is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures. The protected disclosure coordinator is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The protected disclosure coordinator will appoint a welfare manager to all whistleblowers who have made a protected disclosure. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment
- Advise the whistleblower of the legislative and administrative protections available to him or her
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
- Keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action
- Ensure the expectations of the whistleblower are realistic.

All employees will be advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units (\$24,000) or two years imprisonment or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

Detrimental action includes:

- Causing injury, loss or damage
- Intimidation or harassment
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business (including the taking of disciplinary action).

#### ***Keeping the whistleblower informed***

The protected disclosure coordinator will ensure the whistleblower is kept informed of action taken in relation to his or her disclosure, and the time frames that apply. The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by the PIC to address any improper conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by the PIC in relation to a protected disclosure. All communication with the whistleblower will be in plain English.

#### ***Occurrence of detrimental action***

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the welfare manager will:

- Record details of the incident
- Advise the whistleblower of his or her rights under the Act
- Advise the protected disclosure coordinator or chief executive officer of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the protected disclosure coordinator will assess the report as a new disclosure under the Act. Where the protected disclosure coordinator is satisfied that the disclosure is a public interest disclosure, he or she will refer it to

the Ombudsman. If the Ombudsman subsequently determines the matter to be a public interest disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

#### ***Whistleblowers implicated in improper conduct***

Where a person who makes a disclosure is implicated in misconduct, the PIC will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures. The PIC acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his or her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The Commissioner will make the final decision on the advice of the protected disclosure coordinator as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with.

In all cases where disciplinary or other action is being contemplated, the chief executive officer must be satisfied that it has been clearly demonstrated that:

- The intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information)
- There are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances
- There are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The protected disclosure coordinator will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The protected disclosure coordinator will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

#### **Management of the person against whom a disclosure has been made**

The PIC recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures. The PIC will take all reasonable steps to ensure the confidentiality of the person who is the subject

of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The protected disclosure coordinator will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- Informed as to the substance of the allegations
- Given the opportunity to answer the allegations before a final decision is made;
- Informed as to the substance of any adverse comment that may be included in any report arising from the investigation
- His or her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the protected disclosure coordinator will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

The PIC will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the chief executive officer of the PIC will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

#### **Criminal offences**

The PIC will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act:

1. It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units (\$24,000) or two years imprisonment or both.
2. It is an offence for a person to divulge information obtained as a result of the handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units (\$6,000) or six months imprisonment or both.
3. It is an offence for a person to obstruct the Ombudsman in performing his responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.
4. It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.

#### **Review**

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.

# Financial performance

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## Summary of significant changes to financial position

Full disclosure of the PIC's financial position is included in the financial statements and notes to the financial statements.

In 2005–06, total income increased by \$283,000 to \$9,085,000. This was primarily due to the net effect of:

- Additional revenue from the sale of an additional 9,556 certificates of compliance, compared with 2004–05. The sale of certificates of compliance exceeded budget expectations, with a total of 309,588 certificates being sold in 2005–06 (39,491 over the figure included in the 2005–06 annual budget)
- An increase in certificate of compliance fees by 2.5 per cent from 1 July 2005
- An increase in other PIC fees by 2.5 per cent from 1 July 2005
- A decrease in other income, reflecting a non-recurring government grant that was received during 2004–05.

Total expenses decreased by \$85,000 to \$8,404,000, a decrease of 1.0 per cent compared with 2004–05. The decrease was largely due to lower expenses in salaries and on-costs, due to a number of positions becoming vacant during 2005–06, and lower education and examination expenses. The decrease was offset in part by an increase in audit, legal and consultant fees arising from the provision of external advice on the upgrading and re-engineering of a wide range of PIC systems and processes to enhance operating efficiency. The PIC's net result for the period, at \$681,000, was up \$368,000 from 2004–05, consistent with the net effect of the movements in total revenue and operating expenses.

Total asset holdings rose by \$2,071,000, primarily due to the net effect of the revaluation of freehold land and buildings as at 30 June 2006 (up \$1,171,175) and an increase in additional short-term deposits (up \$900,000), reflecting the operating surplus for the year.

The PIC continued to focus on a strong financial governance framework, supported by a proactive independent Internal Audit Committee.

There have been no events subsequent to the balance date, which may have an effect in subsequent years.

### Five-year summary of financial performance

	2001–02 \$	2002–03 \$	2003–04 \$	2004–05 \$	2005–06 \$
Total income	8,297,987	8,273,424	9,201,602	8,802,638	9,085,637
Total expenses	8,387,166	8,155,857	8,798,383	8,489,410	8,404,091
Net result for the period	(89,179)	117,567	403,219	313,228	681,546
Total assets	6,833,582	6,985,101	7,942,213	7,994,051	10,065,099
Total liabilities	3,348,101	2,958,571	3,512,464	3,250,824	3,469,151

### Consultancies

The total value of business-related consultancies undertaken by the PIC was \$637,895. They were directed towards such matters as:

- Website review and development
- Development and implementation of strategies for water and energy saving in the plumbing industry
- Revaluation of freehold land and buildings
- Review of PIC IT system and roll out of a new standard operating environment
- Professional accounting advice
- Review of plumbing regulations.

