



## Australian Government

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### Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 17664

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Mr Michael Willcock  
A/g Deputy Secretary  
Markets Group  
Treasury

Dear Mr Willcock

#### **Regulation Impact Statement – Second-pass final assessment – Changes to the Unclaimed Moneys Provisions**

Thank you for submitting a Regulation Impact Statement (RIS) for the above proposal to the Office of Best Practice Regulation (OBPR) for second-pass final assessment on 26 June 2015. I note that the RIS has been formally certified at the Deputy Secretary level consistent with best practice.

The Office of Best Practice Regulation's (OBPR) final assessment is that the Department of Treasury is compliant with the Government's RIS requirements. Given the expected magnitude of the impacts of the proposal the OBPR considers the level of analysis in the RIS is consistent with best practice.

This assessment is based on:

- the regulatory savings estimates having been agreed with the OBPR; and
- your letter of 25 June 2015 certifying the RIS responds to the OBPR's formal comments on the RIS submitted for first-pass assessment.

In addition, I note that the RIS:

- answers the seven RIS questions;
- considers a minimum of three policy options, one of which is a non-regulatory option; and
- does not contain obvious errors.

The OBPR notes that the RIS outlines the purpose of the unclaimed money provisions are to protect the value of bank accounts from being eroded by fees and charges over time, while ensuring that account holders can be effectively and efficiently reunited with lost accounts. The RIS also notes the decision in 2012 to reduce the time period required for bank accounts to be recognised as 'unclaimed' from seven to three years has resulted in more accounts being classified as 'unclaimed' despite account holders considering them to be active.

The OBPR notes that the RIS considers options to extend the required period of inactivity and concludes that the preferred option is to extend the required period of inactivity from three years back to seven years. The preferred option will also exempt foreign currency and children's accounts from the provisions, reduce the amount of private information publicly available, and ensure that 'identified' accounts do not have to be transferred to ASIC.

The OBPR notes the first opportunity to evaluate the effectiveness of the proposal will be in April 2019, and that a significant (30 to 50 per cent) real decline in the number of accounts transferred to ASIC would signal a measure of success.

#### *Publication requirements*

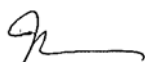
The OBPR maintains a RIS website and the Government requires that RISs be posted as soon as practicable after a regulatory decision being publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*.

We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this matter is 17664. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara  
Executive Director  
Office of Best Practice Regulation  
1 July 2015