

REGIONAL RELOCATION (HOME BUYERS GRANT) AMENDMENT BILL 2013

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Bill introduced on motion by Mr Andrew Stoner, read a first time and printed.**Second Reading**

Mr ANDREW STONER (Oxley—Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services) [7.01 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Regional Relocation (Home Buyers Grant) Amendment Bill 2013. This amendment bill proposes legislative changes to the Regional Relocation (Home Buyers Grant) Act 2011, which established a grant scheme for home owner-occupiers in metropolitan areas if they sell their metropolitan home and purchase a regional home as their principal place of residence. The principal Act, combined with these proposed amendments, is designed to address skill shortages in regional areas as well as ease housing pressures in the metropolitan areas of New South Wales—that is, the Sydney metropolitan, Newcastle local government and Wollongong local government areas. These new measures are part of the Government's response to the final report of the NSW Decentralisation Taskforce. I acknowledge the efforts of the members for Lismore, Bathurst, Albury and Port Stephens, who were on that taskforce. The taskforce consulted widely across regional New South Wales with relevant stakeholders and recommended changes to the original relocation grant scheme.

These amendments are intended to improve the targeting of the scheme to economically active applicants and to minimise potential misuse for very short relocations or minor moves. The proposed legislative changes make provision for three sets of amendments to the principal Act that will take effect on 1 January 2014. These three sets of amendments are as follows: first, the extension of the original grant scheme to people residing in metropolitan homes that they do not own—that is, renters—who are prepared to relocate to a regional location in order to enter the regional housing market; secondly, the establishment of a new grant, called the Skilled Regional Relocation Incentive, which will be available to people undertaking an eligible employment relocation or an eligible self-employment relocation to a regional area; and, thirdly, general provisions to enhance and clarify the operation and functioning of the amended Act.

Eligible applicants under the first set of key amendments—the extension of the Regional Relocation Home Buyers Grant—must have lived in one or more metropolitan homes for a continuous period of two years under a lease, licence or other arrangement for valuable consideration. For non-home owners, rental history over a period of two continuous years can be established by a lease agreement or other form of documentary evidence so that people who have been renting without formal leases or who are not signatories to a lease can access the grant. To mitigate the potential misuse of the scheme in areas that border metropolitan and regional boundary lines, the amendment bill introduces "minor moves" clauses, which stipulate that each metropolitan home must be at least 100 kilometres in a direct line from the regional home that is purchased.

The second key amendment—the introduction of the Skilled Regional Relocation Incentive—provides for the payment of \$10,000 in two equal instalments to eligible applicants who relocate from metropolitan areas to regional areas to commence employment between 1 January 2014 and 1 July 2015. Importantly, the incentive is open to either relocations for eligible employment, which includes apprenticeships, or relocations for eligible self-employment. Like an applicant for a Regional Relocation Home Buyers Grant, an applicant for the incentive must have resided in one or more metropolitan homes for a continuous period of at least two years. Additionally, the eligible applicant must have been living in a metropolitan area within 12 months of commencing employment in the regional job for which they are relocating.

For the Skilled Regional Relocation Incentive to be payable to an applicant, the applicant must be employed on a full-time basis for at least two years in one or more regional areas. The two-year period does not have to be continuous if the applicant is employed on a full-time basis for at least two out of three consecutive years in an eligible regional location and meets all other eligibility criteria. "Minor moves" provisions limiting relocations less than 100 kilometres from the applicant's former home or place of employment also apply to the Skilled Regional Relocation Incentive. To ensure that the grant is restricted to only genuine regional relocations, the Chief Commissioner of State Revenue has been given discretionary powers under the legislation to call for further documentary evidence that can demonstrate the bona fides of grant recipients.

This initiative is also available to entrepreneurs and the self-employed, including people wishing to join or establish a regional-located partnership. To be eligible for self-employment relocation, applicants must relocate from a metropolitan area for the purposes of self-employment in a regional small business that they purchase or establish. An applicant establishing a regional small business will also be required to complete a small business advisory program approved by the Small Business Commissioner, such as the Small Biz Connect program, unless they are buying, and provide evidence of purchase, of 50 per cent or more of a partnership. Crucially, small business advisory programs such as Small Biz Connect will help businesses familiarise themselves with their new markets and provide business planning and diagnostic services that will ensure their long-term success and sustainability.

The third set of key amendments designed to refine the general scope, functioning and targeting of the scheme include: removal of the scheme target of 40,000 Regional Relocation Grants and the introduction of a funding cap that is subject to the available budget allocation, restriction of the scheme to one grant per household, and the extension of clawback provisions to both the expanded Regional Relocation Home Buyers Grant and the Skilled Regional Relocation Incentive where a person incurs a liability to repay an amount as outlined in the principal Act. These three sets of amendments will enhance the current scheme and provide more opportunities for skilled workers and property buyers to obtain financial assistance to regionally relocate. The Regional Relocation Grant and the Skilled

Regional Relocation Incentive both encourage regional New South Wales to continue its contribution to the prosperity and diversity of the State and should be supported by both sides of the House. The Government has always made known its intention to encourage balanced population and economic growth across the State as part of a suite of programs that have been termed "a decade of decentralisation". The Regional Relocation Grant and the Skilled Regional Relocation Incentive as amended by the bill make substantial contributions to those objectives. I commend the bill to the House.

Debate adjourned on motion by Mr Troy Grant and set down as an order of the day for a future day.