

03 February 2023

By email: EnergyPerformance@dcceew.gov.au

Submission on National Energy Performance Strategy (NEPS): Consultation Paper

Improving the energy efficiency of Australia's residential buildings will deliver three clear benefits. It will contribute to meeting Australia's commitments to Paris Agreement, improve the comfort and health of residents and reduce households' energy bills.¹

There have been numerous energy efficiency or productivity plans and strategies over the past decades. We know what needs to be done and where we need more research to improve residential energy efficiency. What is needed is the political will to accelerate progress already underway and provide financial support to households.

The Consumer Policy Research Centre (CPRC) is an independent, not-for-profit consumer research organisation. Our mission is to improve the lives and welfare of consumers by producing evidence-based research that drives policy and practice change.

CPRC conducted research on the barriers and enablers to adoption of energy efficiency upgrades in residential properties. We surveyed 2000 Australians in September-October 2022 in a nationally representative survey. This submission provides a summary of the outcomes of that research and other research CPRC has undertaken on consumers and energy within Victoria and across Australia. We recommend:

Improving current housing supply

1. State, Territory and Federal Governments should build more social and affordable housing which should achieve energy efficiency above the minimum standard for new builds to help develop a market for energy efficient materials and trades and to encourage the private housing market to go beyond the minimum.
2. The Federal Government should undertake research to establish a baseline energy efficiency of all homes. This will help measure progress as the National Framework for Disclosure of Residential Energy Efficiency is implemented and identify areas where barriers remain. This requires the Federal Government finalising efforts to extend NatHERS to existing buildings.
3. The Federal Government and the Australian Building Codes Board in collaboration with state and territory building and plumbing administrations to strengthen and improve compliance with National Construction Code energy efficiency requirements during a renovation and retrofits. This should include improving consistency across the country and information for households.
4. Federal, State and Territory Governments ensure adequate government staffing to be able to develop and implement the NEPS.
5. Federal Government financial support is required to help households to make upgrades to their properties. The Federal Government should consult with consumers and industry as to how best do this.
6. Further to this, specific financial support paid for by both State, Territory and Federal Governments, for low-income households to make upgrades to their homes or install more efficient appliances.

¹ Department of Climate Change, Energy, the Environment and Water, 2022, National Energy Performance Strategy. Consultation Paper, November 2022

Driving demand for energy efficient properties

7. States and Territories must implement a mandatory National Framework for Disclosure of Residential Energy Efficiency at both point of sale and lease by 2025. This will help prospective homeowners and tenants to understand the energy efficiency of their home or prospective home.
8. The Federal Government to continue to coordinate and provide leadership role in the development of the National Framework for Disclosure of Residential Energy Efficiency. In addition, monitor the implementation of the National Framework for Disclosure of Residential Energy Efficiency.

Energy efficient rental properties

8. States and territories in collaboration with the Federal Government progress work to develop a Framework for residential rental property minimum standards by 2025.
9. States and territories legislate to require minimum energy efficiency for rental properties. This must include a clear timeframe and trigger points for when upgrades must be made and be monitored to ensure compliance.

Energy efficient apartments

10. States and Territories to review and amend strata laws to reduce barriers including threshold of votes required to undertake sustainability upgrades in both the common and individual apartments.
11. Federal Government to fund and implement supporting measure 7 under the Trajectory for Low Energy Buildings focused on Apartments and Strata Titled buildings. This will help develop data and knowledge to support National Framework for Disclosure of Residential Energy Efficiency and identify opportunities for energy efficiency upgrades.

Energy efficiency in regional Australia

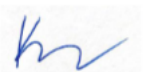
12. Federal Government and industry to work together to develop a roadshow to provide tailored information and support for households, particularly in regional and rural Australia.
13. Federal and State Government to help drive the development of energy efficient market in regional and rural area through their procurement processes and upgrading buildings they own.

Improved consumer information

14. States and territories to establish one-stop shops for households to be able to seek information, support and subsidies for energy efficiency upgrades.
15. Non-government actors such as banks should use application for refinancing or personal loan for renovation to provide households with information and lower interest green loans.
16. Federal Government work with Energy Efficiency Council and industry associations to accelerate the adoption of the recommendations in the *Roadmap for Quality Control and Safety in Insulation Installation*.
17. The Australian Competition and Consumer Commission should prioritise their greenwashing enforcement and compliance efforts on natural gas and hydrogen in residential energy sector. This should include examination of claims of 'carbon neutral gas' or 'green gas' or 'renewable gas'.