### Consultancies over \$100,000

Firm	Description	Total	Outstanding Commitments
JMcB Water and Energy Sustainability Pty Ltd	Development and implementation strategies for water and energy saving in the plumbing industry	\$100,430	Nil

### Consultancies under \$100,000

Number	Total Value
17	\$417,597

# Auditor-General's Report

To the Members of the Parliament of Victoria and Members of the Commission

## **Matters Relating to the Electronic Presentation of the Audited Financial Report**

This audit report for the financial year ended 30 June 2006 relates to the financial report of the Plumbing Industry Commission included on its website. The Commissioner of the Plumbing Industry Commission is responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

## **Scope**

### **The Financial Report**

The accompanying financial report for the year ended 30 June 2006 of Plumbing Industry Commission consists of operating statement, balance sheet, statement of recognised income and expense, cash flow statement, notes to and forming part of the financial report, and the supporting declaration.

### **Commissioner's Responsibility**

The Commissioner of the Plumbing Industry Commission is responsible for:

- The preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- The maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

## **Audit Approach**

As required by the *Audit Act 1994*, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

### **The audit procedures included:**

- Examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- Assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- Obtaining written confirmation regarding the material representations made in conjunction with the audit
- Reviewing the overall presentation of information in the financial report.

These procedures have been undertaken to form an opinion as to whether the financial report is presented in all material respects fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Commission's financial position, and its financial performance and cash flows.

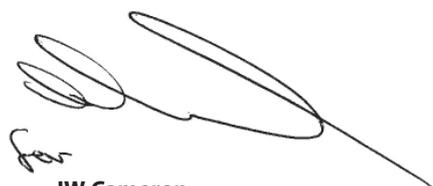
The audit opinion expressed in this report has been formed on the above basis.

## **Independence**

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

## **Audit Opinion**

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, the financial position of Plumbing Industry Commission as at 30 June 2006 and its financial performance and cash flows for the year then ended.



**JW Cameron**  
Auditor-General

Melbourne  
1 September 2006

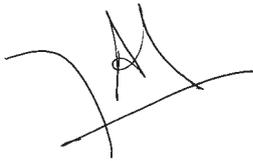
## Accountable Officer's and Chief Finance and Accounting Officer's Declaration

For the year ended 30 June 2006

We certify that the attached financial statements for the Plumbing Industry Commission have been prepared in accordance with Part 4.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Recognised Income and Expense, Cash Flow Statement and Notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2006 and financial position of the Plumbing Industry Commission as at 30 June 2006.

We are not aware of any circumstance, which would render any particulars included in the financial statements to be misleading or inaccurate.



**Tony Arnel**  
Plumbing Industry Commissioner/Accountable Officer

Melbourne  
1 September 2006



**Gary Ritter**  
Manager Accounting/Chief Finance and Accounting Officer

Melbourne  
1 September 2006

## Operating Statement

For the financial year ended 30 June 2006

	Notes	2006 \$	2005 \$
<b>Income</b>			
<b>Fee income</b>			
Registrations	1.5(a & b)	715,507	686,119
Licences	1.5(a & c)	2,065,212	1,953,365
Certificates of compliance		5,670,158	5,345,081
Special audits and inspections		25,051	98,145
Examinations		81,156	82,168
Other fee income		65,541	57,960
<b>Other income</b>			
Sale of publications		91,559	85,084
Rent received		13,717	23,933
Interest income		188,374	143,946
Other income	2(a)	187,578	336,186
Gain/(loss) from sale of fixed assets	2(b)	(18,216)	(9,349)
<b>Total income</b>		<b>9,085,637</b>	<b>8,802,638</b>
<b>Expenses</b>			
Salaries and related on-costs	1.11, 1.12 & 1.13	3,387,153	3,733,568
Advertising and promotion		348,595	386,491
Audit, legal and consultants' fees		725,060	253,938
Cost of publication sales		68,398	63,112
Depreciation and amortisation	1.3(b) & 7(b & c)	305,738	284,566
IT expenses		503,983	451,723
Education and examination expense		96,752	243,791
General administration costs		219,018	212,672
Office occupancy costs		177,783	145,104
Office rent		22,014	24,910
Postage		45,213	61,545
Plumbing inspections and audits		1,685,934	1,713,508
Printing and stationery		354,002	333,900
Telephone		218,735	276,872
Travelling and motor vehicle expenses		245,713	303,710
<b>Total expenses</b>		<b>8,404,091</b>	<b>8,489,410</b>
<b>Net result from continuing operations</b>		<b>681,546</b>	<b>313,228</b>
PIC Trust No.1 reserve adjustments	11(a)	0	250
<b>Net result for the period</b>		<b>681,546</b>	<b>313,478</b>

The accompanying notes form an integral part of the financial statements.

