

Reserve Bank Act 1959

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Contents

Part I—Preliminary	1
1 Short title [<i>see</i> Note 1]	1
2 Commencement [<i>see</i> Note 1]	1
4 Repeal and saving	1
5 Interpretation	1
6 Application to Territories	2
6A Cessation of application to Territory	2
Part II—Constitution, Policy and Management of the Reserve Bank	3
7 The Reserve Bank of Australia	3
8 General powers	3
9 Establishment of Reserve Bank Board	3
10 Functions of Reserve Bank Board	4
11 Differences of opinion on questions of policy	4
12 Management of the Bank	5
13 Governor and Secretary to Treasury to establish liaison	5
Part III—The Reserve Bank Board and the Governor and Deputy Governor of the Bank	6
14 Membership of Board	6
15 Remuneration of members	6
16 Declaration by members	7
17 Disqualifications from membership	7
18 Termination of appointment	7
18A Leave of absence	8
19 Vacancies not to invalidate proceedings	8
20 Chairperson and Deputy Chairperson	8
21 Meetings of Board	8
21A Exclusion of Governor and Deputy Governor from certain deliberations	9
22 Deputy Secretary may attend meetings of Board	9
23 Disclosure of interest in contracts	9
24 Governor and Deputy Governor	9
24A Terms and conditions of employment not provided for by Act	10
25 Vacation of Office	10
Part IV—Central Banking	11
26 Reserve Bank to act as a central bank	11
27 Bank to be banker for Commonwealth	11
28 Capital	11

29	Reserve Fund	11
30	Profits.....	11
31	Publication of sterling exchange rates.....	12
Part V—The Note Issue		13
32	Interpretation.....	13
34	Issue, re-issue and cancellation of notes	13
35	Denominations of notes	13
36	Notes to be legal tender.....	13
37	Signature on notes.....	14
43	Bank not to issue bank notes.....	14
44	Other persons not to issue notes.....	14
45	Reference to Wednesday.....	14
Part VII—The Reserve Bank Service		15
66	Appointment of officers.....	15
67	Temporary and casual employees	15
68	Requirements for appointment.....	15
69	Regulations for Reserve Bank Service	16
70	Superannuation fund	16
71	Borrowing by officers	16
73	List of officers.....	16
Part VIII—Miscellaneous		17
74	Head office.....	17
75	Agents etc.	17
76	Attorney of Bank.....	17
77	Guarantee by Commonwealth.....	17
78	Determination of net profits	17
79	Taxation	18
79A	Secrecy.....	18
79B	Secrecy: documents or information to which section 79A does not apply	21
80	Audit	21
81	Annual reports and financial statements	22
81A	Information relating to remuneration of Governor and Deputy Governors	23
82	Returns.....	23
83	Power to improve property and carry on business	24
84	Execution of contracts.....	24
85	Judicial notice of seals	24
85A	Judicial notice of statistical information published by Bank.....	25
86	Priority of debts due by other banks.....	25
87	Validity of acts and transactions of Bank.....	25

89	Regulations	25
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An Act relating to the Reserve Bank of Australia, and for other purposes

Part I—Preliminary

1 Short title [see Note 1]

This Act may be cited as the *Reserve Bank Act 1959*.

2 Commencement [see Note 1]

This Act shall come into operation on a date to be fixed by Proclamation.

4 Repeal and saving

- (1) The following Acts are repealed:

Commonwealth Bank Act 1945;

Commonwealth Bank Act 1948;

Commonwealth Bank Act 1951;

Commonwealth Bank Act 1953.

- (2) Subsection (1) does not affect the operation of any amendment of an Act made by an Act referred to in that subsection or any provision for the citation of an Act as so amended.

5 Interpretation

- (1) In this Act, unless the contrary intention appears:

Australia includes the Territories.

bank means a person carrying on the business of banking.

Deputy Governor means a Deputy Governor of the Bank.

officer or *officer of the Bank* means an officer of the Reserve Bank Service.

repealed Act means an Act repealed by this Act or by the *Commonwealth Bank Act 1945*.

statutory office means the office of Governor or Deputy Governor.

the Bank or *the Reserve Bank* means the Reserve Bank of Australia.

the Board means the Reserve Bank Board established by this Act.

the former Commonwealth Bank of Australia means the Commonwealth Bank of Australia established under the

Section 6

Commonwealth Bank Act 1911 and continued in existence under the *Commonwealth Bank Act 1945*.

the Governor means the Governor of the Bank.

- (2) In this Act, a reference to the policy of the Reserve Bank, or to the monetary and banking policy of the Reserve Bank, includes a reference to the policy of the Reserve Bank, or to the monetary and banking policy of the Reserve Bank, as the case may be, in the performance of its functions under the *Banking Act 1959* or under any other Act.

6 Application to Territories

Subject to section 6A, this Act extends to all the Territories.

6A Cessation of application to Territory

- (1) The Treasurer may, by notice published in the *Gazette*, declare that, on a date specified in the notice, this Act shall cease to extend to an external Territory specified in the notice, and, on and after the date specified in such a notice, this Act, other than subsection (2) of this section, does not extend to the Territory so specified and a reference in this Act, other than this section, to a Territory does not include a reference to the Territory so specified.
- (2) Section 8 of the *Acts Interpretation Act 1901* applies in relation to a notice published under this section as if the notice were an Act repealing this Act to the extent that, immediately before the date specified in the notice, this Act extended to the Territory specified in the notice.

Part II—Constitution, Policy and Management of the Reserve Bank

7 The Reserve Bank of Australia

- (1) Notwithstanding the repeal effected by subsection 4(1), the body corporate established under the *Commonwealth Bank Act 1911* and continued in existence under the *Commonwealth Bank Act 1945*, under the name Commonwealth Bank of Australia:
- (a) is preserved and continues in existence as a body corporate under and subject to the provisions of this Act, under the name Reserve Bank of Australia, but so that the corporate identity of the body corporate shall not be affected;
 - (b) shall have a seal; and
 - (c) is capable of acquiring, holding and disposing of real and personal property and of suing and being sued.

8 General powers

The Bank has such powers as are necessary for the purposes of this Act and, in particular, and in addition to any other powers conferred on it by this Act, has power:

- (a) to receive money on deposit;
- (b) to borrow money;
- (c) to lend money;
- (d) to buy, sell, discount and re-discount bills of exchange, promissory notes and treasury bills;
- (e) to buy and sell securities issued by the Commonwealth and other securities;
- (f) to buy, sell and otherwise deal in foreign currency, specie, gold and other precious metals;
- (g) to establish credits and give guarantees;
- (h) to issue bills and drafts and effect transfers of money;
- (i) to underwrite loans; and
- (j) to do anything incidental to any of its powers.