CPRC would welcome the opportunity to work with the Government to provide further insights from our consumer research as the strategy is finalised. If you have any queries about this submission or would like more information on our research, please contact Kristal Burry, Policy and Program Director at kristal.burry@cprc.org.au

Yours sincerely



Kristal Burry
Policy & Programs Director
Consumer Policy Research Centre

Contents

Energy efficiency upgrades to residential properties.....	3
Barriers to uptake of energy efficiency in residential properties.	4
Enablers to uptake of energy efficiency in residential properties.	5
Barriers and enablers of energy efficiency for specific households.....	7
Low-income households.....	7
Renters.....	7
People who live in apartments.....	8
Regional and rural households.....	9
Direct answers to questions in the discussion paper.	9
Policy options to make homes more energy efficient.....	10

Energy efficiency upgrades to residential properties.

Recent changes to the National Construction Code (NCC) to increase the minimum standard from 6 to 7 stars and to introduce whole of home energy budget that must be met by new homes are important changes.² The residential building sector can and should seek to achieve above the minimum requirements and requirements for above the minimum stars should be included in any new Government built or financed homes.

However, improving the energy efficiency of existing homes continues to lag behind. There are many reasons why existing housing stock meets lower energy efficiency standards, including:

- The Federal Government lacks the legislative power to introduce residential disclosure at a national level, such as powers under the *Corporation Act* that requires disclosure for commercial buildings.
- Lack of information and data on the current energy efficiency of the residential housing stock especially existing buildings.
- Lack of a mature market for energy efficient materials and trades or skilled workers to provide advice for households and to install or make upgrades.
- Barriers to households to make change as we will discuss in this submission.^{3,4,5,6}

CPRC’s submission will focus on the barriers and enablers to households making changes to their properties. This is based on research conducted by CPRC on the barriers and enablers to adoption of energy efficiency upgrades in residential properties. We surveyed 2000 Australians in September-October 2022 in a nationally representative survey. We asked about the barriers and enablers to installing or upgrading cooking from gas to electric, more efficient heating and cooling, and installing insulation.⁷

² ABCB, 2022, Overview of changes – energy efficiency and condensation, National Construction Code, <https://ncc.abcb.gov.au/news/2022/overview-changes-energy-efficiency-and-condensation>

³ Former COAG Energy Council, 2019, Addendum to the Trajectory for Low Energy Buildings—Existing Buildings, <https://www.energy.gov.au/government-priorities/energy-ministers/energy-ministers-publications/trajectory-low-energy-buildings>

⁴ Australian Government, 2021, National Framework for Disclosure of Residential Energy Efficiency Information A collaborative project of the Commonwealth, state and territory governments, <https://www.energy.gov.au/government-priorities/buildings/residential-buildings#toc-anchor-5-energy-efficiency-disclosure>

⁵ BEUC, 2021, How to make green and healthy housing affordable for all consumers, BEUC position paper <https://www.beuc.eu/position-papers/how-make-green-and-healthy-housing-affordable-all-consumers>

⁶ SECNewgate Australia, 2022, Energy Efficient Housing Research. Prepared for Energy Consumers Australia & RENEW, August 2022 <https://energyconsumersaustralia.com.au/publications/20208>

⁷ We asked 2000 Australians the following questions. What factors make it hard for you to switch from gas cooking (cooktop and oven) to electric (cooktop or oven)?, What would make it easier for you to switch from gas cooking (cooktop and oven) to electric (cooktop or oven)

Barriers to uptake of energy efficiency in residential properties.

There are clearly barriers to households making energy efficient upgrades, each type requires different approaches to overcoming them. The barriers can be grouped into the following themes:

- Cost and affordability of making upgrades and buying energy efficient appliances.
- Information to inform households about what upgrades are required and trust in different appliances and materials.
- Behavioural/cultural including preferences for cooking methods. This will require working with different groups to understand what other options might be available for cultural cooking and demonstrations of how electric options perform.
- Time to investigate and decide on options and to make decisions.
- Sunk costs – homes may have recently replaced or purchased appliances and these sunk costs will need to be addressed.
- Perceptions and knowledge about the environmental impact (i.e. the impact of gas appliances on health and climate. There is a risk that gas networks are promoting gas to reduce their risks of stranded assets and risks of greenwashing could be high)

Barriers to switching gas to electric cooking (oven and stovetop).

