



ANNO VICESIMO SECUNDO

ELIZABETHAE II REGINAE

A.D. 1973

No. 24 of 1973

An Act to authorize the execution by or on behalf of the State of an Agreement between the Commonwealth of Australia and States of Australia in relation to housing, and for other purposes.

[Assented to 20th September, 1973]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

- Short title.** 1. This Act may be cited as the "Housing Agreement Act, 1973".
- Interpretation.** 2. In this Act, unless the contrary intention appears—
- "Home Builders' Account No. 3" means the Home Builders' Account established for the purposes of Clause 23 of the Agreement:
- "the Agreement" means an agreement substantially in accordance with the form contained in the Schedule to this Act.
- Approval of execution of Agreement.** 3. (1) The execution by or on behalf of the State of the Agreement is authorized.
- (2) The Treasurer may do or cause to be done all things necessary and incidental to the carrying out and the giving of full effect to the Agreement as executed.

4. (1) After the execution of the Agreement the Treasurer, from the Home Builders' Account No. 3 and without any further appropriation other than this Act, may, subject to subsection (3) of this section, make loans to a lending authority of the State approved by the Minister for Housing of the Commonwealth as provided by the Agreement as executed.

Treasurer may make advances under the Agreement.

(2) Notwithstanding anything in any other Act or law, a lending authority referred to in subsection (1) of this section is by force of this section authorized to accept any loan made in accordance with that subsection and its borrowing powers are hereby extended accordingly.

(3) Subject to the Agreement, any loan made under this section shall be made by the Treasurer upon such terms and conditions as are from time to time fixed by the Treasurer.

5. (1) All money advanced to the State pursuant to the Agreement as executed other than money credited to the Home Builders' Account No. 3 pursuant to Clause 23 of that Agreement, shall be paid to a special account in the books of the Treasurer and the Treasurer may, out of the amounts so credited and without any further appropriation other than this Act from time to time pay to the South Australian Housing Trust such sums as are required for the purposes specified in that Agreement other than purposes specified in Part V of that Agreement.

Authority to make other payments.

(2) The Treasurer, out of money paid to him by the South Australian Housing Trust and out of money in the Home Builders' Account No. 3, shall, from time to time and without any further appropriation other than this Act, pay to the Commonwealth the amount which the State is required to pay to the Commonwealth under Clauses 12 and 13 of the Agreement as executed.

6. (1) Subject to this section, on or after the first day of July, 1973, the Treasurer may from time to time, out of moneys held by him on other accounts, advance any amount or amounts to the Home Builders' Account No. 3 so long as the sum of the amounts so advanced and not repaid do not at any time exceed the amount of one million dollars.

Treasurer may make advances.

(2) Any amount advanced by the Treasurer pursuant to subsection (1) of this section shall be subject to the payment of interest at such rate or rates as the Treasurer determines and shall be repaid from the Home Builders' Account No. 3 as soon as practicable from advances made to that account pursuant to the Agreement as executed.

Validation of
certain advances
to and loans
from the Home
Builders'
Account No. 3.

7. Any advance made to and loan or repayment made from the Home Builders' Account No. 3 and any advance made to or repayment made by the South Australian Housing Trust before the day of execution of the Agreement by or on behalf of the State shall be as lawful, valid and effectual in all respects as it would have been, had—

(a) this Act been passed and in operation;

and

(b) the Agreement been executed by or on behalf of the State,

before that advance, repayment or loan, as the case may be, was so made.

THE SCHEDULE

Section 2.

AN AGREEMENT made the day of One thousand nine hundred and seventy-..... Between THE COMMONWEALTH OF AUSTRALIA (in this Agreement called "the Commonwealth") of the first part, THE STATE OF NEW SOUTH WALES of the second part, THE STATE OF VICTORIA of the third part, THE STATE OF QUEENSLAND of the fourth part, THE STATE OF SOUTH AUSTRALIA of the fifth part, THE STATE OF WESTERN AUSTRALIA of the sixth part and THE STATE OF TASMANIA of the seventh part.

