

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020

Division/Agency: Australian Prudential Regulation Authority

Question No: APRA02QON

Topic: Duplication of regulation

Reference: Hansard, 26 February 2021, p. 37-38

Member: Senator McDonald

Question:

Senator McDONALD: They put to us that the regulation currently is duplicated. Can you speak to that, please?

Mr Holland: I'm not aware of the context of the point that they made, in terms of duplication. Was it between responsible lending obligations and APRA's prudential standards?

Senator McDONALD: Yes, that's exactly right; I'm sorry not to be more detailed.

Ms Roberts: Senator, I think, at the moment, ADIs or banks are subject to RLOs and they're subject to our prudential standards. And my understanding of the Government's intent is to remove banks from that part of the proposed credit reform and just be subject to our prudential standards.

Senator McDONALD: I was trying to tease out a bit more detail around why this was a good idea. Perhaps you could take on notice if you have any data or further words that would be useful to demonstrate APRA requirements that provide appropriate regulation around those institutions, those ADIs.

CHAIR: Take that one on notice and we'll go to Senator Patrick.

Answer:

Refer to APRA01QW.