

Financial Sector (Collection of Data) (reporting standard) determination Nos. 24 to 34 of 2016

EXPLANATORY STATEMENT

Prepared by the Australian Prudential Regulation Authority (APRA)

Financial Sector (Collection of Data) Act 2001, sections 13 and 15

Acts Interpretation Act 1901, section 33

Under subsection 13(1) of the *Financial Sector (Collection of Data) Act 2001* (the Act), APRA has the power to determine reporting standards, in writing, with which financial sector entities must comply. Such standards relate to reporting financial or accounting data and other information regarding the business or activities of the entities. Subsection 33(3) of the *Acts Interpretation Act 1901* provides that where an Act confers a power to issue an instrument the power shall, unless the contrary intention appears, be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to revoke any such instrument.

The instruments commence upon registration on the Federal Register of Legislation.

On 23 September 2016, APRA made the following determinations (the instruments):

- (1) Financial Sector (Collection of Data) (reporting standard) determination No. 24 of 2016 which:
 - (i) revokes *Reporting Standard RRS 320.1 Debt Securities Held* made under Financial Sector (Collection of Data) (reporting standard) determination No. 50 of 2006; and
 - (ii) determines *Reporting Standard RRS 320.1 Debt Securities Held* (RRS 320.1);
- (2) Financial Sector (Collection of Data) (reporting standard) determination No. 25 of 2016 which:
 - (i) revokes *Reporting Standard RRS 320.2 Equity Securities Held* made under Financial Sector (Collection of Data) (reporting standard) determination No. 51 of 2006; and
 - (ii) determines *Reporting Standard RRS 320.2 Equity Securities Held* (RRS 320.2);
- (3) Financial Sector (Collection of Data) (reporting standard) determination No. 26 of 2016 which:
 - (i) revokes *Reporting Standard RRS 320.3 Debt Securities on Issue* made under Financial Sector (Collection of Data) (reporting standard) determination No. 52 of 2006; and
 - (ii) determines *Reporting Standard RRS 320.3 Debt Securities on Issue* (RRS

- 320.3);
- (4) Financial Sector (Collection of Data) (reporting standard) determination No. 27 of 2016 which:
- (i) revokes *Reporting Standard RRS 320.4 Bills Acceptance* made under Financial Sector (Collection of Data) (reporting standard) determination No. 53 of 2006; and
 - (ii) determines *Reporting Standard RRS 320.4 Bills Acceptance* (RRS 320.4);
- (5) Financial Sector (Collection of Data) (reporting standard) determination No. 28 of 2016 which:
- (i) revokes *Reporting Standard RRS 320.5 Securities Subject to Repurchase and Resale and Stock Lending and Borrowing* made under Financial Sector (Collection of Data) (reporting standard) determination No. 54 of 2006; and
 - (ii) determines *Reporting Standard RRS 320.5 Securities Subject to Repurchase and Resale and Stock Lending and Borrowing* (RRS 320.5);
- (6) Financial Sector (Collection of Data) (reporting standard) determination No. 29 of 2016 which:
- (i) revokes *Reporting Standard RRS 331.0 Selected Revenue and Expenses* made under Financial Sector (Collection of Data) (reporting standard) determination No. 55 of 2006; and
 - (ii) determines *Reporting Standard 331.0 Selected Revenue and Expenses* (RRS 331.0);
- (7) Financial Sector (Collection of Data) (reporting standard) determination No. 30 of 2016 which:
- (i) revokes *Reporting Standard RRS 332.0 Statement of Economic Activity* made under Financial Sector (Collection of Data) (reporting standard) determination No. 56 of 2006; and
 - (ii) determines *Reporting Standard RRS 332.0 Statement of Economic Activity* (RRS 332.0);
- (8) Financial Sector (Collection of Data) (reporting standard) determination No. 31 of 2016 which:
- (i) revokes *Reporting Standard RRS 391.0 Commercial Finance* made under Financial Sector (Collection of Data) (reporting standard) determination No. 57 of 2006; and
 - (ii) determines *Reporting Standard 391.0 Commercial Finance* (RRS 391.0);
- (9) Financial Sector (Collection of Data) (reporting standard) determination No. 32

of 2016 which:

- (i) revokes *Reporting Standard RRS 392.0 Housing Finance* made under Financial Sector (Collection of Data) (reporting standard) determination No. 58 of 2006; and
 - (ii) determines *Reporting Standard RRS 392.0 Housing Finance* (RRS 392.0);
- (10) Financial Sector (Collection of Data) (reporting standard) determination No. 33 of 2016 which:
- (i) revokes *Reporting Standard RRS 393.0 Lease Finance* made under Financial Sector (Collection of Data) (reporting standard) determination No. 59 of 2006; and
 - (ii) determines *Reporting Standard RRS 393.0 Lease Finance* (RRS 393.0);
- (11) Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2016 which:
- (i) revokes *Reporting Standard RRS 394.0 Personal Finance* made under Financial Sector (Collection of Data) (reporting standard) determination No. 60 of 2006; and
 - (ii) determines *Reporting Standard RRS 394.0 Personal Finance* (RRS 394.0).

The instruments commence upon registration on the Federal Register of Legislation.

1. Background

Financial Sector (Collection of Data) Determinations Nos. 24 to 34 of 2016 determine reporting standards which will apply to Registered Financial Corporation (RFCs). RFCs are financial corporations involved in the provision of finance; they are not prudentially regulated by APRA. However, APRA has responsibility for registering these entities under the Act and for collecting data about their businesses and activities. APRA collects this information through reporting standards determined under the Act. Entities with assets less than \$50 million are not required to report.