## Balance Sheet

As at 30 June 2006

	Notes	2006 \$	2005 \$
<b>Current assets</b>			
Cash assets	1.16 & 3	225,392	287,272
Short-term deposits	1.9 & 6	3,445,000	2,545,000
Receivables	1.7 & 4	644,099	499,722
Inventories	1.8 & 5	35,058	33,184
Prepayments		111,375	124,498
<b>Total current assets</b>		<b>4,460,924</b>	<b>3,489,676</b>
<b>Non-current assets</b>			
Plant and equipment	1.3(a & b), 1.18 & 7(a, b & c)	5,604,175	4,504,375
<b>Total non-current assets</b>		<b>5,604,175</b>	<b>4,504,375</b>
<b>Total assets</b>		<b>10,065,099</b>	<b>7,994,051</b>
<b>Current liabilities</b>			
Payables	1.10 & 8	739,452	434,363
Provisions for employee entitlements	1.11, 9 & 10	536,223	592,900
Licence fees received in advance	1.5(a & c)	1,169,883	1,092,312
Registrations received in advance	1.5(a & b)	915,550	1,017,039
<b>Total current liabilities</b>		<b>3,361,108</b>	<b>3,136,614</b>
<b>Non-current liabilities</b>			
Provision for employee entitlements	1.11, 9 & 10	108,043	114,210
<b>Total non-current liabilities</b>		<b>108,043</b>	<b>114,210</b>
<b>Total liabilities</b>		<b>3,469,151</b>	<b>3,250,824</b>
<b>Net assets</b>		<b>6,595,948</b>	<b>4,743,227</b>
<b>Equity</b>			
Contributed capital	11(b)	2,790,128	2,790,128
Asset revaluation reserve	1.3(a) & 11(a & d)	2,095,231	924,056
Development reserve	11(a & d)	68,634	68,634
Plumbing Industry Commission Trust No.1 reserve	1.2, 1.14 & 11(a & d)	286,884	275,357
Accumulated surplus	11(c)	1,355,071	685,052
<b>Total equity</b>		<b>6,595,948</b>	<b>4,743,227</b>

The accompanying notes form an integral part of the financial statements.

## Statement of Recognised Income and Expense

For the financial year ended 30 June 2006

	Notes	2006 \$	2005 \$
Revaluation increment recognised directly in equity		1,171,175	0
Net result for the year		681,546	313,478
<b>Total recognised income and expense for the year</b>		<b>1,852,721</b>	<b>313,478</b>

The accompanying notes form an integral part of the financial statements.

## Cash Flow Statement

For the financial year ended 30 June 2006

	Notes	2006 \$	2005 \$
<b>Cash flows from operating activities</b>			
Receipts from registrations		614,018	516,385
Receipts from licences		2,142,783	2,008,155
Receipts from certificates of compliance		5,670,158	5,345,081
Receipts from other customers		1,063,684	1,230,751
Interest received		157,636	155,522
Payments to suppliers and employees		(8,557,580)	(9,109,786)
<b>Net cash provided by/(used in) operating activities</b>	15(b)	<b>1,090,699</b>	<b>146,108</b>
<b>Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(589,118)	(754,929)
Proceeds from sale of property, plant and equipment		336,539	536,314
<b>Net cash provided by/(used in) investing activities</b>		<b>(252,579)</b>	<b>(218,615)</b>
<b>Net increase/(decrease) in cash held</b>		<b>838,120</b>	<b>(72,507)</b>
<b>Beginning cash and cash equivalents</b>		<b>2,832,272</b>	<b>2,904,779</b>
<b>Closing cash and cash equivalents</b>	15(a)	<b>3,670,392</b>	<b>2,832,272</b>

The accompanying notes form an integral part of the financial statements.

# Notes to and forming part of the financial statements

For the year ended 30 June 2006

## 1. Summary of accounting policies

### 1.1 Statement of compliance

The financial report is a general purpose financial report of the Plumbing Industry Commission (PIC), which has been prepared in accordance with the *Financial Management Act 1994*, Australian Accounting Standards and Urgent Issues Group Interpretations. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS). A statement of compliance with International Reporting Standards (IFRS) cannot be made due to the PIC applying the not-for-profit sector-specific requirements contained in the A-IFRS.

The financial statements were authorised by Tony Arnel (Plumbing Industry Commissioner/Accountable Officer) on 1 September 2006.

### 1.2 Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on fair values of the consideration given in exchange for assets.

In the application of A-IFRS management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed throughout the notes of the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concept of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The PIC changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the PIC's financial position, financial performance and cash flows is discussed in note 1.20.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2006, the comparative information presented in the financial statements for the year ended 30 June 2005, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004, the Commissions date of transition, except for the accounting policies in respect to financial instruments, including derivatives, as permitted under the first-time adoption transitional provisions. The accounting policies for financial instruments applicable to the comparative information and the impact of the changes in these accounting policies are discussed further in note 16.

The PIC has no controlled entities, however, the following Trust is included in the reporting entity:

The Plumbing Industry Commission Trust No. 1 is a trust established by the PIC and it is administered by independent trustees. A separate reserve has been established to recognise the amounts administered by the independent trustees under the Trust Deed (See notes 11(a) and (d)).

### 1.3 Fixed assets

#### (a) Revaluations of non-current assets

Subsequent to initial recognition as assets, non-current physical assets, other than plant and equipment are measured at fair value. Plant and equipment are measured at cost. Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date.

Valuations of freehold land and buildings are based on independent valuations carried out by PI Cramer, FAPI, AREI based on current market valuations. All freehold land and buildings were revalued as at 30 June 2006.

Revaluations by independent assessments are conducted at least every three years.

Revaluation increments are credited to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net results, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised as an expense unless there is an existing revaluation reserve in respect of that class of assets that have been revalued. In those circumstances, the decrements are offset against the revaluation reserve.

