

2004-2005-2006

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

**DEFENCE FORCE (HOME LOANS ASSISTANCE) AMENDMENT BILL
2006**

EXPLANATORY MEMORANDUM

(Circulated by the Minister for Defence, the Hon. Dr. Brendan Nelson MP)

DEFENCE FORCE (HOME LOANS ASSISTANCE) AMENDMENT BILL 2006

OUTLINE

This Bill will amend the Defence Force (Home Loans Assistance) Amendment Bill 2006 to extend the operation of the Defence HomeOwner Scheme for a further 12 months beyond its current finishing date of 31 December 2006.

The purpose of the Bill will be to:

- provide the Department of Defence with the opportunity to conduct a review of home ownership assistance that is more appropriate to the contemporary home loan market,
- permit the issue of certificates of entitlement that establish ADF members eligibility and access to the assistance up to 31 December 2007;
- preserves the entitlement of ADF members who are eligible to assistance under the Defence HomeOwner Scheme, but have not accessed the entitlement, pending the implementation of revised assistance;
- gives effect to an agreement reached between the Commonwealth and the National Australia Bank, as the sole provider, to extend the current franchise date to 31 December 2007

FINANCIAL IMPACT

The amendments in the Bill have no financial impact.

Defence Force (Home Loans Assistance) Amendment Bill 2006

NOTES ON CLAUSES

Clause 1: Short Title

1. This clause is a formal provision specifying the short title of the Bill as the *Defence Force (Home Loans Assistance) Amendment Act 2006*

Clause 2: Commencement

2. This Act commences on the day on which it receives the Royal Assent

Clause 3: Definitions

3. The definition of *finishing day* is amended by omitting 31 December 2006 and substituting 31 December 2007