



Kelly O'Dwyer MP
Minister for Revenue and Financial Services
Minister for Women
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Acting Treasurer

MEDIA STATEMENT

Friday, 12 January 2018

CONSULTATION ON KEY TURNBULL GOVERNMENT HOUSING MEASURES

Acting Treasurer, the Hon Kelly O'Dwyer MP, today released for public consultation exposure draft legislation to establish a new corporate Commonwealth entity, the National Housing Finance and Investment Corporation (NHFIC), to improve housing outcomes for Australians.

The NHFIC, which is due to commence operations on 1 July 2018, is an important part of the Government's *Reducing Pressure on Housing Affordability* plan announced in the 2017-18 Budget.

The Bill provides the NHFIC, which will be a financial intermediary, with broad functions to enable it to administer:

- a \$1 billion National Housing Infrastructure Facility (NHIF) which will help to finance critical infrastructure to increase the stock of housing, particularly affordable housing; and
- an affordable housing bond aggregator which will improve the efficiency of financing for community housing providers, enabling them to improve housing outcomes for their clients.

The exposure draft Bill reflects significant consultation on the broad design features of the NHFIC, including through a consultation paper in September-October 2017 and roundtables with interested stakeholders in each State and Territory.

Key aspects of the Bill are:

- The NHFIC will be established as a corporate Commonwealth entity, governed by an independent, skills-based part-time Board consisting of a Chair and between four and six other members.
- The Government will issue an Investment Mandate to sit alongside the Bill that will outline its expectations about the performance of the NHFIC's functions, including decision-making criteria and risk and return on investments, but may not direct the NHFIC in relation to specific investments.
- Liabilities of the NHFIC will be guaranteed by the Commonwealth.
- The Bill outlines the functions and powers of the NHFIC and its Board and Chief Executive Officer and it provides the capacity for the Board to establish committees to assist it.
- The operation of the Bill will be reviewed three years after its commencement.

An exposure draft of the Investment Mandate, providing details of the NHIF and bond aggregator (including eligibility) will be released for public consultation in the coming weeks.

Stakeholders are invited to comment on the draft Bill and associated explanatory material available on the [Treasury website](#). Submissions may be made by 9.00am on Monday 22 January 2018.

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