

1987

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

PRIMARY INDUSTRY BANK REPEAL BILL 1987

REPLACEMENT EXPLANATORY MEMORANDUM

(Circulated by the Authority of the Treasurer, the
Hon P.J. Keating, MP)

THIS MEMORANDUM REPLACES THE EXPLANATORY MEMORANDUM PRESENTED
TO THE HOUSE OF REPRESENTATIVES ON 18 SEPTEMBER 1987

PRIMARY INDUSTRY BANK REPEAL BILL 1987

GENERAL OUTLINE AND MAIN PURPOSE

The purpose of the Bill is to seek the repeal of the Primary Industry Bank Act 1977 and to make certain consequential amendments to the Banking Act 1959. The Act is now redundant following the sale of the Government's interest in the Primary Industry Bank to the Rural and Industries Bank of Western Australia and the granting of a banking authority to the Primary Industry Bank under Section 9 of the Banking Act 1959 on 30 June 1987.

The main provisions of the Bill:

- . provide for the repeal of -
 - Primary Industry Bank Act 1977
 - Primary Industry Bank Amendment Act 1978
 - Primary Industry Bank Amendment Act (No.2) 1978; and
- . make consequential amendments to the Banking Act 1959 to ensure that the provisions of the Banking Act 1959 apply to PIBA in the same way as they apply to all other trading banks.

FINANCIAL IMPACT STATEMENT

The Bill has no financial implications.

NOTES ON CLAUSES

CLAUSE 1 - SHORT TITLE

Self explanatory.

CLAUSE 2 - COMMENCEMENT

The Bill will come into effect on the day it receives Royal Assent.

CLAUSE 3 - REPEAL

This Clause provides for the repeal of three Acts relating to the establishment and operations of the Primary Industry Bank of Australia. These Acts are:-

- Primary Industry Bank Act 1977
- Primary Industry Bank Amendment Act 1978
- Primary Industry Bank Amendment Act (No.2) 1978.

CLAUSE 4 - CONSEQUENTIAL AMENDMENTS

This Clause sets out in a schedule certain consequential amendments to the Banking Act 1959. Following the granting of a banking authority to the Primary Industry Bank under Section 9 of the Banking Act, these amendments will ensure that the provisions of the Banking Act apply to the Primary Industry Bank in the same way as they apply to all other trading banks.

SCHEDULE - AMENDMENTS OF THE BANKING ACT 1959

Subsection 5(1) (definition of 'bank', 'Primary Industry Bank of Australia').

Following the granting of a banking authority to the Primary Industry Bank under the Banking Act, there is no longer a need to make specific reference to the Primary Industry Bank in this section.

Subsection 10(4)

This subsection extends the application of subsection 10(3), which applies to banks granted banking authorities under Section 9 of the Banking Act, to the Primary Industry Bank. As the Primary Industry Bank now holds a banking authority granted under the Banking Act, this is no longer necessary.

Subsection 17(2)

This subsection deals with how certain deposits by the Primary Industry Bank with a trading bank are to be treated in defining 'Australian deposits'. Now that the Primary Industry Bank is a trading bank, it is covered by the definition set out in subsection 17(1).

Subsection 36(4)

This subsection extends certain provisions relating to advances by trading and savings banks to the Primary Industry Bank. Now that the Primary Industry Bank is a trading bank, this is no longer necessary.