

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: APRA

Question: SBT 4287 -

Topic: Authorised Deposit-taking Institutions (ADIs) - RBA line of credit

Reference: Hansard page no. 86 - 22 October 2014

Senator: Canavan, Matthew

Question:

Senator CANAVAN: That was my next question. I know the legal documentation came out early last month. Have any ADIs applied yet to access the facility?

Mr Littrell: Yes, there was a shadow round last year essentially working through but without any actual contract being passed. In the last couple of weeks we have just completed, if you will, the first real round of the application, the supervisory vetting and the assignment of amounts. That will come into effect in January of 2015.

Senator CANAVAN: So, how many ADIs have applied at this stage?

Mr Littrell: I would have to take that on notice. I cannot remember the exact number off the top of my head.

Senator CANAVAN: That is what I would presume. Do you know how much the outstanding value of those will be then at this stage? Or do you have an idea of what it would be?

Mr Littrell: Yes. For an exact number we could take it on notice, but it is roughly \$300 billion, if you are asking about the CLF numbers.

Senator CANAVAN: \$300 billion. Correct me if I am wrong, but those ADIs having that line of credit will need to pay 15 basis points per year; is that right?

Mr Littrell: Correct.

Answer:

The number of eligible ADIs that applied for a Committed Liquidity Facility (CLF) is 14. All 14 of these are locally-incorporated ADIs and all 14 were granted a CLF.