



11 November 2020

Mr Mark Fitt
Committee Secretary
Senate Standing Committee on Economics
Parliament House
CANBERRA ACT

Dear Mr Fitt

Estimates Hearing 26 October 2020, Economics Legislation Committee, Department of the Treasury - Proof Committee Hansard, Page 105

At the above noted Senate Estimates Hearings on 26 October 2020 I provided the following evidence;

Senator McKIM: *Would it be accurate to suggest that, under these changes, banks will no longer be required to verify for themselves the suitability of lenders? I ask that in the context of the budget papers, which make it clear that the current practice of lender beware will be replaced by the principle of borrower responsibility.*

Ms Quinn: *ASIC has prudential standards which it sets.*

I am writing to provide an amended response to the Committee in relation to this matter. The Australian Prudential Regulation Authority (APRA) sets prudential standards for lenders, and not the Australian Securities and Investments Commission (ASIC).

Yours sincerely

Meghan Quinn
Deputy Secretary
Markets Group