

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Additional Estimates
2015 - 2016

Department/Agency: APRA
Question: AET 1027-1035
Topic: Red Tape Reduction
Reference: Written - 19 February 2016
Senator: Ludwig, Joe

Question:

Since the change of Prime Minister on 14 September, 2015:

1027. Please detail changes to structures, officials, offices, units, taskforce or other processes has the department dedicated to meeting the government's red tape reduction targets?

a) What is the progress of that red tape reduction target

1028. How many officers have been placed in those units and at what level?

1029. How have they been recruited?

1030. What process was used for their appointment?

1031. What is the total cost of this unit?

1032. What is the estimated total salary cost of the officers assigned to the unit.

1033. Do members of the unit have access to cabinet documents?

1034. Please list the security classification and date the classification was issued for each officer, broken down by APS or SES level, in the red tape reduction unit or similar body.

1035. What is the formal name given to this unit/taskforce/team/workgroup or agency within the department?

Answer:

1027. – 1035. The Australian Prudential Regulation Authority (APRA), in support of the Government's agenda to reduce red tape, is working closely with industry to identify opportunities for regulatory cost savings. APRA has not created a separate unit for this purpose and has sought to utilise existing staff, meaning that no additional staff have been recruited for this task. APRA has sought to balance the progress of its cost savings work with its other prudential activities, resulting in a number of other work-streams having been de-prioritised. This approach has been followed consistently before and since 14 September 2015.

Over 2014-2015, through relevant industry associations, APRA established six working groups covering the four main industries regulated by APRA. Each working

group identified opportunities for regulatory cost savings within its specific industry. The working groups consisted of approximately eight senior industry members who were nominated by the relevant industry group. About three APRA staff supported and interacted with the working groups as required. Industry members acted as conduits to the wider membership of the industry associations as well as to their individual institutions. Within APRA, a steering group consisting of senior staff was formed with responsibility for overseeing the cost savings work and have been involved in the assessment of proposals.

During the period 14 September 2015 to 10 February 2016, APRA's focus has been on continued progress in delivering the identified initiatives to reduce red tape.

APRA staff members involved in the working groups and steering group have not required any change to their document access or security clearance levels.

APRA reports its progress to the Treasury on a regular basis and published an update on regulatory cost savings in February 2015¹. The update notes that APRA conducted a range of activities which, in combination, have resulted in over \$20 million per annum in cost savings across APRA-regulated industries. Since that update, APRA has conducted a range of activities which has resulted in approximately \$8 million per annum in further cost savings.

APRA will continue its work on regulatory cost savings by engaging with industry on an ongoing basis, as part of APRA's usual policy development process and broader industry engagement.

¹ <http://www.apra.gov.au/CrossIndustry/Documents/Update-on-regulatory-cost-savings-February-2015.pdf>