

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

4 – 6 June 2013

**Question: BET 89**

**Topic: Banks' Exposures to the Fossil Fuel Industry**

**Written: 17 June 2013**

**Senator MILNE asked:**

89.

- a. How large are Australian banks' exposures to the fossil fuel industry?
- b. Have you required them to undertake stress tests of the impact if say 80 per cent of oil, gas and coal needs to be left in the ground in order to avoid global temperatures rising by over two degrees, and so the fossil fuel industry is left with 'stranded assets'? (Recent reports by the Climate Commission, International Energy Agency and Carbon Tracker/Grantham Institute have all concluded this is the case.)
- c. Have you discussed this with the Bank of England whose outgoing governor has said they will examine this issue?

**Answer:**

89.

- a. The Australian Prudential Regulation Authority does not collect data on exposures to the fossil fuel industry.
- b. No.
- c. No.