

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio

Inquiry into the Financial Accountability Regime Bill 2022 [Provisions], Financial Sector Reform Bill 2022 [Provisions], Financial Services Compensation Scheme of Last Resort Levy Bill 2022 [Provisions] and Financial Services Compensation Scheme of Last Resort Levy (Collection) Bill 2022 [Provisions]

2022 - 2023

Division: Financial System Division
Topic: AFCA Estimates Appearance
Reference: Written
Senator: Andrew Bragg

Question:

Should AFCA be required to appear before Senate Estimates, given AFCA holds the Government's approval to operate the external dispute resolution scheme detailed in the Corporations Act 2001, and that AFCA's role is to be expanded following the establishment of a CSLR under which eligible consumers who have unpaid determinations for compensation from ACFA may receive payment of compensation?

Answer:

AFCA is an independent, non-government entity. It is a not-for-profit company limited by guarantee that does not fall under the *Public Governance, Performance and Accountability Act (2013)*. It is not publicly funded, that is, it does not receive an annual appropriation.

Senate Estimates is the examination of the particulars of proposed expenditure. As AFCA receives no funding through the appropriation bills, we do not consider it appropriate for AFCA to attend Senate Estimates.

As AFCA representatives noted on 14 October 2022, AFCA does make itself available for parliamentary scrutiny before committee hearings and AFCA has appeared before nine Parliamentary Committees since being established in 2018.