

Australian Prudential Regulation Authority

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Wayne Byres
CHAIRMAN

5 June 2015

Senator Sean Edwards
Chair Senate Economics Legislation Committee
c/- Senate Standing Committees on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600

By email: economics.sen@aph.gov.au

Dear Senator Edwards,

SENATE ESTIMATES

I am writing to correct an error in my evidence during the most recent appearance of the Australian Prudential Regulation Authority before the Committee on 3 June 2015.

In response to a question from Senator Whish-Wilson (see page 50 of Hansard), I said:

“... That is what has been done in New Zealand, for example, where they have had concerns about house prices, particularly in Auckland. So they have a differential risk weight for Auckland versus the rest of New Zealand.”

In this statement, I inadvertently referred to differential *risk weights*: there is no differentiation of risk weights by geography in New Zealand. I should have said that the New Zealand authorities have proposed differential *loan-to-value ratio (LVR) limits*.

I apologise for this error, and ask that you alert other members of the Committee to this correction. I ask the Committee to arrange for the publication of this letter together with the Hansard to ensure that the public record is correct.

Yours sincerely,