

RENTAL HOUSING POLICY

**724. Hon BARRY HOUSE to the Minister for Housing and Works:**

With reference to rental housing policy changes made since the change of government -

- (1) Why has the policy of withholding rental housing for declared bankrupts been scrapped?
- (2) How does the minister justify the extension of bond assistance to include temporary protection visa holders, better known as refugees?

**Hon TOM STEPHENS replied:**

- (1)-(2) A practice built up, I am advised, whereby people were utilising bankruptcy provisions to effectively remove from themselves obligations to tackle their financial liabilities with the old Ministry of Housing. The law on bankruptcy provisions has been under review. I understand the provisions have effectively been removed as a mechanism for conveniently allowing people to discharge their obligations for housing rents. From the recent experience of the department, the technique has effectively disappeared. In those circumstances, the advice came to me that there would be a limited use of the procedure in the future and that there would be no major difficulty in removing it as a policy. I encouraged the department to take the issue to the board of the old Housing Commission whose chairman, Lloyd Guthrie, served on it for a number of years. The board's advice was the same as the department's. They encouraged me to alter the policy in the way that has been identified, so I did.