HIA has identified an issue that it believes warrants consideration by the Review as a “fast track issue”. The issue addresses question 2.2 in the Issues Paper concerning options to improve the efficiency and effectiveness of licensing arrangements.

Since the introduction of the Federal Power of Choice legislation there has been a costly and time consuming blow-out in the connection of electricity supply to new homes and to renovation projects. While the introduction of competition into the business of installing electricity meters is laudable the unintended consequences of the new arrangements have seen the typical time for electricity connections to new homes increase from less than two weeks from the time of application to 16 weeks in some cases while more usually being around 8 weeks.

This dramatic increase in the connection timeframes has seen builders constructing a home using portable generators and in some cases has resulted in completed homes being unable to be settled on the home owner due to the absence of power. HIA has conservatively estimated that these delays have cost home builders and ultimately the home buying public at least $2,000 per home. So this issues also relates to the consumer protection topic in question 9.2.

Addressing this unintended impact of Power of Choice is urgent and can be remedied quite simply in HIA’s view.

HIA urges the Government to adopt as a matter of urgency the proven NSW model whereby suitably trained electrical contractors are able to install meters when they are wiring a new home, and to connect that home to the grid when they have completed the metering work.

HIA believes that this proposed reform could be done by regulation. There would be an associated need to establish a training and accreditation process for existing electrical contractors, so that they are able to install meters and connect homes to the network. This system is already operational and effective in New South Wales and could be adopted for Queensland very quickly.

This solution will cut out the unnecessary steps that are currently clogging up the system, and allow approved electrical contractors to perform all the work while they are on the premises. This will maximise competition in the market, slash the unwanted red tape that currently surrounds the process, and give home builders real power and real choice.
If you require any further information about this submission please contact me.

Warwick Temby
Executive Director
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