

Australian Prudential Regulation Authority

2021 Stakeholder Survey Report

June 2021

Melbourne Canberra Sydney Brisbane
www.orima.com.au



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This project was conducted in accordance with the international quality standard ISO 20252, the international information security standard ISO 27001, as well as the Australian Privacy Principles contained in the Privacy Act 1988 (Cth).

I. Background and Methodology

The Australian Prudential Regulation Authority (APRA) has conducted biennial stakeholder surveys since 2009 with Regulated Entities (REs), Knowledgeable Observers (KOs)¹. The survey conducted in May 2021 included both REs and KOs.

The 2021 survey was conducted online. Following an introductory email from the APRA Chairman, invitations were sent by email to eligible respondents identified in APRA-provided databases. An improved survey management process was introduced in 2021 whereby one key contact is identified within each RE and sent a survey management portal link. This key contact can then share the survey with others, copy responses to surveys for related entities, and send the completed survey to their CEO for endorsement and submission. Where available, CEOs and other prudential contacts are sent a notification email informing them of who has the entity's management portal link. Reminder emails and phone calls were used throughout the fieldwork period to encourage participation. KO surveys were only completed by the individual invited to participate.

Final response rates for the 2021 survey were 68% for REs, and 9% for the KOs. The RE response rate was higher than the 62% in 2019, and at the high end of the range seen for previous waves.

The KO response rate was much lower than seen in previous years, where it is typically around 20%-30% (and 21% in 2019). As a result, the sample size for KOs in the 2021 survey is very small, and results should be treated with caution.

The questionnaire used for the 2021 survey was similar to the previous edition, with only relatively minor changes made to reflect key current areas of interest. The KO survey is a cut-down version of the RE survey, with only some questions being relevant to this group of respondents.

The majority of the questions used a closed 'ratings-scale' format and a five-point scale with two positive response options, two negative options and a neutral option. For the most part, the key result used for analysis is what is known as the 'top-2 box score', which is the proportion of respondents who selected one of the two most positive options.

¹ Directors were also surveyed in the 2015 edition.

II. Key Results and Conclusions

Across the first seven editions of the Australian Prudential Regulation Authority (APRA) biennial stakeholder survey the **results have been consistently strong, with further small improvements recorded in 2021 compared to 2019 amongst REs**. General patterns observed in the 2021 results are:

- The views of Regulated Entities (REs) are generally equal to or more positive than those of Knowledgeable Observers (KOs), a pattern that has been observed previously.
- Amongst REs, in 2021 the views of entities that are part of a group are generally broadly in line with entities that are not part of a group.
- Most statistically significant changes observed amongst REs from 2019 to 2021 are upwards, whereas statistically significant changes amongst KOs were generally slightly downwards. However, please note the small sample size for KOs in 2021 (n=31).

At a headline level, both REs and KOs strongly believe that APRA's supervision and enforcement of prudential requirements is benefiting the Australian community, strengthening their entity and positively impacting on their industry. REs' ratings of all these increased in 2021.

	REs	KOs
<i>APRA's supervision of your industry helps protect the financial well-being of the Australian community²</i>	97% ^{+4%}	-
<i>APRA's supervision of the financial services sector enhances the financial and operational strength of your entity²</i>	89% ^{+3%}	-
<i>APRA's enforcement of its prudential requirements has a positive or very positive impact on your industry</i>	87% ^{+7%}	74% =

Superscript figures show comparison to 2019 survey.

Overall the 2021 results remain strong, with largely positive changes observed in comparison to 2019 (when the survey was last conducted). **RE results that were statistically significantly³ higher in 2021 included:**

- Perceptions of **APRA's supervision**, with significant improvements recorded across all four aspects compared to 2019;
- Perceptions of the **consultation process** increased significantly in 2021 from 2019, particularly provision of sufficient opportunity for consultation about proposed changes and perceptions of APRA's consultation packages, which were both at their highest levels seen so far;
- Perceptions of nearly all dimensions of **risk assessment** have improved significantly in 2021, with several measures at the highest level recorded after increasing gradually over time;
- Perceptions of the **capabilities of the supervisory teams** were notably higher in 2021, after dropping slightly in 2019; and
- Usefulness and reliability of **statistical publications**.

RE perceptions of **APRAs response to regulating the industry during COVID** were also strong, especially with respect to communicating changing expectations, appropriate and helpful policy responses, and reducing regulatory burden during the pandemic.

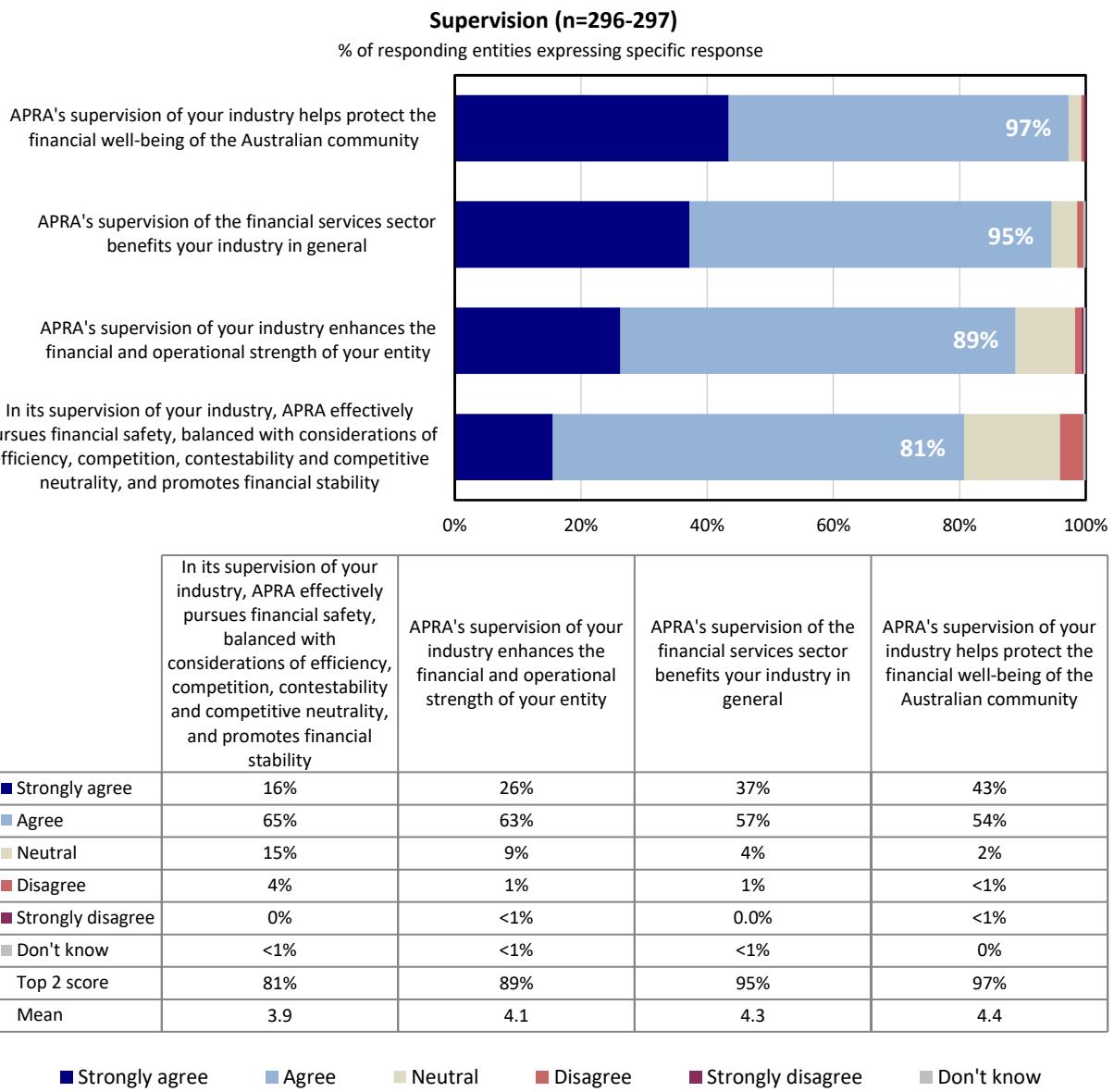
² This question was not asked in the 2021 Knowledgeable Observers survey.

³ Statistical significance was tested at the 95% confidence level, the level most usually used in survey research.

