

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

20-21 November 2013

**Question:**                **SBT 70**

**Topic:**                    **Offshore Banking Unit Measures**

**Hansard Page:**        **page 111, 20 November 2013**

**Senator RUSTON asked:**

70.        Going to changes to the Offshore Banking Unit Measures, I am wondering about the likely impact of Offshore Banking Unit activity following the announcement of the OBU regime?

**Answer:**

70.        Stakeholder consultations have indicated that proposed amendments, announced in the 2013-14 Budget, to exclude all related party dealings from the Offshore Banking Unit regime, would have a negative impact on the offshore banking activity undertaken in Australia. On 29 September 2013 the Assistant Treasurer announced the deferral of the commencement date of the amendments.

The deferral allows more time to consult with industry in the development of targeted rules to address integrity concerns while ensuring there is no adverse impact on genuine offshore banking activity.