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**The Royal Australasian College of
Physicians' submission to Hīkina
Whakatutuki | Ministry of Business,
Innovation and Employment**

**Insulation requirements in housing
and other buildings**

Hui-tanguru | February 2025

Introduction

The Royal Australasian College of Physicians (RACP) welcomes the opportunity to submit feedback to Hīkina Whakatutuki | Ministry of Business, Innovation and Employment (MBIE) on the proposed changes to insulation requirements in housing and other buildings.

The RACP works across more than 40 medical specialties to educate, innovate and advocate for excellence in health and medical care.

Working with our members, the RACP trains the next generation of specialists, while playing a lead role in developing world best practice models of care. We also draw on the skills of our expert members to develop policies that promote a healthier society.

By working together, our members advance the interest of the medical profession, our patients and the broader community.

The RACP's position and response to MBIE's proposed changes to insulation requirements in housing and other buildings

The RACP supports the development of mandatory requirements to provide adequate insulation in buildings, particularly homes, to keep them warm, dry and healthy, as well as increase energy efficiency.

Energy Hardship

The current cost-of-living crisis is placing more people at risk of being unable to afford to heat their homes. Cold housing and energy hardship are caused by a number of factors, including poor building quality, energy and electricity costs, and cost-of living increases, and are linked to poor health outcomes.

In Aotearoa New Zealand those who are most at risk of energy hardship include Māori and Pasifika peoples, the elderly, Tamariki, tertiary students and people with disabilities¹.

MBIE's own reporting from 2021 indicates that 134,000 (7.6%) of households in Aotearoa reported that they could not afford to adequately heat their homes². In the time since this report was published the cost-of-living and energy prices have both rapidly increased. It is likely that the number of households facing energy hardship is much higher in 2025.

Inadequately heated houses are likely to have temperatures below recommended levels, and be damp and mouldy – all factors that contribute to respiratory illness and other serious health problems³.

¹ O'Sullivan KC et al. Heating practices and self-disconnection among electricity prepayment meter consumers in New Zealand: A follow-up survey. *Utilities Policy* 2-15; 41:139-47. Available from:

<https://www.sciencedirect.com/science/article/abs/pii/S0957178716301862?via%3Dihub>

² MBIE. *Defining Energy Hardship: A discussion document on defining and measuring energy wellbeing and hardship in Aotearoa*. Wellington: New Zealand Government, 2021.

³ Braubach et al. *Environmental burden of disease associated with inadequate housing: A method guide to the quantification of health effects of selected housing risks in the WHO European Region*. Denmark: WHO 2011.

The RACP supports MBIE's decision to remove the "schedule method" pathway for H1 energy efficiency rather than roll back the insulation standards introduced in May 2024 (intended to save new homes an estimated 40% on heating)⁴. The RACP agrees with the Green Building Council's view that removing these insulation standards would have been short-sighted and resulted in New Zealanders living in much colder, inadequately heated homes⁵. Keeping home heating costs down, through the provision of adequate insulation, needs to be a focus for all new builds.

Social Determinants of Health – Healthy Housing

The RACP recognises that 80 per cent of the drivers of health are factors that lie outside healthcare services, including housing – evidence detailed in the Health and Disability System Review Report⁶.

Our members have observed a collective failure in Aotearoa New Zealand to break the cycle of treating a person's illness before sending them back to the environments that initially made them ill – often their homes.

RACP members see patients of all ages adversely affected by poorly insulated houses which do not support physical and mental wellbeing.

Poorly insulated housing in Aotearoa New Zealand continues to be normalised, with most homes cold by international standards not meeting the World Health Organization's recommended minimum indoor temperature of 18°C¹¹. Recent research shows retrofitting home insulation can reduce the onset of chronic respiratory diseases such as asthma by up to 10 percent⁷.

RACP's recent election statements recognise the role substandard housing (including inadequate insulation) plays in poor health outcomes for New Zealanders. Within these campaigns the RACP advocates for homes that can be heated and cooled effectively and cheaply, and indoor air that is warm and dry. We advocate for solutions that address these issues at the structural and systems level⁸ - including the development of mandatory requirements (eg Warrant of Fitness) to provide adequate insulation to keep homes safe and healthy.

We draw your attention to recent research from Aotearoa New Zealand showing the significant health and social benefits of insulating houses. A [five- year evaluation of the government funded Healthy Homes Initiative](#) (HHI) which includes insulation measures shows:

- a 18.6% decrease in all-cause hospitalisations per person (or 10,354 averted hospitalisations per year across 186,016 people)
- 5% reduction in school absence for illness for children (with 5,309 more days in school per year across 57,626 children)
- slight but persistent increase in wages and less need for benefits for adults

⁴ Gibson, E. Government considers rolling back insulation standards. [Internet]. Radio NZ: 16 July 2024. Available from: <https://www.rnz.co.nz/news/business/522288/government-considers-rolling-back-insulation-standards>

⁵ Malpass, L. Govt moves to slash insulation costs, change standards. The Post | Te Upoko o te Ika: 9 December 2024. Available from: <https://www.thepost.co.nz/a/politics/360514838/govt-moves-slash-insulation-costs-change-standards>

⁶ Health and Disability System Review. Final report. Ministry of Health, 2020/ Available from: <https://systemreview.health.govt.nz/>. Accessed 27 January 2025.

⁷ Fyfe C, Barnard L, Douwes J, Howden-Chapman P, Crane J. Retrofitting home insulation reduces incidence and severity of chronic respiratory disease. Indoor Air. 2022;32(8). Available from: [Retrofitting home insulation reduces incidence and severity of chronic respiratory disease](#). Accessed 26 February 2025..