We found that 85% of Australians had a barrier to switching from gas to electric cooking. Among these, the key barriers to switching from gas to electric cooktop and ovens are:

- 19% said they preferred cooking or their style of cuisine required gas cooking 16% of Australians said it is too expensive to switch appliances.
- 16% said they were unaware electric cooking was more sustainable than gas cooking.
- 14% said they rented and were unable to make these changes.
- 13% were concerned that electric cooking appliances didn't perform as well as gas.
- 9% didn't think switching would make a difference to the environment.
- 7% said it is time consuming to plan and make these changes.
- 7% felt they didn't have enough information to make the switch.
- 6% didn't know what brands to trust.
- 4% were concerned about the availability of their chosen appliance and or the skilled tradespeople for installation.
- 4% said they think electric cooking options are less stylish than alternatives.

In addition:

- 10% had already switched to electric or have always had electric cooking,
- 5% had recently purchased a new gas cooktop or oven and weren't planning on replacing it until it broke.
- 24% don't have gas cooking appliances in their home.

oven)?, What factors make it hard for you to upgrade your heating, cooling, or hot water system to a more energy efficient option?, What would make it easier for you to switch to energy efficient heating, cooling or hot water?, What factors make it hard for you to make changes to improve the energy efficiency of your home by installing, What would make it easier for you to improve the energy efficiency of your home by installing insulation?

Barriers to switching to more efficient heating and cooling.

We found that 88% of Australians identified they had a barrier to switching to more efficient heating and cooling appliances. The key barriers faced by Australians include:

- 30% said it was too expensive to purchase new heating and cooling or hot water systems and have them installed.
- 19% rent and are unable to make changes to these appliances.
- 11% said they didn't have enough information to make these changes.
- 10% said it was time consuming to plan and make these changes.
- 8% said some of these appliances are centrally installed or controlled in the apartment they live in and would require body corporate agreement or approval.
- 9% said they didn't know what brands to trust.
- 9% said they were concerned that more efficient heating and cooling or hot water systems would not perform as well.
- 8% reported they didn't believe switching would make a difference to the environment.
- 8% said it was harder for them to find energy efficient appliances.

In addition:

- 10% have recently purchased new appliances and won't replace them until they require replacement.
- 8% have already switched to more efficient appliances.

Barriers to installing insulation in residential homes.

We found that 78% of Australians had identified a barrier to them installing insulation in their property. The key barriers were:

- 20% said it was too expensive to pay for the installation.
- 19% said they rent and can't make these changes.
- 17% said it was too expensive to pay for the materials.
- 12% said they do not know the energy efficiency of their home now.
- 10% said they don't have enough information.
- 9% said it was time consuming to plan and make these changes.
- 8% said they live in an apartment and have limited options to make changes.
- 8% said they were concerned about access to skill tradespeople to install insulation.
- 7% said they were concerned about the availability of insulation materials where they live.
- 7% said they live in an apartment and may require body corporate approval to make changes.
- 7% said they don't know what brands to trust.

Finally

- 22% of Australians said they had already installed insulation in their home.

Enablers to uptake of energy efficiency in residential properties.

Enablers to switching from gas to electric cooking.

Providing financial support and better information on the energy efficiency of electric cooking were identified as the top two enablers by Australians.

Key enablers for Australians are:

- 28% said better information about the energy savings and impact on bills.
- 27% said more affordable options.
- 16% said more information about the health impacts of gas cooktops and ovens.

- 16% said improved transparency and availability of information about the sustainability and performance of electric cook tops and ovens.
- 14% said regulations to require my landlord to install an electric cooktop or oven.
- 14% said an increase in availability and greater variety of products.
- 12% more confidence about the safety of electric cooking options.

In addition:

- 11% said they didn't think anything would help them to make this change

Enablers to switch to more efficient heating, cooling and hot water.

Key enablers for Australians are:

- 39% said more affordable options.
- 26% said better information on energy savings and lower energy bills due to make these changes.
- 20% said better information about the performance and energy efficiency of more efficient appliances.
- 20% said increased availability and range of efficient appliances.
- 18% said regulations requiring my landlord to install energy efficient appliances.
- 15% said better labelling of energy efficient appliances.

