LEGISLATIVE RESEARCH SERVICE
DEPARTMENT OF THE PARLIAMENTARY LIBRARY

HOME DEPOSIT ASSISTANCE AMENDMENT BILL 1986

Date introduced: 8 October 1986
House: House of Representatives
Presented by: Hon. Stewart Went, M.P., Minister for Housing and Construction

DIGEST OF BILL

Purpose

To set the final date for applications under the Home Deposit Assistance Act 1982 (the principal Act).

Background

The Home Deposit Assistance (HDA) scheme came into force on 18 March 1982 and succeeded the Home Savings Grant scheme which had run under the Home Savings Grants Act 1964 and 1976. In its original form the HDA scheme grants were based on eligible savings held over the previous one or two years and were available to persons who had contracted to buy, or were building, their first home. Under section 65 of the Principal Act the HDA scheme was to run until 17 March 1985.

Following the change of government in 1983 a number of changes were made to the HDA scheme. The more important were the removal of the link to savings, which was replaced by an income test, from 1 August 1983 and the termination date of the HDA scheme was changed to 30 September 1983. The HDA scheme was replaced by the First Home Owners scheme.

During 1982-83 36 611 grants were approved under the HDA scheme. The grants totalled $88.7 million and averaged $2424 each (the maximum being $3500). In 1983-84 38 865 grants were approved at a total of $96 million. The average grant was $2474.

When the First Home Owners scheme was introduced in October 1983 the Government announced that the HDA scheme would not be terminated immediately and time would be allowed for eligible people who bought homes between 18 March 1982 and 30 September 1983 to put in their
application. On 6 June 1986 the Minister for Housing and Construction announced that legislation would be introduced to prevent further applications after 1 January 1987.

Main Provisions

Section 16 of the Principal Act will be amended by clause 3 so that the last day for applications will be 31 December 1986.

Clause 4 will amend section 64 of the Principal Act to require an annual report for 1986-87 to be presented.

For further information, if required, contact the Economics and Commerce Group.