

**1992**

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

**HOUSING ASSISTANCE ACT 1987**

**CREATION OF  
HOUSING ASSISTANCE PROGRAM**

**No 131 of 1992**

**EXPLANATORY STATEMENT**

**(Circulated by authority of  
Terence Connolly MLA  
Minister for Housing  
and Community Services)**

## **CREATION OF NEW HOME PURCHASE (MORTGAGE) ASSISTANCE PROGRAM**

### **AUTHORITY**

Section 12 of the Housing Assistance Act 1987 empowers the Commissioner for Housing to prepare in the form of an instrument in writing a housing assistance program or variation to a program.

Such a program or variation may not be implemented without the approval of the responsible Minister. Following approval, the program or variation is required to be notified in the Gazette and laid before the Legislative Assembly in accordance with Section 6 of the Subordinate Laws Act 1989 where it may be disallowed.

### **BACKGROUND**

The accompanying Housing Assistance Program, to be known as the "HomeSafe Housing Assistance Program", was prepared by Rodney David Templar, acting Commissioner for Housing and approved by Terence Connolly MLA, Minister for Housing and Community Services.

The program was notified in ACT Gazette No.                      on                      .

### **PURPOSE AND CONSEQUENCES**

Mortgage assistance, for mortgagors experiencing difficulty with loan repayments on loans acquired through the private sector, currently operates in the Australian Capital Territory as an administrative measure outside the Housing Assistance Act 1987. This housing assistance program therefore will merely formalise an existing arrangement rather than create a new housing program or new policy.

Known as the "HomeSafe Housing Assistance Program", this program offers assistance to those applicants who, after acquiring a housing loan through the private sector, experience short term difficulties with their loan repayments.

This program has been drafted consistently with the existing national guidelines for mortgage assistance. The purpose of the program is to bring the operation of mortgage assistance under the

control of the Commissioner for Housing, in accordance with the functions of the Commissioner as specified at Section 9 of the Housing Assistance Act 1987. The Commissioner is required to perform his or her functions in accordance with any directions given by the responsible Minister.

This housing assistance program complements the "HomeBuyer Housing Assistance Program" which offers home loan assistance to those applicants unable to achieve or maintain home ownership. The assistance provisions under the "HomeSafe Housing Assistance Program" are similar to the provisions under the "HomeBuyer Housing Assistance Program".

A summary explanation of the program follows:

**Clauses 1 to 3** specify the name of the program, its objectives, and the definitions and interpretations of the program and are self explanatory.

**Clause 4** describes the applicant eligibility for assistance. These provisions seek to demonstrate that applicants are experiencing short term financial difficulty beyond their control. Applicants will have the right of appeal under all eligibility requirements.

**Sub-Clauses 5.1 to 5.4 inclusive** specify the administrative requirements to effect assistance and are self explanatory.

**Sub-Clause 5.5** provides for applicants to submit a further application should initial assistance be exhausted or should they experience further financial difficulties at a later time.

**Sub-Clause 6.1** specifies the means by which the Commissioner can provide assistance and is self explanatory.

**Sub-Clauses 6.2 and 6.3** empowers the Commissioner to determine the loan limit and period of assistance which may be varied from time to time subject to fluctuations in financial circumstances of applicants and funds available to maintain this program.

**Sub-Clauses 6.4 to 6.7** specify the means by which the Commissioner will recover assistance. These provide for applicants to repay assistance when they are financially able or on discharge of the mortgage, whichever is the earlier.

**Clause 7** relates to the agreement to secure the assistance and is self explanatory. The agreement accompanies the "HomeSafe Housing Assistance Program".

**Clause 8** provides for the charging of interest on outstanding assistance. The calculation of interest rates is included in the agreement referred to under clause 7. Interest rates shall not exceed the Consumer Price Index ensuring that the value of assistance is not eroded by inflation.

**Clause 9** specifies the secrecy provisions and is self explanatory.

**Clause 10** relates to arrangements for the review of decisions and are self explanatory.

**Clause 11** relates to the transition arrangements and are self explanatory.