

Financial Sector (Collection of Data) (reporting standard) determination No. 1 of 2020

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 paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001*, APRA may, by writing, determine reporting standards 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.

On 4 February 2020, APRA made Financial Sector (Collection of Data) (reporting standard) determination No. 1 of 2020 (the instrument) which revokes the following instruments:

- a) Financial Sector (Collection of Data) (reporting standard) determination No. 14 of 2018, including *Reporting Standard ARS 320.0 Statement of Financial Position (Domestic Books)* made under that Determination;
- b) Financial Sector (Collection of Data) (reporting standard) determination No. 15 of 2018, including *Reporting Standard ARS 320.1 Debt Securities Held* made under that Determination;
- c) Financial Sector (Collection of Data) (reporting standard) determination No. 16 of 2018, including *Reporting Standard ARS 320.2 Equity Securities Held* made under that Determination;
- d) Financial Sector (Collection of Data) (reporting standard) determination No. 17 of 2018, including *Reporting Standard ARS 320.3 Debt Securities on Issue* made under that Determination;
- e) Financial Sector (Collection of Data) (reporting standard) determination No. 18 of 2018, including *Reporting Standard ARS 320.4 Bill Acceptances and Endorsements* made under that Determination;
- f) Financial Sector (Collection of Data) (reporting standard) determination No. 19 of 2018 including *Reporting Standard ARS 320.5 Securities Subject to Repurchase and Resale and Stock Lending and Borrowing* made under that Determination;

- g) Financial Sector (Collection of Data) (reporting standard) determination No. 20 of 2018 including *Reporting Standard ARS 320.8 Housing Loan Reconciliation* made under that Determination;
- h) Financial Sector (Collection of Data) (reporting standard) determination No. 21 of 2018, including *Reporting Standard ARS 320.9 Intra-Group Receivables and Payables* made under that Determination;
- i) Financial Sector (Collection of Data) (reporting standard) determination No. 29 of 2018 including *Reporting Standard ARS 331.0 Selected Revenues and Expenses* made under that Determination;
- j) Financial Sector (Collection of Data) (reporting standard) determination No. 31 of 2018 including *Reporting Standard ARS 391.0 Commercial Finance* made under that Determination;
- k) Financial Sector (Collection of Data) (reporting standard) determination No. 32 of 2018 including *Reporting Standard ARS 392.0 Housing Finance* made under that Determination;
- l) Financial Sector (Collection of Data) (reporting standard) determination No. 33 of 2018 including *Reporting Standard ARS 393.0 Lease Finance* made under that Determination;
- m) Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2018 including *Reporting Standard ARS 394.0 Personal Finance* made under that Determination;
- n) Financial Sector (Collection of Data) (reporting standard) determination No. 35 of 2018 including *Reporting Standard ARS 395.0 Business Finance Statistics* made under that Determination;
- o) Financial Sector (Collection of Data) (reporting standard) determination No. 36 of 2018, including *Reporting Standard RRS 320.0 Statement of Financial Position* made under that Determination;
- p) Financial Sector (Collection of Data) (reporting standard) determination No. 24 of 2016, including *Reporting Standard RRS 320.1 Debt Securities Held* made under that Determination;
- q) Financial Sector (Collection of Data) (reporting standard) determination No. 25 of 2016, including *Reporting Standard RRS 320.2 Equity Securities Held* made under that Determination;
- r) Financial Sector (Collection of Data) (reporting standard) determination No. 26 of 2016, including *Reporting Standard RRS 320.3 Debt Securities on Issue* made under that Determination;

- s) Financial Sector (Collection of Data) (reporting standard) determination No. 27 of 2016, including *Reporting Standard RRS 320.4 Bill Acceptances* made under that Determination;
- t) Financial Sector (Collection of Data) (reporting standard) determination No. 28 of 2016 including *Reporting Standard RRS 320.5 Securities Subject to Repurchase and Resale and Stock Lending and Borrowing* made under that Determination;
- u) Financial Sector (Collection of Data) (reporting standard) determination No. 29 of 2016 including *Reporting Standard RRS 331.0 Selected Revenues and Expenses* made under that Determination;
- v) Financial Sector (Collection of Data) (reporting standard) determination No. 31 of 2016 including *Reporting Standard RRS 391.0 Commercial Finance* made under that Determination;
- w) Financial Sector (Collection of Data) (reporting standard) determination No. 32 of 2016 including *Reporting Standard RRS 392.0 Housing Finance* made under that Determination;
- x) Financial Sector (Collection of Data) (reporting standard) determination No. 33 of 2016 including *Reporting Standard RRS 393.0 Lease Finance* made under that Determination; and
- y) Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2016 including *Reporting Standard RRS 394.0 Personal Finance* made under that Determination.

The instrument commences on registration on the Federal Register of Legislation.

1. Background

The above mentioned reporting standards required authorised deposit-taking institutions (ADIs) and registered financial corporations (RFCs) to report basic financial information relating to their operations to APRA. The information reported included information on an ADI's or RFC's financial position, debt and equity securities held, bill acceptances and endorsements. APRA collected this information on behalf of the Reserve Bank of Australia and the Australian Bureau of Statistics.

