



Joint Industry Statement

Delivering healthy, comfortable and
energy smart homes for Australians

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The financial institutions and peak bodies listed below have come together to urge state, territory and federal governments to act decisively to improve the performance of homes across Australia.

Rehabilitating our housing stock is critical to achieving a net-zero economy in line with Australia's national targets. It will also make our homes more healthy, comfortable and energy smart and help lower energy bills for Australian households.

At present, millions of Australians are living in dwellings that can't be adequately heated or cooled at an affordable cost. More than 1.3 million detached houses in Victoria alone are estimated to have a NatHERS rating of two stars or less, increasing the risk of preventable physical and mental health problems.[1]

For Australian banks and non-bank lenders, helping mortgage-holders to improve the comfort and performance of their homes can strengthen relationships with customers and help deliver our net zero commitments. For insurers, improving the resilience of Australian homes to extreme weather can help ensure homeowners have access to affordable home insurance.

In 2019, Australian governments agreed to a blueprint for action: the *Trajectory to low energy buildings*. We urge Australian Governments to accelerate implementation of this blueprint. Specifically, we call on governments to deliver by mid-2024:

- **A national home energy rating framework for existing homes.** A single, nationally consistent framework is crucial to provide information to Australians on the energy performance of their homes, and what they can do to improve it. This framework is long overdue and will help unlock more finance to support home upgrades.
- **A national system for disclosing the energy performance of homes.** This system would leverage the national home energy rating framework, and require that the energy performance of a home is advertised when it is put up for sale or lease. That will ensure that when Australians buy or rent a home, they know what they are getting. It will also give banks access to better data on Australia's housing stock that can enable the development of products and offerings to support home up-grades.
- **Measures to improve the energy performance of rental dwellings.** Australian renters pay for energy, but don't have a lot of options for improving the energy performance of the home they live in. Implementing policies and incentives to improve the energy efficiency and performance of rentals will keep renters healthy and lower energy bill stress.

[1] Sustainability Victoria 2022, The Victorian Healthy Homes Program research findings, Victorian Government, Melbourne, p.9

Implementation of these reforms will help Australia catch up to international jurisdictions that have benefited from energy performance rating and disclosure for decades.[2]

The reforms will help underpin efforts by the finance sector to support home-owners and landlords to upgrade homes, tackling a key source of emissions in the Australian economy, accelerating the clean energy transformation, as well as putting downward pressure on energy bills.



[2] Economidou, M, et al. 2020, 'Review of 50 years of EU energy efficiency policies for buildings', Energy & Buildings, vol 225, p.113022