WHEREAS—

- (a) at conferences between Ministers for Housing of the Commonwealth and of the States proposals have been discussed in relation to the provision in the States of housing for the welfare of persons who are in need of governmental assistance if their housing requirements are to be met;
 - (b) the Commonwealth has proposed to the States that to further the provision of housing to meet those requirements the Commonwealth will grant to the States financial assistance under section 96 of the Commonwealth of Australia Constitution and that the terms and conditions on which the grant of financial assistance should be made are those set out in this Agreement;
- and
- (c) the Parliament of the Commonwealth has authorised the execution by and on behalf of the Commonwealth of this Agreement and the making of advances to the States in accordance with its provisions:

NOW IT IS HEREBY AGREED as follows:

PART I PRELIMINARY

- 1. This Agreement shall come into force in respect of the Commonwealth and of a State when it has been signed on behalf of the Commonwealth and has been signed on behalf of the State with the authority of the Parliament of the State or, having been signed on behalf of the State without that authority, is approved by the Parliament of the State. Commencement of Agreement.
- 2. Notwithstanding that in this Agreement all the States of New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania are named as parties, this Agreement shall operate as an agreement between the Commonwealth and the State or States in respect of which it comes into force as fully and effectually as if the State or States in respect of which it comes into force were the only State or States named as parties. Operation in respect of States.
- 3. The Commonwealth shall provide for or secure the performance by it and its authorities of the obligations of the Commonwealth under this Agreement and each of the States shall provide for or secure the performance by that State and its authorities of the obligations of that State under this Agreement. Performance of Agreement.

PART II INTERPRETATION

- 4. In this Agreement each State named as a party in respect of which the Agreement comes into force is referred to as a "State" and, except where the context otherwise indicates, the expression "the States" means all of those States. Reference to States.
- 5. Where in this Agreement a Minister of State of the Commonwealth or of a State is referred to, the reference shall include a Minister or other member of the Federal Executive Council or Minister of the relevant State, as the case may require, acting on behalf of the Minister referred to. References to Ministers.
- 6. In this Agreement, unless the contrary intention appears or the context otherwise requires— Definitions.
 - "aged person" means a person who has reached the age that is determined by the Commonwealth as pensionable for aged persons;

"dwelling" means a dwelling-house or flat and includes such fences, outbuildings and other improvement and such connexions for sewerage, drainage, water, electricity, gas and other services as are provided or are reasonably required to be provided for the dwelling-house or flat;

"family dwelling" means a dwelling constructed or purchased by a State Housing Authority as being suitable for allocation to a family unit consisting of a couple, with or without children, or of a parent or guardian with one or more children;

"financial year" means a period of twelve months commencing on the first day of July;

"Housing Authority" in relation to a State, means—

(a) in the case of New South Wales—The Housing Commission of New South Wales;

(b) in the case of Victoria—the Housing Commission constituted under the Housing Act 1958 of that State as amended and in force for the time being;

(c) in the case of Queensland—The Queensland Housing Commission;

(d) in the case of South Australia—the South Australian Housing Trust;

(e) in the case of Western Australia—The State Housing Commission constituted under the State Housing Act 1946 of that State as amended and in force for the time being;

and

(f) in the case of Tasmania—the Director of Housing holding office under the Homes Act 1935 of that State as amended and in force for the time being;

"the Home Builders' Account" means the account of a State referred to in clause 23 and, if that account is incorporated into another account or consolidated with other accounts as mentioned in subclause (2) of that clause, means the account resulting from the incorporation or consolidation;

"the Minister" means the Minister for Housing of the Commonwealth or other Minister of State of the Commonwealth for the time being responsible for the administration of this Agreement for the Commonwealth;

"the State Minister" means the Minister of State of the State for the time being responsible for the administration of this Agreement for the relevant State.

Construction of Agreement.