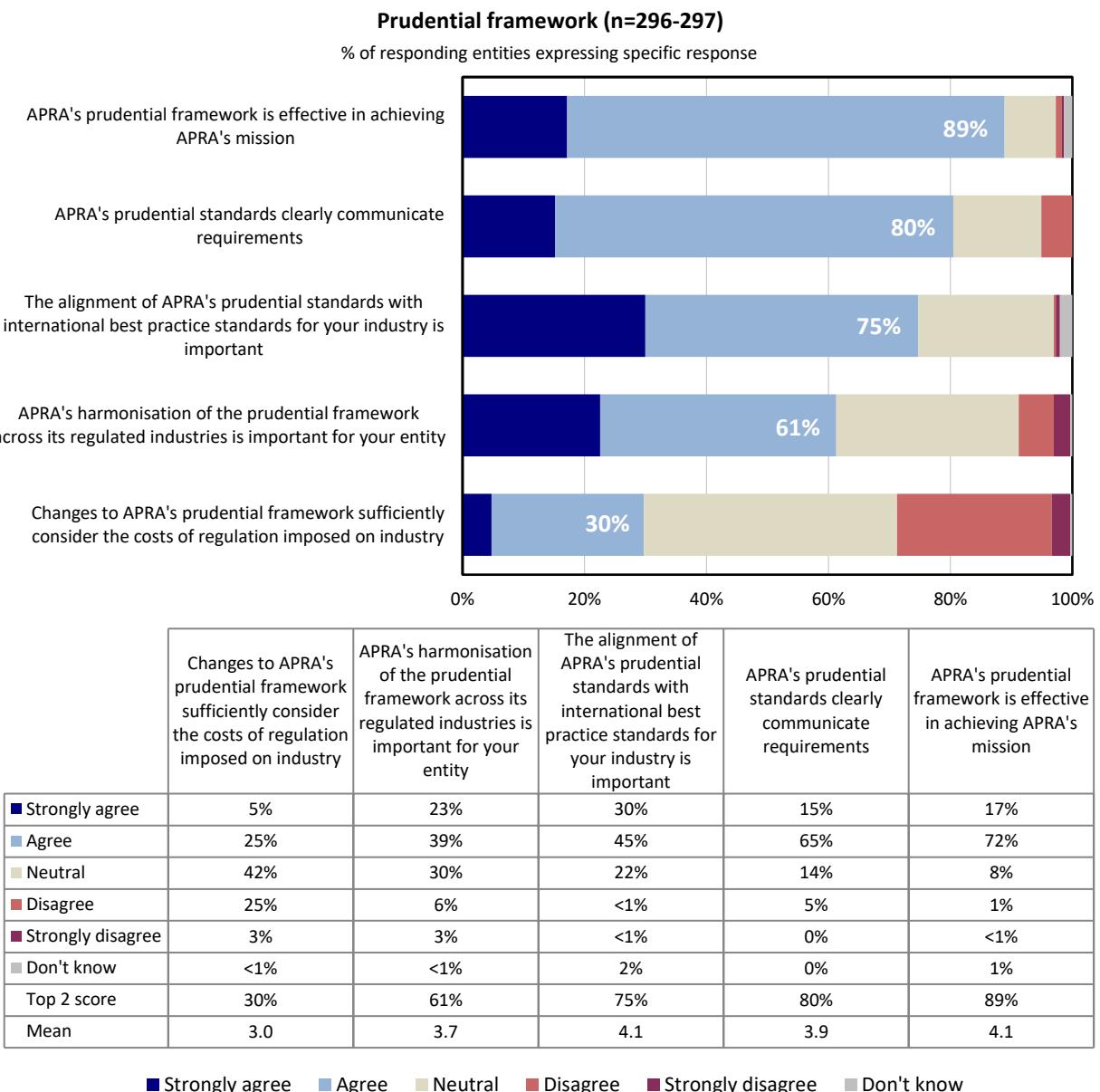
III. Regulated Entity charts and tables

This section of the report shows the detailed results for each of the individual questions asked in the Regulated Entity (RE) survey. Percentage results shown in white in the following charts denote the 'Top 2' score for each question (except for Multiple Response questions).

A. Regulated Entity overall frequency distribution charts

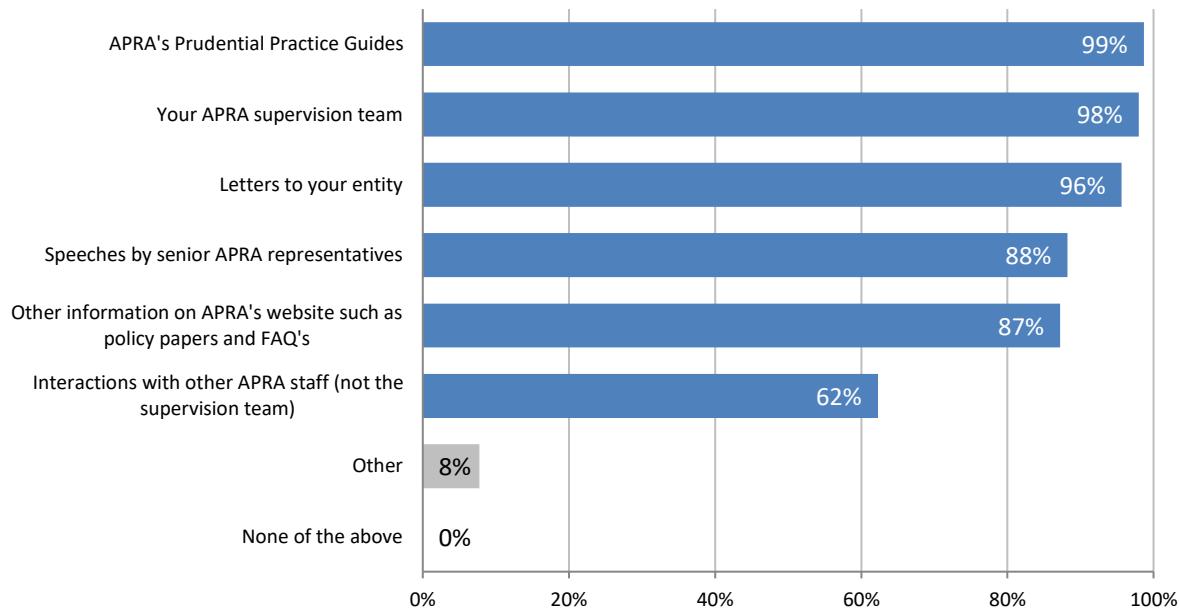


q1c, q1a, q1b, q1d.



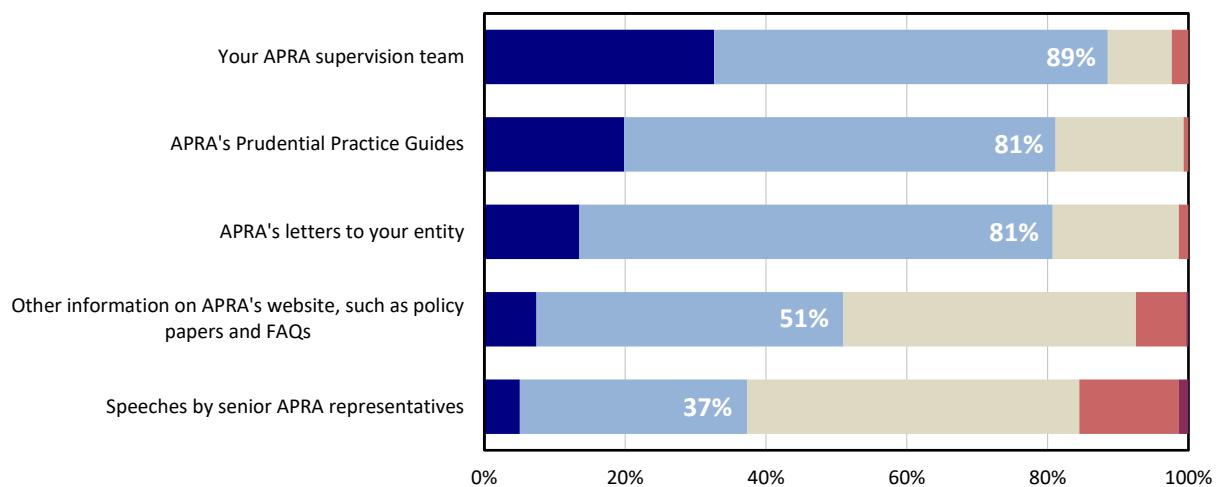
q2a, q2d, q2c, q2b, q2e.

**Sources of guidance organisation has used in past 12 months (Multiple Response)
(n=297)**



q7.

Usefulness of guidance (n=296-297)
% of responding entities expressing specific response

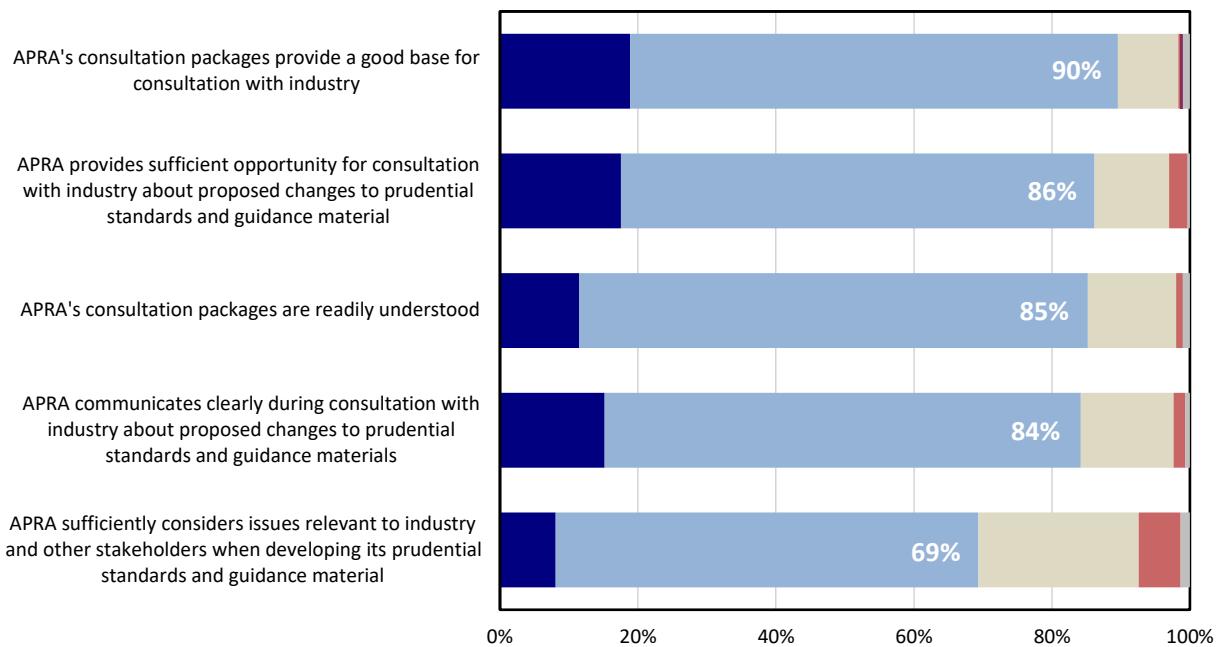


	Speeches by senior APRA representatives	Other information on APRA's website, such as policy papers and FAQs	APRA's letters to your entity	APRA's Prudential Practice Guides	Your APRA supervision team
■ Extremely useful	5%	7%	14%	20%	33%
■ Very useful	32%	44%	67%	61%	56%
■ Moderately useful	47%	42%	18%	18%	9%
■ Slightly useful	14%	7%	1%	<1%	2%
■ Not useful at all	1%	<1%	0%	0%	0%
Top 2 score	37%	51%	81%	81%	89%
Mean	3.3	3.5	3.9	4.0	4.2

■ Extremely useful ■ Very useful ■ Moderately useful ■ Slightly useful ■ Not useful at all

q8a, q8b, q8c, q8e, q8d.