9 Establishment of Reserve Bank Board

There shall be a Reserve Bank Board, which shall be constituted as provided by Part III.

Section 10

10 Functions of Reserve Bank Board

- (1) Subject to this Part, the Board has power to determine the policy of the Bank in relation to any matter and to take such action as is necessary to ensure that effect is given by the Bank to the policy so determined.
- (2) It is the duty of the Board, within the limits of its powers, to ensure that the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia and that the powers of the Bank under this Act, the *Banking Act 1959* and the regulations under that Act are exercised in such a manner as, in the opinion of the Board, will best contribute to:
 - (a) the stability of the currency of Australia;
 - (b) the maintenance of full employment in Australia; and
 - (c) the economic prosperity and welfare of the people of Australia.

11 Differences of opinion on questions of policy

- (1) The Board shall, from time to time, inform the Government of the monetary and banking policy of the Bank.
- (2) In the event of a difference of opinion between the Government and the Board whether that policy is directed to the greatest advantage of the people of Australia, the Treasurer and the Board shall endeavour to reach agreement.
- (3) If the Treasurer and the Board are unable to reach agreement, the Board shall forthwith furnish to the Treasurer a statement in relation to the matter in respect of which the difference of opinion has arisen.
- (4) The Treasurer may then submit a recommendation to the Governor-General, and the Governor-General, acting with the advice of the Federal Executive Council, may, by order, determine the policy to be adopted by the Bank.
- (5) The Treasurer shall inform the Board of the policy so determined and shall, at the same time, inform the Board that the Government accepts responsibility for the adoption by the Bank of that policy and will take such action (if any) within its powers as the Government considers to be necessary by reason of the adoption of that policy.

- (6) The Board shall thereupon ensure that effect is given to the policy determined by the order and shall, if the order so requires, continue to ensure that effect is given to that policy while the order remains in operation.
- (7) The Treasurer shall cause to be laid before each House of the Parliament, within 15 sitting days of that House after the Treasurer has informed the Board of the policy determined under subsection (4):
 - (a) a copy of the order determining the policy;
 - (b) a statement by the Government in relation to the matter in respect of which the difference of opinion arose; and
 - (c) a copy of the statement furnished to the Treasurer by the Board under subsection (3).

12 Management of the Bank

- (1) There shall be a Governor of the Bank and 2 Deputy Governors of the Bank, who shall be appointed and hold office as provided by Part III.
- (2) Subject to subsection 10(1), the Bank shall be managed by the Governor.
- (3) A Deputy Governor shall perform such duties as the Governor directs and, in the event of a vacancy in the office of Governor, the Deputy Governor designated by the Treasurer shall perform the duties of the Governor and shall have and may exercise the powers and functions of the Governor.

13 Governor and Secretary to Treasury to establish liaison

The Governor and the Secretary to the Department of the Treasury shall establish a close liaison with each other and shall keep each other fully informed on all matters which jointly concern the Bank and the Department of the Treasury.

Section 14

Part III—The Reserve Bank Board and the Governor and Deputy Governor of the Bank

14 Membership of Board

- (1) The Reserve Bank Board shall consist of:
 - (a) the Governor;
 - (b) the Deputy Governors;
 - (c) the Secretary to the Department of the Treasury; and
 - (d) 7 other members, who shall be appointed by the Governor-General in accordance with this section.
- (2) Of the 7 members appointed under paragraph (1)(d), at least 5 shall be persons who are not officers of the Bank or of the Australian Public Service.
- (3) A member appointed under paragraph (1)(d) who is an officer of the Bank or of the Australian Public Service at the time of his or her appointment holds office during the pleasure of the Governor-General.
- (4) A member appointed under paragraph (1)(d) who is not an officer of the Bank or of the Australian Public Service:
 - (a) shall, subject to subsection (5), be appointed for a period of 5 years but is eligible for re-appointment; and
 - (b) holds office subject to good behaviour.
- (5) In the event of a member of the Board appointed under this section for a specified period ceasing to hold office before the expiration of that period and the appointment in his place of a person other than an officer of the Bank or of the Australian Public Service, the period of that appointment shall be the remainder of the period of office of the member so ceasing to hold office.

15 Remuneration of members

- (1) A member of the Board shall be paid such remuneration (if any) as is determined by the Remuneration Tribunal.
- (2) A member of the Board shall be paid such allowances as are prescribed.

- (3) This section has effect subject to the *Remuneration Tribunal Act 1973*.
- (4) A reference in this section to a member of the Board does not include a reference to the Governor or a Deputy Governor.

16 Declaration by members

A member of the Board shall, before entering upon his or her duties or exercising any power under this Act, make, before a Justice of the Peace or a Commissioner for taking Affidavits, an oath or affirmation of allegiance in accordance with the form in the Schedule to the Constitution and a declaration of secrecy in accordance with the prescribed form.

17 Disqualifications from membership

- (1) Subject to subsection (2), a person who is a director, officer or employee of a corporation (other than the Reserve Bank) the business of which is wholly or mainly that of banking is not capable of appointment, or of continuing to act, as a member of the Board.

18 Termination of appointment

- (1) If a member of the Board appointed under paragraph 14(1)(d):
 - (a) becomes permanently incapable of performing his or her duties;
 - (b) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit;
 - (c) resigns his or her office by writing under his or her hand addressed to the Governor-General;
 - (d) is absent, except on leave granted by the Board in accordance with section 18A, from all meetings of the Board held during 2 consecutive months or during any 3 months in any period of 12 months; or
 - (e) fails to comply with his or her obligations under subsection 18A(3) or section 23;the Governor-General shall terminate his appointment.
- (2) In this section, *month* means any of the 12 months of the year.

Section 18A

18A Leave of absence

- (1) This section applies to a member appointed under paragraph 14(1)(d).
- (2) The Board may grant to a member leave of absence from a meeting of the Board.
- (3) A member must not take part in a decision of the Board granting, or refusing to grant, leave to the member.

19 Vacancies not to invalidate proceedings

The exercise of the rights, powers, authorities or functions, or the performance of the duties or obligations, of the Board is not affected by reason only of there being a vacancy in the office of a member.

