

THE ADOPTION OF RESIDENTIAL SUSTAINABILITY PROGRAMS: LESSONS FROM THE COMMERCIAL SECTOR

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ABSTRACT

The article explains and compares sustainability programs available for use by residential and commercial premises; as well as the respective legal tenure frameworks of commercial and residential tenancies. It identifies that while the desire of commercial tenants drive the participation by landlords in these programs, residential tenants appear to be ignorant of sustainable measures. The article contends that the reason for this difference is rooted in the legal and social status of residential tenants. It explores the impact that secure tenure may have in promoting residential sustainability programs and concludes by observing that the lack of involvement of residential tenants in programs stems from the absence of tenure security, which prevents any long term cooperation between the parties.

Keywords: Residential tenancies, security of tenure, property rights, sustainability, commercial building disclosure, NABERS

INTRODUCTION

Australian governments promote various programs designed to encourage sustainable practices. These include water saving measures, recycling and solar energy production. Property owners, and in many cases tenants, can access the programs through tax credits, subsidies or rebates. Whether they do so, however, is another matter. Although many home owners who are also occupiers take advantage of these programs, research shows that those that are landlords only, or only residential tenants, are less likely to participate. (ABS, 2009a).

The literature reveals many residential tenants are not aware of relevant programs or whether their home contains sustainable measures or not (ABS, 2009c). Conversely, Australian commercial tenants appear to actively seek out buildings with sustainable measures in place (Sayce *et al*, 2009). Although commercial/retail tenants too appear reluctant to spend their own money implementing measures that will, after the end of their lease, remain on the premises (Christensen & Duncan, 2010, p. 34). This article contends that one of the main causes of the apparent lack of interest of residential

tenants in government programs is the comparable shortness of residential tenancies. The authors describe issues arising in this changing area and conclude by making recommendations to government and suggestions for future research.

In Australia, as the Queensland example illustrates, the standard term residential tenancy is either six or 12 months, with no option for renewal. Unlike the original version, the current version of the legislatively prescribed residential tenancy agreement (*Form 18a – v11 Jul 09*) specifically does not have provision for the automatic inclusion of option periods. This may, however, be done by means of a special condition but practice shows it is generally not. An issue for this article, and the adoption of sustainability programs, is that landlords can require any residential tenant to leave at the end of their tenancy term without needing to provide a reason for this decision. This is referred to as giving a ‘notice to leave without ground’ (Sec. 291(4) RTARAA). Tenants who wish to stay can in any event be required to leave and as such have no security of tenure.

In Queensland there is no minimum term for either a commercial or a retail lease. Professional legal experience, however, shows that commercial/retail tenants tend to seek and to obtain leases for a fixed period of between three to five years, often with multiple options for renewal. This may in part be linked to the desire for a business owner to build up and protect the goodwill of the business in preparation for future sale (Duncan, 2008 p. 369).

Tenants are reluctant to make capital improvements that revert to the landlord at the end of the term (Pivo, 2010, p. 184) and landlords are reluctant to invest in sustainable measures even for longer commercial/retail leases (Christensen & Duncan, 2010, p. 34). Both parties need to see a tangible benefit in order to want to participate in government programs. As such, a tenancy period of only six or 12 months is clearly insufficient to encourage any collaboration to invest in sustainable energy measures when it usually takes five to seven years for the capital costs to be recouped (Australian Government, 2010a).

AIM

The aim of this article is to identify the place that residential security of tenure has in supporting sustainability programs. The article examines what sustainable property practices are and identifies the available government programs aimed at promoting them. Statistics are examined to identify the take-up by residential tenants of the programs available to them. Comparisons are made between residential and commercial/retail laws and practices to identify the different treatments of tenure interests and how easy it is, or is not, for tenants to identify whether sustainable measures are in place.

METHODOLOGY

Existing literature, legislation and government programs have been reviewed for the purposes of identifying the interrelationship between tenure and the participation in government programs. The Literature Review provides an understanding of what is meant by security of tenure. Consistent with legal research, the literature reviewed will include relevant literature, as well as legislation, government policy and statistics and as such the Literature Review forms part of the research methodology.