Consultation processes (n=297)
 % of responding entities expressing specific response



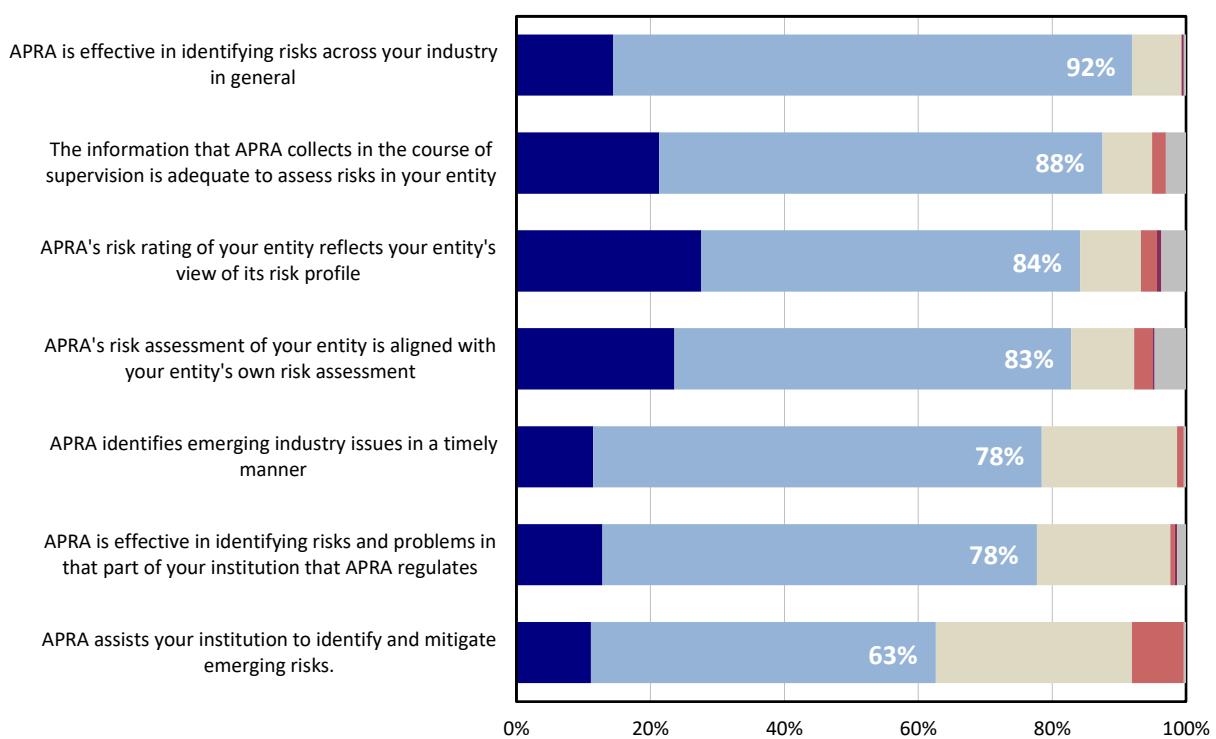
	APRA sufficiently considers issues relevant to industry and other stakeholders when developing its prudential standards and guidance material	APRA communicates clearly during consultation with industry about proposed changes to prudential standards and guidance materials	APRA's consultation packages are readily understood	APRA provides sufficient opportunity for consultation with industry about proposed changes to prudential standards and guidance material	APRA's consultation packages provide a good base for consultation with industry
■ Strongly agree	8%	15%	11%	18%	19%
■ Agree	61%	69%	74%	69%	71%
■ Neutral	23%	13%	13%	11%	9%
■ Disagree	6%	2%	1%	3%	<1%
■ Strongly disagree	0%	0%	0%	0%	<1%
■ Don't know	1%	<1%	1%	<1%	1%
Top 2 score	69%	84%	85%	86%	90%
Mean	3.7	4.0	4.0	4.0	4.1

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree ■ Don't know

q9d, q9b, q9c, q9e, q9a.

Risk assessments (n=296-297)

% of responding entities expressing specific response



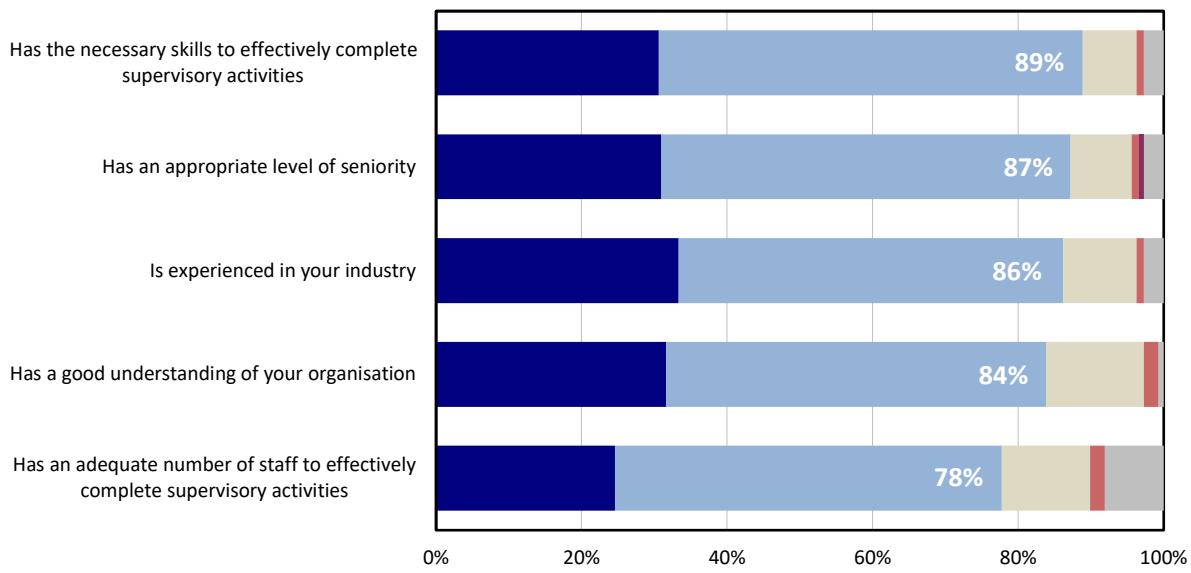
	APRA assists your institution to identify and mitigate emerging risks.	APRA is effective in identifying risks and problems in that part of your institution that APRA regulates	APRA identifies emerging industry issues in a timely manner	APRA's risk assessment of your entity is aligned with your entity's own risk assessment	APRA's risk rating of your entity reflects your entity's view of its risk profile	The information that APRA collects in the course of supervision is adequate to assess risks in your entity	APRA is effective in identifying risks across your industry in general
■ Strongly agree	11%	13%	11%	24%	28%	21%	14%
■ Agree	52%	65%	67%	59%	57%	66%	77%
■ Neutral	29%	20%	20%	9%	9%	7%	7%
■ Disagree	8%	<1%	1%	3%	2%	2%	0%
■ Strongly disagree	0%	<1%	0%	<1%	<1%	0%	<1%
■ Don't know	<1%	1%	<1%	5%	4%	3%	<1%
Top 2 score	63%	78%	78%	83%	84%	88%	92%
Mean	3.7	3.9	3.9	4.1	4.1	4.1	4.1

█ Strongly agree
 █ Agree
 █ Neutral
 █ Disagree
 █ Strongly disagree
 █ Don't know

q11e, q11c, q11b, q11a, q11f, q11d, q11g.

**Dealings with APRA -
The APRA supervisory team responsible for your organisation... (n=297)**

% of responding entities expressing specific response



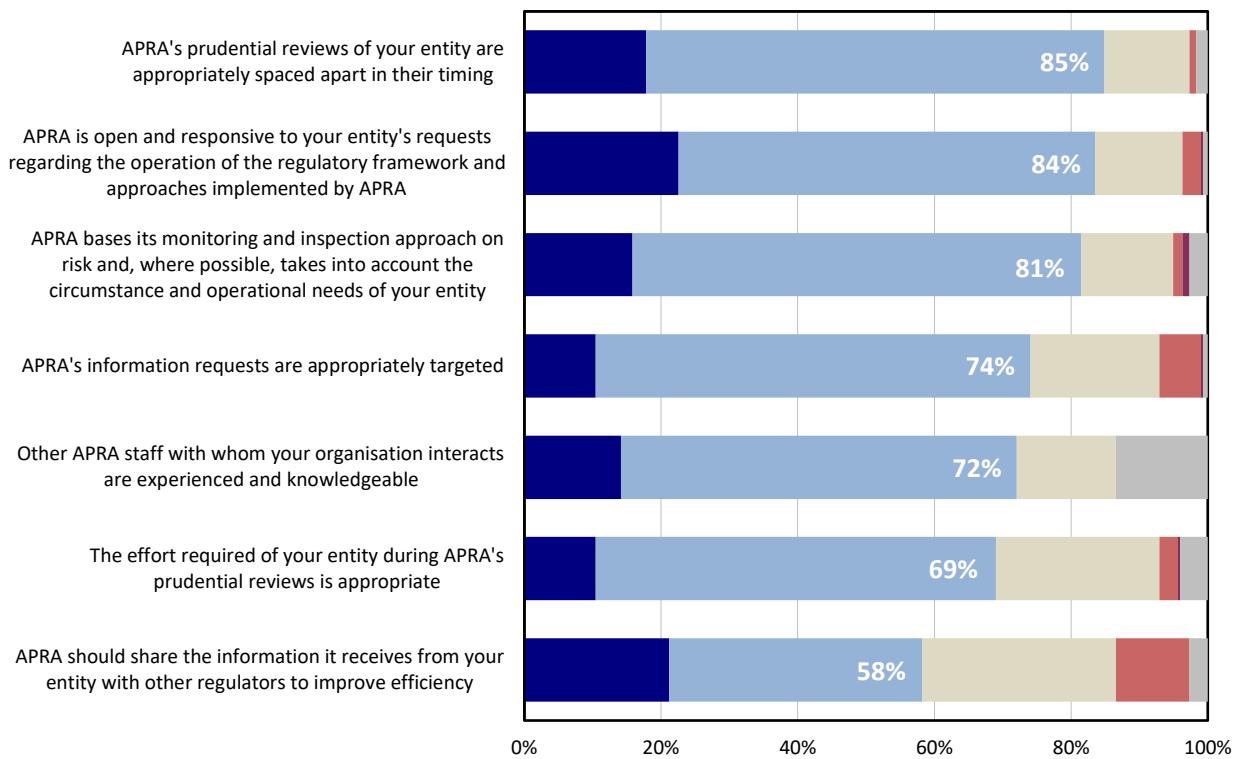
	Has an adequate number of staff to effectively complete supervisory activities	Has a good understanding of your organisation	Is experienced in your industry	Has an appropriate level of seniority	Has the necessary skills to effectively complete supervisory activities
■ Strongly agree	25%	32%	33%	31%	31%
■ Agree	53%	52%	53%	56%	58%
■ Neutral	12%	13%	10%	8%	7%
■ Disagree	2%	2%	1%	1%	1%
■ Strongly disagree	0%	0%	0%	<1%	0%
■ Don't know	8%	<1%	3%	3%	3%
Top 2 score	78%	84%	86%	87%	89%
Mean	4.1	4.1	4.2	4.2	4.2

█ Strongly agree
 █ Agree
 █ Neutral
 █ Disagree
 █ Strongly disagree
 █ Don't know

q13d, q13c, q13b, q13a, q13e.

