



Senate Economics Legislation Committee
Budget Estimates 2020-21
Tuesday, 27 October 2020
Daily summary

Here is the summary of today's proceedings in the Economics Legislation Committee estimates hearing.

The committee met from 9.00am until 11.08pm.

The committee called:

- Department of Treasury Revenue Group and agencies of the Treasury portfolio, including the Australian Taxation Office; Australian Charities and Not-for-Profits Commission; Reserve Bank of Australia; Australian Securities and Investment Commission (ASIC); Australian Prudential Regulation Authority (APRA); Australian Office of Financial Management (AOFM); Australian Competition and Consumer Commissioner with the Australian Energy Regulator (ACCC & AER); National Housing Finance and Investment Corporation (NHFIC) [Dismissed]; Financial Adviser Standards and Ethics Authority (FASEA) and Australian Bureau of Statistics (ABS) [Dismissed].

Topics discussed by the committee included:

Department of the Treasury

Revenue Group; Australian Taxation Office and early access to super including gender impact, financial abuse

- immediate expensing initiative;
- tax treaties;
- personal income tax and new plan;
- JobKeeper;
- AUSTRAC and Westpac;
- Operation Atlantis;
- tax concessions;
- Statement 5;
- tax law and tax evasion;
- Facebook advertising charges;
- release of tax transparency data;
- Tax Determination 2019/D11;
- temporary loss carry-back;
- R&D tax incentive measure; and
- Fraud—red flag system.

Australian Charities and Not-for-Profits Commission

- use of political purpose letters;
- risk profiles—political fundraisers and charity donations;
- purpose test;
- content of letters seeking explanations from charities; and
- charity phoenixing.

Reserve Bank of Australia

- printing of banknotes and increases in cash withdrawals;
- Senate Economics Committee Report on the Banking Amendment (Deposits) Bill;
- fossil fuel exports, including potential structural decline and implications of climate change;
- impact of climate on Australian economy and financial system;
- climate risk;
- auditing of RBA accounts;
- audit of Australian gold holdings;
- RBA policy, inflation and interest rates;
- provisions of the Banking Act;
- employment data;
- wages growth;
- economic recovery;
- annual report—salary levels for assistant governors;
- impact of COVID restrictions and border closures;
- comments by former Prime Minister Keating;
- quantitative easing;
- review of retail payments; and
- surcharging—potential market failure.

ASIC

- ANAO findings—Shipton/Crennan matter;
- climate change risk reporting framework;
- Banking Code Compliance;
- responsible lending obligations including the not unsuitable test and regulation of lenders;
- time-share industry particularly RG 160 Review process, Time-share report 642;
- issue of chair relocation expenses;
- virtual AGMs;
- enforcement litigation action and litigation;
- update on work regarding disclosure of use of reserves;
- capital raising changes during COVID-19, impact to existing shareholders, dilution of shares;
- nominee accounts;
- related party disclosure—exemptions—multinationals making payments offshore—relief order form 284;
- Banking Code of Practice;
- unmet advice needs project; and
- fee disclosure statements affecting Victorians.

APRA

Tabled document No. 7—Australian Prudential Regulation Authority—Opening Statement

- superannuation trustee sole purpose test;
- superannuation fees;
- climate risk reporting;
- climate-related insurance premium increases;
- Banking Amendment (Deposits) Bill inquiry;
- Provisions of Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Act 2018;
- APRA bail-in powers for specific instruments;
- APRA resolution powers;
- De-banking;
- information security incidents;
- resilience;
- climate change risk vulnerability assessments;

- lending practices in financial institutions regarding vulnerability assessments;
- Puerto Rico bank and Westpac;
- banking licence fit and proper test and BEAR; and
- New Daily company.

AOFM

Tabled document No. 8—Australian Office of Financial Management—Opening Statement

- contracts for syndications;
- funding for syndication contracts; and
- legislative ground for ANAO exemption.

ACCC & AER

Tabled document No. 9 (Senator Sheldon)—ACCC letter—pricing comments in relation to truck owner-drivers

- button batteries;
- statement of expectations—communications;
- NBN;
- digital platforms and fintech;
- grant funding for production of transmission towers locally;
- Interconnector project;
- ACCC letter—pricing comments in relation to truck owner-drivers; and
- criminal cartel behaviour.

NHFIC (dismissed).

FASEA

Tabled document No. 10—Financial Adviser Standards and Ethics Authority—Opening Statement

- pass rate for financial adviser exam;
- CPD; and
- retention of financial advisers.

ABS (dismissed).

The committee will next meet at 9.00am on Wednesday, 28 October in Committee Room 2R1, calling:

- Department of Industry, Science Energy and Resources Cross-portfolio / Corporate, Outcome 1 Programs 1.1 and 1.2, and agencies of the Industry portfolio, including the CSIRO; Office of the Chief Scientist and Office of Innovation and Science Australia.