

# Australian Prudential Regulation Authority instrument fixing charges

No. 1 of 2025

**Provision of statistical information about financial sector entities to the Reserve Bank of Australia and the Australian Bureau of Statistics during the 2024-25 financial year.**

## EXPLANATORY STATEMENT

**Prepared by the Australian Prudential Regulation Authority (APRA)**

*Australian Prudential Regulation Authority Act 1998, paragraph 51(1)(a)*

This explanatory statement relates to the instrument fixing charges which is made under paragraph 51(1)(a) of the *Australian Prudential Regulation Authority Act 1998* (the **APRA Act**) and which is dated 23 June 2025 (the **instrument**). The instrument imposes a charge for certain services provided by APRA to the Reserve Bank of Australia (**RBA**) and the Australian Bureau of Statistics (**ABS**).

### **1. Background**

#### *Legislative framework*

The APRA Act is administered by the Department of Treasury. APRA is the prudential regulator of the superannuation, general insurance, life insurance, private health insurance and authorised deposit-taking industries.

Subsection 51(1) of the APRA Act provides that APRA may, by legislative instrument, fix charges to be paid to it by persons in respect of:

- (a) services and facilities which APRA provides to the person; and
- (b) applications or requests (however described) made to APRA under any law of the Commonwealth.

Subsection 51(2) of the APRA Act provides that a charge fixed under subsection 51(1) of the APRA Act must be reasonably related to the costs and expenses incurred or to be incurred in relation to the matters to which the charge relates and must not be such as to amount to taxation.

#### *Factual background*

APRA has been providing statistical information to the RBA and ABS since 2002 and has been imposing charges for providing this information under paragraph 51(1)(a) of the APRA Act.

Under the *Financial Sector (Collection of Data) Act 2001* (the ***Collection of Data Act***), APRA collects financial and other statistical information (***statistical information***) from superannuation entities, general insurers, life insurers, private health insurers, authorised deposit-taking institutions and registered finance corporations (collectively ***financial sector entities***).

The statistical information that financial sector entities are required to lodge with APRA is prescribed by reporting standards that are made by APRA pursuant to the *Collection of Data Act*. The reporting standards detail the information required and are accompanied by forms into which the information must be inserted.

#### *Economic and Financial Statistics (EFS) collection*

Between 2000 and 2001, APRA implemented a computer system designed and constructed to collect, store, and report the statistical information from financial sector entities. It is called @APRA. The @APRA system enables financial sector entities to lodge statistical information with APRA electronically, and it includes software which can be used to analyse and compile reports from the statistical information collected.

Subsection 3(1) of the *Collection of Data Act* sets out the purposes for which statistical information is collected under that Act. Those purposes include to assist APRA in the prudential regulation of financial sector entities and to assist other financial sector agencies (including the Reserve Bank of Australia) to perform their functions or exercise their powers. Also, as is implicitly acknowledged by subsection 56(5A) of the *APRA Act*, some of the statistical information will be relevant to the ABS's function under the *Census and Statistics Act 1905* of maintaining and disseminating statistics relating to the financial industry and the wider economy.

Thus, as envisaged by the legislation, APRA shares the statistical information it collects with both the RBA and the ABS. The RBA and the ABS need specific kinds of statistical information from financial sector entities which APRA does not need and which it therefore would not otherwise collect for itself. To enable such information to be obtained by the RBA and the ABS, APRA draws up reporting standards and accompanying forms which require financial sector entities to provide the information, collects it from them, and then supplies it to whichever of the two agencies has requested it, either in the form of standard statistics or customised reports.

This arrangement, under which APRA in effect collects statistical information from the whole financial sector and disseminates to the RBA and the ABS such of that information as each of them needs, is more efficient and cost-effective for all concerned than if the three agencies each individually collected their own information. Financial sector entities save time and money by only having to provide one set of statistical information to one agency (APRA). The RBA and the ABS also save considerable resources by not having to collect the statistical information themselves.

The statistical information that APRA is providing to the RBA and the ABS during the 2024-25 financial year is described in the Schedules attached to the instrument. The

statistical information is provided to the two agencies at their request, and they have agreed to pay the charges for it that are fixed by the instrument.

### *APRA and the RBA Application Programming Interfaces (APIs)*

Since 2020, APRA built several application programming interfaces (APIs) to enable the compatibility of the RBA's data warehousing system with APRA's new Data collection platform and associated taxonomy, while also ensuring an appropriate level of coupling between the RBA and APRA systems.

The main objectives of these APIs are to minimise the volume of load time data transformations required to enable the RBA's analytical capabilities, and to meet the current and future analytical and reporting needs of the RBA.

APRA maintains and provides support for the APIs, including enhancement and remediation work, on an ongoing basis.

## **2. Purpose and operation of the instrument**

The instrument fixes the charges set out in the Schedule of charges in respect of the provision of statistical information about financial sector entities to the RBA and the ABS during the 2024-25 financial year.