Dealings with APRA (n=297)

% of responding entities expressing specific response



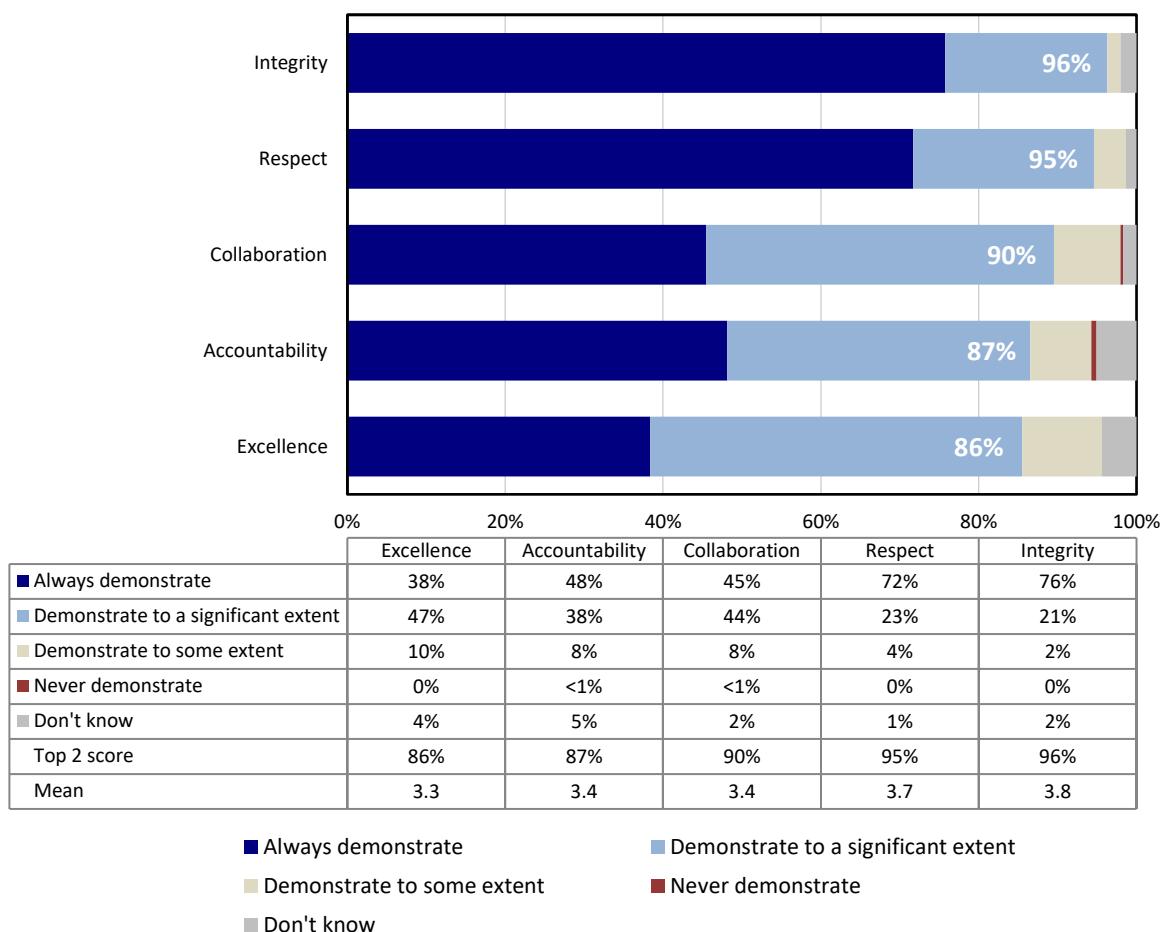
	APRA should share the information it receives from your entity with other regulators to improve efficiency	The effort required of your entity during APRA's prudential reviews is appropriate	Other APRA staff with whom your organisation interacts are experienced and knowledgeable	APRA's information requests are appropriately targeted	APRA bases its monitoring and inspection approach on risk and, where possible, takes into account the circumstance and operational needs of your entity	APRA is open and responsive to your entity's requests regarding the operation of the regulatory framework and approaches implemented by APRA	APRA's prudential reviews of your entity are appropriately spaced apart in their timing
■ Strongly agree	21%	10%	14%	10%	16%	23%	18%
■ Agree	37%	59%	58%	64%	66%	61%	67%
■ Neutral	28%	24%	14%	19%	13%	13%	12%
■ Disagree	11%	3%	0%	6%	1%	3%	1%
■ Strongly disagree	0%	<1%	0%	<1%	1%	<1%	0%
■ Don't know	3%	4%	13%	<1%	3%	<1%	2%
Top 2 score	58%	69%	72%	74%	81%	84%	85%
Mean	3.7	3.8	4.0	3.8	4.0	4.0	4.0

█ Strongly agree
 █ Agree
 █ Neutral
 █ Disagree
 █ Strongly disagree
 █ Don't know

q14b, q14g, q14f, q14d, q14a, q14c, q14e.

To what extent do APRA staff demonstrate the APRA values? (n=297)

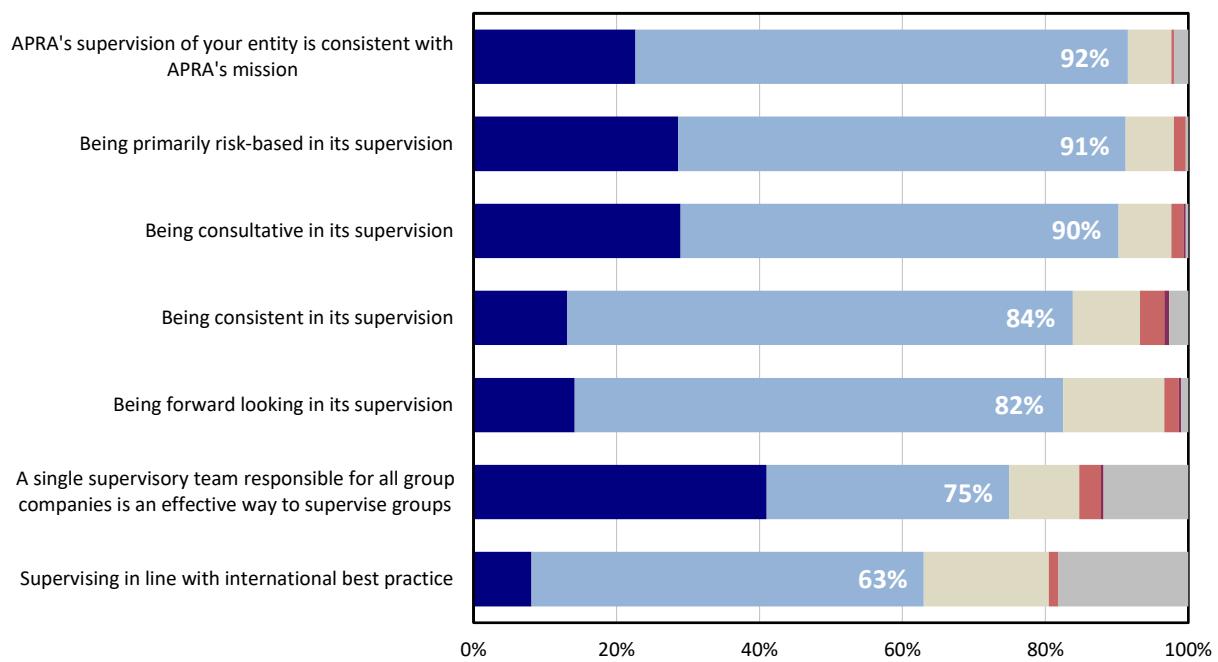
% of responding entities expressing specific response



q15a, q15c, q15b, q15e, q15d.

Supervisory activities (A) (n=295-297)

% of responding entities expressing specific response



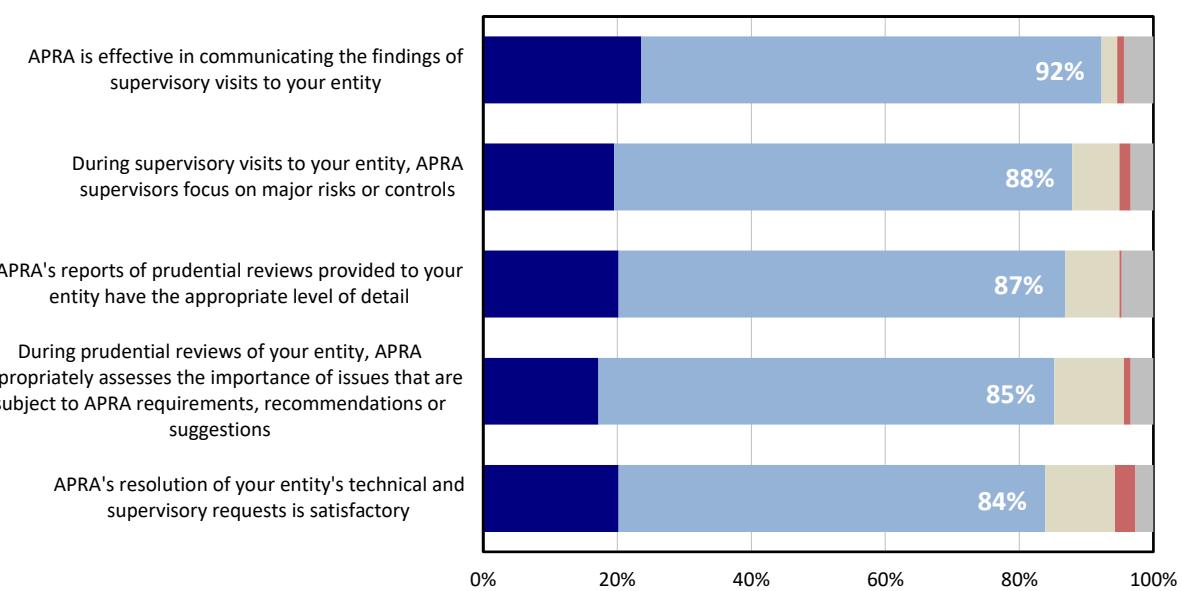
	Supervising in line with international best practice	A single supervisory team responsible for all group companies is an effective way to supervise groups	Being forward looking in its supervision	Being consistent in its supervision	Being consultative in its supervision	Being primarily risk-based in its supervision	APRA's supervision of your entity is consistent with APRA's mission
■ Strongly agree	8%	41%	14%	13%	29%	29%	23%
■ Agree	55%	34%	68%	71%	61%	63%	69%
■ Neutral	18%	10%	14%	9%	7%	7%	6%
■ Disagree	1%	3%	2%	3%	2%	2%	<1%
■ Strongly disagree	0%	<1%	<1%	<1%	<1%	0%	0%
■ Don't know	18%	12%	1%	3%	<1%	<1%	2%
Top 2 score	63%	75%	82%	84%	90%	91%	92%
Mean	3.9	4.3	3.9	3.9	4.2	4.2	4.2

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree ■ Don't know

q16f, q16b, q16c, q16d, q16a, q16g, q16e.