Enablers to installing insulation.

Key enablers for Australians were:

- 27% said more affordable options.
- 17% said better information on the energy savings and energy bills.
- 15% said regulations to require my landlords to improve the insulation of the property.
- 14% said better information on the energy efficiency of different insulation types.
- 12% said greater range of services and products to support me to make energy efficient upgrades when I am doing other modifications to my home.
- 11% said improved information about how to install insulation in an apartment.
- 11% said information about the health, comfort and wellbeing improvements from insulation.
- 11% said information about safety standards and safe approaches to installing insulation and how to select an accredited installer.
- 11% said better information about the installation process.
- 11% said regulations to ensure best practice in safety and quality control in insulation installation.

In addition:

- 7% said they did not think anything would help them to make these changes.

Summary of enablers to improving energy efficiency of residential buildings.

The enablers for improving residential energy efficiency can be grouped into the following themes:

- Providing financial support and reducing the cost appliances and materials
- The provision of tailored information on the performance and improved outcomes to households of energy efficiency
- Regulations to require energy efficient homes (particularly rental properties) and regulations to improve trust in installation of insulation.
- More variety and availability of energy efficient appliances and supplies.

Barriers and enablers of energy efficiency for specific households.

Low-income households

There is mounting evidence of the impact of poor performing homes on the health and energy costs to households, these are more pronounced for households with limited income, existing health conditions.^{8,9,10}

According to our research low-income households identified cost as a barrier at the same rate as other income levels. However, this does not mean they don't need greater financial and non-financial support to make improvements to their homes. There are overlapping barriers for low-income households who might be more likely to rent from either community and social housing or in the private rental market or who live in older and poorer performing homes.¹¹

Investing in energy efficiency for homes has positive social and economic benefits. Providing financial support for households must not be seen as a burden, rather an economic opportunity to develop new market and employment, and to reduce health and energy costs across the community.¹² The development of financial support programs for households should be viewed through a wellbeing approach as currently being developed by Treasury.¹³

Renters

All states and territories agreed to adopt a framework for minimum energy efficiency standards for rental properties as part of the Trajectory for Low Energy Buildings which recognised the importance of overcoming barriers for renters to improve energy efficiency of the homes they live in. Renters are often unable to make changes to improve the thermal performance of a property or to the appliances installed in the home.

Establishing a framework for minimum energy efficiency requirements for rental properties is an important measure to support the implementation of the National Framework for Disclosure of Residential Energy Efficiency. These are complementary measures to providing information to people at the point of sale or lease. It also encourages the improvement of the energy performance of existing properties and provides renters more information to inform their choices in selecting a rental.

From our survey we found renting was identified as a barrier for:

- Switching from gas to electric cooking – 39% of private renters.
- Switching to more efficient heating, cooling or hot water – 52% of private renters
- Installing insulation – 52% of private renters.
- Switching from gas to electric cooking – 34% of community or social housing renters.
- Switching to more efficient heating, cooling or hot water – 36% of community or social housing renters.
- Installing insulation – 49% of community or social housing renters.

Support for legislation or regulations to require landlords to provide energy efficient homes included:

- Regulations to require my landlord to install an electric cooktop and/or oven – 30% of private renters.
- Regulations to require my landlord to install energy efficient heating, cooling or hot water – 41% of private renters.
- Regulations to require my landlord to improve the insulation of the property – 36% of private renters.

⁸ Asthma Australia, 2023, Homes, Health and Asthma in Australia, <https://asthma.org.au/what-we-do/advocacy/housing/>

⁹ Better Renting, 2022, Cold and costly: Renter Researchers' experiences of Winter 22

¹⁰ ACOSS, 2021, Proposal and implementation plan for a national low-income energy productivity program (NLEPP)

A national building program to reduce poverty, improve health, cut pollution, and create sustained jobs <https://www.acoss.org.au/wp-content/uploads/2021/08/Brief-Proposal-and-implementation-plan-for-National-Low-income-Energy-Productivity-Program-September-2021.pdf>