20 Chairperson and Deputy Chairperson

- (1) The Governor shall be the Chairperson of the Board and the Deputy Governor designated by the Governor shall be the Deputy Chairperson of the Board.
- (2) The Chairperson may be referred to as the Chairman or Chairwoman, as the case requires.
- (3) The Deputy Chairperson may be referred to as the Deputy Chairman or Deputy Chairwoman, as the case requires.

21 Meetings of Board

- (1) The Board shall meet at such times and places as the Board determines or as the Chairperson or the Deputy Chairperson directs.
- (2) Subject to section 21A, the Chairperson shall preside at all meetings of the Board at which he or she is present and, in the absence of the Chairperson, the Deputy Chairperson shall preside.
- (3) 6 members form a quorum at a meeting of the Board.
- (4) Questions arising at a meeting of the Board shall be decided by a majority of the votes of the members present and voting.
- (5) The member presiding at a meeting of the Board shall have a deliberative vote and, in the event of an equality of votes, shall also have a casting vote.

21A Exclusion of Governor and Deputy Governor from certain deliberations

- (1) The Governor and the Deputy Governors shall not be present during any deliberation of the Board, or take part in any decision of the Board, in relation to the determination or application of any terms or conditions on which the Governor or a Deputy Governor holds office.
- (2) Where the Governor and the Deputy Governors are required by subsection (1) not to be present during deliberations of the Board, the members present shall appoint one of their number to preside.

22 Deputy Secretary may attend meetings of Board

A Deputy Secretary in the Department nominated in writing for the purpose by the Secretary to the Department may attend a meeting of the Board at which the Secretary is not present and, where the Deputy Secretary attends a meeting pursuant to this section, the Deputy Secretary shall, for the purposes of this Part, be deemed to be a member of the Board.

23 Disclosure of interest in contracts

- (1) A member of the Board who is directly or indirectly interested in a contract made, or proposed to be made, by the Bank, otherwise than as a member, and in common with other members, of an incorporated company consisting of not less than 25 persons, shall disclose the nature of the member's interest at the first meeting of the Board at which the member is present after the relevant facts have come to the knowledge of the member.
- (2) A disclosure under subsection (1) shall be recorded in the minutes of the Board and, after the disclosure, the member of the Board:
 - (a) shall not take part in any deliberation or decision of the Board with respect to that contract; and
 - (b) shall be disregarded for the purpose of constituting a quorum of the Board for any such deliberation or decision.

24 Governor and Deputy Governor

- (1) The Governor and the Deputy Governors:
 - (a) shall be appointed by the Governor-General;

Section 24A

- (b) shall be appointed for such period, not exceeding 7 years, as the Governor-General determines but are eligible for re-appointment; and
- (c) hold office subject to good behaviour.

24A Terms and conditions of employment not provided for by Act

The Governor and the Deputy Governors hold office on such terms and conditions (including terms and conditions relating to remuneration and allowances) in relation to matters not provided for by this Act as are determined by the Board.

25 Vacation of Office

If the Governor or a Deputy Governor:

- (a) becomes permanently incapable of performing his or her duties;
- (b) engages in any paid employment outside the duties of his or her office;
- (c) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her salary for their benefit; or
- (d) resigns his office by writing under his hand addressed to the Governor-General;

the Governor-General shall terminate his appointment.

Part IV—Central Banking

26 Reserve Bank to act as a central bank

The Reserve Bank:

- (a) is the central bank of Australia;
- (b) shall carry on business as a central bank; and
- (c) subject to this Act and to the *Banking Act 1959* shall not carry on business otherwise than as a central bank.

27 Bank to be banker for Commonwealth

The Bank shall, in so far as the Commonwealth requires it to do so, act as banker and financial agent of the Commonwealth.

28 Capital

The capital of the Bank for the purposes of this Part shall be the aggregate of:

- (a) the capital of the former Commonwealth Bank of Australia for the purposes of Part V of the *Commonwealth Bank Act 1945* immediately before the commencement of this Act; and
- (b) such other sums as are transferred from the Reserve Bank Reserve Fund in pursuance of section 29.

29 Reserve Fund

- (1) The Bank shall have a reserve fund (to be called the Reserve Bank Reserve Fund), which shall consist of:
 - (a) the amount standing to the credit of the Commonwealth Bank Reserve Fund existing under the *Commonwealth Bank Act 1945* immediately before the commencement of this Act; and
 - (b) such other sums as are placed to its credit in pursuance of section 30.
- (2) The Board may, from time to time, transfer from the Reserve Bank Reserve Fund to the capital of the Bank for the purposes of this Part such sums as the Board determines.

30 Profits

The net profits of the Bank in each year shall be dealt with as follows:

Section 31

- (a) such amount as the Treasurer, after consultation with the Board, determines shall be placed to the credit of the Reserve Bank Reserve Fund; and
- (b) the remainder shall be paid to the Commonwealth.

31 Publication of sterling exchange rates

The Bank shall publish, at least weekly, its telegraphic transfer rates of exchange for sterling expressed in terms of Australian money.

Part V—The Note Issue

32 Interpretation

In this Part, unless the contrary intention appears:

Australian note means a note issued under the *Australian Notes Act 1910*, under Part VII of the *Commonwealth Bank Act 1911*, under Part VI of the *Commonwealth Bank Act 1945* or under this Part as in force at any time.

34 Issue, re-issue and cancellation of notes

- (1) Subject to this Act, the Bank may:
 - (a) issue Australian notes;
 - (b) re-issue Australian notes; and
 - (c) cancel Australian notes.
- (2) Australian notes shall be printed by, or under the authority of, the Bank.

35 Denominations of notes

Australian notes may be issued in any of the following denominations, namely, One dollar, Two dollars, Five dollars, Ten dollars, Twenty dollars or Fifty dollars or in any other denomination that the Treasurer, by instrument in writing published in the *Gazette*, determines.

36 Notes to be legal tender

- (1) Australian notes are a legal tender throughout Australia.
- (2) For the purposes of subsection (1), an Australian note of a denomination specified in the first column of the following table has the value in the currency provided for by the *Currency Act 1965* that is set out in the second column of that table opposite to the denomination of that note:

TABLE

First Column	Second Column
Ten shillings	One dollar
One pound	Two dollars

Section 37

Five pounds	Ten dollars
Ten pounds	Twenty dollars
Twenty pounds	Forty dollars
Fifty pounds	One hundred dollars
One hundred pounds	Two hundred dollars
One thousand pounds	Two thousand dollars

37 Signature on notes

- (1) The Australian notes issued in pursuance of this Part shall bear the signature of the Secretary to the Department of the Treasury or of such other officer of the Department of the Treasury as the Treasurer directs, and the signature of the Governor or, if the Governor so directs, of the Deputy Governor, or an officer of the bank, specified by the Governor.
- (2) The signatures may be made in the handwriting of those persons or may be made by engraving or by any other process determined by the Bank.

