

# Proposed Residential Tenancies Regulations 2020

## Proposed phasing of heating minimum standard; deferral of energy efficiency standard

The transitional period proposed for the installation or retrofitting of energy efficient heating is quite long.

The transitional arrangement for the heating standard should be modified to include insulation as an intermediate step (for example, by 2022).

Appropriate insulation (especially ceiling insulation) will help renters to better control the energy consumption costs of inefficient or insufficient heating, and also mitigate the adverse personal health effects of **both** extreme cold and extreme heat. Reducing energy consumption through improved thermal insulation also has environmental benefits, since efficient passive improvements (insulation) reduce the need to use machinery (heaters or air conditioners) to control temperature in the home. Sustainability Victoria has estimated that mechanical consumption can be reduced by 45-55% through improved building insulation: Sustainability Victoria, Energy Smart Housing Manual. Insulation saves renters, the environment, and future generations, and the benefits should not be under-estimated or delayed since the world is now in a climate emergency.

Extreme heat is something that the RIS under-estimates - see the Climate Science Report 2019 which outlines Victoria's increased vulnerability to extreme heatwaves. Relying on active cooling systems (like air conditioning) to counter extreme cold or heat is not energy efficient and does not assist the achievement of Victoria's greenhouse gas emissions target (given the State's reliance on fossil fuels for its electricity). Passive energy efficiency measures should be prioritised.

The cost of insulation improvements need not be solely borne by the landlord. While minimum energy efficiency standards are desirable in future, in the meantime renters should be empowered to help themselves given the financial, safety, and quality of life impacts that accrue from energy efficiency improvements. Renters should not be held to ransom by slow-moving governments (DEWLP has been 'considering' energy efficiency standards for rentals for years with no action taken), and stingy landlords who have no current incentive to invest in improvements that save renters money and improve renters' quality of life. The Government needs to do much more, and quickly, to ensure that energy efficiency standards and improvements are made for rental properties.

Rental laws should be amended to allow the renter to install insulation with landlord consent, provided the consent is not unreasonably refused and provided the renter uses a qualified installer.

The draft regulations currently only recognise insulation installed as window film, which is a less effective form of insulation compared to ceiling insulation. (Incidentally, the RIS evidence collected by EY Sweeney about the prevalence of ceiling insulation in rental accommodation is less than robust since it appears to rely on unverified landlord self-assessment. There is other evidence, sourced from the ABS that contradicts landlords' assertions about the extent of insulation across rental properties in Victoria. According to the ABS less than 40% of private rental dwellings are insulated: see Environment Victoria, Bringing Rental Homes up to Scratch, 2017).

While outside the scope of the regulations, I would also like to note my disappointment that none of the changes apply to existing tenancy agreements. I have been renting long-term at my current residence (since 2014) and it appears that I need to get my landlord to explicitly agree to "opt in" to the rental law improvements by entering into a new fixed term agreement (we have been on a mutually acceptable periodic tenancy since August 2015). It is a pity that the transitional arrangements don't automatically apply to periodic tenancies after the end of a transitional period (say, 1 July 2021). It puts long-term periodic tenants at a distinct disadvantage. Given my current landlord's attitude, I will be forced to move to gain the benefits of new minimum standards for residential tenancies.