



CONSUMERS CALL FOR GOVERNMENT AND INDUSTRY TO SET HIGHER ENERGY PERFORMANCE STANDARDS FOR ALL AUSTRALIAN HOMES

On 5 September 2018, over 90 people from energy consumer groups, industry and government came together and from across Australia to attend the Housing Summit in Sydney, hosted by Energy Consumers Australia.

As a community we urgently need policies and programs in place to ensure that all Australians can afford the energy they need to have a healthy and comfortable home. Energy is an essential service, and integral to delivering the health of people and communities.

Any effort to bring down energy bills must include housing as part of the equation.

The poor energy performance of our homes and significant increases in energy costs over the past decade mean that many of us are now living in homes that are damp, too cold in winter and too hot in summer.

Living in these homes, dealing with high electricity bills, and going without the energy we need to live comfortably, can lead to financial stress, poor health and make it harder to work, to get an education or to be a part of the community.

In research commissioned by Energy Consumers Australia, ACIL Allen Consulting outlined the range of impacts of poor energy efficiency, including on health and wellbeing. Respected medical journal *The Lancet* reported that each year more than 6% of deaths in Australia are due to the effects of cold living environments while a further 1% are heat related.¹ When housing costs are taken into account, almost 3 million Australians are estimated to be living in poverty.² For those with high housing costs and, in particular, those living in rental properties - who have little control over energy efficiency standards in their home, and less capacity to buy efficient appliances - the risk of high electricity bills or living without the energy they need is even greater.

This is an urgent affordability, health and economic challenge that needs a coordinated, national and ongoing response.

We are therefore calling for

1. Improved energy performance standards for new homes and major renovations

¹ *Mortality risk attributable to high and low ambient temperature: a multicountry observational study*, [www.thelancet.com/journals/lancet/article/PIIS0140-6736\(14\)62114-0/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(14)62114-0/fulltext). By way of comparison cold related deaths in Sweden were 3.9% of deaths.

² ACOSS (Australian Council of Social Services) 2016, *Poverty in Australia 2016*, Canberra, <https://www.acoss.org.au/wp-content/uploads/2016/10/Poverty-in-Australia-2016.pdf>, page 11

2. Improved energy performance standards for existing homes, including fixed appliances.

BENEFITS OF IMPROVING THE ENERGY PERFORMANCE STANDARDS OF AUSTRALIAN HOMES

Improving the energy performance standard of our homes is an opportunity to benefit consumers and the community through:

- lower energy bills – improvements in energy efficiency requirements of the National Construction Code could reduce energy costs by up to \$900 annually, according to a recent study by the Australian Built Environment Council (ASBEC) and Climateworks Australia;³
- improved comfort levels - potentially improving health and mortality rates, resulting in economic and social benefits including lower spending on public health⁴;
- improved resilience of the electricity system – reduced burden on the electricity grid, reducing the need for network investment for peak demand, and resulting in lower prices for all, according to ASBEC⁵; and
- reduced emissions⁶ – according to a 2014 CSIRO study⁷.

WE ARE CALLING ON GOVERNMENTS TO DEVELOP A COMPREHENSIVE, NATIONAL STRATEGY TO IMPROVE THE ENERGY PERFORMANCE STANDARDS OF ALL AUSTRALIAN HOMES FOR THE BENEFIT OF CONSUMERS

This is a problem that is getting worse. Another 1 million homes could be built in the next three years, adding to the 10 million existing homes.

Consumers are asking governments and industry together to adopt a clear pathway to improve the energy performance of all Australian homes.

Our organisations will work together through September, building on the Housing Summit and in consultation with other consumer and community groups, and housing experts, to outline the policy solutions that consumers are seeking.

³ *Built to Perform*, August 2018, <https://www.asbec.asn.au/research-items/built-perform/>. This could be achieved through simple measures such as more airtight buildings, higher levels of insulation, more shading, ceiling fans (in warmer climates), and increased efficiency standards for air conditioning, lighting and domestic hot water systems.

⁴ ACIL Allen Consulting *Multiple Impacts of Household Energy Efficiency: An Assessment Framework 2017*, report to Energy Consumers Australia, available at <http://energyconsumersaustralia.com.au/wp-content/uploads/Multiple-Impacts-of-Energy-Efficiency-An-Assessment-Framework.pdf>

⁵ *Built to Perform*, August 2018, <https://www.asbec.asn.au/research-items>

⁶ Australian homes account for around 24 per cent of electricity demand (with households contributing disproportionately to electricity demand during peak periods) and over 11 per cent of Australia's greenhouse gas emissions. Department of the Environment and Energy, *Australian National Greenhouse Accounts: National Inventory by Economic Sector*, February 2018, page 2

⁷ CSIRO, *The Evaluation of the 5-Star Energy Efficiency Standard for Residential Buildings*, December 2013, page 14