43 Bank not to issue bank notes

The Bank shall not issue bills or notes (other than Australian notes) intended for circulation as money.

44 Other persons not to issue notes

- (1) A person shall not issue a bill or note for the payment of money payable to bearer on demand and intended for circulation.

Penalty: 10 penalty units.

- (2) A State shall not issue a bill or note for the payment of money payable to bearer on demand and intended for circulation.

45 Reference to Wednesday

The regulations may provide that any reference in this Division to Wednesday shall be read as a reference to such other day as is prescribed.

Part VII—The Reserve Bank Service

66 Appointment of officers

- (1) The Bank may appoint such officers as are necessary for the purposes of this Act.
- (2) The officers appointed under this Part shall constitute the Reserve Bank Service.
- (3) Subject to this Part and to the regulations, officers hold office on such terms and conditions as the Bank determines.

67 Temporary and casual employees

- (1) The Bank may appoint such temporary and casual employees as are necessary for the purposes of this Act.
- (2) Employees so appointed shall be employed on such terms and conditions as the Bank determines.

68 Requirements for appointment

- (1) A person shall not be appointed under this Act to the Reserve Bank Service unless:
 - (a) he or she is an Australian citizen;
 - (b) he or she makes and subscribes, before a Justice of the Peace or a Commissioner for taking Affidavits, an oath or affirmation of allegiance in accordance with the form in the Schedule to the Constitution; and
 - (c) the Bank is satisfied as to his or her health and physical fitness.
- (2) Where, in the opinion of the Bank, it is desirable to do so for the more efficient operation of the Reserve Bank Service or it is otherwise in the public interest to do so, the Bank may, in writing, waive, for a specified period or otherwise, the requirements for appointment referred to in paragraphs (1)(a) and (b) in relation to:
 - (a) the appointment of a specified person to any position in the Service; or
 - (b) the appointment of any person to a specified position, or a position included in a specified class of positions, in the Service.

Section 69

69 Regulations for Reserve Bank Service

The regulations may make provision in relation to the Reserve Bank Service and, in particular, may prescribe the terms and conditions of employment of officers.

70 Superannuation fund

- (1) There shall be a superannuation fund of the Bank.
- (2) The Bank may, with the approval of the Minister for Finance, make rules, not inconsistent with this Act or the regulations, for or in relation to the superannuation fund.

71 Borrowing by officers

- (1) Subject to this section, the Bank shall not lend money to an officer.
- (2) The Bank may lend money to an officer:
 - (a) for the purchase, erection, alteration, renovation or enlargement of a home in which he or she resides or intends to reside; or
 - (b) to discharge a mortgage, charge or encumbrance on such a home.
- (3) The Bank may, where the Governor is satisfied that special circumstances exist, lend to an officer, upon such terms and conditions as the Governor thinks fit, money not exceeding at any one time \$1,000.

73 List of officers

- (1) The Bank shall, from time to time and whenever the Treasurer so directs, prepare a list of all officers, together with such particulars as the Treasurer requires, and shall circulate copies of the list among the officers.
- (2) The Bank shall forward a copy of the list to the Treasurer for presentation to the Parliament.

Part VIII—Miscellaneous

74 Head office

- (1) The head office of the Bank shall be at Sydney in the State of New South Wales.
- (2) After the expiration of a reasonable time after the commencement of this Act, the head office of the Bank shall not be in the same building as the head office of any other bank.

75 Agents etc.

In the exercise of its powers and the performance of its functions, the Bank may:

- (a) establish branches and agencies at such places, whether within or beyond Australia, as the Bank thinks fit;
- (b) arrange with a person to act as agent of the Bank in any place, whether within or beyond Australia; and
- (c) act as the agent of a bank carrying on business within or beyond Australia.

76 Attorney of Bank

The Bank may, by instrument under its seal, appoint a person (whether in Australia or in a place beyond Australia) to be its attorney and a person so appointed may, subject to the instrument, do any act or execute any power or function which he or she is authorized by the instrument to do or execute.

77 Guarantee by Commonwealth

The Commonwealth is responsible for the payment of all moneys due by the Bank but nothing in this section authorizes a creditor or other person claiming against the Bank to sue the Commonwealth in respect of his or her claim.

78 Determination of net profits

In determining the net profits of the Reserve Bank, for the purposes of this Act, any amounts written off bank premises or provided for contingencies are subject to the approval of the Treasurer.

Section 79

79 Taxation

The Bank is not liable to taxation under any law of a State or of a Territory to which the Commonwealth is not subject and the income of the Bank is not liable to income tax under a law of the Commonwealth.

79A Secrecy

(1) In this section:

court includes a tribunal, authority or person having the power to require the production of documents or the answering of questions.

financial institution means a body (other than the Reserve Bank) that has at any time carried on, is carrying on, or proposes to carry on, a business that consists of, or includes, the provision of financial products or financial services (including a body that has previously carried on such a business but has ceased to exist).

financial sector supervisory agency means a person or body having the function, in Australia or in a foreign country, of supervising or regulating financial institutions.

officer means:

- (a) the Governor, a Deputy Governor, the Secretary to the Department or any other member of the Board; or
- (b) an officer, or a temporary or casual employee, of the Reserve Bank; or
- (c) a person engaged by the Reserve Bank to perform services for the Bank; or
- (d) the Statistician or a member of the staff of the Australian Bureau of Statistics; or
- (e) any other person who, because of his or her employment, or in the course of that employment:
 - (i) has acquired protected information; or
 - (ii) has had access to protected documents.

produce includes permit access to.

protected document means a document given or produced (whether before or after the commencement of this section) under, or for the purposes of, this Act, the *Banking Act 1959*, the *Banks (Shareholdings) Act 1972* or the *Financial Corporations Act 1974* and containing information relating to the affairs of:

- (a) a financial institution; or

Section 79A

- (b) a body corporate (including a body corporate that has ceased to exist) that has at any time been, or is, related (within the meaning of the Corporations Law) to a financial institution that is a body corporate; or
- (c) a person who has been, is, or proposes to be, a customer of a financial institution;

other than information that has already been lawfully made available to the public from other sources.

protected information means information disclosed or obtained (whether before or after the commencement of this section) under, or for the purposes of, this Act, the *Banking Act 1959*, the *Banks (Shareholdings) Act 1972* or the *Financial Corporations Act 1974* and relating to the affairs of:

- (a) a financial institution; or
- (b) a body corporate (including a body corporate that has ceased to exist) that has at any time been, or is, related (within the meaning of the Corporations Law) to a financial institution that is a body corporate; or
- (c) a person who has been, is, or proposes to be, a customer of a financial institution;

other than information that has already been lawfully made available to the public from other sources.

