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Residential Energy Efficiency Team
Buildings Government Energy Efficiency Branch
Department of Climate Change and
Energy Efficiency
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Via email to: residentialdisclosure@climatechange.gov.au

To whom it may concern

Mandatory disclosure of residential building energy, greenhouse and water performance

COTA Australia welcomes the opportunity to provide comment on the mandatory disclosure of residential building energy, greenhouse and water performance.

COTA Australia is the national policy arm of the eight State and Territory Councils on the Ageing (COTA) in NSW, Queensland, Tasmania, South Australia, Victoria, Western Australia, ACT and the Northern Territory. COTA Australia has a focus on national policy issues from the perspective of older people as citizens and consumers and seeks to promote, improve and protect the circumstances and wellbeing of older people in Australia.

This brief submission is based on COTA's concern that the rising costs of essential services are leading to 'essential services poverty' among older people. Rising electricity prices in particular are of serious concern and these costs are certain to continue to rise in the near future as network asset replacement and improvement programs across Australia continue.

COTA also recognises that mandatory disclosure of existing buildings builds upon existing requirements for new Australian homes. In this sense it will provide buyers or lessees of established homes a similar level of certainty around the efficiency of their potential purchase or lease to that afforded to new home buyers. However both building codes and energy, greenhouse and water efficiency assessments need to take into account climatic differences. Currently building code requirements can lead to inefficient and inappropriate housing being built in communities in northern Australia (WA, NT and Queensland) and this is a concern for older people in these regions.

More broadly, COTA welcomes mandatory disclosure as a means of empowering older people as consumers to make long term decisions regarding home purchase or lease. While some initial cost will be borne in order to assess buildings, the long term effects of improved decision making ability will negate the short term cost. This ability to make informed long term decisions will be particularly important for Australia's ageing population as older people move house or transition from detached to community living arrangements.

In relation to the options outlined in the Consultation Regulatory Impact Statement (Consultation RIS) COTA does not have the expertise to seriously critique options 1 (full thermal assessment) and 2 (simplified thermal assessment). However options 3-6 are not supported for the following reasons:

- Options 3 and 4 are self-assessments (with the ability for a third party to complete the assessment). Both of these options allow for lessors/vendors to overstate the efficiency of the building and will not be valued in a competitive marketplace.
- Option 5 is not supported due to its voluntary nature. This would not provide any certainty to potential buyers and lessees and would have a minor impact on both building efficiency and consumer knowledge.
- Option 6 is likewise not supported by COTA due to the ability to opt out. There is simply little point in developing an efficiency rating regulatory system that does not require conformance.

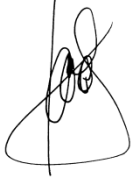
While broadly supporting options 1 and 2, COTA is concerned that some important issues not be overlooked, including:

- **Retirement villages (RVs) and other community living arrangements:** COTA considers it important that RVs are required to disclose building efficiency to allow older people making an important transition in their lives to make informed decisions. This should require RV operators to disclose the efficiency of separate units and common buildings.
- **Payment for assessments:** While COTA supports the options which will require payment for an efficiency assessment, it is preferable if this cost be met at settlement by the property buyers. Many older people who are selling their home may not be in a position to pay for assessments up-front and a model that allows costs to be met in this way would ease the financial burden for many.
- **Rural and remote locations:** COTA notes that 'average' assessment costs applied to options 1 and 2 will not be sufficient to cater for many rural and remote areas. Residents in rural and remote areas should not be disproportionately disadvantaged by either option if implemented.
- **Different climate zones:** COTA understands that current energy efficiency assessments rely heavily on thermal efficiency and draft proofing. The specific criteria for these assessments may not be suitable for warmer, more humid climate zones in tropical or sub-tropical areas. In these climate zones energy efficiency is often more dependent on external shading and air-flow through the building at appropriate times of the day.

Notwithstanding these concerns, COTA supports the policy intent of this important reform process.

For further information regarding this submission please contact Tom Stead, Senior Policy Adviser, on (08) 8224 5515 or email tstead@cotasa.org.au.

Yours sincerely

A handwritten signature in black ink, appearing to be 'I. Yates', written over a faint, light-colored signature line.

Ian Yates AM
Chief Executive