



5 November 2021

Mr Jason Lange  
Executive Director  
Office of Best Practice Regulation  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Email: [helpdesk-OBPR@pmc.gov.au](mailto:helpdesk-OBPR@pmc.gov.au)

Dear Mr Lange

### **REGULATION IMPACT STATEMENT – HOME GUARANTEE SCHEME – SECOND PASS FINAL ASSESSMENT**

Thank you for your response and comments on the formal first pass Regulation Impact Statement (RIS) prepared for the analysis of the Home Guarantee Scheme. I am satisfied that the attached updated RIS addresses the matters raised as part of the first pass assessment.

Consistent with your correspondence, the second-pass RIS further develops its analysis of the policy problem and analyses the factors contributing to declining rates of home ownership. It articulates the role the RIS has and will play in the policy development process and assumptions underpinning the regulatory burden estimates have been included.

The RIS draws heavily upon consultation undertaken with relevant stakeholders as part of the recent Statutory Review of the Operation of the *National Housing and Finance Investment Corporation Act 2018* which included a review of the First Home Loan Deposit Scheme and examines the feedback and options suggested as part of these consultations. This consultation process included the major stakeholders relevant to this proposal and comprehensively assessed the impacts of government home buyer guarantee schemes. This RIS also considers the recommendations which the Statutory Review made in relation to government home buyer guarantee schemes.

Analysis of the policy options presented in the RIS have been expanded to more fully take account of the impacts on individuals, the lenders mortgage insurance sector and the broader impacts on the housing market. Analysis of the impact to Government from expansion of the guarantee scheme is also included including default risks under the scheme and associated costs to Government.

Given this RIS is being prepared to inform a decision which is yet to be taken by Government, the first decision point has not been reached and therefore this RIS constitutes advice to Government as part of that decision making process.

FIND TREASURY ON   

I submit the certified RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely

A handwritten signature in blue ink that reads "B. Goldsworthy". The signature is written in a cursive style with a prominent initial "B" and a long, sweeping tail.

Brenton Goldsworthy  
Acting Deputy Secretary, Fiscal Group  
Treasury