Limitations

A limitation is that data is not readily available of those who inquire about programs but do not proceed. Available data is imprecise regarding the adoption of sustainable measures in commercial/retail buildings (Christensen & Duncan, 2010, 31). Similarly, data regarding residential program take-up also is limited in that statistics from the individual State programs are not publically accessible and as such data generally available from the Australia Bureau of Statistics ('ABS') has been relied upon. This data too, however, is lacking in that ABS data is not available as to the level of program take-up *per se* or the party undertaking the take-up but rather in respect of measures that are in place without reference as to any funding source. Also it is not clear from the available literature as to why certain policy decisions were made, what policy development process was followed or what certain policy is.

Another limitation is that in view of the nature of Australian property laws, which are State/Territory based in the main, it is beyond the scope of the article to consider all existing laws. Thus, while the treatment of tenure is addressed similarly in each State/Territory, in addition to federal laws and practices, the article will focus on Queensland laws and practices. Also, while leases of residential property are given to businesses for the specific purpose of their providing accommodation to their employees, these head leases are not residential tenancy agreements (Secs. 38 RTARAA) and general law leasing provisions only apply to them (Sec. 27 RTARAA). As such they will not be considered specifically by this article. Finally, the lack of reliable statistics limits the discussion of the findings. A specific limitation is that additional information of the true reason for non-take-up of programs appears not to be asked of potential participants; or if asked is not recorded. Drawing from other research, the authors propose rationales for lack of take-up, however, as identified in the conclusion further research is required in this area so that program providers and governments can be properly and fully informed.

LITERATURE REVIEW

“Security of tenure” has no set meaning as its definition depends on the context in which it is considered and the interactions of the set of rules implementing it. In Australia, the term is more commonly used regarding residential leasing tenures than in respect of commercial or retail leases. Security of tenure has been defined as giving tenants the “*choice to stay in their home or leave*” with “*obvious*” exceptions (i.e. termination for breach) (TUQ, 2006, p.21). It has also been defined to encompass “*a common core of meanings that all refer to the provision for continued occupation of a dwelling.*” (Adkins *et al*, 2002, p.1). It comprises a variety of matters such as appropriate costs and certainty as to the appropriateness of the dwelling for the tenant’s needs (Adkins *et al*, 2002). A lack of security of tenure equates (among other things) to the ability of landlords to terminate a tenancy at the end of its term without reason.

In Queensland, landlords’ and tenants’ rights are located in the *Residential Tenancies and Rooming Accommodation Act 2008* (‘RTARAA’). The RTARAA, however, does not provide security of tenure to tenants as landlords may at the end of a fixed tenancy terminate a tenancy agreement without ground (Sec. 291 RTARAA). In 1998, amendments introduced new subsections (2) and (3) into Section 291. This was for the purpose of fine tuning the section and to prevent retaliation action being taken against a tenant exercising their rights to make a complaint because of the behaviour of the landlord (RTAB Ex Notes, 1998). The ability to terminate without ground is subject to the requirements regarding the period of notice that must be given and may be given for both fixed and periodic tenancies (Sec. 329, RTARAA). The amendments therefore also do not provide security of tenure for tenants other than in cases of retaliatory termination. Arguably, the protection Section 291 provides is weak as, should a notice be incorrectly given in the first place; the landlord can simply serve a new and correct notice to leave without ground.

At first glance, the lack of long term leases appears to be a choice of tenants who cite flexibility as their main reason for not insisting on long term leases (Carr and Tennant, 2010; Adkins *et al*, 2002). And in practice, the vast number of private tenants (87%) moves at least once every five years (ABS, 2010a). Although, this needs to be put into perspective. As the legislation stands, tenants have a difficult choice to make between security of tenure or flexibility and as such they favour the latter. Professional experience also shows that the thought of granting longer than a 12 month residential tenancy in one agreement (as opposed to renegotiating the length and rent at least once a year) usually never crosses the mind of either letting agents or landlords. This may be because the process for requiring a tenant to leave at the end of the term is an easier (and quicker) process than the process to follow where there is a breach. In any event, a consequence of the lack of security of tenure is that tenants can be forced to relocate

on a regular basis whether they wish to or not. This can be a costly process for the tenant (Carr and Tennant, 2010).

