

Impact Analysis Statement

Summary IAS

Details

Lead department	Queensland Public Trustee
Name of the proposal	Introduction of the reference rate payable on customers' funds invested in the Public Trustee common fund term deposit accounts into the Regulation
Submission type	Decision Impact Analysis Statement
Title of related legislative or regulatory instrument	<i>Public Trustee (Interest Rate) Amendment Regulation (No. 3) 2024</i>
Date of issue	August 2024

Proposal type	Details
Minor and machinery in nature	<p>This proposal is machinery in nature, to introduce a defined six month term deposit rate as the rate payable on customers' funds invested in the Public Trustee common fund term deposit accounts into the <i>Public Trustee Regulation 2023</i> to prescribe the interest rates payable for term deposit accounts.</p> <p>The regulatory amendment is required to give effect to current policy objectives and does not result in a substantive change to regulatory policy.</p> <p>The proposal removes the requirement to provide a specific figure for the interest rate payable for term deposit amounts in sections 4(2) and 4(3), and instead prescribes the rate as 'the six month term deposit rate' which is the retail deposit and investment rate of interest for six month bank term deposits as published by the Reserve Bank of Australia (RBA) on its website (series FRDIRBTD10K6M).</p> <p>Including the six month deposit rate in the Regulation as the interest rate payable for term deposit amounts will:</p> <ul style="list-style-type: none"> • provide transparency on the way that the interest rate payable for - term deposit amounts is calculated; • reduce administrative costs by removing the requirement to amend sections 4(2) and 4(3) of the Regulation every time there is a change to the actual interest rate figure; and

	<ul style="list-style-type: none">• ensure the interest rate payable for term deposit amounts for customers of the Public Trustee is comparable to the interest rate payable for retail deposit accounts by the interest rate payable for retail deposit accounts by Australian banks for comparative financial products.
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Signed



Samay Zhouand
Public Trustee of Queensland and CEO

Date: 12/08/2024



Yvette D'Ath MP
Attorney-General and Minister for Justice and
Minister for the Prevention of Domestic and
Family Violence

Date: 19/08/2024