

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 8

Topic: First Home Owners Grant – Applications & ‘Boost’ Grant

Hansard Page: Written

Senator Payne asked:

1. A question on notice in February ([reference aet 45](#)) asked Treasury for advice on the number of applications for First Home Owners Grants made since the announcement of the doubling and tripling of the grant in October 2008. The answer, provided on 25 May 2009, stated that this level of information is not publicly available. Why will the Department not provide the number of FHOG applications that have been made in the last 12 months?
2. A question on notice in February ([reference aet 46](#)) asked for a breakdown of the 5,385 FHOG Boost applications that had been granted in November 2008 between the \$7,000 boost and the \$14,000 boost. Can such data be provided for each month between November 2008 and April 2009? The question was taken on notice and an answer provided on 25 May 2009. If the answer contains information that is not publicly available, why? Why will the Department not provide the breakdown of FHOG boost applications made that were for \$7,000 and those for \$14,000?
3. What is the total number of FHOG boost grants that have been provided in the six months between November 2008 and April 2009? How many homebuyers has this boost helped to purchase their first home?
4. How does this number compare to the six months between November 2007 and April 2008?
5. The appropriation of funding for the FHOG boost in October 2008 outlined in the MYEFO was \$1.184 billion. At present what amount of appropriations has been expended on the FHOG boost since October 2008? Budget papers indicate that only \$830 million had been taken up by homeowners. This amounts to approximately \$354 million shortfall in expenditure in the FHOG boost. Is this correct?
6. Has the level of take up of the FHOG boost led to any contemplation to extend the eligibility criteria applying to the grant more generally to a wider population of home buyers?

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Answer:

1. On 2 June 2009, the Minister for Housing released the take-up of the First Home Owners Boost since October 2008. This included a monthly breakdown of the take-up, disaggregated by state/territory. As the First Home Owners Scheme grant is a state- and territory-based scheme, publication of the number of recipients of the First Home Owners Scheme grant is a matter for the States and Territories.
2. The breakdown between the take-up of First Home Owners Boost grants for established housing and for new homes is not publicly available. The decision to release this level of information is a matter for the Government.
3. As per the data released by Minister for Housing on 2 June 2009, there were 78,033 recipients of First Home Owners Boost grants from November 2008 to April 2009.
4. Data on the First Home Owners Boost from November 2007 to April 2008 is not available as the First Home Owners Boost commenced in October 2008. As the First Home Owners Scheme is a state- and territory-based scheme, publication of the number of recipients of the First Home Owners Scheme grant is a matter for the States and Territories.
5. The MYEFO estimate for the Boost in 2008-09 was \$1.184 billion. The 2009-10 Budget reported a revised estimate for the Boost in 2008-09 of \$830.6 million. The numbers in both the MYEFO and the Budget are estimates. The Government does not publish year-to-date expenditure on the First Home Owners Boost.
6. Decisions regarding the eligibility criteria for the First Home Owners Boost are matters of policy for the Government.