7. In this Agreement, unless the contrary intention appears—

(a) a reference to a Part or to a clause is to a Part or a clause of this Agreement, as the case may be;

(b) words importing the masculine gender also import the feminine and, where appropriate, the neuter;

and

(c) words in the singular number include the plural and vice versa.

PART III

FINANCIAL ASSISTANCE

Financial Assistance.

8. (1) During the financial years of this Agreement the Commonwealth will provide financial assistance to the States for welfare housing purposes by way of advances upon and subject to the terms of this Agreement.

(2) The financial years of this Agreement shall be the five financial years commencing on the first day of July in the years 1973, 1974, 1975, 1976 and 1977.

Allocation of Assistance.

9. (1) Of the total amount of the advances by the Commonwealth to the State under this Agreement in respect of a financial year, portion (in this Agreement referred to as Housing Authority advances) shall be for allotment by the State to the Housing Authority of the State for the provision of housing in accordance with Part IV and the other portion (in this Agreement referred to as Home Builders' Account advances) shall be for payment into the Home Builders' Account of the State for application in accordance with Part V.

(2) Subject to subclause (3) of this clause, the amount of the Home Builders' Account advances to be made to a State in respect of a financial year shall be not less than 20 per centum nor more than 30 per centum of the total amount of the advances to be made by the Commonwealth to the State under this Agreement in respect of the financial year.

(3) Where a State has in each of the two financial years immediately preceding the first day of July 1973 allocated to its Home Builders' Account from the amount set aside for housing within the meaning of subsection (2) of section 3 of the *States Grants (Housing) Act 1971* in excess of 30 per centum of that amount, the State may, if at the request of the State Minister the Minister so approves, allocate as Home Builders' Account advances in respect of a financial year of this Agreement more than 30 per centum of the total amount of the advances under this Agreement in respect of that financial year.

10. (1) Each State shall, not later than the fifteenth day of May preceding the beginning of a financial year of this Agreement, inform the Minister of the amounts that the State wishes the Commonwealth to advance to it under this Agreement in respect of the financial year for—

Amount of Advances.

- (a) the provision of welfare housing by the Housing Authority of the State;
- and
- (b) payment to the Home Builders' Account of the State.

(2) After consultation with the State Minister on the requirements of the State for welfare housing, during which regard shall be taken, among other relevant matters, of the numbers seeking assistance, the cost of land and of dwelling construction and the capacity of the State to use advances, the Minister shall determine the amounts to be advanced to the State in respect of the financial year as Housing Authority advances and as Home Builders' Account advances in accordance with clause 9.

11. The advances to be made by the Commonwealth to a State under this Agreement in respect of a financial year shall be made available by the Commonwealth during that financial year by equal monthly instalments unless otherwise agreed between the Treasurer of the Commonwealth and the Treasurer of the State.

Instalments of Advances.

12. (1) Each advance made by the Commonwealth to a State under this Agreement or so much of each advance as for the time being remains unrepaid by the State shall until repayment as provided in clause 13 bear interest computed from the date upon which the advance is made.

Interest.

(2) The rate of interest shall be—

- (a) in respect of Housing Authority advances—4 per centum per annum;
- and
- (b) in respect of Home Builders' Account advances—4½ per centum per annum.

(3) A State will on the thirty-first day of December and the thirtieth day of June of a financial year during which advances are made to the State by the Commonwealth under this Agreement pay to the Commonwealth the interest that has accrued on those advances up to the date of the payment of the interest.

13. (1) Each State will repay to the Commonwealth the amount of each advance made to the State under this Agreement, and will pay the interest thereon as provided in clause 12 other than that payable under subclause (3) of that clause, by equal annual instalments of principal and interest so that the amount of the advance, together with the interest, will be repaid in 53 years from the beginning of the financial year next succeeding the financial year in respect of which the advance was made, the first such instalment being payable on or before the end of the financial year next succeeding the financial year in respect of which the advance was made.

Repayment of Advances.