Supervisory activities (B) (n=297)

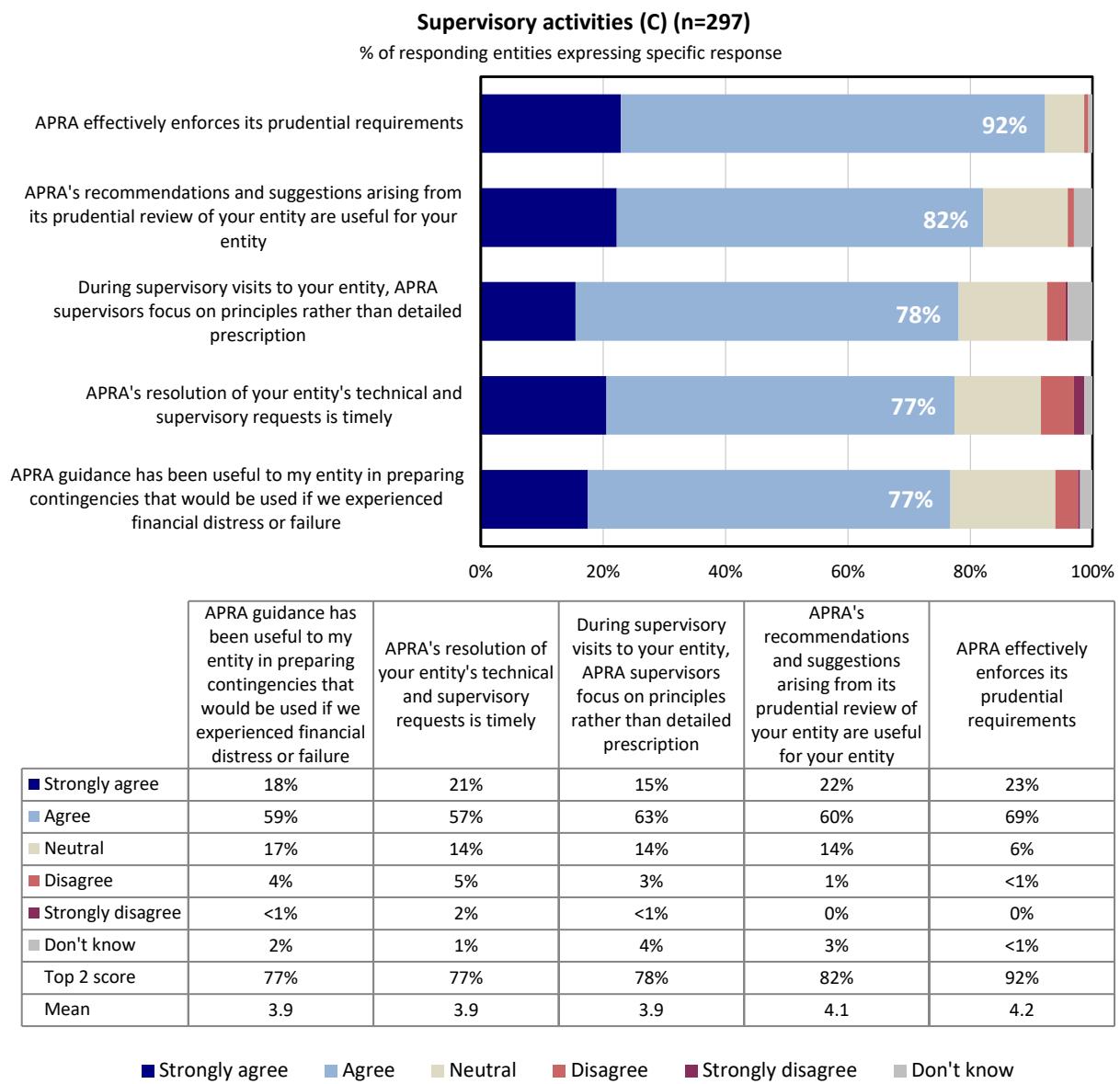
% of responding entities expressing specific response



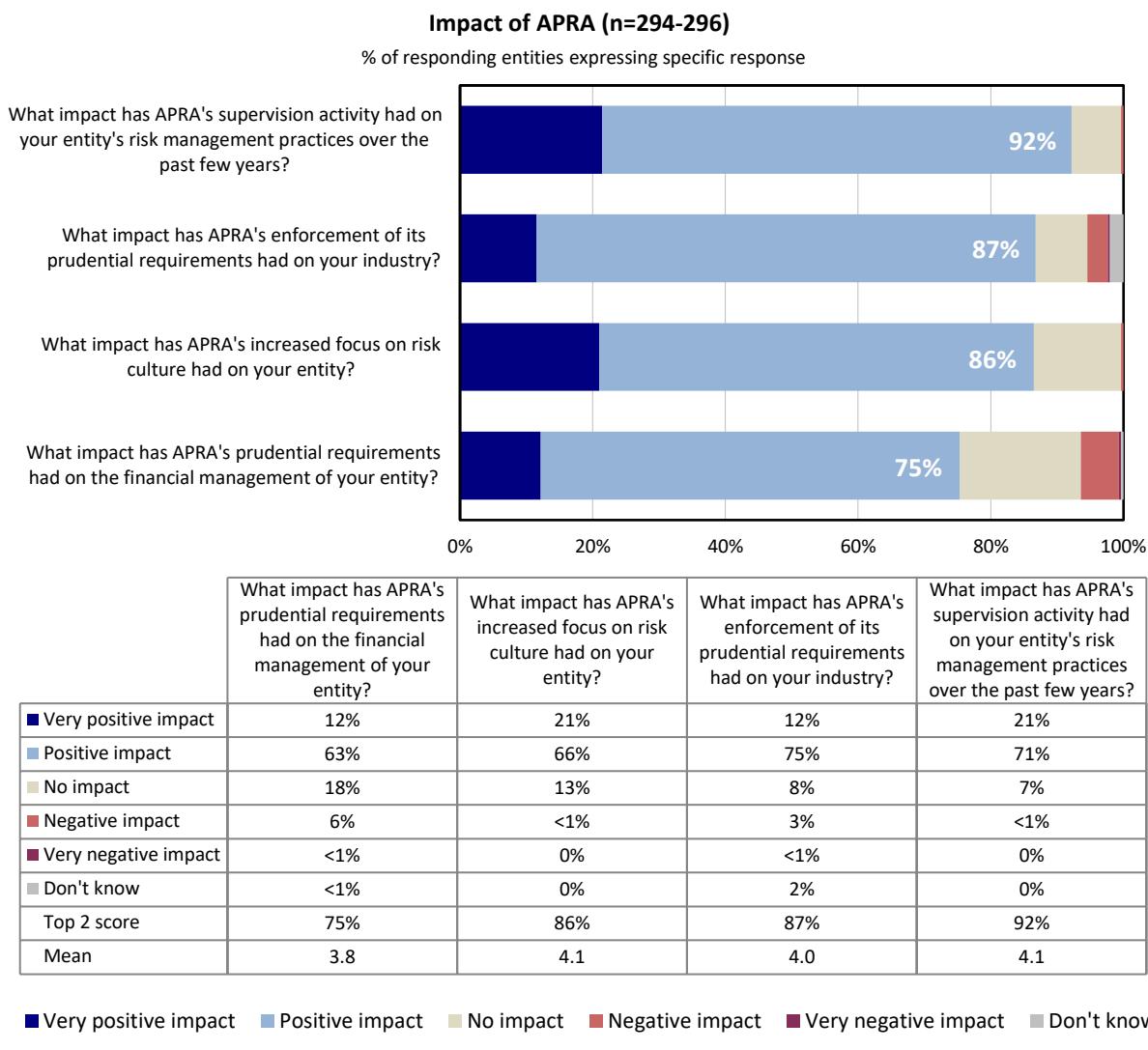
	APRA's resolution of your entity's technical and supervisory requests is satisfactory	During prudential reviews of your entity, APRA appropriately assesses the importance of issues that are subject to APRA requirements, recommendations or suggestions	APRA's reports of prudential reviews provided to your entity have the appropriate level of detail	During supervisory visits to your entity, APRA supervisors focus on major risks or controls	APRA is effective in communicating the findings of supervisory visits to your entity
Strongly agree	20%	17%	20%	20%	24%
Agree	64%	68%	67%	68%	69%
Neutral	10%	10%	8%	7%	2%
Disagree	3%	1%	<1%	2%	1%
Strongly disagree	0%	0%	0%	0%	0%
Don't know	3%	3%	5%	3%	4%
Top 2 score	84%	85%	87%	88%	92%
Mean	4.0	4.0	4.1	4.1	4.2

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree ■ Don't know

q18d, q18b, q18f, q18c, q18g.



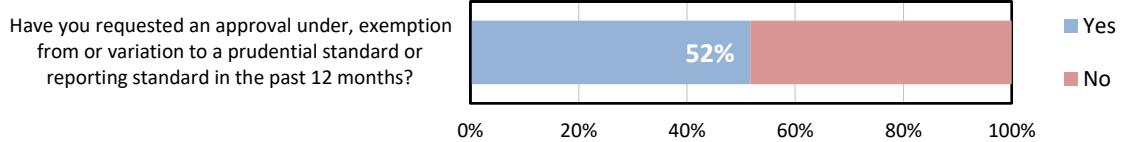
q19a, q18e, q18a, q18h, q19b.



q21b, q21a, q21d, q21c.

Exemptions and variations (n=296)

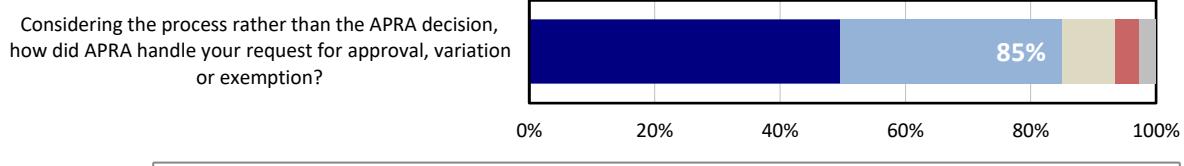
% of responding entities expressing specific response



q23.

Exemptions and variations (n=153)

% of responding entities expressing specific response



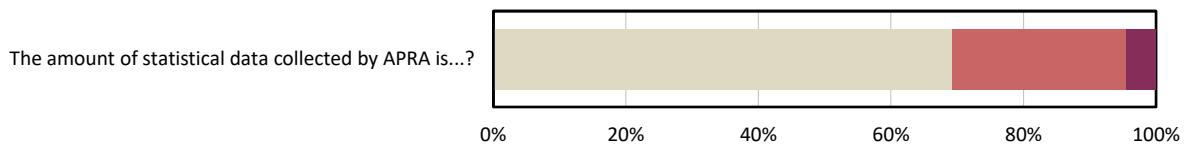
Considering the process rather than the APRA decision, how did APRA handle your request for approval, variation or exemption?	
Very well	50%
Well	35%
Neutral	8%
Poorly	4%
Very poorly	0%
Don't know	3%
Top 2 score	85%
Mean	4.3

■ Very well ■ Well ■ Neutral ■ Poorly ■ Very poorly ■ Don't know

q24.