#### (b) Acquisition of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributed to the acquisition.

It is the policy of the PIC to write off as current expenditure all items of a unit value less than \$200.

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

Depreciation is calculated on a straight-line basis to write off the net cost of property (excluding land) over its expected useful life to the PIC. Estimates of the remaining useful lives for all assets are reviewed annually. The expected useful lives for the financial years ended 30 June 2006 and 30 June 2005 are as follows:

	<b>Rate</b>	<b>Useful life</b>
Motor vehicles	20%	5 years
Furniture and fittings	10%	10 years
IT	33.33%	3 years
Office machines, equipment	20%	5 years
Buildings	2.5%	40 years

### 1.4 Leasehold improvements

The cost of improvements to or on leasehold properties is depreciated over the unexpired period of the lease or the estimated useful life of the improvement to the PIC, whichever is the shorter.

Leasehold improvements held at the reporting date are being depreciated over two years.

### 1.5 Revenue recognition

#### (a) Registration and licence fees

The fees brought to account equate with that portion appropriate to the current financial period. The proportion of these fees received relating to periods beyond the current financial period have been deferred on a pro rata basis and included in current liabilities.

**(b) Registration fees currently being received by the PIC are for a triennium ending for three years from the date paid.**

**(c) Licence fees received by the PIC are for up to 12 months, paid in advance.**

#### (d) Other fees and services

All other fees and services are recognised as revenues when services are provided.

### 1.6 Tax status

The activities of the PIC are exempt from federal income tax and the State's Tax Equivalent system. The PIC is registered for GST and payroll tax.

### 1.7 Receivables

Trade debtors are carried at amounts receivable. The collectibility of debts is assessed on an ongoing basis and specific provision is made for any doubtful accounts. Debts, which are known to be uncollectable are written off.

### 1.8 Inventories

Stocks on hand represent publications for re-sale and are stated at the lower of cost or net realisable value.

### 1.9 Investments

Investments, generally comprised as amounts on deposit, are brought to account at cost. Interest revenue is recognised when the interest is earned.

### 1.10 Creditors and accruals

Creditors and accrued expenses represent liabilities for goods and services provided to the PIC prior to balance date and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### 1.11 Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and contract bonuses when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits, which are not expected to be settled within 12 months, are measured as the present value of the estimated future cash outflows to be made by the PIC in respect of services provided by employees up to the reporting date.

Consideration is given, when assessing expected future payments, to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated cash outflows.

# Notes to and forming part of the financial statements

For the year ended 30 June 2006

## 1.12 Salaries and related on-costs (excluding superannuation)

Salaries and related on-costs comprise payments for salaries, overtime, payroll tax, WorkCover and increases in provisions for annual leave, long service leave and staff contract bonuses.

## 1.13 Superannuation

The PIC contributes to the Government Superannuation Schemes – revised and new, Vic Super Pty Ltd, Vic Super Top Up, C+ Bus Superannuation Fund, and CPSL Master Fund. All contributions up to the 30 June 2006 were paid prior to the reporting date with the exception of June 2006 contributions, which were paid in the first week of July 2006.

Total contributions of \$172,275 (2005: \$185,174) were made by the PIC to these funds during the reporting period.

The basis for calculating superannuation contributions payable by the PIC is determined by the various schemes.

The superannuation contributions for the reporting period are included as part of salaries and associated costs in the Operating Statement of the PIC.

### Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

### Defined benefit plans

The amount charged to the Operating Statement in respect of defined benefit plan superannuation represents the contribution made by the PIC to the superannuation plan in respect to the current services of current PIC staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The PIC does not recognise any defined benefit liability in respect of the superannuation plan because the PIC has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the state's defined benefit liabilities in its financial report.

No loans have been made from any of these funds to the PIC.

## 1.14 Plumbing Industry Commission (PIC) Trust No. 1

The purpose of the Trust includes awarding of scholarships, awards and the promotion of better plumbing standards. An initiative has been created to increase the numbers of plumbing apprenticeships, retraining of existing practitioners, development of specific training resources and to provide funding for research for 5 Star water and energy savings required in the domestic and commercial building arena. A separate reserve has been established for amounts that can be paid at the discretion of the Trust's independent trustees.

## 1.15 Rounding of amounts

Amounts in the financial report have been rounded to the nearest dollar.

## 1.16 Cash assets and cash equivalents

Cash assets comprise cash on hand, cash in banks and short-term deposits which are readily convertible to cash. This represents a change in accounting policy, as the nature of the PIC's short-term investments is considered to satisfy the definition of cash equivalents under AASB 107 (cash flow statements). The impact of this change is an increase in the opening and closing balances of cash presented in the Cash Flow Statement by the amount of the short-term investment being \$3,445,000 (2005: \$2,545,000).

## 1.17 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# Notes to and forming part of the financial statements

For the year ended 30 June 2006

## 1.18 Impairment

All assets are assessed annually for indicators except for:

- inventories
- financial assets

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

## 1.19 Financial Assets

The PIC classifies its investments as held to maturity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

### Held to maturity investments

Where the PIC has the positive intent and ability to hold investments to maturity, they are stated at amortised cost less impairment losses.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

## 1.20 Impacts of the adoption of Australian equivalents to International Financial Reporting Standards

The PIC changed its accounting policies, other than its accounting policies for financial instruments, on 1 July 2004 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, with 1 July 2004 as the date of transition. The PIC changed its accounting policies for financial instruments effective from 1 July 2005.

