

**Second Reading**

**The Hon. GREG PEARCE** (Minister for Finance and Services, and Minister for the Illawarra) [9.00 p.m.]: I move:

That this bill be now read a second time.

The bill delivers on yet another election commitment by the O'Farrell Government in relation to our regional relocation homebuyers grant. As the second reading speech has been delivered in the other place, I seek leave to incorporate the remainder of my speech in *Hansard*.

**Leave granted.**

\This bill delivers on yet another election commitment by the O'Farrell Government to support and encourage growth in regional New South Wales.

The bill provides for a new Act to implement a key element of the Government's action plans to Make Sydney Liveable Again and to provide a Regional Kick-Start.

The Regional Relocation (Home Buyers Grant) Bill introduces a \$7 000 grant for families and individuals who relocate from the metropolitan areas of Sydney, Newcastle and Wollongong to regional New South Wales.

The grant will be available to a person who purchases a home in regional New South Wales to be used as the applicant's principal place of residence, and sells his or her former home in the metropolitan area.

The scheme will therefore assist with two complementary objectives—encouraging population growth in the regions, and reducing population pressures in Sydney.

The grant will be payable after settlement of the purchase of the home, and will compensate families for some of the substantial transaction costs involved in relocating home.

Eligibility for the grant will be subject to a number of criteria.

- The applicant must be an Australian citizen or permanent resident.
- The value of the property purchased in regional New South Wales must not exceed \$600,000.
- And the former home must have been sold within 12 months before, or be sold within 12 months after, the purchase of the home in regional New South Wales.

These criteria are consistent with those applying to the stamp duty concession for Empty Nesters, which has already been extended by the Government to apply to home buyers aged over 55 years.

In fact, the Regional Relocation Grant scheme complements the Empty Nesters concession in helping to free up housing stock in Sydney.

The bill provides that the metropolitan area includes local government areas in the Sydney

Statistical Division, plus the local government areas of Newcastle and Wollongong.

This is the same definition as applies to the payroll tax rebate under the Government's Jobs Action Plan. Once again, the Regional Relocation Grant complements another Government initiative, in this case supporting people relocating to the regions where the Jobs Action Plan delivers assistance for 40,000 new jobs created in regional New South Wales.

However, the Government acknowledges that not all parts of regional New South Wales want to encourage rapid population growth.

Local councils in regional areas who are concerned about local population pressures will have the choice of opting out of the scheme. The bill provides for any such council area to be excluded by the regulations under the Act.

The grant will apply to the purchase of a home between 1 July 2011 and 30 June 2015, provided a maximum of 40,000 grants will be payable. The scheme is estimated to provide assistance to approximately 7,000 applicants each year.

The scheme will be promoted by the Department of Trade, Investment, regional Infrastructure and Services in conjunction with other regional assistance schemes, but will otherwise be administered by the Office of State Revenue.

Adverse decisions by the Chief Commissioner of State Revenue will be subject to review by the Administrative Decisions Tribunal.

The Government is committed to policies that assist and encourage whole of state growth. The Regional Relocation Grant, together with our policies ensuring the regions get their fair share of jobs growth and infrastructure spending, will give regional New South Wales the kick-start it deserves.

And the grant will work together with policies such as the Empty Nesters stamp duty concession to facilitate better use of housing stock and reduce population pressures in Sydney.

A grant of \$7 000 provides a very real benefit to families relocating within New South Wales.

I commend the bill to the House.