

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 192-201

Topic: Travel

Hansard Page: Written

Senator BUSHBY asked:

192. In relation to APRA overseas travel what is the approval process for each of the following: authority members, the chair and other staff?
193. What records are kept of this travel?
194. Are reports completed following each overseas trip?
195. Could APRA advise by year over the last three years how many overseas travel applications were approved and how many were rejected?
196. Could APRA please provide details in tabulated form by officer name, date, approving delegate, destination, purpose and cost for each approved travel application (for travel over the last three years)?
197. What is APRA's policy in respect of accommodation at Australian and overseas hotels?
198. What standard of accommodation is stipulated and at what cost?
199. Does APRA negotiate with overseas accommodation providers to achieve value for money?
200. In relation to expenses incurred whilst interstate and overseas how are these acquitted?
201. Are any cash advances made?

Answer:

192. Travel by the Chairman of the Australian Prudential Regulation Authority (APRA), other APRA members and APRA staff is undertaken pursuant to APRA's policy on Official Travel, set out in the Chairman's Finance Instructions. Under the policy, all proposals for overseas travel require the approval of either an APRA Member or an Executive General Manager. Travel by the Chairman or APRA Members is approved by another APRA Member in line with the relevant Determination of the Remuneration Tribunal. In the case of overseas conferences, proposals for staff participation as an attendee also require the initial approval of the People and Engagement Steering Group, chaired by the Deputy Chairman; proposals for staff participation as a presenter require the initial approval of the Management Group.
193. All expenditure must be adequately explained and substantiated in accordance with the Chairman's Finance Instructions and APRA Financial Procedures. APRA retains records that evidence all aspects of the travel process including but not limited to the approval and payment processes and travel diaries. Substantiation of expenditure typically takes the form of tax invoices i.e. vouchers, dockets, point-of-sale receipts etc and credit card statements.

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194. APRA's policy and procedures require staff to complete a travel diary for business trips that exceed five consecutive nights including travel time. Travel diaries are retained by APRA's Finance section. Staff report on the outcomes of overseas travel and attendances through a variety of internal mechanisms, including briefings to APRA's industry groups, for accountability and information-sharing purposes.

195. The following overseas trips were taken over the past three years:

2009/10 – 203

2010/11 – 206

2011/12 – 179

APRA does not track the number of rejected travel requests.

196. The table below records details of travel for the APRA Members and Executive General Managers by name and destination. Other staff overseas travel has been aggregated. Extracting the name of the approving delegate and the specific costs of each trip for each approval would require a substantial diversion of APRA's resources.

Travel information for FY 2009/10

| APRA Members | |
|-----------------------|--|
| Name | Purpose |
| LAKER Chairman | Basel Committee on Banking Supervision (3) Basel Committee on Banking Supervision/IMF Annual Meeting*/Financial Stability Institute Policy Forum* Lujiazui Forum 2010* Peer regulator |
| JONES Deputy Chair | Organisation for Economic Cooperation and Development (OECD)/International Organisation of Pension Supervisors (IOPS) (3) IOPS/Global Forum on Private Pensions Bank of Indonesia Convention* International Network on Financial Education (INFE) Conference* International Federation of Pension Fund Administrators (FIAP) * OECD/IOPS/INFE Symposium * |
| TROWBRIDGE Member | International Association of Insurance Supervisors (4) |

* Speaker

Total estimated cost of APRA member travel \$289,200

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| APRA Executive General Managers | |
|--|---|
| Name | Purpose |
| BYRES | Basel Committee on Banking Supervision – Top-Down Calibration Group (3) |
| | Basel Committee on Banking Supervision - Working Group on Liquidity Asian meeting with industry representatives |
| | Basel Committee on Banking Supervision – Top Down Calibration Workstream on Liquidity/Working Group on Liquidity |
| CHAPMAN | International Association of Insurance Supervisors (3) |
| | International Association of Insurance Supervisors – Subcommittees (2) |
| | Seminar hosted by Financial Supervisory Service, Korea |
| KHOO | Basel Committee on Banking Supervision - Accounting Task Force (3) |
| | World Council of Credit Unions/International Credit Union Regulators Network * |
| LITTRELL | 12 th Integrated Financial Supervisors Conference/Meeting with European Commission/Basel Committee on Banking Supervision - Policy Development Group |
| | Basel Committee on Banking Supervision - Policy Development Group |
| | Financial Stability Forum |

* Speaker

Total estimated cost of APRA EGM travel \$198,600

| Other APRA staff | |
|-------------------------|---|
| Number of trips | Purpose of attendance |
| 51 | Policy Committee / Meeting |
| 42 | Prudential review |
| 38 | Attending conference/seminar as attendee |
| 15 | Attending conference/seminar as presenter |
| 14 | Training |
| 7 | Technical assistance |

Total estimated cost of other APRA staff travel \$1,570,000

Travel information for FY 2010/11

| APRA Members | |
|-----------------------|---|
| Name | Purpose |
| LAKER Chairman | Basel Committee on Banking Supervision (6) |
| | Basel Committee on Banking Supervision/International Conference of Banking Supervisors*/Institute of International Finance Asia CEO Summit* |
| | Institute of International Finance High-Level Symposium * |
| | Trans-Tasman Banking Council |
| JONES Deputy Chair | OECD/IOPS (5) |
| | Asia-Pacific Investments Summit* |
| | International Federation of Pension Fund Administrators (FIAP)* |
| | International Network on Financial Education |
| | OECD Russian Federation Technical Seminar * |

