



Defence Home Ownership Assistance Scheme (Average House Price and Median Interest Rate) Determination 2018

I, Elizabeth Anne Sisley, as delegate of the Minister for Defence, make the following determination.

Dated 8 June 2018

Elizabeth Anne Sisley
Acting Assistant Secretary
People Policy and Employment Conditions
Department of Defence

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Part 1—Preliminary

1 Name

This instrument is the *Defence Home Ownership Assistance Scheme (Average House Price and Median Interest Rate) Determination 2018*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	1 July 2018.	1 July 2018

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under sections 52 and 53 of the *Defence Home Ownership Assistance Scheme Act 2008*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

5 Definitions

Note: A number of expressions used in this instrument are defined in the Act, including the following:

- (a) authorisation day;
- (b) monthly authorisation period.

In this instrument:

Act means the *Defence Home Ownership Assistance Scheme Act 2008*.

Canstar means Canstar Pty Limited ACN 053 646 165.

Section 6

Part 2—Average house price and median interest rate

6 Average house price

For the purposes of subsection 52(1) of the Act, the amount mentioned in column 2 of an item in the following table is the average house price in relation to the financial year mentioned in column 1 of the item.

Average house price		
Item	Column 1 Financial year	Column 2 Average house price
1	2008-2009	\$467,897
2	2009-2010	\$429,073
3	2010-2011	\$494,432
4	2011-2012	\$508,098
5	2012-2013	\$483,440
6	2013-2014	\$520,271
7	2014-2015	\$579,486
8	2015-2016	\$609,518
9	2016-2017	\$661,729
10	2017-2018	\$700,317
11	2018-2019	\$741,603

7 Median interest rate

- (1) For the purposes of section 53 of the Act, this section sets out the method for working out an interest rate for a monthly authorisation period for the purposes of paragraph (a) of the definition of **median interest rate** in subsection 53(2) of the Act.

Step 1

- (2) List and number, in ascending order of value, the monthly interest rates published by Canstar in relation to owner-occupier standard variable home loans offered by lending institutions in Australia, at the authorisation day.
- (3) If an interest rate of the same value is offered by more than one lending institution, list those institutions in alphabetical order.

Step 2

- (4) If the list compiled under step 1 contains an odd number of entries, determine the interest rate that is, numerically, the middle of the list.

Example: If a list contains 11 entries, the interest rate in the sixth entry in the list would be determined.

Section 7

- (5) If the list compiled under step 1 contains an even number of entries:
- (a) identify the 2 interest rates that are either side of the numerical middle of the list; and
 - (b) calculate the sum of the 2 interest rates identified under paragraph (a); and
 - (c) divide the sum calculated under paragraph (b) by 2.

Example: A list contains 12 entries. The interest rate in the sixth entry is 4.6%. The interest rate in the seventh entry is 4.8%. The interest rate identified under step 2 would be $4.6\% + 4.8\% = 9.4\%$. Divide this sum by 2. The interest rate determined is 4.7%.

- (6) The result in step 2 is the interest rate for the purposes of paragraph (a) of the definition of ***median interest rate*** in subsection 53(2) of the Act for the monthly authorisation period.

Schedule 1—Repeals

Defence Home Ownership Assistance Scheme (Average House Price and Median Interest Rate) Determination 2008

1 The whole of the instrument

Repeal the instrument.