



Health Insurance Restricted
Membership Association of Australia

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30 October, 2006

Committee Secretary
Senate Finance and Public Administration Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

HIRMAA is aware that the Senate Finance and Public Administration Committee is currently considering the provisions of the *Medibank Private Sale Bill 2006*.

Enclosed is a copy of HIRMAA's submission to the Australian Competition & Consumer Commission dated 23 August 2006, regarding the proposed sale of Medibank Private.

HIRMAA notes that, since that submission, the Federal Government has determined that the sale of Medibank Private will be by public float in 2008.

HIRMAA contends that the decision of the Federal Government to sell Medibank Private by public float will maintain industry stability, including the cost of premiums.

HIRMAA also notes and supports :

- that the proposed legislation prevents any takeover, foreign or otherwise, of Medibank Private for five (5) years after the sale and that no single shareholder will be able to own more than fifteen (15) per cent of the company and that this cap remains in force for five (5) years. After five (5) years, any foreign interest would need to comply with the Foreign Investment Review Board process;
- that the proposed legislation ensures that there are provisions in place for five (5) years to ensure that Medibank Private remains an Australian company, incorporated in Australia; and,
- that Medibank Private will continue to be subject to the Government's ministerial approval process.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ron Wilson", followed by a long horizontal line extending to the right.

RON WILSON
Executive Director

Encl.

www.hirmaa.com.au

President - Mr John Rashleigh, Navy Health
Executive Director - Mr Ron Wilson

