

1990

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

HOUSING ASSISTANCE (AMENDMENT) BILL 1990

EXPLANATORY MEMORANDUM

Circulated by Authority of the Attorney General

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HOUSING ASSISTANCE (AMENDMENT) BILL 1990

The Commonwealth - State Housing Agreement (CSHA) provides the objectives, principles, framework and financial arrangements for the delivery of public housing nationally.

On 1 March 1990 the ACT became signatory to the CSHA. Participation in the CSHA will preserve the ACT's share of Commonwealth funding for the provision of public housing, will require the ACT Government to match funds for public housing in the ACT in order to attract untied Commonwealth funds and will oblige the ACT Housing Trust, when planning public housing programs, to take account of the objectives and principles agreed to under the CSHA.

Schedules 1 and 2 to the Housing Assistance Act 1987 (the Principal Act) provide the principles to be taken into account in the operation of housing assistance programs and for the cost rent formula to be used to determine real cost rents for public rental accommodation.

The Housing Assistance (Amendment) Bill 1990 amends the Principal Act by deleting Schedules 1 and 2 and substituting new Schedule 1 which is the CSHA. Under Part III of the Principle Act the principles in the CSHA in new Schedule 1 will be taken into account by the Minister in the preparation of housing assistance programs.

Financial Considerations

The funding arrangements of the CSHA require untied grants provided by the Commonwealth to be matched by grants from the ACT Budget. On the basis of a funding level in 1989/90 of \$15.681m in untied Commonwealth

grants, and the same level of funds in each of the following three years, matching grants will be required from the ACT Budget as follows:-

1989/90	\$3.920m
1990/91	\$5.227m
1991/92	\$6.534m
1992/93	\$7.841m

Details of the provisions of the Bill are included in the Attachment.

ATTACHMENT

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Clause 1 provides that the title of the Bill, once enacted, is to be the Housing Assistance (Amendment) Act 1990.

Clause 2 defines the 'Principal Act' to be the Housing Assistance Act 1987.

Clause 3 amends section 3 of the Principal Act by inserting a definition of 'the Housing Agreement' to be the Commonwealth - State Housing Agreement signed on 1 March 1990.

Clause 4 amends section 12 of the Principal Act by omitting references to 'Schedule 1' from subsections (5), (6) and (7), and substituting references to 'the Housing Agreement'.

Clause 5 amends section 15 of the Principal Act by omitting from subsection (1) reference to the formula in Schedule 2 and substituting reference to the principles set out in the Housing Agreement, and by omitting subsection 2 and substituting a subsection which provides for the specification of the day, being a day after publication in the Gazette of a housing assistance program under section 12 in which a variation of the housing assistance program that alters a rate or amount of rent to be charged is made, is to take effect.

Clause 6 repeals section 22 of the Principal Act and substitutes new section 22 which provides that amendment of the Act specified in Schedule 3 is amended as set out in Schedule 3.

Clause 7 repeals Schedules 1 and 2 to the Principal Act and substitutes new Schedule 1 which incorporates the Commonwealth - State Housing Agreement.

Clause 8 amends Schedule 3 to the Principal Act by correcting the heading to refer to a single Act, and by deleting reference to the 'Commonwealth Dwellings (Rent) Ordinance 1961' which has been repealed.