¹¹ *Ibid*

¹² Deloitte Access Economics, 2021, The economic impacts of the National Low-Income Energy Productivity Program Prepared for the Australian Council of Social Service, https://www.acoss.org.au/wp-content/uploads/2021/10/DAE-ACOSS_Economic_Impacts_of_NLEPP_Final_Report_211005.pdf

¹³ The Treasury, 2022, Consultation on Measuring what matters, <https://treasury.gov.au/consultation/measuring-what-matters-2022>

- Regulations to require my landlord to install an electric cooktop and/or oven – 28% of community or social housing renters.
- Regulations to require my landlord to install energy efficient heating, cooling or hot water – 31% of community or social housing renters.
- Regulations to require my landlord to improve the insulation of the property – 26% of community or social housing renters.

Where jurisdictions are currently undertaking reviews of tenancy legislation, they should take advantage of these reviews to insert minimum standards for properties. For those that have recently updated their acts, targeted reviews should be considered. This should be consistent with efforts to create a national framework for minimum standards for rental properties.

A barrier we did not examine in our survey but could be significant is the role of property managers as intermediaries between renters and landlords. There is some research that suggests property managers do not pass on requests for improvements or do not provide energy efficiency information to landlords and landlords who directly manage the property are more likely to be willing to make energy efficiency upgrades.¹⁴

On the issue of the split incentive between landlords and tenants, CPRC considers this is only a barrier where we believe that living in a safe, healthy and energy efficient home is seen as a benefit and not a right. Landlords should not be allowed to rent a property out if it does not meet minimum energy efficiency standards just as they are required to meet structural and other safety standards.

It may be necessary to allow for transition period to allow landlords to implement upgrades particularly while a market develops for energy efficiency materials and skills. However, this should not be allowed to become a delay tactic and timeframes must be clearly communicated to both landlords and tenants.

If support is provided to landlords through tax incentives, there needs to careful consideration given to ensuring compliance with tax obligations.¹⁵

People who live in apartments

We asked people who live in apartment buildings both low density and high rise about the barriers and enablers to greater adoption to energy efficiency. Many of the barriers for people who live in apartment buildings are similar to the general population. However, issues to do with common areas, shared appliances and approvals by body corporates to make modifications are an additional barrier for people who live in apartments both low-density and high-rise apartments.

Barriers for Australians who live in low-density apartments include:

- 26% said they rent and are unable to make these decisions - to switching from gas to electric cooking for those
- 30% said they rent and some or all of the appliances came with the property are unable to make these changes - switching to more efficient heating, cooling, and hot water
- 20% said some or all of the appliances are centrally installed/controlled in the apartment I live in and require body corporate approval to modify - switching to more efficient heating, cooling, and hot water
- 31% said I live in an apartment, and I have limited options to make changes - installing insulation
- 24% said they live in an apartment and may require body corporate approval to make changes - installing insulation
- 34% said they rent and can't make these changes - installing insulation

Barriers for Australians for those who live in high-rise apartments include:

- 21% said they rent and were unable to make these decisions - switching from gas to electric cooking

¹⁴ Lang M., Lane R., Zhao K., Raven R., 2022, Energy efficiency in the private rental sector in Victoria, Australia: When and why do small-scale private landlords retrofit? Energy Research & Social Science, Vol 88, <https://doi.org/10.1016/j.erss.2022.102533>

¹⁵ Boccabella D., 2023, 9 in 10 landlord tax returns are wrong. Does this make landlords champion tax dodgers?, The Conversation, 18 January 2023

- 38% said they rent and some or all of the appliances came with the property are unable to make these changes - switching to more efficient heating, cooling, and hot water
- 17% said some or all of the appliances are centrally installed/controlled in the apartment I live in and require body corporate approval to modify - switching to more efficient heating, cooling, and hot water
- 37% said I live in an apartment, and I have limited options to make changes - installing insulation
- 35% said they live in an apartment and may require body corporate approval to make changes.
- 32% said they rent and can't make these changes - installing insulation

Understanding the energy use of both the shared or common areas and individual apartments is an important step to improving the overall performance of apartment buildings.¹⁶ In developing the National Framework for Disclosure of Residential Energy Efficiency specific consideration is needed to understand how to require disclosure of individual apartments and shared and common area energy use will help individual apartment owners.¹⁷

Changes to strata laws are required to ensure that sustainability improvements such as energy efficiency upgrades are not blocked by a small number of owners.