There are no material impacts on the financial position, performance or cash flows of the PIC as a result of the transition to A-IFRS.

## 2. Components of revenue

### (a) Other income

Other income is comprised of:

	2006 \$	2005 \$
Recovery – Court and hearing costs	67,908	54,789
Modification fees	22,820	26,804
Infringement notices	38,650	35,350
Royalties	3,558	4,943
Employee MV contributions	37,347	42,574
Miscellaneous revenue	17,295	171,726
	<b>187,578</b>	<b>336,186</b>

### (b) Proceeds from sale of fixed assets

A loss on sale of fixed assets of \$18,216 (2005: \$9,349) resulted from the proceeds of \$336,539 (2005: \$536,314) after deducting the equipment's written-down value of \$354,755 (2005: \$545,663).

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 3. Cash assets

	2006 \$	2005 \$
Cash at bank and on hand	195,088	267,356
Cash at bank and on hand – PIC Trust No. 1 reserve	30,304	19,916
	<b>225,392</b>	<b>287,272</b>

### 4. Receivables

Debtors	386,395	476,435
Less: Provision for doubtful debts	(10,000)	(5,214)
	<b>376,395</b>	<b>471,221</b>
Other debtors	267,704	28,501
	<b>644,099</b>	<b>499,722</b>

### 5. Inventories

Publications at cost	35,058	33,184
	<b>35,058</b>	<b>33,184</b>

### 6. Short-term deposits

Treasury Corporation of Victoria	3,000,000	2,300,000
Commonwealth Bank	200,000	0
Treasury Corporation of Victoria – PIC Trust No. 1 reserve	245,000	245,000
	<b>3,445,000</b>	<b>2,545,000</b>
Term deposits are held on account of:		
Development reserve	68,634	68,634
General investments	3,131,366	2,231,366
PIC Trust No. 1 reserve	245,000	245,000
	<b>3,445,000</b>	<b>2,545,000</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 7. Property, plant and equipment

#### (a) Property, plant and equipment by class of assets

	2006 \$	2005 \$
<b>Freehold land</b>		
At independent valuation 30 June 2006	3,850,000	0
At independent valuation 30 June 2003	0	1,000,000
At independent valuation 1 May 2003	0	1,470,000
Improvements at cost	0	1,530
<b>Total freehold land</b>	<b>3,850,000</b>	<b>2,471,530</b>
<b>Buildings</b>		
At cost	0	7,738
Less: Accumulated depreciation	0	(329)
	<b>0</b>	<b>7,409</b>
At independent valuation 30 June 2006	970,000	0
At independent valuation 1 May 2003	0	1,260,000
Less: Accumulated depreciation	0	(68,249)
	<b>970,000</b>	<b>1,191,751</b>
<b>Total buildings</b>	<b>970,000</b>	<b>1,199,160</b>
<b>Leasehold improvements</b>		
At cost	38,957	38,957
Less: Accumulated depreciation	(38,957)	(38,957)
	0	0
<b>Total land and buildings</b>	<b>4,820,000</b>	<b>3,670,690</b>
<b>Motor vehicles</b>		
At cost	716,720	721,708
Less: Accumulated depreciation	(112,679)	(102,750)
	<b>604,041</b>	<b>618,958</b>
<b>Furniture and fittings</b>		
At cost	88,955	88,955
Less: Accumulated depreciation	(75,847)	(72,365)
	<b>13,108</b>	<b>16,590</b>
<b>Office machines, equipment and IT</b>		
At cost	1,115,943	1,019,757
Less: Accumulated depreciation	(948,917)	(821,620)
	<b>167,026</b>	<b>198,137</b>
<b>Total property, plant and equipment</b>	<b>5,604,175</b>	<b>4,504,375</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 7. Property, plant and equipment CONTINUED

#### (b) Depreciation and amortisation expense by class of assets

	2006 \$	2005 \$
Motor vehicles	143,210	147,500
Furniture and fittings	3,482	4,153
Office machines and equipment	127,296	94,689
Buildings	31,750	31,731
Leasehold improvements		6,493
	<b>305,738</b>	<b>284,566</b>

#### (c) Property, plant and equipment – movement by class of assets

	Motor vehicles \$	Furniture and fittings \$	Freehold land \$	Office machines and equipment \$	Buildings \$	2006 Total \$
Balance at 1 July 2005	618,958	16,590	2,471,530	198,137	1,199,160	4,504,375
Additions	483,048	0	0	96,185	9,885	589,118
Disposals	(354,755)	0	0	0	0	(354,755)
Depreciation	(143,210)	(3,482)	0	(127,296)	(31,750)	(305,738)
Net revaluation increments/ (decrements)	0	0	1,378,470	0	(207,295)	1,171,175
<b>Balance at 30 June 2006</b>	<b>604,041</b>	<b>13,108</b>	<b>3,850,000</b>	<b>167,026</b>	<b>970,000</b>	<b>5,604,175</b>

