



YWCA CANBERRA

Comment on minimum energy standards for rental properties

Acknowledgement of Country

YWCA Canberra proudly recognises the rights of Aboriginal and Torres Strait Islander peoples to own and control their cultures and pays our respect to these rights. YWCA Canberra acknowledges the need to respect and encourage the diversity of Indigenous cultures and to respect Indigenous worldviews, lifestyles and customary laws. We extend our respect to the Aboriginal and Torres Strait Islander women who for thousands of years have preserved the culture and practices of their communities on country. This land was never surrendered, and we acknowledge that it always was and will continue to always be Aboriginal land.

About YWCA Canberra

YWCA Canberra is a feminist not-for-profit organisation that has provided community services and represented women's issues in Canberra since 1929.

Our mission is 'We strengthen communities by supporting girls and women through our services and advocacy' and our vision is 'Girls and women thriving'.

We provide essential, quality services for women, girls and families in the ACT and surrounding regions. We work in the areas of children's services, community development, homelessness and affordable housing, youth services, personal and professional training, women's leadership and advocacy.

We are externally accredited against the [Quality Improvement Council \(QIC\) Health and Community Service Standards \(7th Edition\)](#). Accreditation against the QIC standards support us to improve client and community engagement, diversity and cultural appropriateness, management systems, governance and service delivery, while committing to a cycle of continuous quality improvement. In addition to the QIC standards, we are accredited against the following external client related service standards for our key areas of work:

- [Australian Charities and Not for Profit Commission](#)
- [National Quality Standard for Early Childhood Education and Care and School Aged Care](#)
- [National Regulatory System for Community Housing](#)
- [Registered Training Organisations Standards](#)

Through our national Affiliate Association with YWCA Australia, we are part of the World YWCA network, which connects 120 countries across the globe.

Introduction

YWCA Canberra welcomes the opportunity to contribute to the community consultation on energy efficiencies in ACT rental properties. As a provider of community services and a registered community housing provider, we see firsthand how escalating housing costs are contributing to diminished levels of wellbeing and discretionary spending, leaving many renting families on the cusp of housing and financial insecurity.

Our concerns regarding energy efficiency are framed in this submission through the lens of affordability and rental stress more generally. Canberra has consistently trended above the national density of rental dwellings, and while for many renting is a convenient stop-over on the path to permanency and home ownership, more Canberrans are renting than ever before and at older phases of their life¹. For many, particularly those single-parents or families on low to modest incomes, the exorbitant costs of living in poorly sealed and insulated dwellings are contributing to broader housing cost pressures that many struggle to absorb. Despite this, recent ACT Government initiatives aimed at assisting households with energy bills, such as the Sustainable Household Scheme, have been available only to owner-occupiers leaving those in rentals further behind and paying more.

At the time of the 2016 census, more Canberrans were renting than ever before with 32% of tenure arrangements classed as renting. While house prices have been on an upward trajectory since the 1990s, unprecedented gains in house prices since the onset of the COVID-19 pandemic are locking more people in cycles of rent, often in poorly maintained properties in which they have limited or negligible control in terms of energy efficiency. Those who are trying to save to buy their own property are competing for the most affordable rentals in a tight market against others for whom renting is likely to be a permanent reality.

Housing stress among renters

YWCA Canberra recently conducted a survey of women and non-binary people living in Canberra. More than 1200 responses to this survey were received and housing affordability and tenure type were major themes addressed by the survey.

Our survey received 252 responses from people who were in private rental tenure. Among renters and mortgage holders (which also captured 252 responses), we saw relatively equal levels of housing costs as a proportion of income, with around 51% of both renters and homeowners with a mortgage paying more than 30% of their income towards their housing

¹ <https://www.aihw.gov.au/reports/australias-welfare/home-ownership-and-housing-tenure> figure 3

costs. 19% of renters (48 respondents) told us their housing costs were more than 50% of their income.

However, when asked about capacity to maintain housing obligations during unexpected loss of income, 26% of renters compared to 14% of mortgage holders said they would not have enough money in savings to cover the cost of their rent for one payment cycle in the face of unexpected income loss. Another 15% did not have sufficient savings to cover two payment cycles. Many of these renters are single parents or older single women who do not have the discretionary spending or savings capacity of others in coupled relationships or holding mortgages. For these renters, the cost of looming energy bills associated with attempting to heat or cool an uninsulated and draughty property through Canberra's extreme weather cycles would present a crippling cost burden.

Energy efficiency standards

YWCA Canberra supports the introduction of a new standard that will mean rental properties with less than R2 insulation, including ACT Housing properties, be subject to installation or upgrades to ceiling insulation that will meet an R5 standard. We note however that for many renters with R3 standard insulation, this reform will not reduce the costs of cooling or heating their dwellings and urge for progressive reforms that will eventually result in all rental properties complying with an R4 (acceptable) or R5 (ideal) standard of insulation.

As a provider of housing to vulnerable Canberrans, we support measures that will keep energy costs low for tenants. The contribution of Community Housing Organisations to the supply of affordable housing however is not a for-profit or commercial model and we support the proposal that community and social housing providers receive funding support to achieve the standard across their properties. In the interests of renter, client, and worker safety we also support the proposal that only accredited insulation installers are used to fit-out installation upgrades. Mandating the use of an accredited installer would also mitigate against the risk of landlords looking to skirt the regulation by installing insulation that does not meet the functional standard.

We note concerns that scenarios could arise where tenants are penalised due to either deliberately false claims by landlords or property agents of the standard being installed at the time of taking occupancy or by false promises that the standard will be met through the course of their tenancy. In such cases we support measures that prohibit penalising tenants either through cost (such as rental increases to accommodate the promised installation or costs of breaking a lease where installation does not take place within a defined period) or the cost of

tenants having to accommodate unexpected and exorbitant energy bills due to false claims of insulation being at standard.

Recommendations:

1) Rental homes with less than R2 ceiling insulation are required to install or upgrade to a minimum of R5 with a view to progressively rolling out the standard to all rental properties with the aim to achieving R5 standard across the board.

2) Community Housing Organisations receive funding to fully support them to achieve the standard across their properties.

3) Accredited insulation installers are a requirement of both installing and upgrading existing insulation to meet the standard.

4) Tenants are not penalised due to false claims by landlords or property managers regarding either the presence of at standard insulation at the time of taking occupancy or unmet promises to install at standard insulation within a defined period from taking occupancy.