

SUBMISSIONS GUIDE AND TEMPLATE

Regulation Impact Statement on Residential Building Mandatory Disclosure

COAG principles of best practice regulation

Residential Buildings Mandatory Disclosure is a Council of Australian Governments (COAG) proposal.

The COAG has agreed that all governments will ensure that regulatory processes in their jurisdiction are consistent with the principles of Best Practice Regulation. These principles are outlined below and apply to decisions of COAG, Ministerial Councils and intergovernmental standard-setting bodies (including bodies established by statute, or administratively by government, to deal with national regulatory problem).

COAG PRINCIPLES OF BEST PRACTICE REGULATION

COAG has agreed that all governments will ensure that regulatory processes in their jurisdiction are consistent with the following principles:

1. establishing a case for action before addressing a problem;
2. a range of feasible policy options must be considered, including self-regulatory, co-regulatory and non-regulatory approaches, and their benefits and costs assessed;
3. adopting the option that generates the greatest net benefit for the community;
4. in accordance with the Competition Principles Agreement, legislation should not restrict competition unless it can be demonstrated that:
 - a. the benefits of the restrictions to the community as a whole outweigh the costs, and
 - b. the objectives of the regulation can only be achieved by restricting competition
5. providing effective guidance to relevant regulators and regulated parties in order to ensure that the policy intent and expected compliance requirements of the regulation are clear;
6. ensuring that regulation remains relevant and effective over time;
7. consulting effectively with affected key stakeholders at all stages of the regulatory cycle; and
8. government action should be effective and proportional to the issue being addressed.

Source: COAG 2007.

The principles and assessment requirements apply to agreements or decisions to be given effect, whether at the Commonwealth or State/Territory level, or both, through principal and delegated legislation, administrative directions or other measures which, when implemented, would encourage or force businesses or individuals to pursue their interests in *material* ways they would not otherwise have done.

A Regulatory Impact Statement (RIS) is a central component of the COAG's regulation impact assessment process. It is a document prepared to assist with stakeholder consultation (COAG Principle 7).

The objective of any RIS is to formalise and provide evidence of the key steps taken during the development of a regulatory proposal, including an assessment of the costs and benefits of each option.

Consulting effectively with key stakeholders in the development of regulation is also a central part of the COAG Best Practice Principles.

Consultation on Residential Building Mandatory Disclosure

The RIS for Residential Building Mandatory Disclosure has been released for public consultation and is available at <http://www.ret.gov.au/Documents/mce/quicklinks/bulletins.html>

Public consultation meetings will be held in the following cities during August 2011:

- Parramatta - 2nd August, 12.30pm, Mantra Parramatta, Corner Parkes St & Valentine Ave, Parramatta
- Sydney - 3rd August, 12.30pm, Grace Hotel Sydney CBD, Corner of York & King Streets, 77 York Street
- Hobart - 5th August, 12.30pm, Mercure Hobart, 156 Bathurst Street, Hobart
- Bunbury - 8th August, 12.30pm, Clifton Hotel Bunbury, Corner Clifton & Molloy Streets, Bunbury
- Perth - 9th August, 12.30pm, Comfort Inn Bel Eyre, 285 Great Eastern Highway, Belmont
- Adelaide - 10th August, 12.30pm Mercure Grosvenor Adelaide, 125 North Terrace, Adelaide
- Brisbane - 12th August, 12.30pm Brisbane Mercure, 85–87 North Quay, Brisbane
- Darwin - 15th August, 10.30am Travelodge Darwin, 64 Cavenagh Street, Darwin
- Canberra - 16th August, 12.30pm All Seasons Olim's Hotel Canberra, Corner of Ainslie & Limestone Ave, Braddon

For those in regional areas unable to attend metropolitan sessions, separate web based seminars will be available. The current schedule is available at <http://www.climatechange.gov.au/government/submissions.aspx>. To register your participation in an online meeting, please email your details, including your location, to buildings@climatechange.gov.au.

Making Written submissions

Comments can be made on any aspect of the Consultation RIS. Of particular importance is feedback from stakeholders and interested parties on:

- *The extent of the 'problem' in residential building energy, greenhouse and water performance.* That is, to what extent are there market failures, which present a barrier to improved energy, greenhouse and water performance of residential buildings in Australia? Has the problem been accurately represented in this RIS?
- *The adequacy of the options assessed in the Consultation RIS in addressing the problem* — are there any other feasible policy options that should also be considered in the assessment?
- *The assessment of costs and benefits of options:*
 - Does the assessment fully reflect all potential costs and benefits of the options assessed?
 - Are there costs to industry that have not been accounted for?
 - Are the costs of the energy and water efficiency measures included in the RIS reasonable?
 - Are the assumptions underlying the analysis valid/reasonable?
 - Are the take-up rates for the proportion of sellers and lessors that invest in upgrades to their properties in each scenario reasonable?
 - The impact of the HIP upon the penetration of roof insulation in the stock of Australian residential buildings.
- *Identified risks and uncertainties associated with each option.*

A **submissions template** follows. It is advisable but not essential that you use this template in framing your submission. Forward your submission:

- via email (preferred) to: residentialdisclosure@climatechange.gov.au OR
- via mail to: Residential Energy Efficiency Team
Buildings and Government Energy Efficiency Branch
Department of Climate Change and Energy Efficiency
GPO Box 854
Canberra ACT 2601

Submissions should be received by 12 September 2011.