Regional and rural households

Our research did not find significant differences in the barriers and enablers between urban, suburban, regional and rural Australians. Where there were differences, those who live in urban areas were more likely to say that style, information, time and renting were barriers for them.

However, it is important to consider the potential issues of lack of skilled trades and the development of a mature market in regional areas. Our survey of barriers and enablers to adoption of electric vehicles (EVs) found that regional and rural residents were more likely to consider access to skilled professionals such as mechanics and access to charging infrastructure or EVs as barriers than urban Australians.¹⁸ We know that regional and rural infrastructure such as mobile and NBN are often slower to roll or offer lower quality out than in urban areas of Australia.¹⁹

It will be important for the State, Territory and Federal Governments to monitor progress to improve the energy efficiency of residential properties and where needed provide market services themselves, through government programs or grants, and through their own procurement processes or by upgrading buildings they own.

Direct answers to questions in the discussion paper.

What are the key opportunities to improve the energy performance of new and existing residential buildings?

There are numerous homes that were built prior to NCC requirements for energy efficiency and with targeted support could be improved. There is extensive low-hanging fruit that the Government can focus on to begin to both drive demand and create a market for energy efficiency.

What opportunities are there to improve or streamline existing policies aimed at empowering consumers to undertake energy performance improvements in their homes?

While work has progressed to introduce the National Framework for Disclosure of Residential Energy Efficiency for residential properties, it is unclear what progress has been made to create a framework for minimum standards for residential rental properties. Both initiatives are critical to improving the performance of existing

¹⁶ Former COAG Energy Council, 2019, Addendum to the Trajectory for Low Energy Buildings—Existing Buildings, <https://www.energy.gov.au/government-priorities/energy-ministers/energy-ministers-publications/trajectory-low-energy-buildings>

¹⁷ Australian Government, 2021, National Framework for Disclosure of Residential Energy Efficiency Information A collaborative project of the Commonwealth, state and territory governments, <https://www.energy.gov.au/government-priorities/buildings/residential-buildings#toc-anchor-5-energy-efficiency-disclosure>

¹⁸ CPRC, The barriers and potential enablers of electric vehicle uptake in Australia, Working Paper, 16 November 2022

¹⁹ ACCC, 2022, ACCC communications market report 2021-22, 9 December 2022

<https://www.accc.gov.au/publications/accc-communications-market-report/accc-communications-market-report-2021-22>

buildings. Work to develop and adopt these frameworks needs to be accelerated. These issues should be a priority within the Energy and Climate Change Ministerial Council and National Energy Transformation Partnership. Leadership and coordination at the Federal level is important to gain agreement amongst the States and Territories to adopt these frameworks within their legislation. In addition, DCCEE and jurisdictional teams responsible for energy efficiency policy and programs have been under resourced for years, delaying work on these essential programs. Federal and State and Territory departments should be provided with budget to both fund energy efficiency initiatives and programs for households and to increase staffing within these teams to design and deliver these programs.

What are key financial and non-financial barriers to the uptake of energy performance improvement opportunities? How can these barriers be overcome?

A key opportunity to improve the energy efficiency of a property is when a homeowner undertakes renovation. Improving compliance and understanding of requirements to improve the energy efficiency of a residential home during a major renovation is required. Ensuring triggers for energy efficiency upgrades are clear and consistent across the country will improve compliance with energy efficiency upgrades is a key element of this.²⁰

Banks and lenders should use the application for mortgage or personal loan for a renovation as a trigger to provide information about energy efficiency and offer lower interest green loans (that genuinely are lower costs to consumers) to support households to comply with renovation/retrofit requirements.

Not all energy efficiency gains require deep retrofitting. There are opportunities such as identifying and sealing draughts and replacing appliances particularly heating and cooling with more efficient options.²¹ Providing tailored support to households how to progressively make improvements could help households to better understand what is needed and to more effectively manage the costs associated upgrades.

We identified lack of information as a barrier to households to improving the energy performance of their home. More detailed support is required to help households to plan and implement changes. This could involve the development of one-stop shops to provide households with comprehensive information about how to find energy efficiency advisors, information and identify steps to take to improve the performance of their home that is tailored to their circumstances.

Policy options to make homes more energy efficient.