Statistician means the Australian Statistician referred to in subsection 5(2) of the *Australian Bureau of Statistics Act 1975*.

- (2) Subject to this section, a person who is or has been an officer must not, except for the purposes of this Act, the *Banking Act 1959*, the *Banks (Shareholdings) Act 1972* or the *Financial Corporations Act 1974*, directly or indirectly:
 - (a) disclose to any person, or to a court, any protected information acquired by the first-mentioned person in the course of his or her duties as an officer; or
 - (b) produce to any person, or to a court, a protected document.

Penalty: Imprisonment for 2 years.

Note: Subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a form of imprisonment.

- (3) Subsection (2) does not prohibit a person from disclosing prohibited information, or producing a protected document, if the person to whose affairs the information or document relates:

Section 79A

- (a) is the employer of the first-mentioned person; or
 - (b) agrees in writing to the disclosure of the information or the production of the document, as the case may be.
- (4) Subsection (2) does not prohibit a person from disclosing protected information or producing a protected document:
 - (a) if the person is satisfied that the disclosure of the information, or the production of the document, will assist a financial sector supervisory agency to perform its functions or exercise its powers—to that agency; or
 - (b) if the Governor approves—to another person.
- (5) The Governor may, by signed writing:
 - (a) give approvals for the purposes of paragraph (4)(b); or
 - (b) delegate to a Deputy Governor or an officer of the Reserve Bank the power to give approvals for the purposes of that paragraph.
- (6) Subsection (2) does not prohibit a person from disclosing protected information, or producing a protected document, to:
 - (a) the Governor, a Deputy Governor or any other member of the Board; or
 - (b) an officer, or a temporary or casual employee, of the Reserve Bank; or
 - (c) a person engaged by the Reserve Bank to perform services for the Bank;for the purposes of the performance of the functions, or the exercise of the powers, of the Bank under a law of the Commonwealth, of a State or of a Territory.
- (7) Subsection (2) does not prohibit a person from disclosing information, or producing a document, if the information, or the information contained in the document, as the case may be, is in the form of a summary or collection of information that is prepared so that information relating to any particular person cannot be found out from it.
- (8) A person who is or has been an officer cannot be required to disclose to a court any protected information, or to produce in a court a protected document, except when it is necessary to do so for the purposes of this Act, the *Banking Act 1959*, the *Banks (Shareholdings) Act 1972* or the *Financial Corporations Act 1974*.

Section 79B

- (9) A document that:
 - (a) is a protected document; or
 - (b) contains protected information;
 is an exempt document for the purposes of section 38 of the *Freedom of Information Act 1982*.
- (10) At the end of 5 years after the commencement of this section, the definition of *financial sector superisory agency* in subsection (1), and subsections (4) and (5), are taken to be repealed.

79B Secrecy: documents or information to which section 79A does not apply

- (1) Subject to this section, an officer, agent or other person carrying on any business of the Reserve Bank must not:
 - (a) permit a person to have access to, or give to a person copies of or extracts from, a document belonging to, or in the possession of, the Reserve Bank; or
 - (b) give to a person information relating to the business of the Reserve Bank;
 except by the direction or authority of the Reserve Bank or under compulsion or obligation of law.

Penalty: 1 penalty unit.
- (2) Paragraph (1)(b) does not apply to the giving to a person of information with respect to matters of a customer of the Reserve Bank if the person is the customer or the information is given at the direction or request of the customer.
- (3) Subsection (1) does not apply to:
 - (a) a document that is a protected document for the purposes of section 79A; or
 - (b) information that is protected information for the purposes of that section.

80 Audit

- (1) The Auditor-General shall inspect and audit the accounts and records of financial transactions of the Bank, and shall forthwith draw the Treasurer's attention to any irregularity revealed by the inspection and audit that, in the opinion of the Auditor-General, is of sufficient importance to justify his or her so doing.

Section 81

- (2) The Auditor-General shall, at least once in each year, report to the Treasurer the results of the inspection and audit carried out under subsection (1).
- (3) The Auditor-General or an officer authorized by the Auditor-General is entitled at all reasonable times to full and free access to all accounts, records, documents and papers of the Bank relating directly or indirectly to the receipt or payment of moneys by the Bank or to the acquisition, receipt, custody or disposal of property of the Bank.
- (4) The Auditor-General or an officer authorized by the Auditor-General may make copies of or take extracts from any such accounts, records, documents or papers.
- (5) The Auditor-General or an officer authorized by the Auditor-General may require a prescribed person to furnish the Auditor-General or the officer, as the case may be, with such information in the possession of the prescribed person or to which the prescribed person has access as the Auditor-General or authorized officer considers necessary for the purposes of an inspection or audit under this Act, and the prescribed person shall comply with the requirement.
- (6) In this section, *prescribed person* means the Governor, a Deputy Governor or other member of the Board, or an officer.

81 Annual reports and financial statements

- (1) The Board shall, as soon as practicable after each 30 June, prepare:
 - (a) a report on the operations of the Bank during the year ending on that day; and
 - (aa) a report on any investigations on prudential matters pursuant to section 61 of the *Banking Act 1959*, including details of persons appointed to investigate and report on such matters;
 - (b) financial statements, in accordance with the prescribed forms, in respect of that year;and furnish that report and those statements, together with a report of the Auditor-General upon those statements, to the Treasurer.
- (1A) Nothing in this section authorises the Board to furnish a report under paragraph (1)(aa) with respect to the affairs of an individual bank or the affairs of an individual customer of a bank.

- (2) The Auditor-General, in his or her report upon the financial statements prepared in pursuance of subsection (1):
 - (a) shall report whether the statements are in agreement with the accounts and records of the Bank and show fairly the financial operations and the state of the affairs of the Bank; and
 - (b) shall report on such other matters arising out of the statements as the Auditor-General considers should be made known to the Parliament.
- (3) The Board shall transmit true copies of each report and financial statement prepared in pursuance of subsection (1), and of the report of the Auditor-General upon each such statement, to the President of the Senate and to the Speaker of the House of Representatives to be laid before the Senate and the House of Representatives respectively.