(2) Accounting procedures in respect of the repayment of advances will be as agreed upon between the Treasurer of the Commonwealth and the Treasurer of each State or, in default of agreement, as determined by the Treasurer of the Commonwealth, but nothing in this subclause shall affect the other provisions of this Agreement.

PART IV

HOUSING AUTHORITY ADVANCES

14. Housing Authority advances shall be used by the State for the provision through its Housing Authority of welfare housing in accordance with this Agreement and, without prejudice to the generality of the foregoing, may be used by the Housing Authority for the following purposes—

Use of Advances.

- (a) to meet the costs of acquisition and development of land primarily for residential purposes;
- (b) to meet the cost of construction of dwellings;

(c) to meet the cost of purchase and upgrading and renovation of dwellings, and of substantial improvements to its existing dwellings but not so as to include the cost of maintenance of any dwellings;
and

(d) subject to the approval of the Minister, to provide bridging finance for community amenities that are not the responsibility of the Housing Authority.

Allocation of Dwellings.

15. (1) Dwellings for the provision of which Housing Authority advances have been used and which become available for allocation during the period of five years commencing on the first day of January 1974 shall be allocated by the Housing Authority of the State for rental or for purchase by applicants for housing assistance in accordance with this clause and the other provisions of this Part.

(2) The dwellings shall be allocated so that—

(a) not less than 85 per centum of the family dwellings that are allocated for the first time;

(b) all of the dwellings built for couples, without dependants, of which the main breadwinner is an aged person or an invalid;
and

(c) all of the dwellings built for single aged persons and for invalids, are allocated to families and other persons who respectively satisfy the needs tests set out in clause 16.

(3) Subject to the granting of priorities in cases of urgent need, dwellings shall be allocated to persons in order of lodgement or of acceptance by the Housing Authority of applications for housing assistance.

(4) A Housing Authority shall not be required by the provisions of this clause to allocate a dwelling to a family or other person where the circumstances are such that, in the opinion of the Housing Authority, the family or other person does not require housing assistance of the nature that is provided for by this Part.

Needs Tests.

16. (1) The needs tests referred to in subclause (2) of clause 15 for the purpose of the allocation of dwellings are—

(a) for a family, which shall consist of not less than a couple, with or without children, or of a parent or guardian with one or more children—that the average gross weekly income of the main breadwinner (exclusive of any overtime and child endowment payments) during the six months immediately prior to the allocation of the dwelling does not exceed—

(i) where the family does not include more than two children—85 per centum of average weekly earnings;

(ii) where the family includes more than two children—85 per centum of average weekly earnings plus two dollars for each child beyond the second;

(b) for a couple, without dependants, of which the main breadwinner is an aged person or an invalid—that the gross weekly income of the main breadwinner (exclusive of any overtime) does not at the time of allocation of the dwelling exceed 60 per centum of average weekly earnings;

(c) for a single aged person or an invalid—that the gross weekly income of that person at the time of allocation of the dwelling does not exceed 40 per centum of average weekly earnings.

(2) For the purposes of subclause (1) of this clause “average weekly earnings” means the average weekly earnings per employed male unit in the State or in Australia (as to which the State may elect) during the December quarter in respect of which statistics were last published by the Commonwealth Statistician prior to the date of allocation of the relevant dwelling.

Variation of Needs Test.

17. (1) At the initiative of the Minister and with the concurrence of the State Minister or Ministers concerned or at the request of the State Minister or Ministers concerned, the Minister may at any time vary all or any of the needs tests provided for by clause 16 either generally in respect of a State or States or specifically in relation to specified categories of persons or to localities or locations.

(2) A variation under subclause (1) of this clause shall be in writing under the hand of the Minister and as soon as practicable after a variation is made a copy shall be forwarded to the Minister for Housing of each State.

18. Each State will ensure that the number of family dwellings allocated by the Housing Authority of the State during each of the five calendar years commencing on the first day of January 1974 to persons eligible as families under this Agreement shall be at least the equivalent of the sum of—

Total
Allocation of
Family
Dwellings.