### *Description of the charges*

A charge of \$536,101 is imposed on the RBA and a charge of \$257,783 is imposed on the ABS for the statistical information provided to each of them from the @APRA system during the 2024-25 financial year and the development cost of the system. Each of these charges are not subject to GST under the *A New Tax System (Goods and Services Tax) Act 1999*.

### *How the charges have been calculated*

The charges are based on the need to recover APRA's costs of providing statistical information and the development costs of the @APRA system.

Those costs have been worked out as follows:

- The costs of maintenance and operation of the @APRA system during 2024/25 is based on the forecast cost for the full financial year. These costs represent the estimated costs of staff time expended in performing ongoing maintenance (including enhancement) of the system and in operating the system (which includes collecting, managing, analysing and distributing the statistical information collected by the system).
- During the 2024/25 financial year, the @APRA system serviced statistical information for APRA, the RBA and the ABS. A proportion of the above-mentioned

costs have been allocated to the RBA and the ABS, based on their usage of the @APRA system during 2024/25.

- The cost of shared services was then worked out based on the number of forms processed for each organisation as a proportion of the total number of forms processed. As expected, these costs are predominantly borne by APRA due to the fact that most of the usage is dictated by APRA requirements. The proportion relating to the RBA and ABS was arrived at by extracting the cost per form by considering all costs relating to shared services for the 2024/25 financial year. The operating cost of the @APRA system was shared by the agencies (RBA/ABS/APRA) in the following respective proportions: 17%:10%:73%.
- The development costs of the @APRA system to be recovered for 2024/25 is based on the quantum of staffing resources consumed on delivering the Economic and Financial Statistics (EFS) collection, informed by APRA's time management system. This cost is amortised over a 5-year period based on an agreed proportion of 56% and 44% for the RBA and the ABS respectively. Prior to the development of the system, it was agreed that these costs would be recovered from the agencies over a 5-year period. Phase 1 costs were fully amortised by 30 June 2024. Phase 2 will fully amortise on 30 June 2026.
- The cost of maintenance and operation of the APIs during 2024/25 was calculated based on the quantum of staffing resources consumed. These resources were costed based on the time spent on the API related activities, the average yearly staffing costs of the resources involved and an indirect overhead cost allocation. These costs are borne by the RBA due to the fact that the APIs were implemented to meet the needs of the RBA.
- On the above basis, it was determined that the total cost of the services provided to the RBA amounts to \$536,101. This amount consists of \$420,486 for the provision of statistical information, \$18,189 for the development cost of the EFS collection system and \$97,426 for the maintenance and support costs of the data sharing APIs used by the RBA.
- The total costs of services to the ABS have been determined to be \$257,783. This amount consists of \$243,492 for the provision of statistical information and \$14,291 for the development cost of the EFS collection system.

*Charges must be reasonably related to the costs and expenses incurred*

As indicated above, the charges set by the instrument are calculated on a cost recovery basis for the services for which the charges are imposed subject to budgetary constraints of the respective agencies. The charges incorporate staff costs of operating and developing the system, and are allocated to the RBA and the ABS based on their proportionate usage of the system.

*Charges must not amount to taxation*

As the charges are reasonably related to the costs incurred by APRA in providing the services concerned, they do not amount to taxation.

### *Waiver of Charges*

The Instrument also provides that the charges may be waived or refunded by APRA if APRA is satisfied that it is appropriate in the circumstances (as permitted under subsection 51(1) of the APRA Act).

### **3. Consultation**

APRA has consulted with both the RBA and the ABS before making this legislative instrument. The RBA and the ABS were informed of the basis of calculation of the charges. During the consultation process, the RBA and the ABS did not raise any objections to the charges. .

### **4. 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* (HRPS Act)

#### **Australian Prudential Regulation Authority instrument fixing charges No. 1 of 2025**

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the HRPS Act.

#### **Overview of the Legislative Instrument**

This Legislative Instrument will fix charges to be paid to the Australian Prudential Regulation Authority (APRA) by the Reserve Bank of Australia (RBA) and the Australian Bureau of Statistics (ABS) for the provision of statistical information about financial sector entities during the 2024-25 financial year. Charges payable by the RBA and the ABS will not have any direct or indirect effect on the rights of individual persons.

#### **Human rights implications**

APRA has assessed this Legislative Instrument against the international instruments listed in subsection 3(1) of the HRPS Act and determined that only Article 17 of the International Covenant on Civil and Political Rights (ICCPR) is conceivably of potential relevance to this Legislative Instrument.

Article 17 of the ICCPR prohibits the arbitrary or unlawful interference with a person's privacy, family, home and correspondence, and attacks on reputation.

Article 17 is exclusively concerned with prohibiting interference with the privacy and/or reputation of individual persons. It does not extend to the privacy and/or reputation of corporate entities.

Consequently, this Legislative Instrument 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, this Legislative Instrument is compatible with human rights.

#### **Conclusion**

This Legislative Instrument is compatible with human rights because the determinations do not raise human rights issues.