81A Information relating to remuneration of Governor and Deputy Governors

- (1) The financial statements of the Bank shall comply with the requirements prescribed under the Corporations Law for the accounts of a listed corporation so far as those requirements relate to the income of executive officers of a listed corporation.
- (2) For the purposes of subsection (1):
 - (a) the Bank shall be taken to be a listed corporation; and
 - (b) the Governor and Deputy Governors shall be taken to be executive officers of the Bank.
- (3) In this section:
listed corporation means a body corporate that is included in the official list of a stock exchange.
- (4) Subject to subsection (3), expressions used in this section that are also used in the Corporations Law have the same meanings as they have in that Law.

82 Returns

The Bank shall furnish to the Treasurer such periodical statements as are prescribed.

Section 83

83 Power to improve property and carry on business

Where the Bank holds any property (whether real or personal) or business as security for a loan or advance, and the property or business falls into the hands of the Bank, the Bank may maintain, repair or improve the property, or carry on the business, until the Bank can, in its discretion, dispose of the property or business in the best interests of the Bank.

84 Execution of contracts

- (1) Contracts on behalf of the Bank may be made, varied or discharged in accordance with the succeeding provisions of this section, and all contracts so made are effectual in law, and are binding upon the Bank and on all other parties to the contract, their heirs, assigns, executors or administrators, as the case may be.
- (2) A contract which, if made between private persons, would be by law required to be in writing under seal may be made, varied or discharged in the name and on behalf of the Bank in writing under the seal of the Bank.
- (3) A contract which, if made between private persons, would be by law required to be in writing and signed by the parties to be charged therewith may be made, varied or discharged in the name and on behalf of the Bank in writing signed by any person acting with the express or implied authority of the Bank.
- (4) A contract which, if made between private persons, would by law be valid although made by parol only and not reduced into writing, may be made, varied or discharged by parol in the name and on behalf of the Bank by a person acting with the express or implied authority of the Bank.
- (5) Nothing in this section invalidates a contract executed on behalf of the Bank by a duly appointed attorney of the Bank if the contract would be valid if executed by the attorney on his own behalf.

85 Judicial notice of seals

All courts, judges and persons acting judicially shall take judicial notice of the seal of the Bank affixed to a document and shall presume that it was duly affixed.

85A Judicial notice of statistical information published by Bank

- (1) All courts, judges and persons acting judicially are to take judicial notice of statistical information contained in a publication issued in the name of, by, or under the authority of, the Bank.
- (2) A publication purporting to be issued in the name of, by, or under the authority of, the Bank is to be taken, in any judicial or other proceeding, to have been so issued unless the contrary is proved.

86 Priority of debts due by other banks

Notwithstanding anything contained in any law relating to the winding-up of companies, but subject to section 16 of the *Banking Act 1959*, debts due to the Bank by a bank specified in the First Schedule to that Act shall, in the winding-up, have priority over all other debts other than debts due to the Commonwealth.

87 Validity of acts and transactions of Bank

The validity of an act or transaction of the Bank shall not be called in question in any legal proceedings on the ground that any provision of this Act has not been complied with.

89 Regulations

The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act or for the conduct of business by the Bank and, in particular, prescribing penalties not exceeding \$100 for offences against the regulations.

NOTES

1. The *Reserve Bank Act 1959* as shown in this reprint comprises Act No. 4, 1959 amended as indicated in the Tables below.

The *Banking (Transitional Provisions) Act 1959* enacts certain transitional provisions consequential upon the enactment of the Reserve Bank Act and other Acts relating to banking.

All relevant information pertaining to application, saving or transitional provisions prior to 16 December 1995 is not included in this reprint. For subsequent information see Table A.

Table of Acts

Act	Number and year	Date of Assent	Date of commencement	Application, saving or transitional provisions
<i>Reserve Bank Act 1959</i>	4, 1959	23 Apr 1959	14 Jan 1960 (see <i>Gazette</i> 1960, p. 47)	
<i>Reserve Bank Act 1965</i>	96, 1965	10 Dec 1965	14 Feb 1966	S. 7
<i>Statute Law Revision (Decimal Currency) Act 1966</i>	93, 1966	29 Oct 1966	1 Dec 1966	—
<i>Reserve Bank Act 1973</i>	118, 1973	26 Oct 1973	S. 5: 22 Mar 1971 Remainder: Royal Assent	—
<i>Statute Law Revision Act 1973</i>	216, 1973	19 Dec 1973	31 Dec 1973	Ss. 9(1) and 10
<i>Administrative Changes (Consequential Provisions) Act 1978</i>	36, 1978	12 June 1978	12 June 1978	—
<i>Australian Federal Police (Consequential Amendments) Act 1979</i>	155, 1979	28 Nov 1979	19 Oct 1979 (see s. 2 and <i>Gazette</i> 1979, No. S206)	—
<i>Australian Federal Police (Consequential Amendments) Act 1980</i>	70, 1980	28 May 1980	28 May 1980	—
<i>Crimes (Currency) Act 1981</i>	122, 1981	17 Sept 1981	Ss. 1-3: Royal Assent Remainder: 16 Dec 1985 (see s. 2(2))	S. 40(2)
as amended by				
<i>Statute Law (Miscellaneous Provisions) Act (No. 2) 1985</i>	193, 1985	16 Dec 1985	S. 3: 16 Dec 1985 (a)	S. 16
<i>Public Service Reform Act 1984</i>	63, 1984	25 June 1984	S. 153: 1 Nov 1984 (see <i>Gazette</i> 1984, No. S383) (b)	—

