

States Grants (Housing)

No. 111 of 1971

An Act to grant Financial Assistance to the States for the purpose of Housing.

[Assented to 6 December 1971]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1. This Act may be cited as the *States Grants (Housing) Act 1971*. Short title.

2. This Act shall come into operation on the day on which it receives the Royal Assent. Commencement.

- 3.—(1.) In this Act, unless the contrary intention appears— Interpretation.
 - “ approved person ” means a person included in a class of persons whom the appropriate Minister of State of the State in which those persons live considers to be in need of assistance in connexion with the provision of housing;
 - “ building society ” means a society or association of persons registered under the laws of a State as a building or housing society, whether terminating or permanent and whether or not a co-operative society;
 - “ housing authority ”, in relation to a State, means—
 - (a) in the case of New South Wales—The Housing Commission of New South Wales;
 - (b) in the case of Victoria—the Housing Commission constituted under the *Housing Act 1958* of that State as amended and in force for the time being;
 - (c) in the case of Queensland—The Queensland Housing Commission;
 - (d) in the case of South Australia—the South Australian Housing Trust;
 - (e) in the case of Western Australia—The State Housing Commission constituted under the *State Housing Act 1946* of that State as amended and in force for the time being; and
 - (f) in the case of Tasmania—the Director of Housing holding office under the *Homes Act 1935* of that State as amended and in force for the time being;

“ prescribed year ” means the year that commenced on the first day of July, One thousand nine hundred and seventy-one, or any of the next four succeeding years;

“ the Financial Agreement ” means the agreement a copy of which is set out in the Schedule to the *Financial Agreement Act 1928* as varied by any subsequent agreement approved by the Parliament;

“ year ” means a period of twelve months commencing on any first day of July.

(2.) A reference in this Act to the amount set aside by a State in a year for housing is a reference to so much of the total of the amounts borrowed for and on behalf of that State under the Financial Agreement in respect of that year as was set aside by that State to be—

(a) lent to building societies, or, as approved by the Minister, to other bodies, so as to provide finance to assist persons to erect or purchase dwellings for themselves and their families; or

(b) made available to the housing authority of that State for the purpose of the provision of dwellings for sale or lease to approved persons (other than dwellings provided on behalf of another authority of that State), including—

(i) the acquisition or resumption of land on which the dwellings are to be provided;

(ii) the making of roads or other facilities affording access to the dwellings;

(iii) the connecting of the dwellings with sewerage, drainage, water, gas and electric power and lighting systems; and

(iv) the establishing and extending of such systems to connect with the dwellings.

(3.) The Minister may, if the appropriate Minister of State of a State so requests, determine that an amount set aside by that State in a year to be made available to the housing authority of that State for a purpose referred to in sub-paragraph (iv) of paragraph (b) of the last preceding sub-section is not to be treated as part of the amount set aside by that State in that year for housing.

Repeal.

4. The *States Grants (Housing Assistance) Act 1971* is repealed.

Grants for purposes of housing.

5.—(1.) There is payable to the States, in respect of each prescribed year, by way of financial assistance, an amount of Eighty-two million five hundred thousand dollars.

(2.) Of the amount payable to the States under the last preceding sub-section in respect of a prescribed year, Two million seven hundred and fifty thousand dollars shall be paid in that year and Two million seven hundred and fifty thousand dollars shall be paid in each of the next twenty-nine succeeding years.

(3.) The amount payable to a State under the last preceding sub-section in any year is such percentage of the amount, or of the total of the amounts, as the case may be, payable to the States under that sub-section in that year as is specified in the following table opposite to the name of that State.

State	Percentage
New South Wales	33.6
Victoria	24.5
Queensland	7.7
South Australia	17.1
Western Australia	11.4
Tasmania	5.7

6. The grant of financial assistance to a State under the last preceding section is subject to the condition that the State will comply with the provisions of the next two succeeding sections. Grants to be subject to conditions.

7.—(1.) There shall be opened and maintained in the public accounts of the State a separate account (in this section referred to as “the account”) in accordance with this section. Separate account to be kept of certain moneys.

(2.) Subject to the next succeeding sub-section, there shall be credited to the account in each prescribed year not less than thirty per centum of the amount set aside by the State for housing in that prescribed year.

(3.) The Minister may, in special circumstances, determine that the State is not to be taken to have failed to comply with the last preceding sub-section by reason only that the amount credited to the account in a prescribed year is a percentage of the amount set aside by the State for housing in that prescribed year that is less than thirty.

(4.) Subject to the next succeeding sub-section, there shall be credited to the account not less than thirty per centum of each amount paid to the State under section 5 of this Act.

(5.) If, in pursuance of sub-section (3.) of this section, the Minister determines that the State is not to be taken to have failed to comply with sub-section (2.) of this section by reason only that the amount credited to the account in a prescribed year is a percentage of the amount set aside by the State for housing in that prescribed year that is less than thirty, the reference in the last preceding sub-section to thirty per centum of each amount paid to the State under section 5 of this Act shall, in relation to so much of any such amount as was paid in respect of that prescribed year, be read as a reference to that lesser percentage.

(6.) There shall be credited to the account any amounts received by the State in repayment of, or in payment of interest on, loans made out of moneys standing to the credit of the account.

