Brotherhood of St Laurence
Working for an Australia free of poverty

Submission to Victorian Parliament inquiry into climate resilience

Brotherhood of St. Laurence

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The Brotherhood of St. Laurence (BSL) welcomes this opportunity to comment on the Victorian Legislative Council Environment and Planning Committee's inquiry into climate resilience.

Victoria's homes are not prepared for climate change, and people facing disadvantage will suffer as a result. For example:

- People with disability may face worse impacts than people without disabilities from higher temperatures and extreme weather events (Stein and Stein 2022), including in their homes.
- Aboriginal and Torres Strait Islander people face heightened health impacts and exposure to extreme heat (Standen et al. 2022).
- People living on low incomes may have insufficient resources to adapt their homes to climate change. Renters often face a split incentive preventing their home being made more climate-resilient (see below).

The Victorian Government has begun important work to increase homes' climate resilience, but more must be done.

This short submission highlights policy responses to improve the climate resilience of Victorian homes. We draw on our experience working with low-income households and those facing disadvantage and our policy and research work (including *Enabling Electrification*). While we focus on households, it is essential to recognise that homes exist in the context of their communities, neighbourhoods and regions, and action is needed on all these scales. For example, at a community level, people should be assisted to develop disaster plans and identify others who can support them. Support should be in place for those with higher needs including people with a disability. In cities, urban greening and other efforts to reduce the urban heat island effect are needed. Such initiatives can reduce the impact of heatwaves on individuals and communities.

While we recognise the importance of other aspects of the built environment – such as transport and health infrastructure – they are outside our current area of focus.

1 Victoria's homes are not ready for climate change

Australia's homes, including Victoria's, are very poorly equipped for hot or cold weather, and will expose their residents to unsafe temperatures as climate change progresses. For example, 85% of homes assessed by the Victorian Government received the worst possible rating for hot weather performance (DELWP 2019).

Exposure to hot and cold home temperatures strains household budgets (Bryant et al. 2022) and brings a range of negative health consequences, from cardiovascular impacts and worsening of mental health symptoms to hospitalisation and death, particularly for elderly people and those with existing health conditions (Zhang et al. 2016; Preval et al. 2017; Maidment et al. 2014).

The problem is likely to be worse for people facing disadvantage and renters. Renters and lower-income households are far more likely to report being unable to pay bills on time or keep their home cool or warm (Daniel et al. 2020; Bryant et al. 2022; Browne and Schultz-Byard 2021). These groups face systemic impediments to upgrading their homes, such as:

- **renting**: renters face a split-incentive problem where neither landlord nor tenant has an incentive to upgrade a home's energy efficiency. This occurs because renters often have short tenures and would not recoup the expense, while landlords usually receive little benefit from the upgrade (other than increased property value in some cases).
- **financial barriers**: many low-income households simply cannot afford to make their homes more climate-resilient without assistance.
- **information and trust barriers**: many households lack information about how to make their homes more climate-resilient or who to trust for advice or service.

2 Governments should do more to improve homes

Governments – state, federal and local – should do more to improve the climate resilience of homes.

For people who face barriers to upgrading their own homes, governments should assist through policies that address each kind of barrier outlined above.

For people who have the resources to improve their own homes, governments should facilitate action, for example by providing certainty and information, and ensuring viable markets exist for energy efficiency products and services.

To these ends, BSL recommends policies including:

- implementation of Victoria's proposed energy efficiency standards for rented homes (see BSL's submission to the regulatory impact statement) and further strengthening of these standards over time, potentially to incorporate a star-rating-based standard
- grants for low-income homeowners and social housing operators to improve the energy efficiency of homes, including full funding for those with high levels of need

- engagement with First Nations groups with a view to supporting First Nations-led solutions for their communities
- provision of advice about energy efficiency and electrification upgrades to the general population
- tangible targets for household adaptation progress, including sub-targets for households facing disadvantage, along with regular reporting on both
- efforts to integrate energy efficiency upgrades with measures to protect householders from climate-related disasters
- a comprehensive, staged plan to support residential electrification, preferably in collaboration with other states and the Commonwealth. Electrification brings resilience benefits as well as being important for climate mitigation. For example, replacing a gas heater with a reverse-cycle air conditioner provides cooling, which will assist in increasingly frequent hot weather; and is cheaper to run than the gas heater, meaning households can keep their homes at a healthy temperature for longer on a given budget.

We welcome further engagement with the Committee via the contact details above.

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