

# **Banking (Statistics) Regulations (Amendment) 1998 No. 198**

## EXPLANATORY MEMORANDUM

Statutory Rules 1998 No. 198

Minute No. 198 of 1998 - Treasurer

Subject - *Banking Act 1959*

Banking (Statistics) Regulations (Amendment)

Section 71 of the *Banking Act 1959* (the Act) provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted by the Act to be prescribed by regulations, or necessary or convenient to be prescribed by regulations for carrying out or giving effect to the Act.

Section 51 of the Act allows regulations to be made with respect to the collection and publication of information about banks. The Banking (Statistics) Regulations give effect to this section.

The purpose of the proposed regulations is to amend the Banking (Statistics) Regulations to be consistent with the amendments being made to the Act as part of the Financial Sector Reform (Amendments and Transitional Provisions) Act 1998.

The amendments to the Act will have the effect of extending its coverage from banks to a wider range of financial institutions to be known as authorised deposit-taking institutions (ADIs). Accordingly, some of the proposed amendments will involve substituting the word 'bank' wherever it occurs with 'ADI'.

The amendments to the Act also involve transferring the responsibility for the prudential regulation of institutions regulated under the Act from the Reserve Bank of Australia to the Australian Prudential Regulation Authority (APRA). As part of this, APRA will be responsible for collecting data from ADIs under the Banking (Statistics) Regulations. Therefore, the remainder of the amendments will involve substituting the phrase 'the Reserve Bank' with 'APRA' as appropriate.

The proposed regulations will commence on 1 July 1998.

Authority: Section 71 of the *Banking Act 1959*