	Lease-hold improvements \$	Motor vehicles \$	Furniture and fittings \$	Freehold land \$	Office machines and equipment \$	Buildings \$	2005 Total \$
Balance at 1 July 2004	6,493	639,429	18,365	2,471,530	212,967	1,230,891	4,579,675
Additions	0	672,692	2,378	0	79,859	0	754,929
Disposals	0	(545,663)	0	0	0	0	(545,663)
Depreciation	(6,493)	(147,500)	(4,153)	0	(94,689)	(31,731)	(284,566)
<b>Balance at 30 June 2005</b>	<b>0</b>	<b>618,958</b>	<b>16,590</b>	<b>2,471,530</b>	<b>198,137</b>	<b>1,199,160</b>	<b>4,504,375</b>

### 8. Payables

	2006 \$	2005 \$
Trade creditors	411,246	290,063
Other creditors and accruals	328,206	144,300
	<b>739,452</b>	<b>434,363</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 9. Employee entitlements

	2006 \$	2005 \$
The aggregate employee entitlement liability recognised and included in the financial statements is as follows:		
Provision for employee entitlements:		
Current (note 10)	536,223	592,900
Non-current (note 10)	108,043	114,210
	<b>644,266</b>	<b>707,110</b>

### 10. Provision for employee entitlements

The total liability at 30 June 2006 for employee entitlements comprised:

#### Current liabilities

Provision for long service leave	226,674	286,360
Provision for annual leave	235,035	306,540
Provision for contract bonuses	74,514	

#### Total current liabilities

**536,223**      **592,900**

#### Non-current liabilities

Provision for long service leave	108,043	114,210
----------------------------------	---------	---------

#### Total non-current liabilities

**108,043**      **114,210**

#### Total provisions

**644,266**      **707,110**

#### Annual leave entitlements

The amounts classified as current are based on entitlements that are payable upon termination and cannot be deferred by the PIC. The amount expected to be paid within the next 12 months is \$235,035 (2005: \$306,540).

#### Long service leave

The amounts classified as current are based on entitlements that are payable upon termination and cannot be deferred by the PIC. The amount expected to be paid within the next 12 months is \$50,000 (2005: \$33,549).

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 11. Equity and movements in equity

	2006 \$	2005 \$
<b>(a) Reserves</b>		
Asset revaluation reserve	2,095,231	924,056
	<b>2,095,231</b>	<b>924,056</b>
Development reserve	68,634	68,634
	<b>68,634</b>	<b>68,634</b>
PIC Trust No. 1 reserve	286,884	275,357
	<b>286,884</b>	<b>275,357</b>
<b>Movements</b>		
Asset revaluation reserve		
Balance 1 July	924,056	924,056
Revaluation increment of freehold land and buildings during the year	1,171,175	0
<b>Balance 30 June</b>	<b>2,095,231</b>	<b>924,056</b>
Development reserve		
Balance 1 July	68,634	68,634
<b>Balance 30 June</b>	<b>68,634</b>	<b>68,634</b>
PIC Trust No. 1 reserve		
Balance 1 July	275,357	252,709
Transfer from accumulated surplus	11,527	22,398
Over provision 30.6.05	0	250
<b>Balance 30 June</b>	<b>286,884</b>	<b>275,357</b>
<b>(b) Contributed capital</b>		
Balance 1 July	2,790,128	2,790,128
<b>Balance 30 June</b>	<b>2,790,128</b>	<b>2,790,128</b>
<b>(c) Accumulated surplus</b>		
Accumulated surplus at the beginning of the financial year	685,052	394,222
Net result for the reporting year	681,546	313,228
Transfer to PIC Trust No. 1 reserve	(11,527)	(22,398)
<b>Accumulated surplus at the end of the financial year</b>	<b>1,355,071</b>	<b>685,052</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 11. Equity and movements in equity CONTINUED

#### (d) Nature and purpose of reserves

##### Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 1.3 (a).

##### Development reserve

The development reserve represents funds set aside to research and develop new plumbing practices and standards.

##### PIC Trust No. 1 reserve

The PIC Trust No. 1 reserve is restricted funds to be used for purposes as set out in the Trust Deed and as determined by the independent trustees.

#### Total equity

	2006 \$	2005 \$
Total equity at the beginning of the financial year	4,743,227	4,429,749
Net result for year	681,546	313,228
Revaluation increment	1,171,175	0
Over provision PIC Trust No1 30.6.05	0	250
<b>Total equity at the end of the financial year</b>	<b>6,595,948</b>	<b>4,743,227</b>

### 12. Remuneration of auditors

Audit fees paid or payable to the Victorian Auditor-General's Office for audit of the PIC's financial report:

Paid as at 30 June 2006

3,344

0

Payable as at 30 June 2006

5,356

8,400

### 13. Contingent liabilities and contingent assets

The PIC is not aware of any contingent liability or contingent asset as at 30 June 2006.

### 14. Commitments for expenditure

As at 30 June 2006 there were no commitments by the PIC in respect of any capital expenditure contracted but not provided for in the accounts.

