

Banking (Statistics) Amendment Regulations 2000 (No. 1) 2000 No. 115

EXPLANATORY STATEMENT

Statutory Rules 2000 No. 115

Issued by the Authority of the Minister for Financial Services and Regulation

Banking Act 1959

Banking (Statistics) Amendment Regulations 2000 (No. 1)

Subsection 71 (1) of the *Banking Act* 1959 (the Act) provides that the Governor-General may make Regulations for the purposes of the Act.

Subsection 71(3) provides the Governor-General shall not make regulations for or in relation to requiring Authorised Deposit-taking Institutions (ADIs) or Non-Operating Holding Companies (NOHCs) to observe requirements in relation to prudential matters except in accordance with the recommendation of the Treasurer.

Subsection 74(4) states that before making a recommendation for the purposes of subsection 71(3), the Treasurer shall consult APRA. The Treasurer has recommended these particular Regulations and has consulted with the Australian Prudential Regulation Authority (APRA).

Section 5 1 of the Act provides that the Regulations may make provision for matters relating to the collection of information ADIs, NOHCs and their subsidiaries.

Specifically, paragraph 5 1 (1)(a) states that regulations may make provision for and in relation to requiring an ADI, an authorised NO1IC, or a subsidiary of an ADI or an authorised NO1IC, to prepare, and give to APRA accounts and financial statements.

For the purposes of paragraph 51(1)(a), Regulation 6 of the Banking (Statistics) Regulations 1989 states that an ADI must prepare a statement of assets and liabilities on its Australian books in accordance with the form in Schedule 3. Sub-regulation 6(2) sets out the frequency at which the statement of assets and liabilities is to be prepared by ADIs and provided to APRA- This information is provided by ADIs on their Forms D returns, which were previously submitted on a weekly basis.

The purpose of the Regulations is to amend the Principal Regulations to vary the timing requirements for submission of statements of assets and liabilities. APRA and the Reserve Bank of Australia (RBA) use the information provided in the statement of assets and liabilities when performing their regulatory and monetary policy functions respectively. APRA and the RBA agreed that it was no longer necessary to collect Form D information from ADIs on a weekly basis and instead consider this collection should be made on a monthly basis.

In addition, for consistency purposes, a further amendment was necessary to ensure that the specific cut-off day for the provision of the statement of assets and liabilities to APRA aligned with the new monthly collection. The Regulations provide that statements are to be prepared as at the last day of each month and submitted to APRA no later than 14 days after the last day of the month. Details of the Regulations appear in the Attachment.

The Regulations commence on 1 July 2000.

ATTACHMENT

Banking (Statistics) Amendment Regulations-2000 (No. 1)

Regulation 1 - Name of Regulations

These regulations are the *Banking (Statistics) Amendment Regulations 2000 (No. 1)*

Regulation 2 - Commencement

These regulations commence on 1 July 2000.

Regulation 3 - Amendment of the Banking (Statistics) Regulations 1989

The Schedule 1 amends the *Banking (Statistics) Regulations 1989*.

Item [11 - Timing issues relating to the preparation of the statement of assets and liabilities

Regulation 3 provides that the statement of assets and liabilities is prepared at the end of each month.

Regulation 3 provides that the statement of assets and liabilities is forwarded to APRA on or by 14 days after the end of the month.