

Media release

Finance sector backs action to deliver healthy, comfortable and energy smart homes for Australians

19 April 2023

Leading Australian banks, financial institutions and industry peak bodies have today reaffirmed their commitment to partnering with all levels of Government to deliver critical reforms that would help improve the energy efficiency and performance of Australian homes. They have today issued a joint statement highlighting the importance of these reforms, many of which are underway.

This statement demonstrates the commitment of the Australian finance sector to achieving net zero emissions by 2050 and highlights the importance of supportive policy and regulation to unlock finance for the transition.

The Joint Statement is attached.

Quotes

Siobhan Toohill, Chief Sustainability Officer, Westpac:

"Governments, industry and the community are aligned on our ambition for Net Zero by 2050. Improving the energy efficiency of Australian homes will play a key role in this transition. As the nation transitions this will reduce emissions and save homeowners money on their power bills. Industry is committed to supporting the Australian Government to standardise the way we measure household energy performance. This will allow banks and other companies to better support our customers through the transition."

Richard Feledy, CEO, Allianz Australia:

"Insurers are at the forefront of climate impacts. A national rating framework would help us support our policy-holders in making better choices when repairing or re-building their homes following an insurance event. Allianz would also welcome further work to integrate resilience considerations into home ratings frameworks so that Australian homes are built and repaired to better withstand extreme weather and other climate impacts.

In addition, a national database of resilience upgrades could provide insurers with the data they need to assess potential premium discounts for homeowners that have increased their property's resilience to a higher standard."

Kristy Graham, CEO, Australian Sustainable Finance Institute:

"Australian banks are motivated to support customers to improve the energy performance of their homes, but need a policy environment that enables this. A single national rating framework and reliable data are needed to enable banks to increase the range and uptake of financial products that can support customers to accelerate home upgrades in Australia."

Luke Menzel, CEO, Energy Efficiency Council:

“The energy performance of older Aussie homes is very poor, which means bigger energy bills, worse health outcomes and higher emissions. We need to fix millions of homes to hit our net zero targets, and it will require billions of dollars of private sector investment. Governments can unlock that investment with some common-sense reforms, and target direct support towards renters and other vulnerable households that are at risk of being left behind.”

Mike Zorbas, Chief Executive, Property Council of Australia:

“This is a policy whose time has come. A quarter of Australia’s emissions come from buildings. An energy rating scheme for homes will boost demand for efficient and comfortable homes, driving down emissions. A home is most people’s biggest investment. Like the energy efficiency of your washing machine, an energy rating on your home will help you understand how to save money over time.”

Davina Rooney, CEO, Green Building Council of Australia:

“Australia is a world leader in energy performance of commercial buildings. We have the opportunity to bring this expertise into the residential sector, with huge benefits for the comfort, affordability and emissions profile of Australian homes.”

Alison Scotland, Executive Director, Australian Sustainable Built Environment Council:

“Finalising and implementing a single, easily understood, national performance rating for home energy performance, and mandating disclosure at point of sale is a vital first step that can pave the way for improving the energy performance of Australia’s existing housing stock.”

Kate Cotter, CEO, Resilient Building Council:

“We must address both the cause and impact of climate change. As well as poor energy performance, 90% of Australian homes are not resilient to local climate risks. Mandatory disclosure of building performance and improved standards for rental properties and social housing would accelerate and incentivise sustainable, insurable, safer communities.”

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About the Australian Sustainable Finance Institute:

The Australian Sustainable Finance Institute is committed to realigning the finance sector to create a sustainable and resilient financial system by directing capital to support greater social, environmental and economic outcomes consistent with the Australian Sustainable Finance Roadmap. ASFI’s members include leading banks, insurers, investors and financial services companies.

About the Energy Efficiency Council:

The EEC is Australia's peak body for energy efficiency and management, advocating for healthy, comfortable buildings; productive and competitive businesses, and an affordable, reliable and sustainable energy system. EEC's members include businesses, universities and governments working to guide Australia on the path to an efficient, prosperous net zero economy.