

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY ANNUAL REPORT 2016

12QW: Banking Executive Accountability Regime (BEAR)

Submitted subsequent to hearing.

Mr THISTLETHWAITE: Treasury have limited the application of the new BEARs regime to only apply to “poor conduct or behaviour that is of a systemic or prudential nature”.

Does APRA have concerns about the effect of limiting a scheme to poor conduct or behaviour that is of a systemic or prudential nature?

Answer:

APRA is best placed to focus on conduct that is systemic and prudential in nature, while other regulatory agencies may complement this work by fulfilling their own individual mandate to deal with other forms of poor conduct. As such, while the legislation governing the BEAR framework has not yet been finalised, APRA is comfortable that the proposed scope of the BEAR regime is consistent with APRA’s mandate and expertise.