There is no single solution to increase the energy efficiency of homes and appliances across Australia. This is a complex issue that requires multiple solutions at a State and Federal Government level. CPRC has identified the following solutions across a range of areas. Many recommendations cross over a range of areas from market development, improved information for households and those for specific types of households.

Improving current housing supply

Recommendation 1: State, Territory and Federal Governments should build more social and affordable housing which should achieve energy efficiency above the minimum standard for new builds to help develop a market for energy efficient materials and trades and to encourage the private housing market to go beyond the minimum.

Recommendation 2: The Federal Government should undertake research to establish a baseline energy efficiency of all homes. This will help measure progress as the National Framework for Disclosure of Residential Energy Efficiency is implemented and identify areas where barriers remain. This requires the Federal Government finalising efforts to extend NatHERS to existing buildings.

Recommendation 4: The Federal Government and the Australian Building Codes Board in collaboration with state and territory building and plumbing administrations to strengthen and improve compliance with National

²⁰ Former COAG Energy Council, 2019, Addendum to the Trajectory for Low Energy Buildings—Existing Buildings, <https://www.energy.gov.au/government-priorities/energy-ministers/energy-ministers-publications/trajectory-low-energy-buildings>

Construction Code energy efficiency requirements during a renovation and retrofits. This should include improving consistency across the country and information for households.

Recommendation 5: Federal, State and Territory Governments ensure adequate government staffing to be able to develop and implement the NEPS.

Recommendation 6: Federal Government financial support is required to help households to make upgrades to their properties. The Federal Government should consult with consumers and industry as to how best do this.

Recommendation 7: Further to this, specific financial support paid for by both State, Territory and Federal Governments, for low-income households to make upgrades to their homes or install more efficient appliances.

Driving demand for energy efficient properties

Recommendation 8: States and Territories must implement a mandatory National Framework for Disclosure of Residential Energy Efficiency at both point of sale and lease by 2025. This will help prospective homeowners and tenants to understand the energy efficiency of their home or prospective home.

Recommendation 9: The Federal Government to continue to coordinate and provide leadership role in the development of the National Framework for Disclosure of Residential Energy Efficiency. In addition, monitor the implementation of the National Framework for Disclosure of Residential Energy Efficiency.

Energy efficient rental properties

Recommendation 10: States and territories in collaboration with the Federal Government progress work to develop a Framework for residential rental property minimum standards by 2025.

Recommendation 11: States and territories legislate to require minimum energy efficiency for rental properties. This must include a clear timeframe and trigger points for when upgrades must be made and be monitored to ensure compliance.

Energy efficient apartments

Recommendation 12: States and Territories to review and amend strata laws to reduce barriers including threshold of votes required to undertake sustainability upgrades in both the common and individual apartments.

Recommendation 13: Federal Government to fund and implement supporting measure 7 under the Trajectory for Low Energy Buildings focused on Apartments and strata titled buildings. This will help develop data and knowledge to support National Framework for Disclosure of Residential Energy Efficiency and identify opportunities for energy efficiency upgrades.

Energy efficiency in regional Australia

Recommendation 14: Federal Government and industry to work together to develop a roadshow to provide tailored information and support for households, particularly in regional and rural Australia.

Recommendation 15: Federal and State Government to help drive the development of energy efficient market in regional and rural area through their procurement processes and upgrading buildings they own.

Improved consumer information

Recommendation 16: States and territories to establish one-stop shops for households to be able to seek information, support and subsidies for energy efficiency upgrades.

Recommendation 17: Non-government actors such as banks should use application for refinancing or personal loan for renovation to provide households with information and lower interest green loans.

Recommendation 18: Federal Government work with Energy Efficiency Council and industry associations to accelerate the adoption of the recommendations in the *Roadmap for Quality Control and Safety in Insulation Installation*.²²

Recommendation 19: The Australian Competition and Consumer Commission should prioritise their greenwashing enforcement and compliance efforts on messaging and ads about natural gas and hydrogen in residential energy sector. This should include examination of claims of ‘carbon neutral gas’ or ‘green gas’ or ‘renewable gas’.

²² EEC, 2021, *Roadmap for Quality Control and Safety in Insulation Installation*, <https://www.eec.org.au/news/eec-news/article/media-release-new-detail-released-on-roadmap-for-safe-high-quality-insulation-delivery-for-australian-homes-and-businesses>