



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

BILLS

**Greenhouse and Energy Minimum Standards
Amendment (Administrative Changes) Bill 2023**

Second Reading

SPEECH

Monday, 11 September 2023

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Speaker O'Brien, Ted MP	Question No.

Mr TED O'BRIEN (Fairfax) (12:46): I'm delighted to stand in the chamber today to speak about the Greenhouse and Energy Minimum Standards Amendment Bill 2023. In short, we support this bill because it aims to simplify and improve the operations of the Greenhouse and Energy Minimum Standards Regulator, otherwise known as the GEMS Regulator. It's also a piece of legislation that builds on the good work of the former coalition government in this regard. Indeed, as we continued in government ourselves to improve the operation of this scheme—as the minister just referenced, a scheme that has been working very well—we welcome these additional amendments that improve the scheme yet again.

Before we delve into the specifics of the bill, it might be worthwhile reflecting on the role played by the GEMS Regulator, and it probably starts with a recognition that the responsibility to decarbonise the Australian economy does not lie just with government, of course. There is a role to be played by individuals, households and businesses. We all need to do what we reasonably can, and the GEMS Regulator helps us towards this end goal.

The GEMS Regulator simplifies the process at the over-the-counter stage, if you like, of the shopfront by ensuring consumers have adequate information available to them to determine the energy efficiency rating of everyday products, in turn enabling a more transparent and cost-effective purchasing process for the Australian consumer. At its core, the GEMS Regulator is responsible for overseeing the energy efficiency of a wide array of products, working towards the goal of reducing energy consumption through driving greater efficiency. Most of us would recognise the energy efficiency star system. For me, that's at home on my fridge and my dishwasher—something I think everyday Australians have become accustomed to. These are examples of the good work done by the GEMS Regulator. It's a practical set of measures that the GEMS Regulator looks to.

The bill's provisions before us today relate to several key amendments—namely, lessening administrative burden, by streamlining administrative processes within the GEMS Regulator; improving response time to industry applications, so that improves for applicants by supporting businesses by expediting the application and approval process; alignment with international product categories, by ensuring Australian standards are harmonised with international benchmarks and facilitating their compatibility; and flexible application of the act's intent, by empowering the GEMS Regulator to interpret and apply the act's intent in a reasonable manner so they can respond, where needed, effectively and efficiently. The bill before us does build on the good work done by the coalition when it comes to GEMS. Indeed the former coalition government commissioned the review, which found the act was effective in reducing energy use, energy bills and greenhouse gas emissions and it was delivering these benefits in a streamlined and nationally consistent way.

Nevertheless, opportunities were identified to add flexibility to the scheme, reduce impacts on the regulated community and allow it to adapt to changes in market conditions and technologies and look to those improvements. The bill before us therefore presents a plan to act on some of the recommendations that independent review identified, improve the implementation of the act through improving the regulator's performance and further reduce administrative burdens. The coalition were pleased to accept the findings of the review when in government, and we continue to support the direction of the GEMS Regulator.

The coalition, however, did still undertake a thorough assessment of the bill itself. A number of concerns were raised based on our assessment and also from industry feedback. Each of these issues we investigated through industry consultation and also through the Senate Standing Committee on Environment and Communications. For example, we did investigate concerns raised by the Airconditioning and Refrigerant Equipment Manufacturers Association of Australia, otherwise known as AREMA, and these AREMA issues were in turn also considered by the government and the committee. The coalition considered potential impacts of not just these issues but others raised on consumer prices, consumer choice and market competition, areas that should always be considered in such circumstances, and we came to the conclusion that this bill will not have any direct undue influence on such factors.

It is important to note the bill does not give the regulator any new powers to alter standards, therefore if any substantive change to standards themselves were to be made—again, which might impact price, choice or competition—this would come through a separate legislative instrument, which we would then review as a coalition on a case-by-case basis. I emphasise that point in light of the minister, in his contribution to this debate, alluding to an aspiration to expand further the works of GEMS. In the event of any substantive change to a standard, the coalition would do a separate assessment and look at that, case by case, and if the government wishes to know what would be front of mind in that assessment, it would be those key criteria of price, choice and competition.

I would like to thank the Labor senators and other committee members for their goodwill and good faith interaction with the opposition in allaying the various concerns on behalf of AREMA and other stakeholders, including a detailed briefing organised for us with the Department of Climate Change, Energy, the Environment and Water and in particular the GEMS Regulator team.

In closing, the coalition believes the stated aims of the bill will be met through the amendments which the government is proposing. We welcome the bill as a practical and logical measure to lessen administrative burden, improve response time to industry applicants, align with international product categories and provide for more flexibility in the application of the act. In such ways the bill reinforces the GEMS Regulator's pivotal role in advancing energy efficiency. The coalition is therefore happy to join in supporting the bill, and we commend it to the House.