

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Financial System Division
Question No: 205
Topic: Bank Levy
Reference: Hansard page 24-25 (29 May 2017)
Senator: Ketter, Chris

Question:

Senator KETTER: Coming back to the bank levy, are you able to provide today the specific dates on which APRA was consulted?

Mr Lonsdale: I am happy to take that on notice. Going back to my previous answer, I can tell you that we talked to APRA in March, certainly on data, and there were a number of interactions through the course of April as the government considered and made decisions on the measure.

Senator KETTER: I am interested in the dates of those consultations in April, in particular. You are prepared to take those on notice.

Mr Lonsdale: I will take them on notice.

Senator KETTER: You mentioned earlier that Mr Byers was involved in those discussions, so the date that he was involved in those discussion as well. In terms of the ACCC, the same information, if you do not mind.

Senator Cormann: Sorry, I can hardly hear you.

Senator KETTER: The ACCC: you mentioned that there were discussions, particularly in relation to the review mechanisms. Are you able to provide us with further information about that, Mr Lonsdale?

Mr Lonsdale: Yes. Specifically the dates?

Senator KETTER: The dates of consultation. You have indicated that ASIC was not involved in any discussions in the lead up to the budget. Is that correct?

Mr Lonsdale: I have indicated I would need to check that. I also indicated that with a measure of this type we would disclose information and do consultations on a need-to-know basis.

Senator KETTER: In relation to the RBA?

Mr Lonsdale: Yes, there were discussions with the Reserve Bank.

Senator KETTER: The dates for those, as well, please.

Mr Lonsdale: Yes.

Senator KETTER: Do you have an idea roughly when those discussions happened with the RBA?

Mr Lonsdale: As I mentioned, we would have certainly had discussions with APRA in March. There were certainly discussions in April with the Reserve Bank. If you want a more granular list of the dates, then I will have to come back to you.

Answer:

As Mr Byres stated at the Senate Hearing on 30 May 2017, Treasury informed the Australian Prudential Regulation Authority (APRA) in late March. Treasury engaged in further discussions with APRA and arranged for a secondee to join Treasury in early April. There were also a number of discussions on specific issues with staff at APRA throughout April and early May.

Prior to the announcement in the 2017-18 Budget, Treasury also engaged in discussions with Her Majesty's Treasury in the United Kingdom, the Australian Taxation Office, and the Australian Office of Financial Management. The Reserve Bank of Australia was also informed and given the opportunity to comment, in late April. The Australian Competition and Consumer Commission was consulted on a residential mortgage price inquiry in respect of the major bank levy, from late April.