

Financial Sector (Collection of Data) determination No. 11 of 2014

EXPLANATORY STATEMENT

Prepared by the Australian Prudential Regulation Authority (APRA)

Financial Sector (Collection of Data) Act 2001, section 13

Acts Interpretation Act 1901, subsection 33(3)

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 vary any such instrument.

On 19 May 2014 APRA made Financial Sector (Collection of Data) determination No. 11 of 2014 (the instrument) which varies Financial Sector (Collection of Data) (reporting standard) determination No. 97 of 2013.

The instrument commences on the day it is registered on the Federal Register of Legislative Instruments.

1. Background

APRA is empowered to make reporting standards under FSCODA, which require regulated institutions, including RSE licensees, to submit specified data through various reporting forms. Data from these forms are used internally to assist APRA's supervisory functions and by other agencies such as the Australian Bureau of Statistics and the Australian Securities and Investments Commission. APRA also collates and publishes statistical information and analysis using data from these reporting forms.

2. Purpose and operation of the instrument

The purpose of the instrument is to vary Financial Sector (Collection of Data) (reporting standard) determination No. 97 of 2013 so as to continue the operation of *Reporting Standard SRS 110.1 (2005) Selected Disclosure of Investments* (SRS 110.1) made by Financial Sector (Collection of Data) determination No. 48 of 2005.

The statistics produced by the Australian Bureau of Statistics (ABS) provide quarterly and annual data about the level of economic activity and the structure of Australian and state economies within a coherent system of concepts and classifications. To prevent data gaps and ensure continuity in the ABS statistical publications, it is necessary to continue SRS 110.1. After the instrument is varied, RSE licensees with relevant registered superannuation entities, with total assets of at least \$50 million (at the end of the most recent year of income), will be required to submit either version A or B of Reporting Form SRF 110.1 Selected Disclosure of Investments until revised reporting requirements for Superannuation are implemented.

3. Consultation

In 2013, APRA released the final reporting standards for the superannuation industry. Since the release of the final requirements, APRA received further feedback from industry and other stakeholders on a range of implementation issues related to the new reporting requirements.

In a letter to all RSE licensees dated 21 March 2014, APRA outlined its intention to defer the implementation dates, of some parts of the reporting framework, for data collected on behalf of the ABS. Consultation on the proposed additional ABS data collection is expected to commence later in 2014. Postponing the implementation timeframe will allow RSE licensees further time to make any changes required to enable their reporting of the additional data.

4. Regulation Impact Statement

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

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

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

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This Legislative Instrument is 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 Instrument

The purpose of making this legislative instrument is to vary the existing determination No.97 of 2013 to enable continued operation of *Financial Sector (Collection of Data) determination No. 48 of 2005, including Reporting Standard SRS 110.1 (2005) Selected Disclosure of Investments*.

Human rights implications

APRA has assessed the legislative instrument against the international instruments listed in section 3 of the HRPS Act and determined no Article is conceivably potentially of relevance to the instrument.

The information collected as a result of the continued operation of *Financial Sector (Collection of Data) determination No. 48 of 2005, including Reporting Standard SRS 110.1 (2005) Selected Disclosure of Investments* will be about the profile and structure of each RSE licensee's business operations. This information ultimately supports APRA achieving its mission of ensuring that, under all reasonable circumstances, financial promises made by the institutions APRA supervises are met within a stable, efficient and competitive financial system.

APRA does not publish the personal information which it collects. Information provided to APRA under reporting standards is protected information for the purposes of section 56 of the *Australian Prudential Regulation Authority Act 1998* (APRA Act) and cannot be disclosed except under a limited range of circumstances provided for under that section. While APRA does publish some protected information gathered under reporting standards, APRA reviews all releases of data received under reporting standards to ensure that no information pertaining to an individual person can be deduced from the data.

Conclusion

Financial Sector (Collection of Data) determination No.11 of 2014 is compatible with human rights because the determination does not raise human rights issues.