

A Bill to facilitate the withdrawal of \$11.4 billion annually from the National Housing Trust (NHT), to provide budgetary support for the Government over the next four years, was tabled in the House of Representatives, on Tuesday, February 26.

The Bill, entitled the National Housing Trust (Special Provisions) Act 2013, was tabled by Minister of Finance and Planning, Dr. the Hon. Peter Phillips, on behalf of Prime Minister the Most Hon. Portia Simpson Miller.

According to the Memorandum of Objects and Reasons, the legislation will enable the NHT to provide financial support for fiscal consolidation for the period beginning with financial year 2013/2014 and ending at financial year 2016/2017.

The Bill notes that since its incorporation in 1976, the NHT has operated profitably while delivering on its mandate of providing affordable housing solutions.

"The NHT is therefore in a position to facilitate the Government in achieving these fiscal targets by making a contribution of \$11.4 billion annually for the above mentioned period. Importantly, this contribution will enable the Government to undertake necessary expenditure to bolster social and physical infrastructure, particularly in areas where construction is being undertaken by the NHT," it says.

The Bill also states that the financing may be by way of distribution, grant or otherwise, as the Minister of Finance may determine.

On February 12, the Finance Minister announced that the NHT will be asked to make a contribution of \$11.4 billion per year, over the life of a new agreement with the International Monetary Fund (IMF).

He noted that the measure was part of the fiscal consolidation efforts and will not result in any change in the mandate of the NHT to provide affordable housing.

"The distribution will not impair the viability of the Trust and will not reduce its capacity to build houses for the Jamaican people, who need houses," he stated.

The Minister told the Lower House that the NHT will remain committed to its core objectives and will ensure that the housing and community development programmes are maintained.