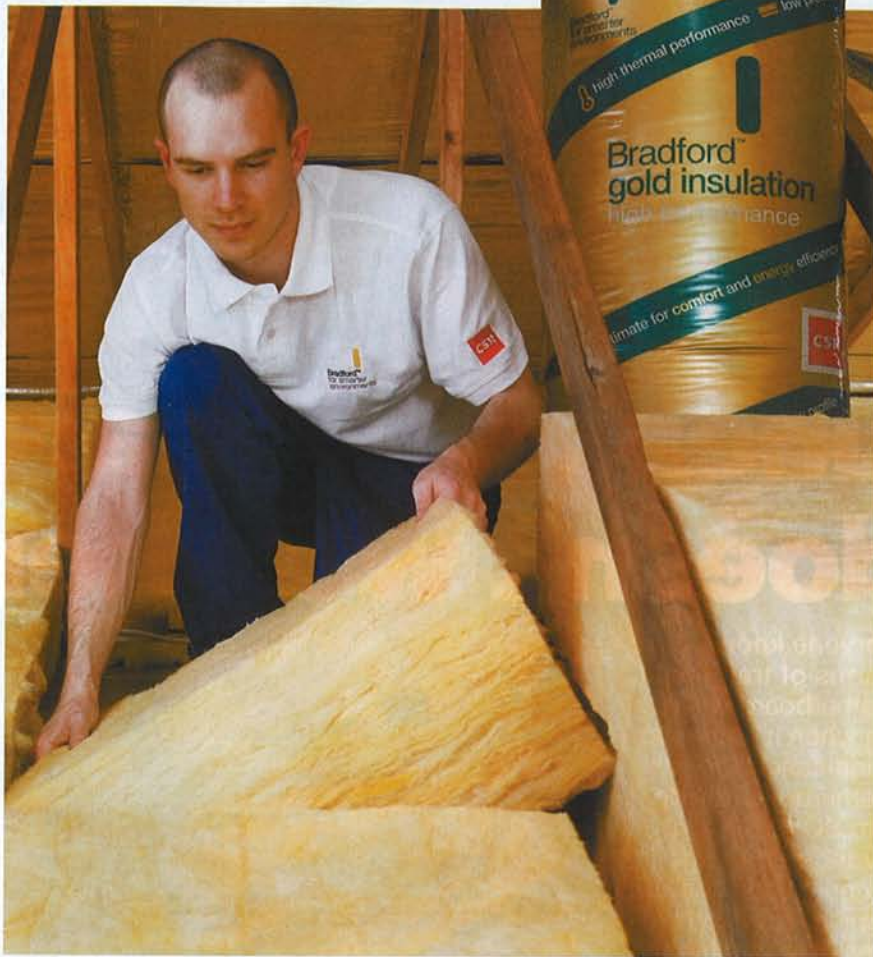


insulation

A warm and insulated initiative

As part of its Energy Efficient Homes package, the Federal Government will provide free ceiling insulation to 2.7million homes. So is the insulation sector geared for the onslaught? Angela Tufvesson reports.



Owner-occupiers will be eligible for free product and installation valued at up to \$1600 and landlords will be entitled to a \$500 to \$1000 rebate to cover the cost of insulating rented homes as part of a new Federal Government scheme.

Insulation is typically the most effective way to improve the energy efficiency of a house. And although insulation must be fitted in all new houses, up to 40% of Australia's older housing stock remains uninsulated.

Beginning 1 July 2009, the Federal Government will install free ceiling insulation in 2.7million homes with limited or no insulation.

Owner-occupiers will be eligible for free product and installation valued at up to \$1600 and landlords will be entitled to a \$500 to \$1000 rebate to cover the cost of insulating rented homes.

The Government estimates the program will benefit 2.2million owner-occupiers and 500,000 renters.

So with a dramatic increase in demand for its product and installers, how is the insulation sector placed to cope?

Initially the announcement of the program took the industry by surprise, says Insulation Council of Australia and New Zealand (ICANZ) president Dennis D'Arcy.

"Although we've been asking for this

for a long time, it did catch us on the hop. But we're helping the Government put this program together – we've been working with them in operational groups and stakeholder meetings."

He says the key to the success of the program is how it's managed and rolled out.

"At the moment people are still becoming aware of the program. Most don't want to make a claim back, which they have been able to do since 3 February, when they could wait until 1 July when the cost will be covered and they won't have to part with a penny."

The allocated amounts should cover the cost of material and installation adequately, Dennis says, although there will be obvious exceptions.

"If for instance you have to lift a metal roof to get at a location with a cathedral ceiling that can't be accessed internally

the cost will be higher and will have to be paid for by the consumer.

"But for most people \$1600 will cover the lot."

He also notes that the program is inclusive of installation – and is not open to do-it-yourself enthusiasts – meaning a significant amount of man power is required.

Currently the existing homes market for insulation remains generally unregulated; meaning any tradesperson could theoretically perform a fit out.

It's not surprising then that Dennis is pleased with the proposed introduction of a Government accreditation program for installers.

"The Government accreditation and training requirements for contractors and installers will improve standards not only for this program but for all ongoing work.

“We don’t want to create a long training period because we need significantly more labour out there as soon as possible, but we certainly see the value in educating installers.

“It could have taken the industry another 10 years to get this off the ground but the Government has got it moving this year. We’re very happy.”

The initiative will involve a comprehensive auditing program that will randomly inspect recipients of free ceiling insulation.

“The installation is just as important as the product. If you don’t insulate completely and comprehensively you’re losing a substantial amount of the energy saving that you were hoping for.

“All areas must be covered properly, including around anything that pokes through the ceiling, like exhaust fans, flues and downlights in particular.

“Poorly-fitted insulation is a bit like having a hole in a bucket and the hot or cold air that you’re trying to prevent from entering the building will find that weakness and pore out of the uninsulated area.”

Manufacturers, too, are in favour of the program and believe they will be able to meet demand.

CSR has recently built a new plant in Queensland and Fletchers has upgraded all its lines and is looking at producing significantly more volume.

In fact, Dennis says the ‘do-it-for-me existing homes market’ represents only 5-10% of the total insulation market.

“Doubling or trebling this market is not like doubling or trebling the whole market.

“In new homes and commercial buildings there has been a sharp decline in demand, and in the commercial

market they are predicting another sharp decline. So that means the capacity that is normally taken up by these sectors is now free.”

Additionally, the insulation industry is working closely with the Government to ensure they manufacture the correct volume and type of product to maximise efficiency.

All in all, it’s a big thumbs up from the insulation sector.

“I would have to say this is the most comprehensive and generous pro rata program of any country we know of. It’s a once in a lifetime opportunity to fully insulate Australian homes and will leave a terrific legacy.” ■

ICANZ
www.icanz.org.au