

Question on Notice:

Mr STEPHEN BALI: This is more a question on notice: for that \$300 million investment program - I don't think I noticed in the presentations-is there an actual case study of that? Can you supply that?

MELINA MORRISON: Yes.

Response:

HOPE and the Police Bank have indicated that \$300m is the amount of investment they estimate is needed to bring the program to scale. It is an amount that will provide around 450 homes for essential workers and is a number able to be managed by the parties in an orderly way. That assessment is based on the last two years of experience where HOPE Housing and Police Bank deployed \$20 million to support essential workers into homeownership close to where they work.

Question on Notice:

Mr STEPHEN BALI: Secondly, instead of the government stumping up the \$300 million cash, is there a way to use another financial instrument in underwriting it. We do that for banks so they don't collapse. We pay and cover them. Couldn't we allow the finance sector to jump in there knowing that they're guaranteed a certain return or not losing a return. That may not cost the State Government \$300 million up-front. We don't have the money, I suppose.

MELINA MORRISON: Thank you for that question. I will take that on notice because I'm not representing HOPE Housing and I'm sure the different types of approaches could be explored.

Response:

The request is for government to make an emblematic investment (not a grant) in the scheme which will provide a net return on investment of up to 15% pa. This will send a message to the market and institutional investors including Superannuation Funds that this is a scheme worth investing which will provide a return on investment providing a social good. HOPE and Police Bank have advised that there is no other financial instrument that would be appropriate for this scheme.