

EXPLANATORY STATEMENT

Statutory Rules 1988 No. 254

Issued by the Authority of the Treasurer

Banking Act 1959

Banking (Statistics) Regulations (Amendment)

Section 52 of the Banking Act 1959 requires that trading banks prepare and deliver six forms (A, B, C, D, E and F) containing financial information to the Commonwealth Statistician and the Reserve Bank. Section 53 requires that savings banks submit five forms (B, G, H, I and J) containing similar financial information.

The information to be contained in each of the 10 forms is prescribed in the Second Schedule to the Act as amended. Section 56 of the Banking Act 1959 provides that variation of the statistical forms in the Second Schedule may be carried out by regulations if the proposed amendments do not change the essential nature of the form.

Statutory forms D and I serve the purpose of providing details of the assets and liabilities of trading and savings banks within Australia, with a time-lag of only a few weeks.

The amendments to forms D and I are elaborations of the various categories of assets and liabilities to reflect development in the financial sector. For ease of reference a summary description of the changes is attached to this Statement.

Banks are required to commence reporting under the revised forms D and I from 1 January 1989. Since the banks have been made aware of the proposed changes this means that they will have had a period of about 12 months to prepare for them.

Further changes will be required to forms D and I when the Banking Act is amended as the Government will propose, to remove the distinction between savings banks and trading banks. However, the transition to reporting on a unitary basis will in the case of most banks probably occur over some time. Accordingly, it was considered that the best course was to proceed to amend forms D and I now, so as to bring up to date as soon as practicable the information required from savings banks and trading banks, rather than to postpone revisions until those further amendments to the forms can also be made.