

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 30 May – 1 June 2006

**Question: bet 116 (APRA)**

**Topic: Peer review of any trustee boards**

**Hansard Page: E124**

**Senator SHERRY asked:**

Have you requested a peer review of any trustee board?

**Mr Jones**—I am not sure. I will have to take that on notice.

**Answer:**

There have been no instances where APRA has required the Trustee to have an independent review of the board performance. APRA supervision staff routinely recommend to the boards of regulated entities that there be some formal self-assessment process in place so that boards can satisfy themselves that they are still acting appropriately and in the best interests of the stakeholders. APRA's new prudential standards on governance for authorised deposit-taking, life and general insurance institutions, which come into effect from 1 October 2006, include a requirement that boards have procedures for assessing, at least annually, the board's performance relative to its objectives.