APRA has determined new reporting standards to replace the reporting standards listed above as part of the modernised Economic and Financial Statistics (EFS) data collection.¹ The EFS data collection commenced in March 2019 to collect financial information from ADIs and RFCs, including information relating to an ADI's and RFC's financial position, loans and finance leases, deposits, intra-group assets and liabilities, debt and equity securities held and bill acceptances and endorsements. The relevant EFS reporting standards are:

- Financial Sector (Collection of Data) (reporting standard) determination No. 2 of 2019 including *Reporting Standard ARS 720.0 ABS/RBA Statement of Financial Position*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 3 of 2019 including *Reporting Standard ARS 720.1 ABS/RBA Loans and Finance Leases*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 4 of 2019 including *Reporting Standard ARS 720.2 ABS/RBA Deposits*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 5 of 2019 including *Reporting Standard ARS 720.3 ABS/RBA Intra-group Assets and Liabilities*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 6 of 2019 including *Reporting Standard ARS 720.4 ABS/RBA Debt Securities Held*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 7 of 2019 including *Reporting Standard ARS 720.5 ABS/RBA Equity Securities Held*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 8 of 2019 including *Reporting Standard ARS 720.6 ABS/RBA Securities on Issue*;

¹ APRA's discussion paper 'Economic and financial statistics' (January 2017) is available at: <http://www.apra.gov.au/adi/PrudentialFramework/Documents/EFS%20modernisation%20-%20Discussion%20paper.pdf>.

- Financial Sector (Collection of Data) (reporting standard) determination No. 9 of 2019 including *Reporting Standard ARS 720.7 ABS/RBA Bill Acceptances and Endorsements*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 18 of 2019 including *Reporting Standard ARS 721.0 ABS/RBA Repurchase Agreements and Securities Lending*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 20 of 2019 including *Reporting Standard ARS 730.0 ABS/RBA Statement of Financial Performance*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 21 of 2019 including *Reporting Standard ARS 730.1 ABS/RBA Fees Charged*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 10 of 2019 including *Reporting Standard ARS 741.0 ABS/RBA Business Finance*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 11 of 2019 including *Reporting Standard ARS 742.0 ABS/RBA Business Credit Stocks, Flows and Interest Rates*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 12 of 2019 including *Reporting Standard ARS 743.0 ABS/RBA Housing Finance*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 13 of 2019 including *Reporting Standard ARS 744.0 Housing Credit Stocks, Flows and Interest Rates*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 14 of 2019 including *Reporting Standard ARS 745.0 Personal Finance*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 15 of 2019 including *Reporting Standard ARS 746.0 ABS/RBA Personal Credit Stocks, Flows and Interest Rates*;
- Financial Sector (Collection of Data) (reporting standard) determination No. 16 of 2019 including *Reporting Standard ARS 747.0 ABS/RBA Deposit Stocks, Flows and Interest Rates*; and
- Financial Sector (Collection of Data) (reporting standard) determination No. 17 of 2019 including *Reporting Standard ARS 748.0 Wholesale Funding Stocks, Flows and Interest Rates*.

2. Purpose and operation of the instrument

The purpose of the instrument is to revoke the instruments listed above. The information collected under those reporting standards is now collected under the EFS reporting standards.

3. Consultation

APRA undertook public consultation on the proposed cessation of the reporting standards from January 2017 to April 2017 as part of the EFS data modernisation consultation. Submissions were received from both reporting entities and industry bodies, with no objections raised in response to the proposed revocation of the reporting standards. APRA confirmed its intention to revoke the reporting standards in its August 2017 response paper ‘Response to submissions – Economic and financial statistics’.²

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.

² APRA’s response paper is available at:
http://www.apra.gov.au/adi/PrudentialFramework/Documents/Economic_and_financial_statistics_response_paper_2017.pdf.

Attachment A

Statement of Compatibility with Human Rights

Prepared in accordance with *Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

Financial Sector (Collection of Data) (reporting standard) determination No. 1 of 2020

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* (HRPS Act).

Overview of the Legislative Instrument

The purpose of this instrument is to revoke the following instruments:

- a) Financial Sector (Collection of Data) (reporting standard) determination No. 14 of 2018, including *Reporting Standard ARS 320.0 Statement of Financial Position (Domestic Books)* made under that Determination;
- b) Financial Sector (Collection of Data) (reporting standard) determination No. 15 of 2018, including *Reporting Standard ARS 320.1 Debt Securities Held* made under that Determination;
- c) Financial Sector (Collection of Data) (reporting standard) determination No. 16 of 2018, including *Reporting Standard ARS 320.2 Equity Securities Held* made under that Determination;
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- t) Financial Sector (Collection of Data) (reporting standard) determination No. 28 of 2016 including *Reporting Standard RRS 320.5 Securities Subject to*

Repurchase and Resale and Stock Lending and Borrowing made under that Determination;

- u) Financial Sector (Collection of Data) (reporting standard) determination No. 29 of 2016 including *Reporting Standard RRS 331.0 Selected Revenues and Expenses* made under that Determination;
- v) Financial Sector (Collection of Data) (reporting standard) determination No. 31 of 2016 including *Reporting Standard RRS 391.0 Commercial Finance* made under that Determination;
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- y) Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2016 including *Reporting Standard RRS 394.0 Personal Finance* made under that Determination.

Human rights implications

The instruments listed above required authorised deposit-taking institutions (ADIs) and registered financial corporations (RFCs) to report basic financial information relating to their operations to APRA.

Financial Sector (Collection of Data) (reporting standard) determination No. 1 of 2020 revokes the instruments listed above.

APRA has assessed this instrument 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 the instrument is compatible with human rights.

Conclusion

The Legislative Instrument is compatible with human rights as it does not raise any human rights issues.