

Debate adjourned.

**BANK OF SOUTH AUSTRALIA (MERGER WITH ADVANCE BANK) BILL
(Serial 183)**

Bill presented and read a first time.

Mr STONE (Chief Minister): Mr Speaker, on behalf of the Treasurer, I move that the bill be now read a second time.

The bill answers a request from the South Australian government to the Territory to provide a legislative means of facilitating the transfer of the Territory assets and liabilities of the Bank of South Australia Ltd to Advance Bank Ltd which is its parent company. These assets include real estate, situated in the Territory, and loans owed to or by Territory residents. The merger has become necessary because the purchase of the Bank of South Australia last year by Advance Bank resulted in Advance Bank controlling 2 banking licences. This offends federal Treasury policy which prohibits a banking group from holding more than one banking licence. Advance Bank is required therefore to absorb the assets and liabilities of the Bank of South Australia, although it will carry on business using the Bank of South Australia name, and customers will continue to do banking business as if nothing had changed.

Bank takeovers of this type, which require the surrender of the banking licence, have been effected traditionally by legislation that transfers the undertakings of the purchased bank in the relevant jurisdiction to the purchasing bank. Assets, such as land titles and mortgages, currently registered to the Bank of South Australia, will be deemed to be registered to Advance Bank. The bank's obligations will similarly become owned by Advance Bank. The South Australian parliament has enacted legislation already to facilitate the merger, and this bill complements that act by providing for the simultaneous transfer of the assets located in the Territory to Advance Bank. In normal circumstances, the transfer of assets would be liable to tax in the jurisdiction in which the assets are located. In view of the nature of the merger, it has been decided to simplify the method of payment. Therefore, the bill provides the Treasurer with the power to determine an amount to be paid in lieu of the individual items had the transfer been effected by conventional means. As legislation is enacted by all jurisdictions with the same commencement date, there will be a smooth transfer of assets and continuity of business will be ensured. Additionally, it will ensure that the interests of the employees are protected. I commend the bill to honourable members.

Debate adjourned.

SUSPENSION OF STANDING ORDERS

Mr REED (Lands, Planning and Environment): Mr Speaker, I move that so much of standing orders be suspended as would prevent the *Water Amendment Bill* (Serial 191) and the *Environmental Offences and Penalties Bill* (Serial 190): (a) being presented and read a first time together and one motion being put in regard to, respectively, the second readings, the committee's report stage and the third readings of the bills together; and (b) the consideration of the bills separately in the committee of the whole.