Any general enquiries regarding the Mandatory disclosure of residential building energy, greenhouse and water performance initiative should be directed to buildings@climatechange.gov.au.

Submission Template

Residential Buildings Mandatory Disclosure – Consultation Regulatory Impact Statement - July 2011

Overview

This submission template should be used to provide comments on Residential Building Mandatory Disclosure Consultation Regulatory Impact Statement (CRIS).

Contact Details

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Date:	12 Sept 2011

Confidentiality

All submissions will be treated as public documents, unless the author of the submission clearly indicates the contrary by marking all or part of the submission as 'confidential'. Public submissions may be published in full on the Department of Climate Change and Energy Efficiency or other relevant Government websites, including any personal information of authors and/or other third parties contained in the submission. If any part of the submission should be treated as confidential then please provide two versions of the submission, one with the confidential information removed for publication.

A request made under the *Freedom of Information Act 1982* for access to a submission marked confidential will be determined in accordance with that Act.

Do you want this submission to be treated as confidential? Yes No

Submission Instructions

Submissions should be made by **close of business on 12 September 2011**. The Department reserves the right not to consider late submissions. Please restrict your submission to 4 pages of comments

Where possible, submissions should be lodged electronically, preferably in Microsoft Word or other text based formats, via the email address – residentialdisclosure@climatechange.gov.au

Submissions may alternatively be sent to the postal address below to arrive by the due date.

*Residential Energy Efficiency
Department of Climate Change and Energy Efficiency
GPO Box 854
Canberra ACT 2601*

Residential Buildings Mandatory Disclosure – Consultation Regulatory Impact Statement (CRIS)- July 2011

General/overall comments

Submission

A mechanism to force home owners to upgrade energy performance of their property.

Will the public be advised by a Government Department on how to improve their homes?

Who “polices” this policy?

Who advises the people that “police” this policy?

What qualifications do these people have to supervise this policy and parts/subsections thereof?

The actual people that may be appointed by a Government to actually interact with the public to assist them? What experience or qualifications do they have?

Example: A plumber has to do an apprenticeship for a number of years and have on the job supervised experience passed on by a qualified plumber.

Will this same model apply to people who “police” Mandatory Disclosure requirements.

A five minute course? NO EXPERIENCE allowing people to tell other people how to spend substantial amounts of money to improve their homes’ energy efficiency is NOT ACCEPTABLE.

STAR RATINGS

What frame work will be used to implement Mandatory Disclosure?

If the Government goes down what appears to be simple path of some type of Star rating system there are serious flaws . “R” values for insulation materials are unproven for Australian conditions.

The Star rating system, for water conservation.

The provisions of a 1000 litre water tank to flush a toilet is absurd! For a family of two adults and three kids and NO rain in 10 days the tank would be empty.

What about every home having a closed loop hot water recovery system to save water AND energy to heat that water. This would save in ONE HOUSE ALONE at least 20 litres a day heated and wasted! In Europe it’s mandatory. Look’s like toilet water is more energy efficient? Who framed this rule?

Will the Government rely on the manufacturers to advise the public?

Who verifies to the Government that the manufacturers are giving the correct advice?

Standards Australia? The Australian Building Codes Board? CSIRO?

Will there be simplified legislation for people to sue organisations /manufactures when misleading information is implied costing consumers money?

STANDARDS AUSTRALIA

Productivity Commission 2006 directed Standards Australia that all Standards MUST DEMONSTRATE NET BENEFIT. The Government must enforce that NET BENEFIT for any products recommended to improve a home’s energy efficiency UNDER Mandatory Disclosure legislation MUST BE PROVEN to suit Australian Conditions. Not just laboratory testing or computer modelling BUT real time testing.

Just like all cars have to have a compliance to Australian ANCAP for a crash safety Standard before registration.

AUSTRALIAN BUILDING CODES BOARD

The Australian Building Codes Board must abandon “R” values as a Standard for insulation materials as these values according to the latest Condensation Handbook are creating serious and damaging structural problems, let alone health issues with life threatening mould growth resulting from condensation issues in buildings around Australia because of high “R” values.

Simply, “R” value relates to the thickness of bulk insulations. i.e. How thick it is manufactured?

CSIRO

CSIRO “The tried, tested and trusted friend to us all, even around the World”.
How times have changed? Unfortunately CSIRO have been compromised by all Governments State and Federal, past and present by their actions over recent times. The “old boy ain’t what he used to be.” The Federal Government has just given CSIRO a million dollars or so to conduct research using a flawed method to establish “R” values and other building methods that can be predicated by a computer modelling program that CSIRO own and developed. Simply “making Dracula in charge of the blood bank”.

Conclusion

What hope have the public got to being able to aspire to the goals and targets of Mandatory Disclosure when the components to drive this philosophy are seriously flawed.
Get the basics right, then reassess the idea at a later stage.

END OF SUBMISSION

C-RIS Section number: <i>[insert section number eg 3.1]</i>	Comments