

EXPLANATORY STATEMENT

Medibank Private Sale Act 2006

Designated Sale Day Declaration 2014

Issued by the authority of the Minister for Finance.

For the purposes of the *Medibank Private Sale Act 2006 Cth* (Act) the designated sale day is the first day after the commencement of Schedules 1 and 2 of the Act on which, in the opinion of the Minister for Finance, all the shares in Medibank Private Limited (Medibank Private) are held by a person, or persons, other than the Commonwealth or a wholly owned Commonwealth company (see subsection 3(1) of the Act).

To provide regulatory and commercial certainty, the designated sale day is declared by written instrument. Subsection 3(3) of the Act provides that this instrument is a legislative instrument for the purposes of the *Legislative Instruments Act 2003* (LIA), but section 42 of the LIA does not apply to the instrument. The instrument is therefore required to be registered on the Federal Register of Legislative Instruments and tabled in both Houses of Parliament, but it is not subject to Parliamentary disallowance.

Schedules 1 and 2 of the Act commenced on 12 December 2006.

Following consultation with the Department of Finance, the Minister for Finance has been advised that:

- (a) on 1 December 2014, the Commonwealth divested 2,754,003,240 shares in Medibank Private (being the Commonwealth's entire shareholding in Medibank Private) by an initial public offering of shares (Medibank Private Share Offer). The Medibank Private Share Offer has generated approximately \$5.679 billion dollars for the Commonwealth; and
- (b) as at 1 December 2014, neither the Commonwealth nor any wholly-owned Commonwealth company held any shares in Medibank Private.

Accordingly, the Minister for Finance has declared that in his opinion, 1 December 2014 is the day on which all the shares in Medibank Private are held by a person, or persons, other than the Commonwealth or a wholly-owned Commonwealth company and he has declared by written instrument that day to be the designated sale day under subsection 3(1) of the Act.

For the purposes of the *Legislative Instruments Act 2003*, further consultation in relation to this instrument is unnecessary as it is of a machinery nature.