(7.) Subject to the next succeeding sub-section, moneys standing to the credit of the account shall not be expended except for or in relation to—

- (a) the making of loans—
 - (i) to building societies; or
 - (ii) as approved by the Minister—to other bodies,
 - for the purpose of providing finance to assist persons to erect or purchase dwellings for themselves and their families;
- (b) the repayment of moneys borrowed for and on behalf of the State and credited by the State to the account and the payment of interest in respect of those moneys; or
- (c) the expenses of maintaining the account.

(8.) In the expenditure of moneys standing to the credit of the account for and in relation to the making of loans in accordance with paragraph (a) of the last preceding sub-section, so much of those moneys as was credited to the account in accordance with sub-sections (4.) and (5.) of this section shall be applied in reducing the payments, including payments of interest, that would, but for the grant of financial assistance to the State under section 5 of this Act, have been required to be made by building societies or other bodies referred to in paragraph (a) of the last preceding sub-section in respect of loans made to them directly or indirectly out of moneys credited to the account during the prescribed years but so as not to discriminate between different building societies and other bodies.

Moneys not paid into account to be made available to housing authority.

8.—(1.) So much of the amount set aside by a State for housing in a prescribed year as is not required by sub-sections (2.) and (3.) of the last preceding section to be credited to the account maintained in the public accounts of the State in accordance with that section shall be made available to the housing authority of the State for the purposes referred to in paragraph (b) of sub-section (2.) of section 3 of this Act.

(2.) So much of any amount paid to a State under section 5 of this Act as is not required by sub-sections (4.) and (5.) of the last preceding section to be credited to the account maintained in the public accounts of the State in accordance with the last preceding section shall be applied by the housing authority of the State for the purpose of reducing the payments to that housing authority that would, but for the grant of financial assistance to the State under section 5 of this Act, have been required to be made by approved persons in respect of the purchase or lease of dwellings by those persons from that housing authority, being dwellings the cost of providing which was directly or indirectly paid for in whole or in part out of moneys made available to that housing authority during the prescribed years.

State to furnish certain information for purposes of grant under section 5.

9.—(1.) The grant of financial assistance to a State under section 5 of this Act is, in addition to the condition specified in section 6 of this Act, subject to the condition that the State will comply with the succeeding provisions of this section.

(2.) As soon as practicable after the end of each prescribed year, there shall be furnished to the Minister a statement setting out—

- (a) the amount set aside by the State in that year for housing;
- (b) the amount credited in that year, out of the amount referred to in the last preceding paragraph, to the account maintained in the public accounts of the State in accordance with section 7 of this Act; and
- (c) the amount made available in that year, out of the amount referred to in paragraph (a) of this sub-section, for use by the housing authority of the State,

together with a certificate by the Auditor-General of the State as to the correctness of the statement.

(3.) As soon as practicable after the end of each year in which an amount is paid to the State under section 5 of this Act, there shall be furnished to the Minister—

- (a) a statement setting out—
 - (i) the portion of that amount that was credited to the account maintained in the public accounts of the State in accordance with section 7 of this Act; and
 - (ii) the portion of that amount that was applied by the housing authority of the State for the purpose referred to in sub-section (2.) of the last preceding section,
 together with a certificate by the Auditor-General of the State as to the correctness of the statement; and
- (b) such other information (if any) as the Minister requires in relation to the manner in which that amount was applied by the State.

10.—(1.) There is payable to the States, in each prescribed year, by way of financial assistance, an amount of One million two hundred and fifty thousand dollars.

Additional grants for purposes of rental assistance.

(2.) The amount payable to a State under this section in any year is such percentage of the amount payable to the States under this section in that year as is specified in the following table opposite to the name of that State.

State	Percentage
New South Wales	35.5
Victoria	26.5
Queensland	8.3
South Australia	12.2
Western Australia	11.5
Tasmania	6.0

11.—(1.) A grant of financial assistance to a State under the last preceding section in a year is subject to the condition that the amount of the grant is paid in that year to the housing authority of the State and is

Grants to be used to assist housing authorities to charge reduced rents.

used by that housing authority in that year for the purpose of leasing dwellings to needy persons at rents that are less than the rents ordinarily paid by approved persons in respect of those dwellings.

(2.) For the purposes of this section, a person is a needy person in relation to a dwelling if he is included in a class of persons whom the appropriate Minister of State of the State considers to have insufficient means to be able to pay the rent ordinarily paid by an approved person in respect of that dwelling.

State to furnish certain information for purposes of grant under section 10.

12. The grant of financial assistance to a State under section 10 of this Act is, in addition to the condition specified in the last preceding section, subject to the condition that, as soon as practicable after the end of each prescribed year, the State will furnish to the Minister—

- (a) a certificate by the Auditor-General of the State stating whether the amount of the grant paid to the State under section 10 of this Act in that year was paid to, and used by, the housing authority of the State in accordance with the last preceding section; and
- (b) such other information (if any) as the Minister requires in relation to the manner in which that amount was applied by the State.

Conditions as to repayments.

13. In addition to the conditions specified in any of the preceding provisions of this Act, payment of an amount to a State under this Act is subject to the condition that—

- (a) if the Minister informs the Treasurer of the State that he is satisfied that the State has failed to fulfil a condition applicable to that amount, the State will repay that amount to the Commonwealth; and
- (b) if that amount exceeds the amount properly payable, the State will repay the excess to the Commonwealth.

Method of making payments.

14. A grant payable to a State under this Act in a year shall be paid in such amounts and at such times during that year as the Minister determines.

Appropriation.

15. Payments for the purposes of this Act shall be made out of the Consolidated Revenue Fund, which is appropriated accordingly.