



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2022-2023

Mr James Milligan MLA (Chair), Mr Andrew Braddock MLA (Deputy Chair),
Dr Marisa Paterson MLA

ANSWER TO QUESTION TAKEN ON NOTICE DURING PUBLIC HEARINGS

Asked by Pater Cain MLA on Wednesday, 24 August 2022: Shane Rattenbury MLA took on notice the following question(s):

[Ref: Hansard Transcript Wednesday, 24 August 2022 [PAGE 101-102]]

In relation to:

MR CAIN: Thank you, Chair. Attorney, as you are aware, there is an exposure draft for a residential tenancy legislation amendment bill and so I have a few questions about that. Consultation closes in a few days. Have you done any detailed analysis on the effect on the market of the proposed rental reforms particularly energy efficiency standards?

Mr Rattenbury: Thank you, Mr Cain. Yes, we have. That bill you are referring to covers a number of areas of reform that addresses four specific areas. The bill that is in the chamber—sorry, the exposure draft—does not specifically introduce the issue of minimum energy performance standards for rental properties.

What it does do is create a power for the minister to make that regulation in the line(?). That is the bill, or the exposure draft. There is also a process of consultation and mediation going on around the energy performance with the view that introducing that later this year.

Just to be clear about the different steps in the process, in terms of your specific question, yes, the government has done a detailed analysis and that is contained in the regulatory impact statement. I happy to go into the details but perhaps I can stop there and invite the next question.

MR CAIN: Are you able to provide that consultation? Is it the intention for you to provide that consultation, those documents, the submissions, and then your response at the conclusion of the consultation?

Mr Rattenbury: All on the exposure draft. Yes, we normally provide a listening report because it is exposure draft legislation, it is a bit of a different process, so I have not actually formed a final view on that but it is also a question of having the permission of those who submit. I will just check with the officials whether we indicated our intent to publish them. I just have to check whether we indicated our intent to publish.

MR CAIN: Thank you. Have you, in your own research what has happened in other markets and other jurisdictions, particularly Victoria?

Mr Rattenbury: Yes, certainly we have obviously looked around at other jurisdictions. As I touched on earlier, we undertook a detailed regulatory impact statement, it was commissioned

by ACIL, or we commissioned ACIL Allen to do it for the ACT government. It is more on the range of possible impacts on tenants and rental providers and it made some, I think, quite useful findings. It identified tenants were generally better off, with reduced energy costs and by improved health and wellbeing. This is even where full costs are passed through with increased rents. The introduction of minimum standards is unlikely to have sizeable impacts on the rental returns for rental providers, even assuming no costs pass through, the impact on annual rental returns is likely to be small for most investors. The analysis also showed that the proposed standard will not drive large numbers of rental providers to withdraw their property from the rental market. And it showed that, overall, the community would be better off as a result of the introduction of this standard.

MR CAIN: What is your anticipated time frame? Obviously consultation is coming to a close.

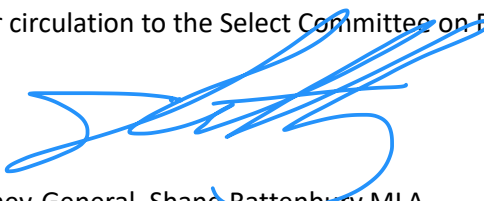
Mr Rattenbury: As I say, the consultation is a slightly different one. The consultation of the draft bill is a separate process. The government has done a range of consultation on the minimum energy standard over the last year and we are using all of that input to finalise the standard at the moment. I anticipate announcing that standard in the next month or two and implementation will be from later this year, or commencement from later this year.

SHANE RATTENBURY MLA: The answer to the Member's question is as follows: –

Yes. I intend to release a Listening Report summarising the feedback on the Public Exposure Draft of the Residential Tenancies Legislation Amendment Bill 2022.

Approved for circulation to the Select Committee on Estimates 2022-2023

Signature:



Date:

29/8/22

By the Attorney-General, Shane Rattenbury MLA