Data collections (n=297)

% of responding entities expressing specific response



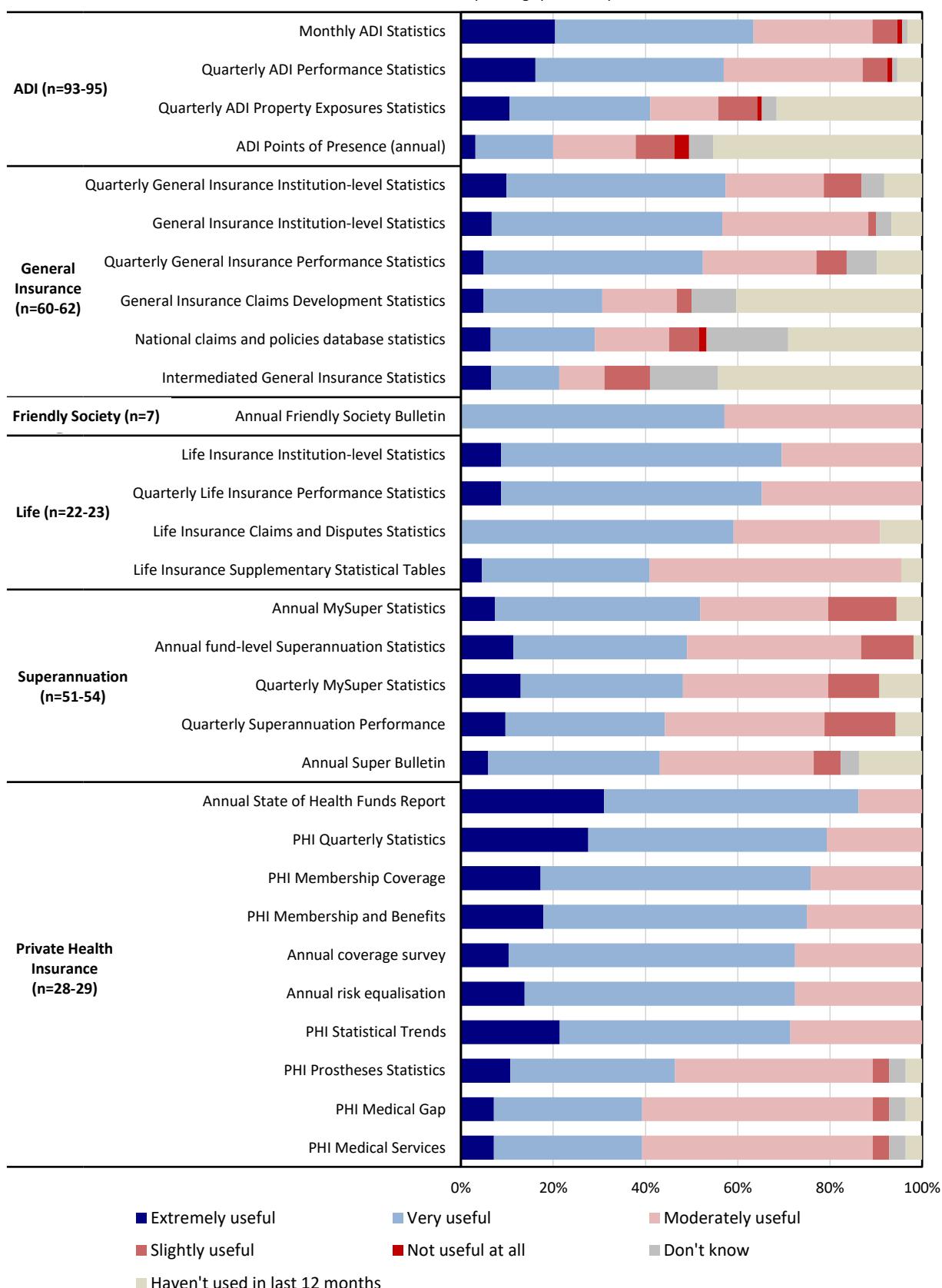
The amount of statistical data collected by APRA is...?	
Far too little	0%
Too little	<1%
About right	69%
Too much	26%
Far too much	4%
Top 2 score	0%
Mean	3.3

■ Far too little ■ Too little ■ About right ■ Too much ■ Far too much

q25.

Statistical publications split by relevant industry

% of relevant entities expressing specific response

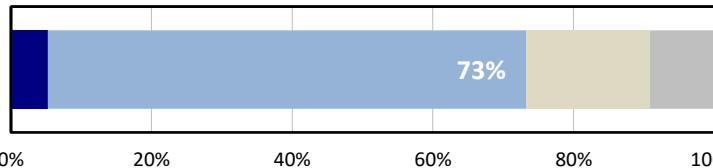


q30b, q30c, q30d, q30a, q30m, q30j, q30n, q30i, q30l, q30k, q30q, q30s, q30u, q30r, q30t, q30ll, q30kk, q30nn, q30oo, q30mm, q30y, q30ee, q30cc, q30bb, q30pp, q30x, q30ff, q30dd, q30z, q30aa – filtered only for respondents in relevant industry.

Reliability of APRA publications (only asked to respondents who used a publication in q30a-q30pp)(n=285)

% of responding entities expressing specific response

You mentioned that your entity has used the following APRA publications in the last 12 months: Overall, how reliable has the data/information in these publications been in the last 12 months?



You mentioned that your entity has used the following APRA publications in the last 12 months: Overall, how reliable has the data/information in these publications been in the last 12 months?	
Extremely reliable	5%
Very reliable	68%
Moderately reliable	18%
Slightly reliable	0%
Not reliable at all	0%
Don't know	9%
Top 2 score	73%
Mean	3.9

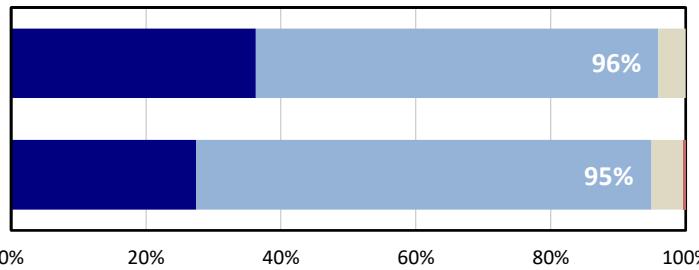
■ Extremely reliable ■ Very reliable ■ Moderately reliable ■ Slightly reliable ■ Not reliable at all ■ Don't know

q31.

Communications (n=295)

% of responding entities expressing specific response

APRA's communications to my entity are clear and effective



APRA's public communications are clear and effective (e.g. speeches, media releases and website content)

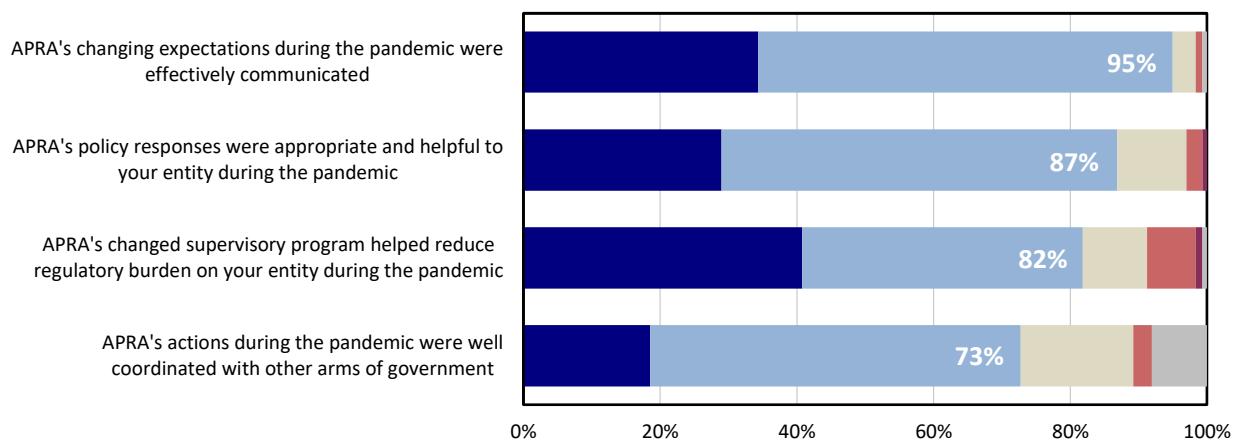
	APRA's public communications are clear and effective (e.g. speeches, media releases and website content)	APRA's communications to my entity are clear and effective
Strongly agree	27%	36%
Agree	67%	60%
Neutral	5%	4%
Disagree	<1%	0%
Strongly disagree	0%	0%
Don't know	0%	0%
Top 2 score	95%	96%
Mean	4.2	4.3

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree ■ Don't know

q34b, q34a.

Regulation during COVID-19 (n=297)