NOTES

Table of Acts

Act	Number and year	Date of Assent	Date of commencement	Application, saving or transitional provisions
<i>Commonwealth Banks Amendment Act 1984</i>	76, 1984	25 June 1984	29 June 1984 (<i>see Gazette</i> 1984, No. S241)	—
<i>Statute Law (Miscellaneous Provisions) Act (No. 1) 1985</i>	65, 1985	5 June 1985	S. 3: 3 July 1985 (c)	—
<i>Banking Legislation Amendment Act 1986</i>	166, 1986	18 Dec 1986	Ss. 3-8 and 12: 18 Dec 1986 Ss. 9-11 and Part III (ss.13-17): 30 Nov 1988 (<i>see Gazette</i> 1988, No. S362) Remainder: 15 Jan 1987	—
<i>Government Business Enterprises (Miscellaneous Reforms) Act 1988</i>	123, 1988	14 Dec 1988	Part II (ss. 3-12): 26 Jan 1989 Part VI (ss. 26-31): 1 Jan 1989 (<i>see Gazette</i> 1988, No. S399) Part VII (ss. 32-37): 14 Nov 1988 Remainder: Royal Assent	—
<i>Banking Legislation Amendment Act 1989</i>	129, 1989	7 Nov 1989	Part I (ss. 1, 2), ss. 3, 26, 29-33, 35, 38 and 40: Royal Assent S. 23(1): 4 May 1989 S. 39: 23 Jan 1988 Remainder: 28 Dec 1989 (<i>see Gazette</i> 1989, No. S383)	S. 51
<i>Commonwealth Banks Restructuring Act 1990</i>	118, 1990	28 Dec 1990	S. 62: 17 Apr 1991 (<i>see Gazette</i> 1991, No. S72) (d)	—
<i>Banking Legislation Amendment Act 1992</i>	193, 1992	21 Dec 1992	Ss. 2(6) and 22-34: Royal Assent (e) S. 35: 5 Feb 1993 (<i>see Gazette</i> 1993, No. GN4) (e)	Ss. 2(6) and 35
as amended by				
<i>Statute Law Revision Act 1996</i>	43, 1996	25 Oct 1996	Schedule 3 (item 7): 21 Dec 1992 (f)	—
<i>Banking (State Bank of South Australia and Other Matters) Act 1994</i>	69, 1994	9 June 1994	Ss. 69-74: Royal Assent (g)	Ss. 69, 73 and 74

NOTES

Table of Acts

Act	Number and year	Date of Assent	Date of commencement	Application, saving or transitional provisions
<i>Commonwealth Bank Sale Act 1995</i>	161, 1995	16 Dec 1995	Ss. 3 and 20: Royal Assent <i>(h)</i> Schedule (items 57, 58): <i>(h)</i>	Ss. 3 and 20 [see Table A]
<i>Statute Law Revision Act 1996</i>	43, 1996	25 Oct 1996	Schedule 4 (item 127): Royal Assent <i>(i)</i>	—
<i>Financial Laws Amendment Act 1997</i>	107, 1997	30 June 1997	Schedule 13: Royal Assent <i>(j)</i>	—

NOTES

Act Note

- (a) The *Crimes (Currency) Act 1981* was amended by section 3 only of the *Statute Law (Miscellaneous Provisions) Act (No. 2) 1985*, subsections 2(1) and (7) of which provide as follows:
- “(1) Subject to this section, this Act shall come into operation on the day on which it receives the Royal Assent.
- “(7) The amendments of the *Crimes (Currency) Act 1981* made by this Act (other than the amendment of section 2 of that Act) shall come into operation immediately after the amendment of section 2 of that Act made by this Act comes into operation.”
- (b) The *Reserve Bank Act 1959* was amended by section 153 only of the *Public Service Reform Act 1984*, subsection 2(4) of which provides as follows:
- “(4) The remaining provisions of this Act shall come into operation on such day as is, or on such respective days as are, fixed by Proclamation.”
- (c) The *Reserve Bank Act 1959* was amended by section 3 only of the *Statute Law (Miscellaneous Provisions) Act (No. 1) 1985*, subsection 2(1) of which provides as follows:
- “(1) Subject to this section, this Act shall come into operation on the twenty-eighth day after the day on which it receives the Royal Assent.”
- (d) The *Reserve Bank Act 1959* was amended by section 62 only of the *Commonwealth Banks Restructuring Act 1990*, subsection 2(3) of which provides as follows:
- “(3) Each of the remaining provisions of this Act commences on a day, or at a time, fixed by Proclamation in relation to the provision concerned.”
- (e) The *Reserve Bank Act 1959* was amended by sections 22-35 only of the *Banking Legislation Amendment Act 1992*, subsections 2(1) and (2) of which provide as follows:
- “(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.
- “(2) Subsections 4(2) and 5(1) and sections 16, 17 and 35 commence on a day to be fixed by Proclamation, being a day not earlier than the day on which the State Act commences.”
- (f) The *Banking Legislation Amendment Act 1922* was amended by Schedule 3 (item 7) only of the *Statute Law Revision Act 1996*, subsection 2(3) of which provides as follows:
- “(3) Each item in Schedule 3 is taken to have commenced when the Act containing the provision amended by the item received the Royal Assent.”
- (g) The *Reserve Bank Act 1959* was amended by sections 69-74 only of the *Banking (State Bank of South Australia and Other Matters) Act 1994*, subsection 2(1) of which provides as follows:
- “(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.”
- (h) The *Reserve Bank Act 1959* was amended by sections 3, 20 and the Schedule (items 57 and 58) only of the *Commonwealth Bank Sale Act 1995*, subsections 2(1) and (2) of which provide as follows:
- “(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.
- “(2) Part 3, and all the items of the Schedule (except items 1, 12, 16, 17, 21, 22, 23, 26, 27, 31, 37 and 48), commence at the transfer time.”
- The transfer time occurred on 19 July 1996.
- (i) The *Reserve Bank Act 1959* was amended by Schedule 4 (item 127) only of the *Statute Law Revision Act 1996*, subsection 2(1) of which provides as follows:
- “(1) Subject to subsections (2) and (3), this Act commences on the day on which it receives the Royal Assent.”
- (j) The *Reserve Bank Act 1959* was amended by Schedule 13 only of the *Financial Laws Amendment Act 1997*, subsection 2(1) of which provides as follows:

“(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.”

NOTES

Table of Amendments

Table of Amendments

ad. = added or inserted am. = amended rep. = repealed rs. = repealed and substituted

