

**Senate Community Affairs Committee**  
**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND**  
**INDIGENOUS AFFAIRS PORTFOLIO**  
**2011-12 Additional Estimates Hearings**

**Outcome Number:** 2

**Question No:** 337

**Topic:** National Rental Affordability Scheme

**Hansard Page:** Written

**Senator Payne** asked:

SEWPAC indicated in QoN 58 that 656 incentives were withdrawn from round 1, 1,344 from round 2 and 12,653 were subject to a request for extension of time to complete the dwelling. Can you please explain to the committee why there were so many incentives withdrawn in the first two rounds, and how many of the 12,653 incentives subject to a request for an extension of time were granted that extension, and have now been completed or withdrawn?

**Answer:**

The main reasons for the voluntary withdrawal of incentives include the inability of the approved participant to deliver the dwellings within program requirements, for example, within timeframes to achieve agreed delivery targets that will meet state and territory priorities for affordable housing, and the on-sell of dwellings to an entity/entities who do not wish to be involved in NRAS. This may be a result of commercial decisions taken by an approved participant, or because of construction constraints and supply delays.

The National Rental Affordability Scheme Regulations 2008 were drafted in anticipation that approved participants may return some reserved incentives and allocated incentives (active dwellings) given the nature of the construction industry.

In cases where the Department has withdrawn the offer of reserved incentives, the main reason is due to the participant not being able to deliver the dwellings within agreed timeframes.

The response given at QoN 58 that 12,653 incentives were subject to a request for an extension for time, referred to how many times extensions of time were sought over the life of the program. In some cases, one incentive may be subject to multiple requests for change.

Providing the level of detail requested for the 12,653 instances of request for extension to delivery timeframes would involve an unreasonable diversion of Departmental resources.