% of responding entities expressing specific response

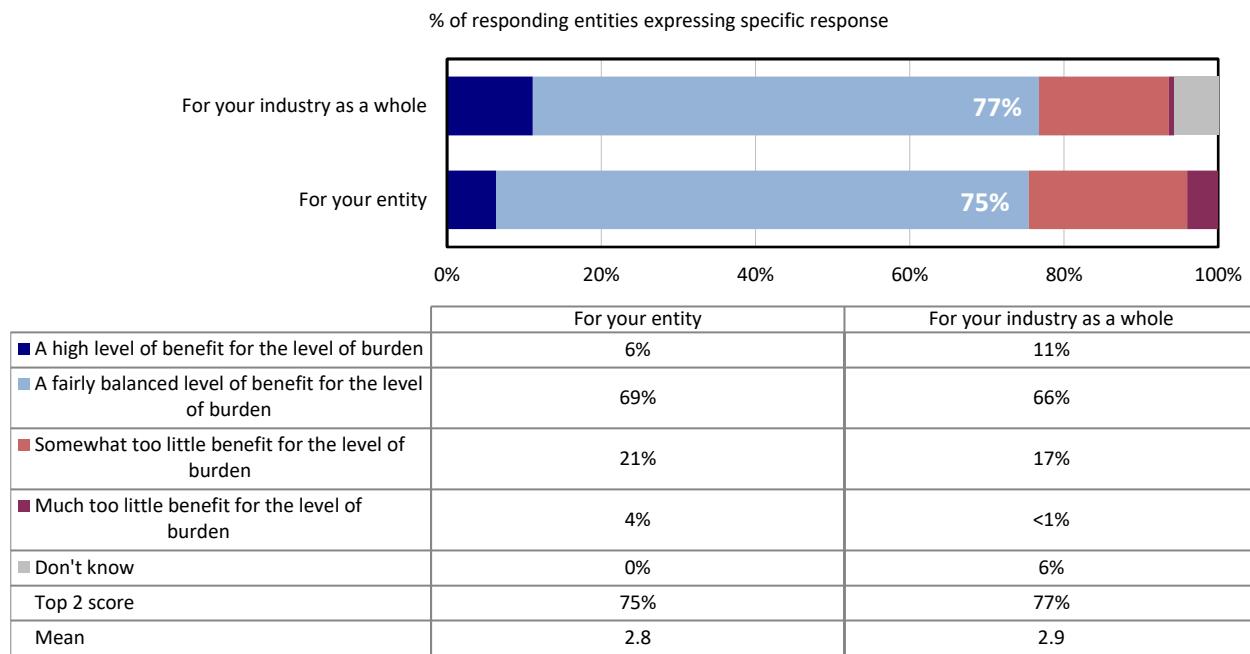


	APRA's actions during the pandemic were well coordinated with other arms of government	APRA's changed supervisory program helped reduce regulatory burden on your entity during the pandemic	APRA's policy responses were appropriate and helpful to your entity during the pandemic	APRA's changing expectations during the pandemic were effectively communicated
Strongly agree	19%	41%	29%	34%
Agree	54%	41%	58%	61%
Neutral	16%	9%	10%	3%
Disagree	3%	7%	2%	1%
Strongly disagree	0%	1%	<1%	0%
Don't know	8%	<1%	0%	<1%
Top 2 score	73%	82%	87%	95%
Mean	4.0	4.1	4.1	4.3

█ Strongly agree
 █ Agree
 █ Neutral
 █ Disagree
 █ Strongly disagree
 █ Don't know

q35c, q35a, q35b, q35d.

Regulatory burden -
Overall, where do you feel the balance currently sits between the burden of APRA's regulatory requirements and the benefits it provides? (n=297)



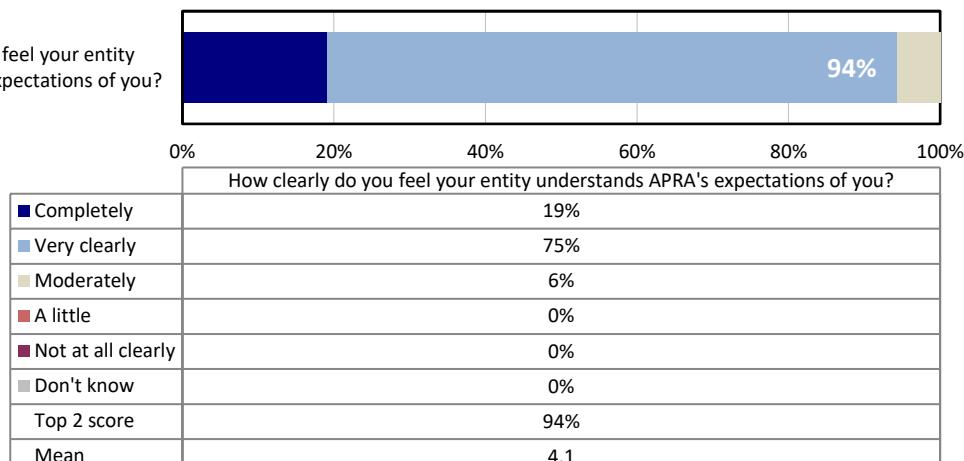
- A high level of benefit for the level of burden
- Somewhat too little benefit for the level of burden
- Much too little benefit for the level of burden
- Don't know

q36b, q36a.

Regulatory burden (n=297)

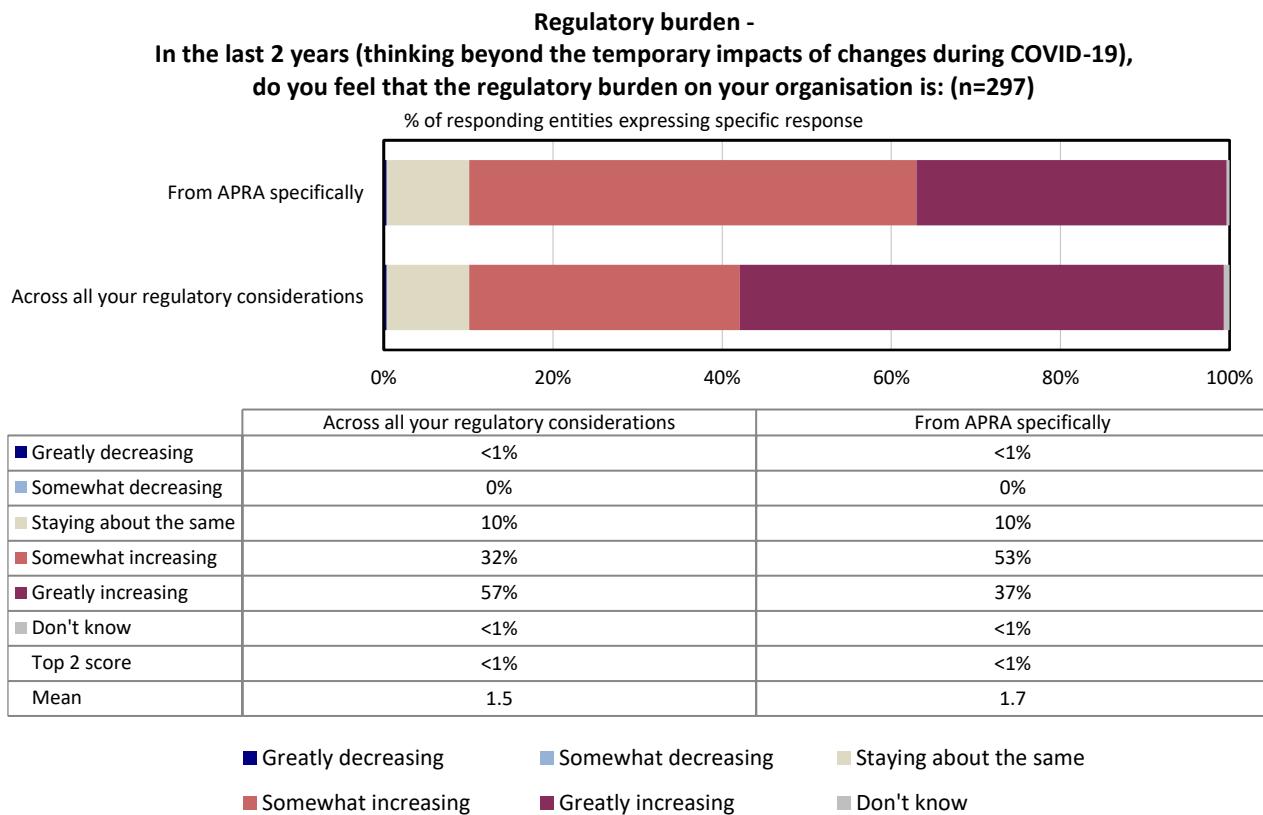
% of responding entities expressing specific response

How clearly do you feel your entity understands APRA's expectations of you?

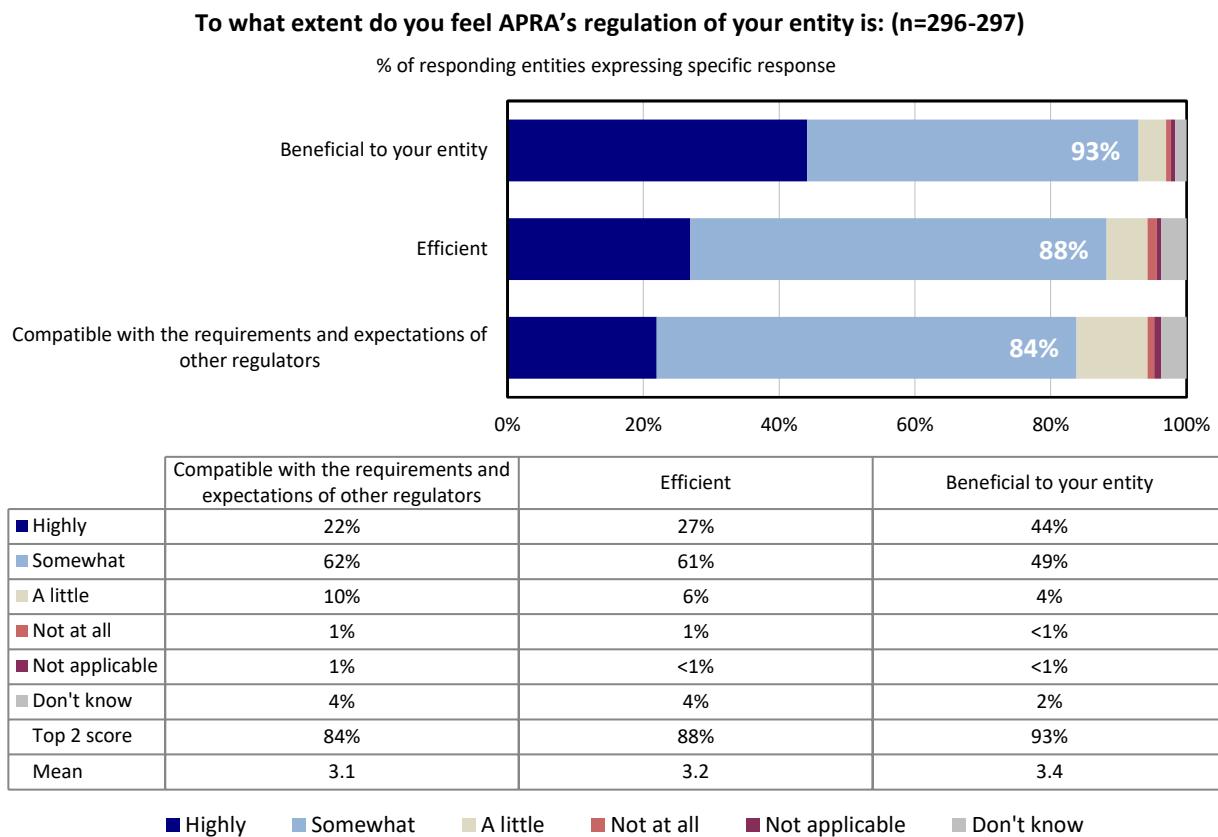


- Completely
- Very clearly
- Moderately
- A little
- Not at all clearly
- Don't know

q37.