(a) the total number of the family dwellings for the provision of which Housing Authority advances have been used and which become available during the relevant calendar year for allocation for the first time;

and

(b) 25 per centum of the number of the family dwellings for the provision of which advances by the Commonwealth under this Agreement and under previous Commonwealth-State Housing Agreements have been used and which become available during the year for re-allocation by the Housing Authority by way of rental vacancies and of reversion or reversion of dwellings that had been sold.

19. (1) Subject to subclause (2) of this clause, the Housing Authority of a State shall not sell more than 30 per centum of the family dwellings for the provision of which Housing Authority advances have been used and which are completed or purchased during the period of five years commencing on the first day of January 1974.

Limitations
and Restraints
on Sales of
Family
Dwellings.

(2) In the case of the State of Tasmania the percentage of family dwellings referred to in subclause (1) of this clause that may be sold shall not exceed—

(a) during the year commencing on the first day of January 1974—50 per centum;

and

(b) during the year commencing on the first day of January 1975—40 per centum.

(3) A dwelling that may be sold under subclause (1) or (2) of this clause shall be sold only to a purchaser who represents a family the income of whose main breadwinner at the time of sale does not exceed the relevant income limit referred to in paragraph (a) of subclause (1) of clause 16 (as at any time varied in accordance with clause 17) except that a dwelling may be sold to the Director of Defence Service Homes to enable such a purchaser to purchase the dwelling from the Director in order to obtain assistance under the *Defence Service Homes Act 1918-1973* as amended from time to time.

(4) Except with the approval of the Minister, sales of family dwellings in conformity with this clause shall be made on terms under contracts of sale.

(5) The State shall ensure that a purchaser of a family dwelling will not be entitled to dispose of the dwelling (except by release or resale to the Housing Authority of his interest in the dwelling) during the period of not less than five years after the date of sale and that after the expiration of that period a purchaser who proposes to sell a family dwelling may be required by the Housing Authority to offer to the Housing Authority the release or resale of his interest in the dwelling on the basis of the fair market value of the dwelling and the land on which it is built at the time of the offer.

(6) Nothing in this clause shall preclude the sale or other disposal by the Housing Authority of the State, subject to the approval of the Minister, of land on which a dwelling is erected where the land is required for public purposes not of a residential character or in other circumstances which the State establishes to the satisfaction of the Minister justify the sale or disposal.

20. (1) Dwellings built with Housing Authority advances and completed after the thirty-first day of December 1973 shall not be sold for a price that is less than one-half of the sum of the cost to the Housing Authority of the dwelling and the land on which it is built and the fair market value of the dwelling and the land on which it is built at the date of sale.

Sale Price
and Interest.

(2) The interest charge, which shall include an element for the costs of administration by the Housing Authority of the contract of sale, to purchasers of dwellings shall not be less than 5 per centum per annum nor more than 5½ per centum per annum.

21. A State shall arrange for the financial position in regard to the rental activities of its Housing Authority to be reviewed at least once in each financial year and shall ensure that rents are adjusted whenever an increase would appear to be justified.

Review of
Rentals.

22. To the maximum extent reasonably practicable—

(a) dwellings built with Housing Authority advances shall be intermingled with dwellings privately constructed;

and

(b) a State Housing Authority will acquire some blocks in areas developed or to be developed privately and will construct and let dwellings on those blocks.

Distribution of
Dwellings.

PART V

HOME BUILDERS' ACCOUNT ADVANCES

**Home Builders
Account.**

23. (1) Each State shall pay the Home Builders' Account advances made to the State to an account in the public accounts of the State to be known for the purposes of this Agreement as "the Home Builders' Account".

(2) A State may arrange for the Home Builders' Account to be incorporated into the account established and operated under that name for the purposes of the 1956-1966 Housing Agreement or into the account opened and maintained in accordance with section 7 of the *States Grants (Housing) Act 1971* or for all three of those accounts to be consolidated but any such incorporation or consolidation shall not affect the operation of this Part with respect to loans from Home Builders' Account advances under this Agreement.

