



BayBuzz
Bee in the know

Economics of healthy homes

Thu, Mar 05 2009

This week, a representative of NZ's Energy Efficiency and Conservation Authority (EECA) briefed HB Regional Councillors on the agency's various programs to encourage healthier homes through better insulation and clean heating.

He made some sobering comments about the economic benefits that flow from healthy homes, citing a study by Otago University's Wellington School of Medicine and Health Sciences covering 5,000 people in 1,400 households over seven different regions ...

- fewer physician visits for primary care of respiratory problems;
- fewer hospital admissions (36% fewer admissions for folks with properly insulated homes ... a patient day in the hospital costs "the system" about \$3,000);
- fewer missed school days; and,
- fewer missed work days.

All of which add up to huge medical savings, improved learning, and better worker productivity. [Oh, and the people are healthier.]

While we're dealing with economic benefits, consider the employment potential involved in properly insulating and heating thousands of homes in Hawke's Bay.

Two-thirds of Hawke's Bay homes (about 37,000) were built before 1978 (when

new insulation standards went into effect) and are likely to be excessively cold and damp, leaking what heat they do have. And then there's the roughly 20,000 HB homes using non-compliant woodburners for heat, which, with their small particle pollution (PM10), compound respiratory problems. The poorly insulated homes most likely overlap the badly heated ones.

Astonishingly, none of these economic benefits — from lower medical costs and higher productivity, or employment from upgrading home heating and insulation — have been calculated for Hawke's Bay. No one has even attempted to balance the full economic benefits against the costs.

Mayors Yule and Arnott have been too busy fanning public hysteria over the costs of compliance to address the benefits involved. They'd rather lobby Wellington for deadline delays than get at the full facts.

The DHB is asleep on the matter, though they should certainly have pertinent data on the costs and treatment burden placed on our region's health care system by respiratory and other medical problems. And no one seems to have the job of calculating the costs associated with lost worker days or the employment benefits gained by "healthy house" improvements.

What a lousy way to debate important public policy.

Tom Belford

P.S. The [EECA website](#) has an interesting paper called **Investing in Insulation for a Healthy Return**, which includes an illuminating Napier case study that Barbara Arnott and Chris Tremain should read, then pass along to Lawrence Yule and Craig Foss.