



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 24 November 1999

MINISTERIAL STATEMENT

Bank of Queensland

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (9.45 a.m.), by leave: Last night, the Queensland Government exercised its right to close early the public offer component of the float of its shareholding in the Bank of Queensland. The option to close the public offer early was detailed in the Bank of Queensland offer document and follows exceptionally strong demand for the sale of the Government's 40% shareholding in the bank. The offer closed at midnight last night. The early closure applies to that part of the retail offer made to members of the Australian public resident in Australia but excludes the employee offer and shareholder entitlement offer and broker firm offer. These components of the offer will close as scheduled at 5 p.m. on Thursday.

The decision to close the Bank of Queensland offer early reflects the substantial take-up of the offer and was made following advice received from the Government's lead brokers and financial advisers. The offer has been heavily oversubscribed and it would have been irresponsible to continue to accept applications when there is already a need for a significant scaling back of allocations. The State had reserved the right in the offer document dated 8 November 1999 to close any part of the offer early and applicants had been encouraged to submit their applications as early as possible.

While some intending investors may be disappointed, I should point out that the sale of the Government's stake in the Bank of Queensland is not an initial public offering in that the bank has been listed on the Australian Stock Exchange for many years—indeed, some 50 years. This means that investors wishing to acquire a stake in the Bank of Queensland are still able to purchase shares through the stock market, as they have been able to do long prior to the sale of the Queensland Government stake.

The very strong response to the offering reflects positively on the Bank of Queensland, which is a well-recognised and respected financial institution in this State. The Bank of Queensland board supports the Government's decision to close the public offer component of the float early. The final price and basis of share allocations will still be announced on 28 November, with the shares expected to commence trading on a deferred settlement basis on 29 November. Queenslanders will be given preference in the allocation of shares through the scaling process.