Queensland legislation is not concerned with prescribed minimum periods for commercial/retail leases, focusing instead on the obligations and rights of landlords and tenants and the related procedures and processes. For example, a residential tenancy does not have to be registered to be considered a 'legal' tenancy. Although, commercial and retail leases for a combined term and option period/s of more than three years must be registered on the Certificate of Title to be a legal lease (Secs. 12(2) and 59 PLA) and in order to gain the protection of indefeasibility of title for both the lease term and option period/s (Sec. 184 LTA; *Mercantile Credits* (1976); *Re Eastdoro* [1990]). Professional experience shows that in practice most commercial and retail leases contain at least one option period, some more, of an equal length to the original term. Most commercial and retail tenants therefore are advised to register their lease to obtain the fullest protection possible (Sec. 185(1) (b) LTA). Providing there is no breach, and the option is exercised as required by the lease, in many cases tenants have certainty that their business can, at the tenants' option, remain in the tenanted premises for at least a decade, with commercial/retail tenants often remaining in the same premises for more than 10 years (Christensen & Duncan, 2010, p. 32).

Furthermore, retail shop tenants are in a better position than either commercial or residential tenants regarding their ability to know their entitlement to stay in the premises beyond the term of their current lease (Duncan, 2008 p. 370). This is because even if there is no option period granted by their lease, the landlord is now obligated to provide at least three months notice that no further term will be offered (Sec. 46AA(2)(a) RSLA). A failure to give the required notice means the lease is automatically extended to the date which is six months after the notice is finally provided to the tenant (Sec. 46AA (4) RSLA). In practice, this will mean that the longer a landlord takes to serve the notice on the tenant, the longer the retail tenant may remain in the premises.

Despite commercial/retail tenants being subject to the same no grounds notice to leave as residential tenants (although strict time frames must be followed: Secs. 130 to 136 PLA; Webb & Stephenson, 2009, p. 356), their tenancy is more secure than that of residential tenants. The ability of commercial/retail leases to be registered on the Certificate of Title; the right for retail tenants to be informed early about whether their lease will be extended; and the practice of granting commercial and retail leases with options to renew allows them to become long time renters and gain certainty and a level of security of tenure. This mostly practical difference of tenure security could well arise from the vacancy rate which is much lower for residential dwellings than it is for commercial/retail premises (RBA, 2010). This may give commercial/retail tenants more bargaining power in the negotiation of their lease.

SUSTAINABILITY PROGRAMS

The welfare of our environment is an increasing preoccupation with resources directed to protecting the environment and monitoring human activities (ABS, 2010a). Monitoring the environment has uncovered a vast array of alarming signs including climate change, disappearance of species of fauna and flora, and air, land and water pollution. The recent spate of natural disasters in Australia has heightened awareness of climate change and environmental protection issues (Tapim, 2011).

Although direct household energy consumption accounts for a small percentage of Australia's total energy use (8% in 2006-07) (ABS, 2010b), there are an array of government programs directed to maximising that use. Other programs look to promote renewable energy schemes (ABS, 2010a). The programs available to households to address issue of energy and water (Australian Government, 2010) include:

1. Renewable energy certificates and 'solar credit schemes' providing credit for electricity released back into the grid produced by renewable energy systems.
2. Solar hot water rebate schemes providing cash contributions/rebates (up to 60%) for the purchase of a sustainable water heating system.
3. Incentives/rebates for water tank or grey water system installation.
4. Home energy sustainability schemes designed to assist in determining the best measures to be taken to save energy and water.

A variety of incentives also exist for commercial/retail properties. These programs include announced tax incentives (Australian Government, 2011); grants to reduce greenhouse gas emissions (AusIndustry, 2008; AusIndustry, 2011); and renewable energy certificates (ORER, 2011). In order to promote better disclosure and understanding of energy efficiency initiatives, in July 2010 a new *Commercial Building Disclosure* program ('CBD') was introduced by the federal government (BEEDA). The CBD requires vendors and landlords of proscribed office buildings (generally those with office space exceeding 2,000 square metres) and, now, retail buildings to disclose to prospective buyers and commercial/retail tenants the energy efficiency rating of the premises. To date, however, no similar scheme has been implemented for residential properties.

Sustainability programs for residential properties

The type and number of government supported sustainability programs available in each State and Territory have been reviewed and the type and number of programs

available in each State/Territory are shown in Table 1. Some of these programs are the same in each State/Territory as they are Commonwealth programs, and some are recognised in more than one category (AusIndustry, 2010; DCCEE, 2010).