The PIC occupies premises in Camberwell under a two-year option of a lease exercised on 1 November 2004. The committed expense in connection with the lease is as follows:

Payable within one year

8,550

24,889

Later than one year but not later than five years

0

8,296

**8,550**

**33,185**

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 15. Notes to Cash Flow Statement

#### (a) Cash and cash equivalents

Cash and cash equivalents comprise the following items as disclosed in the Balance Sheet:

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Cash	225,392	287,272
Short term deposits	3,445,000	2,545,000
<b>Total cash and cash equivalents</b>	<b>3,670,392</b>	<b>2,832,272</b>
<b>(b) Reconciliation of result from ordinary activities to net cash inflow from operations</b>		
Cash and cash equivalents comprise the following items as disclosed in the Balance Sheet		
Results from ordinary activities	681,546	313,228
Depreciation and amortisation	305,738	284,566
Net loss on sale of non-current assets	18,216	9,349
Overprovision PIC Trust No. 1 30.6.05	0	250
<b>Change in operating assets and liabilities</b>		
Increase/(decrease) fees paid in advance	(23,918)	(114,944)
Increase/(decrease) in creditors	379,603	(92,224)
Increase/(decrease) in employee entitlements	(137,358)	(54,472)
Decrease/(increase) in interest accrued	(30,738)	11,576
Decrease/(increase) in prepayments and other debtors	(100,516)	(217,764)
Decrease/(increase) in inventories	(1,874)	6,543
<b>Net cash inflow from operating activities</b>	<b>1,090,699</b>	<b>146,108</b>

## Notes to and forming part of the financial statements

For the year ended 30 June 2006

### 16. Financial instruments

The PIC's activities expose it primarily to financial risks of changes in interest rates. The PIC does not enter into derivative financial instruments to manage exposure to interest rate risk.

The policies for managing each of these risks are summarised below.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

#### (a) Interest rate risk exposures

The PIC's exposure to interest rate risk and the effective weighted average interest rate for each class of financial instrument is set out below:

						2005-06
	Note	Weighted average interest rate \$	Floating interest rate \$	1 year or less \$	Non- interest bearing \$	Total \$
<b>Financial assets</b>						
Cash and deposits	3	4.25 %	221,792		3,600	225,392
Receivables	4				644,099	644,099
Short-term investments	6	5.69%		3,445,000		3,445,000
			<b>221,792</b>	<b>3,445,000</b>	<b>647,699</b>	<b>4,314,491</b>
<b>Financial liabilities</b>						
Payables	8				(739,452)	(739,452)
					<b>(739,452)</b>	<b>(739,452)</b>
<b>Net financial assets/(liabilities)</b>			<b>221,792</b>	<b>3,445,000</b>	<b>(91,753)</b>	<b>3,575,039</b>
						2004-05
	Note	Weighted average interest rate \$	Floating interest rate \$	1 year or less \$	Non- interest bearing \$	Total \$
<b>Financial assets</b>						
Cash and deposits	3	4.25%	283,672		3,600	287,272
Receivables	4				499,722	499,722
Short-term investments	6	5.65%		2,545,000		2,545,000
			<b>283,672</b>	<b>2,545,000</b>	<b>503,322</b>	<b>3,331,994</b>
<b>Financial liabilities</b>						
Payables	8				(434,363)	(434,363)
					<b>(434,363)</b>	<b>(434,363)</b>
<b>Net financial assets/(liabilities)</b>			<b>283,672</b>	<b>2,545,000</b>	<b>68,959</b>	<b>2,897,631</b>

# Notes to and forming part of the financial statements

For the year ended 30 June 2006

## 16. Financial instruments CONTINUED

### (b) Credit risk exposures

The credit risk on financial assets of the PIC, which have been recognised on the balance sheet, is the carrying amount, net of any provision for doubtful debts. The PIC minimises concentrations of credit risk by undertaking transactions with unrelated debtors. The PIC is not materially exposed to any individual debtor.

### (c) Net fair values of financial assets

The net fair value of on-balance sheet assets is not materially different to the carrying value of the financial assets.

## 17. Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period:

### (a) Names

The persons who held the positions of Minister and Accountable Officer in the PIC are as follows:

Robert Hulls MP – Minister for Planning

Tony Arnel – Plumbing Industry Commissioner/Accountable Officer

### (b) Remuneration

Amounts relating to Tony Arnel are reported in the financial statements of the Building Commission.

Amounts relating to the Minister are reported in the financial statements of the Department of Premier and Cabinet.

### (c) Other transactions

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

### (d) Executives and other employees of the PIC that received remuneration in excess of \$100,000 per annum, in the following remuneration ranges:

\$100,000–\$109,999	2	(2005: 4)
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## 18. Related party

As a result of Australian Accounting Standard AASB 124, the Building Commission is considered a related party to the PIC and \$119,868 was paid on normal business terms to the Building Commission during 2005-06 including an amount of \$56,200 as reimbursement for the time of the accountable officer spent on PIC business activities

There were no other related party transactions.

## 19. Events occurring after balance date

No events occurred after balance date, which would render the financial statements misleading or inaccurate.

## Indexes

### Disclosure index

The 2005–06 Annual Report of the Plumbing Industry Commission is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the PIC's compliance with statutory disclosure requirements.

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Information relevant to the headings listed in the Financial Reporting Direction 22 of the *Financial Managements Act 1994* is available on the PIC's website [www.pic.vic.gov.au](http://www.pic.vic.gov.au) or at the PIC's offices and is available on request, subject to the *Freedom of Information Act 1982*.

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## Glossary of terms

### 5 Star standard

A regulatory requirement for new homes and apartments in Victoria to be built to a 5 Star energy efficiency standard, plus either a rainwater tank or solar hot water system.

