



332 Albert Street  
East Melbourne, VIC, 3002  
T (03) 9411 4555  
F (03) 9419 3800  
www.mbav.com.au

ABN: 38 004 255 654  
RTO: 3935

12 November 2024

██████████  
Acting Executive Director State Planning Policy  
Department of Transport and Planning

By e-mail: to ██████████

Dear ██████████

**Re: Submission – The Climate Change and Energy Legislation Amendment (Renewable Energy and Storage Targets) Act 2024**

Master Builders Victoria (MBV) welcomes the opportunity to provide feedback to the Department of Transport and Planning (DTP) regarding amendments to the Planning and Environment Act 1987 and provide feedback to the amended Climate Change and Energy Legislation Amendment (Renewable Energy and Storage Targets) Act 2024.

MBV represents over 6,300 members from across the building and construction industry, including all tiers of construction companies, subcontractors and tradespeople working in the domestic and commercial sectors, apprentices, suppliers, and manufacturers.

The building and construction industry is one of the most important sectors of the Victorian economy. Our sector is the third-largest full-time employer in Victoria and supports 126,370 businesses, more than every other sector of the economy. The overwhelming majority of these businesses (98.8 per cent) are small, with less than twenty employees.

Building and construction activity also has one of the largest multiplier effects on the economy. This is because the structure of activity requires high domestic content for our industry's inputs, such as building materials, labour, and professional services. As a result, it is estimated that every \$1 million spent on residential building activity delivers \$3 million worth of economic activity.

Beyond economic benefits, our industry contributes critical infrastructure—such as schools, hospitals, parks, and housing—that underpins community well-being and supports the long-term prosperity of Victoria.

In this context, MBV is committed to ensuring that regulatory changes, including those focused on climate change and energy, effectively support industry growth while addressing sustainability goals.

**Draft Ministerial Direction**

Regarding the draft Ministerial Direction, we found that the expectations are clearly outlined. However, Section 3a, which mentions "heat," is somewhat vague and could be misinterpreted to imply that buildings should incorporate additional heat-resilient features beyond those already mandated in

the National Construction Code (NCC). This could lead to duplicative requirements, adding unnecessary paperwork, costs, and red tape.

Some councils have already imposed planning requirements that duplicate NCC stipulations, leading to inefficiencies. We believe the focus should be on surrounding open spaces and ensuring adequate tree canopy cover rather than imposing redundant requirements on building structures.

The applicability of the Ministerial Direction to planning scheme amendments is clear, as is the Direction's scope for addressing climate change on a precinct or amendment scale. Although the climate change matters that planning authorities must consider are generally straightforward, the ambiguity surrounding heat considerations, as mentioned, could benefit from further clarification.

### **Draft Climate Change Consideration Guidelines**

The Draft Guidelines appear fit for purpose, user-friendly, and contain a useful level of detail. However, additional clarity could be beneficial regarding what planning authorities should avoid mandating. For example, while the Ministerial Direction notes that it does not aim to intervene in building or plumbing matters already covered by the Building Act 1993, Plumbing Regulations 2018, or the NCC, further guidance could help prevent overlapping requirements. We welcome this exclusion of building-specific mandates, as it helps avoid unnecessary duplication and the associated increase in red tape and costs, which we have already observed with some councils.

While the Draft Guidelines are generally helpful, additional examples could further clarify what Responsible Authorities can and cannot mandate in terms of planning requirements, such as energy efficiency levels or specific window types. This would prevent overreach and ensure that planning requirements remain within their intended scope.

We are pleased to see that solar orientation is being considered in the Draft Guidelines, as this plays a significant role in achieving the required star rating for buildings cost-effectively and plays a role in maximising the benefits of passive solar design and energy-efficient building outcomes. However, requirements relating to orientation, flood planning, and tree canopy allowances may impact land costs.

### **Contact**

Overall, the Draft Ministerial Direction and Guidelines are largely comprehensive and effective, noting that refining certain elements could further support Responsible Authorities in meeting planning climate change obligations without imposing redundant requirements.

We look forward to exploring how we can collaborate further. If you have any questions about the feedback provided, please feel free to reach out to me directly at [REDACTED].

Yours sincerely

[REDACTED]

Dr Caroline Speed  
Director Policy and Industry Collaboration  
Master Builders Victoria

**IS YOUR BUILDER A MASTER BUILDER?**