Table 1: Government sustainability programs (state by state)

Type	State/Territory (number per type)							
	ACT	NSW	Tas	Qld	SA	WA	Vic	NT
Saving energy	7	7	5	7	7	6	12	7
Saving water	5	5	2	3	3	2	7	4
Reducing waste	0	0	0	0	0	0	0	0
Smarter transport	1	1	1	1	1	1	1	1

Of the available programs, only the first two categories are directly relevant for this article, as to date there are no funded waste reduction programs (Australian Government, 2010) and research has failed to identify any prospective waste reduction programs. Throughout Australia, there are 41 separate programs targeted to water and/or energy saving available offering either rebates or other assistance to home owners, who are also occupiers. Tenants (referred to by the programs as ‘renters’) have access to 35 programs and those home owners who are landlords-only are offered 31 programs (Australian Government, 2010). Of note is the fact that there has been a reduction in the number of available programs (from 42 to 41) since the authors first considered this issue in October 2010 (Wharton & Craddock, 2011). Issues arising from this decrease in programs are outside the scope of the article to consider.

Separately from the programs’ criterion related to tenure type, there is also a difference in the programs’ availability based on whether the dwelling is a house or a unit for obvious practical reasons. In this regard, in Queensland, for example, only owners of houses are able to access the *Water tank or grey water system rebate* (Australian Government, 2009). Further, only occupiers (i.e. either home owners or tenants) are able to access the Queensland *ClimateSmart Home Service* where non-occupying landlords are not. Conversely, other programs such as the *Small-scale Renewable Energy Scheme* (Australian Government, 2010a) are available to all otherwise eligible home owners, landlords and tenants and for both houses and units. Table 2 details which of the programs available in Queensland are accessible by home owner/occupiers, tenants and/or landlords.

Table 2: Government sustainability programs (Queensland)

Type	Accessible by		
	Owner/occupier	tenant	Landlord
Renewable power incentives	Yes	Yes	Yes
Home sustainability assessment	Yes	Yes	Yes
LPG gas vehicle conversion	Yes	Yes	Yes
Solar hot water or heat pump rebate	Yes	Yes	Yes
Solar hot water rebate	Yes	Yes	Yes
Electricity feed-in-tariff	Yes	Yes	Yes
Home energy and water assessments and incentive	Yes	Yes	No
Home sustainability assessment	Yes	Yes	Yes
Water tank or Greywater system rebate	Yes	No	Yes

Despite the fact that most programs in Queensland, which is similar to other States/Territories, are also open to tenants and landlords, as the research below reflects tenants and landlords are less likely to access them.

Sustainability programs for commercial and retail properties

Sayce *et al* (2009) note that unlike other parts of the world, the implementation of sustainability measures in Australia, for example ‘green leases’, has been a tenant-driven initiative. The importance of sustainability measures, however, is now widely accepted and more recently reinforced by the CBD program. This operates in conjunction with the Building Code of Australia which prescribes the requirements for building construction. The CBD program, however, does not mandate sustainability measures; rather it is a system which reports on what measures are in place and imposing disclosure obligations on landlords and vendors (Part 2, BEEDA). Any advertisement for sale or lease of a ‘disclosure affected building’ must disclose the current energy efficiency rating for the building (Sec. 15 BEEDA). Additionally, a prospective tenant (of more than a 12 month term) or buyer has the right to demand that a building energy efficiency certificate (Sec. 13, BEEDA) be provided to them (Sec. 12, BEEDA). A failure to provide a certificate renders the owner subject to a fine (Sec. 12(6) BEEDA).

Recognising that assistance may be required to make buildings sustainable, the tax incentives proposed for upgrading a building to a 4-Star rating or more, will apply to commercial buildings, hotels and shopping centres that are part of the NABERS program (Australian Government, 2011, p. 5). Legislation implementing the incentive scheme is anticipated to be introduced to the federal parliament to commence on 1 July 2011 (Australian Government, 2011, p. 24) and to apply to buildings that register and achieve the required efficiencies by 30 June 2015 (Australian Government, 2011, p. 9). The exact details of the legislative scheme are not known as the consultation period only closed on 18 February 2011 (Australian Government, 2011, p. 2).

The federal government established the Green Building Fund in October of 2008 to assist business with the reduction of green house gas emissions by lowering energy consumption in commercial buildings (AusIndustry, 2008). It was expanded in 2011 to cover other buildings, including retail centres (AusIndustry, 2011). Stream B provides funds to educate parties in appropriate sustainability measures (AusIndustry, 2008) with Stream A enabling successful applicants to access funds to assist in retrofitting buildings currently without sustainable measures (AusIndustry, 2011). Eligible long term tenants also may participate in Stream A (AusIndustry, 2011, p. 3). To date, no tenant has received funding under the scheme, however, with the expansion to retail centres in 2011 this may be more likely in the future.

