

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance

Outcome/Program: 1/1.1

Topic: National Housing Financing and Investment Corp

Senator: McAllister

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Number of pages: 1

Question:

Senator McALLISTER: If it can be provided before we wrap up this estimates hearing, that would be terrific. We are here until tomorrow afternoon. Then on page 169, the establishment of the National Housing Financing and Investment Corporation—

Senator Cormann: That is the Department of the Treasury, but go ahead.

Senator McALLISTER: Similarly, it is just about the treatment of whether it is expenditure or whether some of it is going to be—

Senator Cormann: What is reflected here is expenditure, but the objective is to set up this corporation to operate an affordable housing bond aggregator. There will be a back end to this. But, like the funding here, that is funding to the Department of the Treasury for the purpose of establishing this corporation.

Senator McALLISTER: What are they going to be doing with these resources? What is \$18 million going to be used for in 2020-21?

Senator Cormann: Treasury will be able to explain that to you in great detail.

Senator McALLISTER: Perhaps they will, but I am interested because the capital has been broken out in the next financial year at just \$4.8 million, but then you have this much larger sum going to Treasury as an expenditure item.

Senator Cormann: This is going to the Treasury portfolio.

Senator McALLISTER: Yes, to the Treasury portfolio.

Senator Cormann: The reason it has been allocated to the Treasury portfolio is in the context of, initially, the establishment and then the expected costs of operating the National Housing Finance and Investment Corporation so it can provide an affordable housing bond aggregator.

Senator McALLISTER: So it is anticipated that that is actually the funding required for the operation of that entity rather than the funding required for the bond aggregation product?

Senator Cormann: It is both. Treasury will be able to give you that detail. That is the allocation for this measure. How it is broken up between administration and program funding— Treasury will be able to explain that to you.

Senator McALLISTER: Are you able to provide the staffing allocation for that, though?

Senator Cormann: Yes, we will take that on notice.

Answer:

The funding for the National Housing Finance and Investment Corporation (NHFIC) includes staffing equivalent to 3 Full Time Equivalents (FTE) in 2017-18, 32.5 FTE in 2018-19 and 36.0 FTE from 2019-20.