The reporting standards determined under *Financial Sector (Collection of Data) (reporting standard) determinations Nos. 50 to 60 of 2006* (the instruments) are due to sunset on 1 October 2016. APRA is remaking these reporting standards under *the Financial Sector (Collection of Data) (reporting standard) determinations Nos. 23 to 34 of 2016 (the instruments)*, so that APRA can continue to collect and data from the registered entities on behalf of Reserve Bank of Australia and Australian Bureau of Statistics.

Each reporting standard comprises: (1) the body of the reporting standard itself (which contains details about inter alia when returns under the standards must be lodged with APRA); (2) one or more reporting forms which must be completed by

RFCs covered by the reporting standard; and (3) a set of detailed technical instructions regarding completion of the form.

2. Purpose and operation of the instrument

The purpose of the instrument is to remake those reporting standards, applying to RFCs, which are due to sunset on 1 October 2016.

There are no changes being made to the reporting standards or the instruction guides. The requirements are consistent with those under the reporting standards that are due to sunset on 1 October 2016.

Financial Sector (Collection of Data) (reporting standard) determination No. 24 of 2016 - Reporting Standard RRS 320.1 Debt Securities Held

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give APRA quarterly statements of debt securities held.

Financial Sector (Collection of Data) (reporting standard) determination No. 25 of 2016 - Reporting Standard RRS 320.2 - Equity Securities Held

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give APRA quarterly statements of equity securities held.

Financial Sector (Collection of Data) (reporting standard) determination No. 26 of 2016 - Reporting Standard RRS 320.3 - Debt Securities on Issue

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give APRA quarterly statements of debt securities on issue.

Financial Sector (Collection of Data) (reporting standard) determination No. 27 of 2016 - Reporting Standard RRS 320.4 - Bill Acceptances

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give APRA quarterly statements of bill acceptances.

Financial Sector (Collection of Data) (reporting standard) determination No. 28 of 2016 - Reporting Standard RRS 320.5 - Securities Subject to Repurchase and Resale and Stock Lending and Borrowing

This reporting standard requires a registered entity that, at the end of the most recent complete financial year at the time of reporting, had total assets of \$500 million or more to give APRA quarterly statements of securities subject to repurchase and resale and stock lending and borrowing.

Financial Sector (Collection of Data) (reporting standard) determination No. 29 of 2016 - Reporting Standard RRS 331.0 - Selected Revenues and Expenses

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give the APRA quarterly statements of selected revenues and expenses.

Financial Sector (Collection of Data) (reporting standard) determination No. 30 of 2016 - Reporting Standard RRS 332.0 - Statement of Economic Activity

This reporting standard requires a registered entity that had total assets of \$500 million or more at the end of the most recent complete financial year at the time of reporting, to give APRA annual statements of economic activity.

Financial Sector (Collection of Data) (reporting standard) determination No. 31 of 2016 - Reporting Standard RRS 391.0 - Commercial Finance

This reporting standard applies to relevant registered entities. In general terms, these are entities described in the Schedule to this reporting standard. This reporting standard requires a relevant registered entity to give APRA monthly statements in relation to commercial finance.

Financial Sector (Collection of Data) (reporting standard) determination No. 32 of 2016 - Reporting Standard RRS 392.0 - Housing Finance

This reporting standard applies to relevant registered entities. In general terms, these are entities described in the Schedule to this reporting standard. This reporting standard requires a relevant registered entity to give APRA monthly statements in relation to housing finance.

Financial Sector (Collection of Data) (reporting standard) determination No. 33 of 2016 - Reporting Standard RRS 393.0 – Lease Finance

This reporting standard applies to relevant registered entities. In general terms, these are entities described in the Schedule to this reporting standard. This reporting standard requires a relevant registered entity to give APRA monthly statements in relation to lease finance.

Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2016 - Reporting Standard RRS 394.0 - Personal Finance

This reporting standard applies to relevant registered entities. In general terms, these are entities described in the Schedule to this reporting standard. This reporting standard requires a relevant registered entity to give APRA monthly statements in relation to personal finance.

3. Consultation

The instruments are minor or machinery in nature and do not substantially alter existing arrangements.

4. Regulation Impact Statement

The Office of Best Practice Regulation has advised that a Regulation Impact Statement is not required for this legislative instrument.

5. Statement of compatibility prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

A Statement of compatibility prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* is provided at Attachment A to this Explanatory Statement.

ATTACHMENT A

Statement of Compatibility with Human Rights

Human Rights (Parliamentary Scrutiny) Act 2011

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These Legislative Instruments are compatible with the human rights and freedoms recognised or declared in the international instrument listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* (HRPS Act).

Overview of the legislative instruments

These legislative instruments remake those reporting standards, applying to Registered Financial Corporations (RFCs), which are due to sunset on 1 October 2016. The requirements are the same as those under the reporting standards that are due to sunset on 1 October 2016. The data collected under these reporting standards is used by the Reserve Bank of Australia and the Australian Bureau of Statistics to assist them with their functions. APRA collects the data on behalf of these agencies. No personal information is collected by APRA under these reporting standards; therefore, APRA is of the view that these legislative instruments do not raise any human rights issues.

Human rights implications

APRA has assessed these instruments and is of the view that it does not engage any of the applicable rights or freedoms recognised or declared in the international instruments listed in section 3 of the HRPS Act. Accordingly, in APRA's assessment, these legislative instruments are compatible with human rights.

Conclusion

These Legislative Instruments are compatible with human rights as it does not raise any human rights issues.

