



## **GAMAA WELCOMES THE PREMIER'S COMMONSENSE APPROACH ON GAS**

**Monday, 9 September 2024**

Gas Appliance Manufacturers Association of Australia (GAMAA) president Ross Jamieson has welcomed the Victorian Government's first step towards a more commonsense approach to gas.

The Premier, Jacinta Allan, today announced the exclusion of gas cooktops from the government's push on electrification which will allow households the opportunity to choose if they wish to switch to electric appliances.

"This commonsense approach is a small but important win for Victorian households, but unfortunately it remains silent on the forced conversion of hot water and space heating systems," Mr Jamieson said.

"We know from the proposed new minimum energy efficiency standards for rental properties that changes could lead to struggling households forking out up to an additional \$65 a week in rent to save less than \$10 a week in energy bills."

The new standards for rental properties would from October 2025 force the replacement of gas appliances that have reached end of life with electric appliances.

Research by Frontier Economics, which was included in GAMAA's submission to the Victorian Government, has shown the changes could result in up to \$27,000 in additional costs for rental providers.

The costs would then likely be passed on and result in rent increases of up to \$3,400 per year for up to 280,000 Victorian rental properties.

Mr Jamieson called on the Victoria Energy Minister to reconsider the proposals and allow for replacements with high-efficiency (5 Star or higher) gas appliances which would save tenants overall around \$180 per year.

"This option would not only save money for tenants but reduce emissions by around 25 per cent without the need to increase rents or downgrade heating," he said.

Less than 2 per cent of Australia's carbon emissions are generated from gas use in residences and small businesses.

The Frontier Economics research is based on a typical 3-to-5-bedroom freestanding rental home with gas hot water and gas ducted heating.

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