From January 2011, renewable energy certificates are now referred to as either large-scale generation certificates or small-scale technology certificates and existing certificates will be reclassified (ORER, 2011). Their focus remains on encouraging the generation of additional energy from renewable sources by means of providing incentives for the installation, *inter alia*, of solar water heaters, generation units for small schemes and wind, solar or hydro-electric power production (ORER, 2011). As discussed above, such programs are accessible by property owners as well as tenants (Australian Government, 2010a).

USE OF SUSTAINABILITY PROGRAMS

Although the available government programs may be similar between residential and commercial/retail properties, the adoption of sustainability measures depends on the type of property considered. Even within one type, the research reflects that the current, and in some cases, past use of the property influences what sustainable measures, if any, currently are in place.

Residential properties

As a general rule and on a nation-wide basis, the adoption of energy saving measures increased from 1994 to 2008 (ABS, 2010a). The installation of water tanks by households was, however, restricted (less than one quarter) with cost most commonly

cited as the reason given by those who had decided against installation of a tank (ABS, 2010a). On a state specific basis, residential tenure-specific data is only available for Western Australia and Victoria. In 2009, approximately one quarter of all Western Australian residents were tenants (24%) (ABS, 2009b). However, despite the high level of home ownership (approximately 69%) only 13% of homes in total had rainwater tanks with only seven percent of rental properties having one (ABS, 2009b). Energy saving measures such as insulation also was much less common in tenanted properties as opposed to owner occupied dwellings (by almost 50%). The statistics in this regard, however, are flawed in that data was not available for one-third of rental properties (ABS, 2009b).

Similarly in Victoria in 2009, just over one quarter of its residents were tenants (26%) (ABS, 2009c) and rental properties were unlikely to have energy saving devices. With regard to insulation, many tenants were unaware as to whether their home did or not have any (ABS, 2009c). Again, most tenants did not have a rainwater tank, with statistics showing adoption by only 19% of Victorians (ABS, 2009c). Available statistics show that the most common users of sustainable programs that also require a significant capital outlay by the participant occurs when the dwelling is owner occupied and either fully, or almost, free of debt (ABS, 2009a).

Commercial and retail properties

Industry data clearly indicates that commercial and retail tenants are seeking to rent premises with sustainable measures in place and that many are looking to relocate in any event within the next three to five years (Colliers International, 2010). In part, tenants' desires for premises incorporating sustainability measures, particularly energy savings, are driven by their desire for utility cost savings (Colliers International, 2010a). Other literature clearly evidences that commercial/retail tenants are generally more aware of sustainable measures than residential tenants and that they actively seek premises that contain such measures, giving these premises a market advantage (Christensen & Duncan, 2010, p. 34). Lower vacancy levels, and greater ease of letting premises under green leases, show that tenants find buildings that incorporate sustainable measures to be more desirable than those without (Chong, 2010).

Statistics for the adoption of programs by industry are not as readily available, but data regarding the NABERS program indicates that many offices and retail premises have been successful in achieving either a *4-Star* rating or the highest rating of *5-Stars* (NABERS, 2010; NABERS, 2010a). Although, in comparison with the total number of retail and commercial buildings in Australia, the number currently incorporating sustainable measures is low (Christensen & Duncan, 2010, p. 32). It is anticipated that this number will grow as a consequence of the obligations imposed by the CBD program.

DISCUSSION

As identified, the findings from the research are limited as the available statistics and other data focus on numbers of users/adopters of the programs and not the reason for use or adoption. Further research is required to clearly identify the reasons for non-adoption, and to identify measures that can be implemented to address them.

The markets for commercial/retail and residential tenancies (Wharton & Craddock, 2011) are different from both the legal, and in particular, from the demand perspectives. Australian housing remaining the most unaffordable worldwide, (Demographia, 2011) and rented residential premises have much lower vacancy rates than commercial/retail premises which results in commercial/residential tenants having a higher bargaining power than residential tenants. Furthermore, many residential tenants have no expectation of lengthy tenure, preferring instead the flexibility of movement that shorter term tenancies provide (Adkins *et al*, 2002). Conversely, commercial/retail tenants seek longer leases which may be tied to the goodwill of their business (Duncan, 2088).

