

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Foreign Investment and Trade Policy Division

Question No: 466

Topic: Genesis Care

Reference: Written

Senator: Ketter, Chris

Question:

- 1) As part of deliberations over the proposed acquisition of Genesis Care by China Resources, is input being sought from the Queensland Government regarding potential ramifications for Queensland Health?
- 2) Do these deliberations include analysis of the commercial arrangement between Macquarie Bank and China Resources?
- 3) More generally, do such deliberations where a foreign entity is jointly bidding for an Australian asset with an Australian entity look at the nature of the commercial arrangements between the two entities?
- 4) How does FIRB / Treasury clarify the ultimate beneficial ownership structure and therefore control of an asset following any transaction?

Answer:

- 1) The Government does not comment on the application of the foreign investment screening arrangements as they apply or could apply to particular cases. In examining significant proposals, consultations are undertaken with agencies, including relevant State and Territory governments, which have responsibilities relevant to the proposal. Advice and comments provided by such agencies are important in assessing the implications of proposals and, in particular, in determining whether they raise any national interest issues.
- 2) The Government does not comment on the application of the foreign investment screening arrangements as they apply or could apply to particular cases.
- 3) Yes.
- 4) All foreign investment applications must detail the ultimate beneficial ownership structure and the control of an asset before and after the transactions which triggers the Foreign Acquisitions and Takeovers Act 1975. The applicant must reapply if they intend to vary the transaction structure that is not within the scope of the original approval.