(3) The Home Builders' Account shall be credited also with the moneys received by the State from building societies and approved lending authorities in repayment of principal and interest in respect of loans made by the State to those societies and authorities under this Agreement and shall be debited with the repayments of principal and the payments of interest payable by the State to the Commonwealth under clause 13 in respect of Home Builders' Account advances to the State under this Agreement and with any expenses incurred by the State in providing finance for prospective home owners in accordance with this Agreement.

(4) The moneys standing to the credit of the Home Builders' Account (after allowing for amounts with which the Account is to be debited under the last preceding subclause) shall be used by the State for the purpose of the provision of finance for prospective home owners in the State by way of loans to terminating building or co-operative housing societies (in this Part referred to individually as a "society") or to a lending authority of the State approved by the Minister so that the societies or the authority may make loans (in this Part referred to individually as "a loan to a home owner") to assist the borrowers to build or purchase homes for themselves and their families.

**Eligibility of
Borrowers.**

24. (1) To be eligible to obtain a loan to a home owner the borrower will be required to represent a family which consists or will consist of not less than a couple, with or without children, or of a parent or guardian with one or more children, of which the average gross weekly income of the main breadwinner (inclusive of overtime and exclusive of child endowment payments) during the six months immediately prior to application for the loan does not exceed—

- (a) where the family does not include more than two children—95 per centum of average weekly earnings;
- (b) where the family includes more than two children—95 per centum of average weekly earnings plus two dollars for each child beyond the second.

(2) For the purposes of subclause (1) of this clause "average weekly earnings" has the meaning attributed to that expression in subclause (2) of clause 16.

(3) At the initiative of the Minister and with the concurrence of the State Minister or Ministers concerned or at the request of the State Minister or Ministers concerned, the Minister may at any time vary the needs test provided for by subclause (1) of this clause either generally in respect of a State or States or specifically in relation to specified categories of persons or to localities or locations.

(4) A variation under subclause (3) of this clause shall be in writing under the hand of the Minister and as soon as practicable after a variation is made a copy shall be forwarded to the Minister of Housing of each State.

(5) Where a society or lending authority has entered into an obligation before the first day of July 1973 to make a loan to a borrower of moneys to be provided from any of the accounts mentioned in subclause (2) of clause 23 and the whole or a part of that loan was not made by the thirtieth day of June 1973, the loan or the balance of the loan, as the case may be, may be made from moneys standing to the credit of the Home Builders' Account notwithstanding that the average gross weekly income of the main breadwinner in the family exceeds the relevant limitation in subclause (1) of this clause.

**Minimum
Equity.**

25. A loan to a home owner shall not be made except on the condition that the borrower shall be bound to provide an equity of not less than 3 per centum of the valuation by the society or lending authority of the property in respect of which the loan is made.

26. The amount that is charged by the society or lending authority in respect of a loan to a home owner by way of interest and management fee shall not exceed the equivalent, calculated with annual rents, of $5\frac{1}{2}$ per centum per annum of the amount of the loan that for the time being remains to be repaid.

Charges for Loans.

27. A loan to a home owner may be made for the purpose of the purchase of a new or previously occupied dwelling and may be made in respect of a dwelling to be purchased from a State Housing Authority where the dwelling has not been built with Housing Authority advances under this Agreement.

Homes for Purchase.

PART VI
MISCELLANEOUS

28. A State Minister will, upon request by the Minister, supply to the Minister such information relevant to the operation of this Agreement in respect of the State as is reasonably so requested.

Supply of Information.

29. This Agreement shall be known and may be referred to as "the 1973 Housing Agreement".

Title of Agreement.

IN WITNESS WHEREOF, ETC.

In the name and on behalf of Her Majesty, I hereby assent
to this Bill.

M. L. OLIPHANT, Governor