The statistics on the adoption of residential programs are difficult to analyse as not all data is publically available. It appears, however, that in Western Australia there were twice as many dwelling in total with water tanks or insulation compared with rental properties (with one-third of rental property data unavailable). In Victoria, the only other State with available statistics, rental properties were unlikely to have energy saving devices. One significant statistic is that it is mostly only those owners with little debt that use sustainable programs that require a significant capital outlay (ABS, 2009a).

The ABS data does not identify whether the rental properties discussed were owner/occupied before being rented out. Furthermore it is unclear as to whether, for those rental properties with sustainability measures, it was the landlord or the tenant who requested their implementation. One can nevertheless safely conclude that rental properties are much less likely to have been occupied or rented out by persons taking advantage of government energy saving programs. A landlord may have an incentive to adopt one of these programs if she or he plans on occupying the dwelling or adding to its value but not outside these situations.

The residential tenant may be happy to invest a mere \$50 to have help and expert advice on the little changes they can make to their environment to save energy (*Climate Smart Home Service*), but the installation of water tanks, solar water heaters and photovoltaic panels will never be on their agenda given their precarious tenure. In addition, their interest in long term sustainability of the dwelling they occupy is limited since they do not have any assurance of remaining in it for more than a year.

This may well explain their ignorance of sustainable programs and of the sustainability of their rented home in particular.

Commercial/retail tenants on the other hand, have a great incentive to reduce their utility bills, an important part of their operation costs in many cases, as they plan to rent their premises for a number of years. Even before the implementation of the CBD program, Australian commercial/retail tenants appear to have had a much higher awareness of, and desire for, the benefits to themselves and the environment of sustainability measures (Sayce *et al*, 2009). This awareness is probably due to image issues as well as the level of their utility bills (Christensen & Duncan, 2010, p. 40). It also is now supported and reinforced by the legislated disclosure obligations imposed on landlords by the CBD program (BEEDA).

As Pivo (2010) identifies, if sustainability measures are to be successfully implemented for all residential properties, then the government needs to encourage landlord-tenant cooperation. This cooperation should take the form of some degree of cost- and benefit-sharing of the adopted sustainability measures. Short term leases cannot engender this type of cooperation. Clearly, in the residential sector, tenants have much less bargaining power and are in a situation of weakness. A lack of security of tenure is the main hurdle preventing residential tenants accessing long term leases.

The authors suggest that granting residential tenants security of tenure could be achieved by requiring the adoption of fault based evictions only or, where there is no breach by the tenant, the landlord may only require the tenant to leave for a valid reason proscribed by legislation (Wharton & Craddock, 2011). Alternatively, or preferably additionally, legislation could proscribe that provided the tenant was not then, and had not previously been, in breach of the tenancy agreement the tenant would be entitled to renew the tenancy for a further term of the same length as the first, subject to the right of the landlord to increase the rent by CPI. A good tenant could therefore effectively remain in the premises as long as they wished subject to clear exceptions to the landlord for termination.

CONCLUSION

The nature of any landlord-tenant relationship is, in the greater scheme of property ownership, a fleeting one. The residential tenancy relationship is an even more fleeting one in comparison with the commercial/retail relationship and works to the detriment of sustainable property practices. This article contends that one of the primary reasons for the lack of adoption of cost-based sustainability programs by tenants is the absence of security of tenure. Although businesses can expect to stay at least five years in their rented premises, often with an option to renew for at least

another five years, individual private tenants can only contemplate a maximum of 12 months in their rented home. This short time is clearly insufficient to compensate tenants and/or landlords for any major investment in sustainable processes. In order to work to support sustainable practices, the government needs to work to strengthen tenant's security of tenure to enable them to be desirous of engaging in those practices.

The apparent lack of awareness of, and interest in, implementing sustainability measures in residential premises appears linked to the issue of security of tenure. However, government should also explore the impact that providing residential tenants with information regarding the sustainability status of premises would have on adoption of sustainable measures. While Australian business tenants are proactively advised of the sustainability status of their prospective business premises, and this influences their choice of premises, these measures are usually not considered by individual private tenants. If governments wish to encourage better adoption of sustainability programs, then they must also look to implement a clearer and mandatory awareness scheme similar to the CBD program. In order to facilitate action by government, further research in this area is required. This would include direct surveys of tenants and landlords as to their preferences and practices; as well as to, generally, what impact strengthening security of tenure for tenants would have for Australian property practices.

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