Provision affected	How affected
S. 3	rep. No. 118, 1973
S. 4	am. No. 166, 1986
S. 5	am. No. 118, 1973; No. 76, 1984; No. 118, 1990; No. 193, 1992; No. 161, 1995
S. 6	rs. No. 118, 1973
S. 6A	ad. No. 118, 1973 am. No. 166, 1986
S. 7	am. No. 118, 1973; No. 76, 1984; No. 166, 1986
S. 11	am. No. 118, 1973; No. 166, 1986
S. 12	am. No. 118, 1973; No. 166, 1986; No. 193, 1992
S. 14	am. No. 118, 1973; No. 166, 1986; No. 193, 1992
S. 15	rs. No. 166, 1986 am. No. 193, 1992; No. 43, 1996
S. 16	am. No. 166, 1986
S. 17	am. No. 118, 1973; No. 76, 1984; No. 166, 1986 rs. No. 118, 1990 am. No. 161, 1995
S. 18	am. No. 118, 1973; No. 166, 1986; No. 69, 1994
S. 18A	ad. No. 69, 1994
S. 20	am. No. 166, 1986; No. 193, 1992
S. 21	am. No. 166, 1986; No. 123, 1988
S. 21A	ad. No. 123, 1988 am. No. 193, 1992
S. 22	rs. No. 65, 1985
S. 23	am. No. 166, 1986
S. 24	am. No. 166, 1986; No. 193, 1992
S. 24A	ad. No. 166, 1986 rs. No. 123, 1988 am. No. 193, 1992
S. 25	am. No. 166, 1986; No. 193, 1992
S. 28	am. No. 76, 1984; No. 166, 1986
S. 29	am. No. 166, 1986
S. 30	am. No. 129, 1989
Heading to Div. 1 of Part V	rep. No. 122, 1981
S. 32	am. No. 96, 1965; No. 118, 1973; No. 155, 1979; No. 70, 1980; No. 122, 1981; No. 166, 1986
S. 33	rep. No. 129, 1989
S. 34	am. No. 129, 1989
S. 35	rs. No. 96, 1965
S. 36	am. No. 96, 1965; No. 166, 1986

NOTES

Table of Amendments

ad. = added or inserted
and substituted

am. = amended

rep. = repealed

rs. = repealed

Provision affected	How affected
S. 37	am. No. 193, 1992 (as am. by No. 43, 1996)
S. 38	rep. No. 129, 1989
S. 39	am. No. 118, 1973; No. 166, 1986 rep. No. 129, 1989
S. 40	rep. No. 129, 1989
S. 41	am. No. 96, 1965; No. 166, 1986 rep. No. 129, 1989
S. 42	am. No. 93, 1966; No. 166, 1986 rep. No. 129, 1989
S. 44	am. No. 93, 1966; No. 166, 1986; No. 107, 1997
Div. 2 of Part V (ss. 46-55)	rep. No. 122, 1981
Ss. 46-50.....	rep. No. 122, 1981
Ss. 51, 52.....	am. No. 93, 1966 rep. No. 122, 1981
S. 53	rep. No. 122, 1981
S. 54	am. No. 118, 1973 rep. No. 122, 1981
S. 55	rep. No. 122, 1981
Part VI (ss. 56-65, 65A)	rep. No. 166, 1986
S. 56	rep. No. 166, 1986
S. 57	am. No. 118, 1973; No. 166, 1986 rep. No. 166, 1986
S. 58	am. No. 76, 1984 rep. No. 166, 1986
S. 59	am. No. 118, 1973; No. 166, 1986 rep. No. 166, 1986
S. 60	am. No. 93, 1966; No. 166, 1986 rep. No. 166, 1986
S. 61	rep. No. 166, 1986
S. 62	am. No. 166, 1986 rep. No. 166, 1986
Ss. 63-65.....	rep. No. 166, 1986
S. 65A	ad. No. 166, 1986 rep. No. 166, 1986
S. 68	am. No. 63, 1984; No. 166, 1986
S. 70	am. No. 36, 1978
S. 71	am. No. 93, 1966; No. 166, 1986
S. 72	am. No. 76, 1984; No. 166, 1986 rep. No. 123, 1988
S. 74	am. No. 118, 1990
Ss. 76, 77.....	am. No. 166, 1986
S. 78	am. No. 166, 1986; No. 129, 1989
S. 79	am. No. 118, 1973
Ss. 79A, 79B.....	ad. No. 107, 1997

NOTES

Table of Amendments

ad. = added or inserted and substituted am. = amended rep. = repealed rs. = repealed

Provision affected	How affected
S. 80	am. No. 166, 1986; No. 193, 1992
S. 81	am. No. 118, 1973; No. 166, 1986; No. 129, 1989
S. 81A	ad. No. 123, 1988 am. No. 193, 1992; No. 107, 1997
S. 85A	ad. No. 107, 1997
S. 86	am. No. 118, 1973
S. 88	am. No. 216, 1973 rep. No. 65, 1985
S. 89	am. No. 93, 1966; No. 166, 1986
First Schedule	rep. No. 76, 1984
Second Schedule	rep. No. 166, 1986

TABLE A

Application, Saving or Transitional Provisions

Commonwealth Bank Sale Act 1995 (No. 161, 1995)

3 Interpretation

In this Act, unless the contrary intention appears:

Bank body means:

- (a) the Commonwealth Bank, the Commonwealth Development Bank of Australia Limited or the Commonwealth Bank Officers Superannuation Corporation; or
- (b) a body corporate that is a subsidiary (as defined in Division 6 of Part 1.2 of the Corporations Law) of the Commonwealth Bank.

Commonwealth Bank means the Commonwealth Bank of Australia.

transfer time means the time when the Commonwealth ceases to have the status of being the holder of shares in the Commonwealth Bank that carry more than 50% of the total voting rights attached to the voting shares in the Commonwealth Bank.

Part 4—Exemption from Certain Taxes

20 Exemption from certain State and Territory taxes

- (1) No tax is payable under a law of a State or Territory in respect of an exempt matter or anything connected with an exempt matter.
- (2) An authorised person may, by signed writing, certify that:
 - (a) a specified matter or thing is an exempt matter; or
 - (b) a specified thing was done in connection with a specified exempt matter.
- (3) For all purposes and in all proceedings, a certificate under subsection (2) is evidence of the matter stated in the certificate.
- (4) A document that appears to be a certificate under subsection (2) is taken to be such a certificate and to have been properly given unless the contrary is established.
- (5) In this section:

authorised person means:

- (a) the Minister; or
- (b) the Secretary to the Department; or
- (c) a person who:
 - (i) holds, or performs the duties of, a Senior Executive Service office in the Department; and
 - (ii) is authorised in writing by the Secretary to the Department for the purposes of this section.

exempt matter means any of the following:

- (a) the sale by the Commonwealth of any of its shares in the Commonwealth Bank (other than a sale of those shares to the Commonwealth Bank);
- (b) an agreement relating to a sale that is covered by paragraph (a);
- (c) the transfer of any of the Commonwealth's shares in the Commonwealth Bank to a person other than the Commonwealth Bank;
- (d) the receipt of money by the Commonwealth in respect of a sale that is covered by paragraph (a).

tax means stamp duty, or any other tax, fee, duty, levy or charge, but does not include:

- (a) a fee payable under the Corporations Law of a State or Territory; or
- (b) a tax, fee, duty, levy or charge specified in a notice signed by the Minister and published in the *Gazette*.

NOTES
TABLE A