⁸ Royal Australasian College of Physicians. Make It The Norm: Equity through the Social Determinants of Health. Royal Australasian College of Physicians; 2020. Available from <https://www.racp.edu.au/advocacy/make-it-the-norm>. Accessed 27 January 2025.

- the benefits of the HHI exceed the cost to Health NZ after one year with a five-year return on investment of 507%, that for every one dollar spent by Health NZ, there was \$5.07 in health savings over the following five years⁹.

Health equity and te Tiriti o Waitangi

Housing insulation has the potential to make a huge difference to health equity in Aotearoa NZ.

The 2018 Census and General Social Survey showed Māori and Pasifika whānau are significantly more likely to live in houses with damp and mould, and to feel cold¹⁰. With hospital admission rates for all respiratory disease in Māori being approximately twice those for European and rates for Pasifika more than two and a half times higher¹¹, the positive health and social impacts of any improved insulation would be concentrated within these groups.

The RACP finds it concerning that there is no clear consideration of the Government's obligations under te Tiriti o Waitangi within the preparation of MBIE's proposals. The rates of preventable health conditions in Māori communities signal severe and persistent inequities in housing condition and quality.

The RACP calls for the consideration of Māori and Pasifika health inequities in the development of all future housing policy.

The RACP does not support the proposed reduction in wall insulation requirements from R2 to R1.6. It is well established that living in cold, damp and mouldy homes increases the risk of health conditions for people of all ages.

Overheating

The risk of indoor overheating during summer is growing in Aotearoa, both with the changing climate and the rapid construction of terraced housing particularly vulnerable to overheating.

Overheating of housing can result in heatstroke and is a particular risk for young children, elderly, and people living with disabilities and health conditions. Construction experts stress that homes need to be built with a view to keep heat out, and that overheating is difficult and expensive to mitigate in existing buildings¹².

⁹ Pierse N, Johnson E, Thakurta E, Chisholm E. Healthy Homes Initiative: Five-year outcomes evaluation. Health New Zealand | Te Whatu Ora, November 2024. Available from: [Healthy Homes Initiative: Five-year outcomes evaluation – Health New Zealand | Te Whatu Ora](#). Accessed 26 February 2025.

¹⁰ Stats NZ Tauranga Aotearoa [Housing in Aotearoa: 2020](#) Stats NZ Tauranga Aotearoa: Wellington, 2020. Available from: [Housing in Aotearoa: 2020](#) Accessed 26 February 2025.

¹¹ Fyfe C, Telfar-Barnard L, Howden-Chapman P, Douwes J. Association between home insulation and hospital admission rates: retrospective cohort study using linked data from a national intervention programme. BMJ. 2020;317 Available from: [Association between home insulation and hospital admission rates: retrospective cohort study using linked data from a national intervention programme | The BMJ](#) Accessed 26 February 2025.

¹² Franks, R. Terraced houses in Auckland overheating due to poor design, demands Buildings Code fix. [Internet]. The New Zealand Herald: 17 Jan 2025. Available from: <https://www.nzherald.co.nz/nz/terraced-houses-in-auckland-overheating-due-to-poor-design-demands-for-building-code-fix/HQQJOM7G5NFM3CKG262TM7WKTM/#:~:text=Some%20of%20Auckland%27s%20terraced,being%20in%20%E2%80%9CCan%20oven%E2%80%9D>.

The RACP finds it concerning that no requirements were included in MBIE's proposal to address overheating. MBIE's focus appear to be on lower temperature – the building code needs to consider extremes at both end of the temperature range.

Climate Change

Anthropogenic climate change is a global public health emergency.

Evidence shows the health impacts of climate change can be attributed to worsening environmental exposures such as ambient heat, air pollution, storms frequency and intensity, flooding, reduced water quality, reduced food production, increase food spoilage, and change in disease vectors. These exposures underline health effects including heat stress illnesses, cardiovascular disease, infectious gastrointestinal diseases, physical trauma, malnutrition, psychological stress, vector-borne diseases, and other epidemic illness^{13,14}. In addition, forced migration and conflict caused by scarce food and water resources will have consequent impacts on health⁴.

The International Energy Agency, of which Aotearoa New Zealand is a member, argue that up to 49% of global greenhouse gas emission reductions can be achieved by improving energy efficiency of buildings¹⁵. The insulation of new buildings is a key piece of this.

RACP remains committed to addressing climate change, and recommends including the mitigation of climate change as a priority when developing mandatory standards and requirements for new buildings.

Conclusion

The RACP thanks Hīkina Whakatutuki | Ministry of Business, Innovation and Employment for the opportunity to provide feedback on this consultation.

To discuss this submission further, please contact Jacqui Wallens, Senior Policy & Advocacy Officer, via policy@racp.org.nz.

Nāku noa, nā



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¹³ The Royal Australasian College of Physicians. Climate change and health position statement. Sydney: The Royal Australasian College of Physicians; 2016. Available from <https://www.racp.edu.au/policy-and-advocacy/policy-and-advocacy-priorities/climate-change-and-health>. Accessed 27 January 2025.

¹⁴ Watts N, Adger WN, Agnolucci P, Blackstock J, Byass P, Cai W et al. Health and climate change: policy responses to protect public health. [Internet] Lancet 2015;386(10006):1861-914. Available from [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(15\)60854-6/abstract](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(15)60854-6/abstract). Accessed 27 January 2025.

¹⁵ Public Health Communication Centre Aotearoa. Worth its weight: Building insulation in New Zealand. [Internet]. Public Health Communication Centre Aotearoa: undated. Available from: <https://www.phcc.org.nz/briefing/worth-its-weight-building-insulation-new-zealand>