

TRANSITIONING TO ENERGY-EFFICIENT, RESILIENT AND SUSTAINABLE HOMES

Housing, energy affordability and sustainability form a pressing intersection amongst homeowners and renters.

With residential homes contributing approximately 24% of overall electricity use and around 11% of greenhouse gas emissions in Australia, improving the energy efficiency of homes is critical to achieving the nation's NetZero targets and ensuring our homes are safe, comfortable and livable.

The Real Estate Institute of Australia advocates for a coordinated national approach to accelerate the transition to higher energy efficiency, greater resilience, and sustainability across the built environment.

Real estate agents are stewards of the built environment.

Alongside all tiers of government, the real estate sector has an integral role to play in driving the widespread adoption of energy-efficient homes across the nation's housing stock, while supporting affordability, job creation and economic growth.

To strengthen this role, they need training and resources that equip them to advise clients on energy performance, retrofit options, and disclosure requirements. By doing so, they can confidently guide consumers toward more sustainable housing choices while highlighting the financial benefits of energy-efficient properties.

We support the following key priorities:

1. Improving Energy Efficiency at Point of Sale and Lease

- Mandatory disclosure of energy performance ratings is most effective during key trigger events, such as at the point of sale or renting, moving homes or making renovations.
- Compared to renter households, owner-occupied households have significantly higher rates of insulation, window treatments, solar electricity and hot water systems.
- Many consumers lack awareness and knowledge about energy use, energy costs and the most suitable energy performance measures for individual

circumstances. Upgrades are also cost-effective when they are undertaken at the point of sale or lease.

- Real estate agents are best positioned to empower consumers in making the right choices and providing appropriate resources to support them in making informed home energy upgrade decisions.

2. Implementing a National Mandatory System for Energy Efficiency Disclosure

- A nationally consistent framework will enhance credibility and provide reliable, clear information to consumers, thereby encouraging uptake of schemes. This, in turn, raises public awareness of energy performance and increases the likelihood of investment in energy performance upgrades.
- Implementing a single, consistent framework across all jurisdictions will help consumers focus on the long-term comfort and energy savings of their homes. This approach will also ensure that the costs of implementing a disclosure scheme remain affordable and accessible for everyone.

3. Supporting Retrofits and Upgrades to Existing Housing Stock

- Around 70 per cent of Australia's 11 million existing homes are estimated to have an energy rating of 3 stars or lower. Improving a home from 3 to 5 stars could reduce the energy needed for heating and cooling by around 40 per cent, effectively reducing energy bills for consumers.
- Most homes that will be standing across Australia in 2050 have already been built and already exist today, therefore energy performance upgrades will result in a lower cost energy transition, increase resilience of homes and directly benefit the household budgets and health.

4. Raising Consumer Awareness on Energy Performance of Homes and Rentals

- As trusted advisors to buyers, sellers, landlords, and renters, agents have the power to shift market expectations, improve transparency, and accelerate upgrades.
- Implementers of the disclosure scheme (Real estate sales agents and property managers, conveyancers, strata managers and building managers) have the responsibility to follow the quality assurance measures of the relevant assessment process and play a key role in the dissemination of information and advice to building owners and occupants.