### Audits and inspections

The PIC is required to audit a minimum five per cent of all certified plumbing works. These are carried out through random inspections.

### Best practice

A process, technique or innovative use of equipment, technology, or resources that has a proven record of success in providing significant improvement in cost, schedule, quality, performance, safety, environment or other measurable factors that impact an organisation.

### Compliance certificate

Licensed practitioners in Victoria are required to self-certify their work. This certification is made on a compliance certificate which shows the details of the particular job and is unique to that job.

### Interactive Voice Response (IVR) system

The PIC's interactive phone system that allows a plumbing practitioner to communicate directly with the PIC's computer system, 24-hours, seven days a week.

### Investigations

The PIC investigates complaints from consumers and industry in relation to breaches of the Act and regulations.

### Management team

The team responsible for the PIC's strategic direction and its organisational effectiveness. It consists of the Commissioner, the General Manager, Corporate Services and four Managers.

### Plumbing Industry Advisory Council

Established under the *Building Act 1993* this Council provides advice to the Minister for Planning and the Plumbing Industry Commissioner.

### Sun-setting

The *Subordinate Legislation Act 1994* requires all regulations to be automatically revoked after 10 years of operation, a process referred to as sun-setting.

## Five-year statistical summary

	2001-02	2002-03	2003-04	2004-05	2005-06
<b>Practitioner registration, licensing and development (see page 6)</b>					
Number of individuals holding a plumbing licence and/or registration	18,195	18,899	19,361	19,947	20,486
Number of individuals holding a registration in at least one class	14,755	15,295	15,634	15,955	16,523
Number of individuals holding a licence in at least one class	9,011	9,258	9,588	9,741	10,046
Qualification Experience Review Committee (QERC) applications	381	387	588	634	849
Practitioners receiving reciprocal recognition	414	407	399	462	451
Apprentice practical registration exams held	732	860	840	948	1,180
Non-apprentice practical registration exams held	272	206	179	238	254
Theory-based licence exams held	233	403	390	369	474
<b>Compliance, audits and inspections (see page 13)</b>					
Compliance certificates lodged	226,604	288,788	283,294	283,245	289,275
Audits completed (% of total compliance certificates lodged)	6.3	5.6	5.5	5.6	5.3
Audits failed (% of total audits)	12.6	12.3	11.3	11.1	9.7
Sanitary drain inspections completed (% of total inspections booked)	7.6	6.4	6.0	6.0	5.4
Sanitary drains failed (% of total inspections)	5.0	7.5	7.5	6.2	5.7
<b>Investigations (see page 17)</b>					
Formal complaints received	315	290	357	419	472
Site visits	729	2,226	2,054	1,451	2,055
Investigations conducted into plumbing practitioners	223	290	396	376	388
Prosecutions completed	34	20	28	40	26
Disciplinary hearings held	15	9	14	15	12
Notices and orders issued	74	49	56	170	184
<b>Industry and consumer awareness (see page 20)</b>					
Telephone enquiries regarding registration, licensing and general plumbing	34,185	44,655	47,227	35,423	38,812
In-person enquiries regarding registration, licensing and general plumbing	5,930	6,776	7,827	8,119	8,526
<b>Regulatory development (see page 23)</b>					
Modification applications	260	305	316	346	284
<b>Organisational performance (see page 29)</b>					
Total head count	53	53	56	51	49
Percentage of female employees	36%	36%	34%	31%	39%
Percentage of male employees	64%	64%	66%	69%	61%
<b>Financial performance (see page 32)</b>					
Total revenue	8.3M	8.3M	9.2M	8.8M	9.1M
Operating expenses	8.4M	8.2M	8.8M	8.5M	8.4M
Total assets	6.8M	7.0M	7.9M	8.0M	10.0M
Total liabilities	3.3M	3.0M	3.5M	3.2M	3.5M
Operating surplus	(0.09)M	0.1M	0.4M	0.3M	0.7M

## Contacts

### Head office

450 Burke Road  
Camberwell, Victoria 3124

PO Box 552  
Camberwell, Victoria 3124

Monday to Friday  
8.15am – 4.45pm

Telephone (03) 9889 2211

Facsimile (03) 9889 2244

Toll Free 1800 015 129

Email [webmaster@pic.vic.gov.au](mailto:webmaster@pic.vic.gov.au)

[www.pic.vic.gov.au](http://www.pic.vic.gov.au)

### Melbourne office

440 Burke Road  
Camberwell, Victoria 3124

Telephone (03) 9889 2211  
Facsimile (03) 9889 2244

### Ballarat office

2 Skipton Street  
Ballarat, Victoria 3350

Monday to Friday  
8.00am – 4.30pm

Telephone (03) 5333 4804

Facsimile (03) 5333 4817

### Bendigo office

46 Breen Street  
Bendigo, Victoria 3550

Monday to Friday  
10.00am – 2.00pm

Telephone (03) 5441 7830

Facsimile (03) 5442 7845

### Sale office

317 York Street  
Sale, Victoria 3850

Monday to Friday  
10.00am – 2.00pm

Telephone (03) 5143 3021

Facsimile (03) 5143 3027

### Wangaratta office

1 White Street  
Wangaratta, Victoria 3677

Monday to Friday  
10.00am – 2.00pm

Telephone (03) 5721 3400

Facsimile (03) 5722 9074