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| APRA Members | |
|----------------------|--|
| Name | Purpose |
| LAUGHLIN Member | International Association of Insurance Supervisors (4) |
| TROWBRIDGE Member | International Association of Insurance Supervisors * |

* Speaker

Total estimated cost of APRA member travel \$272,700

| APRA Executive General Managers | |
|--|---|
| Name | Purpose |
| BYRES | International Conference of Supervisors 2010 * |
| | Peer regulator (2) |
| | Financial Stability Institute/Executives' Meeting of East Asia -Pacific Central Banks High-Level Meeting* |
| | FSA International Regulatory Risk Roundtable 2011* |
| | 13 th Integrated Financial Supervisors Conference* |
| CHAPMAN | International Association of Insurance Supervisors (3) |
| | International Association of Insurance Supervisors – Subcommittees (2) |
| KHOO | World Council of Credit Unions and International Credit Union Regulators Network*/Deposit Insurance Corporation of Ontario/Basel Committee on Banking Supervision - Accounting Task Force |
| | Basel Committee on Banking Supervision - Accounting Task Force (2) |
| | International Credit Union Regulators Network/Basel Committee on Banking Supervision - Accounting Task Force |
| | Overseas recruitment program |
| LITTRELL | Financial Stability Institute High-Level Meeting |
| | Basel Committee on Banking Supervision - Policy Development Group (2) |
| | Trans-Tasman Banking Council |

Total estimated cost of APRA EGM travel \$214,700

| Other APRA staff | |
|-------------------------|---|
| Number of trips | Purpose of attendance |
| 33 | Policy Committee / Meeting |
| 43 | Prudential review |
| 43 | Attending conference/seminar as attendee |
| 15 | Attending conference/seminar as presenter |
| 11 | Training |
| 11 | Technical assistance |
| 4 | Secondment |
| 3 | Recruitment |

Total estimated cost of other APRA staff travel \$1,413,000

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Travel information for FY 2011/12

| APRA Members | |
|-----------------------|---|
| Name | Purpose |
| LAKER Chairman | Monetary Authority of Singapore 40 th Anniversary Roundtable * |
| | Basel Committee on Banking Supervision (2) |
| | Basel Committee on Banking Supervision /Integrated Financial Supervisors Conference |
| | 2012 Lujiazui Forum * |
| JONES Deputy Chair | Korean Financial Investment Association Conference*/IOPS |
| | Association of Superannuation Funds of Australia Forum* |
| | OECD/IOPS (5) |
| | Minister Shorten’s Mission to Israel/Regulatory Meetings |
| | Working Party on Private Pensions |
| | Network for Studies on Pensions, Aging and Retirement Conference * |
| LAUGHLIN Member | International Association of Insurance Supervisors (4) |

* **Speaker**

Total estimated cost of APRA member travel \$223,000

| APRA Executive General Managers | |
|--|--|
| Name | Purpose |
| BYRES | Basel Committee on Banking Supervision (2) |
| | IMF High-Level Regional Symposium*/Basel Committee on Banking Supervision |
| CHAPMAN | FSA Regulatory Round Table |
| | International Association of Insurance Supervisors – Financial Stability Committee (3) |
| KHOO | Basel Committee on Banking Supervision - Accounting Task Force/Overseas recruitment program |
| | Basel Committee on Banking Supervision - Accounting Task Force (2) |
| | Federal Reserve Asian Banking Conference * and meetings |
| | International Credit Union Regulator Network Conference * |
| | National Credit Union Administration meetings |
| LITTRELL | Atlanta Federal Reserve Financial Markets Conference/Basel Committee on Banking Supervision – Level 2 assessment |
| | Basel Committee on Banking Supervision - Policy Development Group (3) |
| | Executives’ Meeting of East Asia-Pacific Central Banks |
| ROWELL | Joint Forum Working Group on Financial Developments |

* **Speaker**

Total estimated cost of APRA EGM travel \$261,000

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| Other APRA staff | |
|-------------------------|---|
| Number of trips | Purpose of attendance |
| 34 | Policy Committee / Meeting |
| 46 | Prudential review |
| 28 | Attending conference/seminar as attendee |
| 10 | Attending conference/seminar as presenter |
| 16 | Training |
| 8 | Technical assistance |
| 1 | Recruitment |

Total estimated cost of other APRA staff travel \$1,459,800

197. to 199. Staff are entitled to special cheaper 'Government Rates' issued by providers when booking accommodation. For overseas travel, no specific accommodation rate allowance is set; however, it is expected that staff:
- obtain reasonable quotes and prior cost centre manager approval before confirming any hotel bookings;
 - spend within reasonable limits; and
 - retain all receipts and substantiation of all expenses incurred relating to their overseas travel.
200. Expenses are acquitted against documented evidence and signed off by the appropriate delegate.
201. APRA does not make 'per diem' cash advances. Cash advances are available for staff travelling overseas, but only with Cost Centre Manager recommendation and Chief Financial Officer approval.