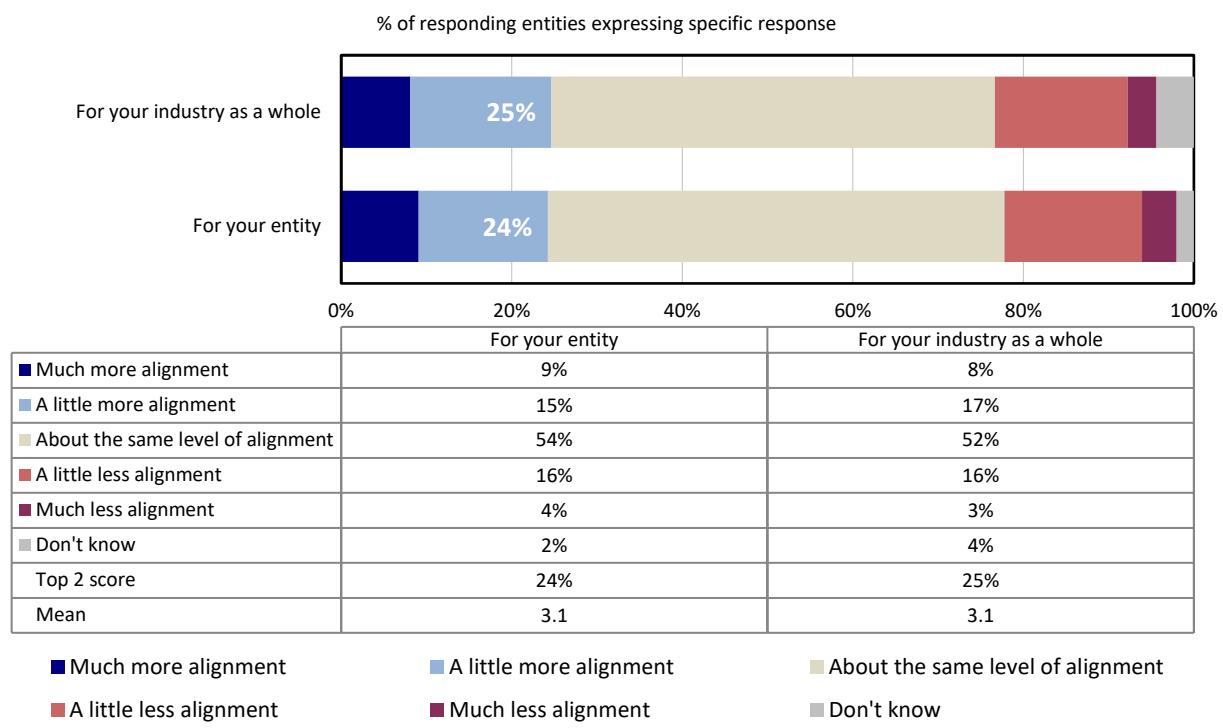


q38a, q38b.



q39c, q39b, q39a.

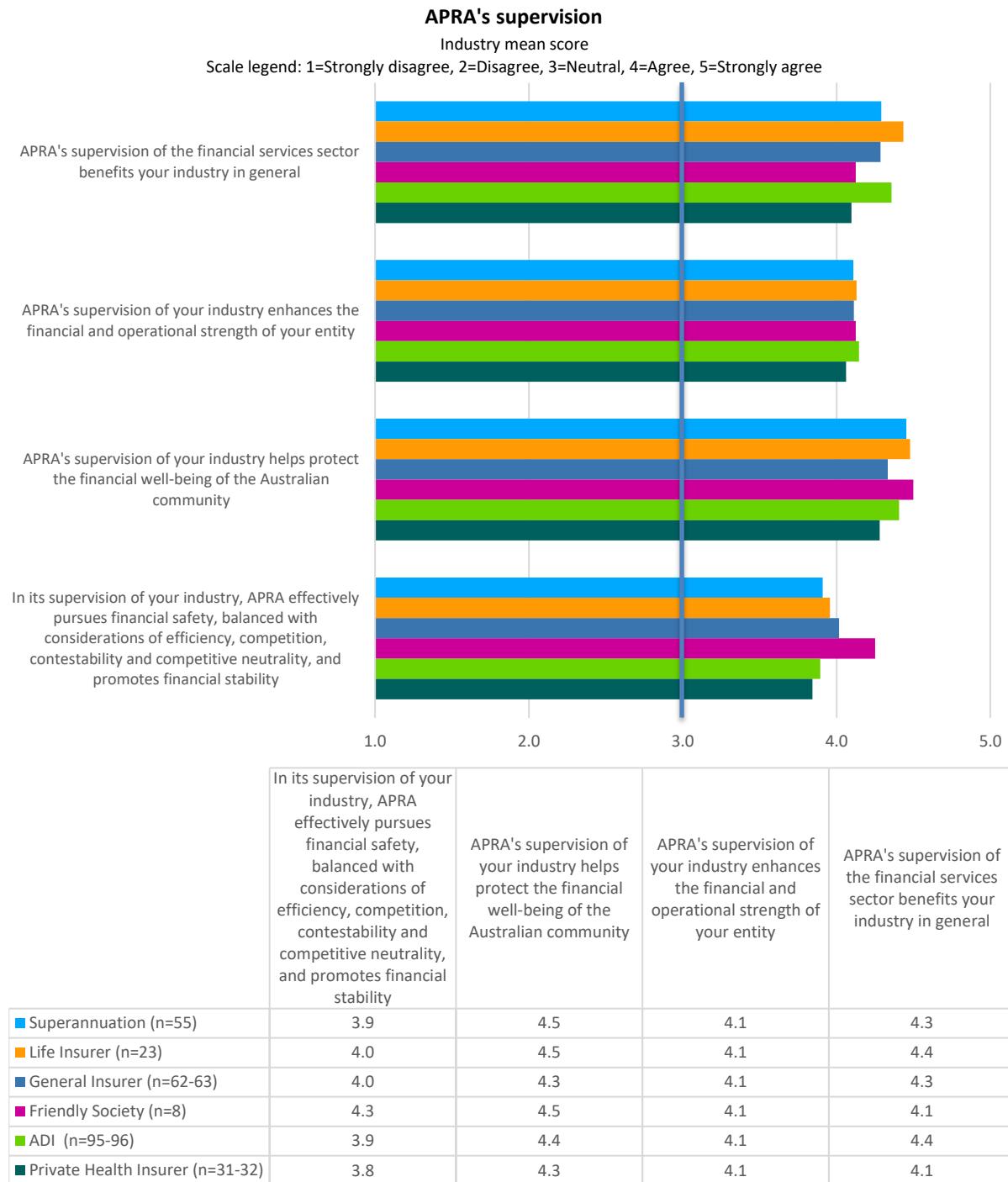
Expected future direction of alignment between APRA's expectations and the needs of entities being regulated (n=296-297)



q40b, q40a.

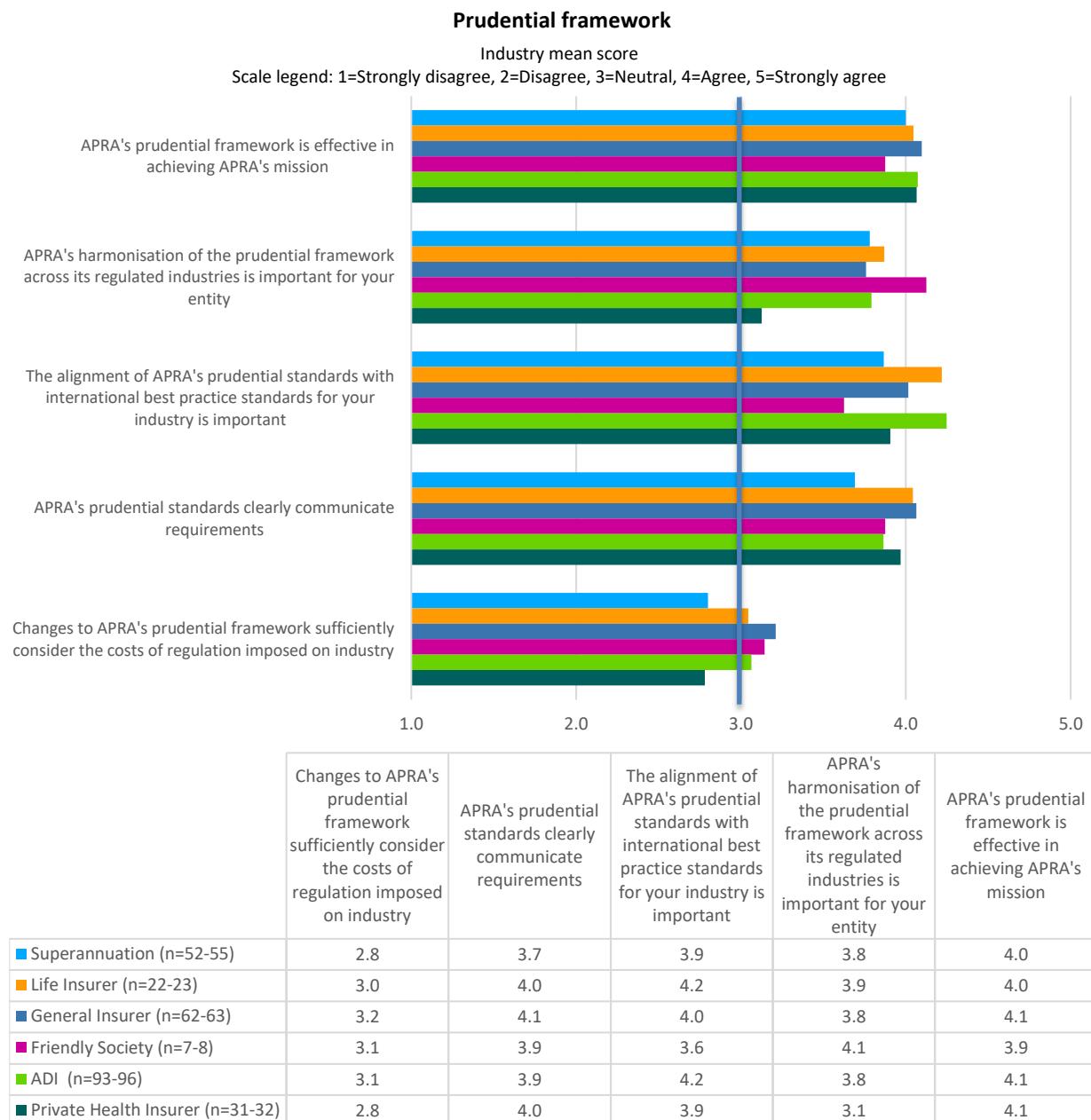
B. Regulated Entity means comparison charts by industry⁴

This section of the report shows the breakdown of RE results by industry types, comparing mean (average) scores for questions. Due to the small size of the Friendly Society subsample (n=8), results have only been shown for questions where at least 7 out of the 8 Friendly Society respondents provided a response.

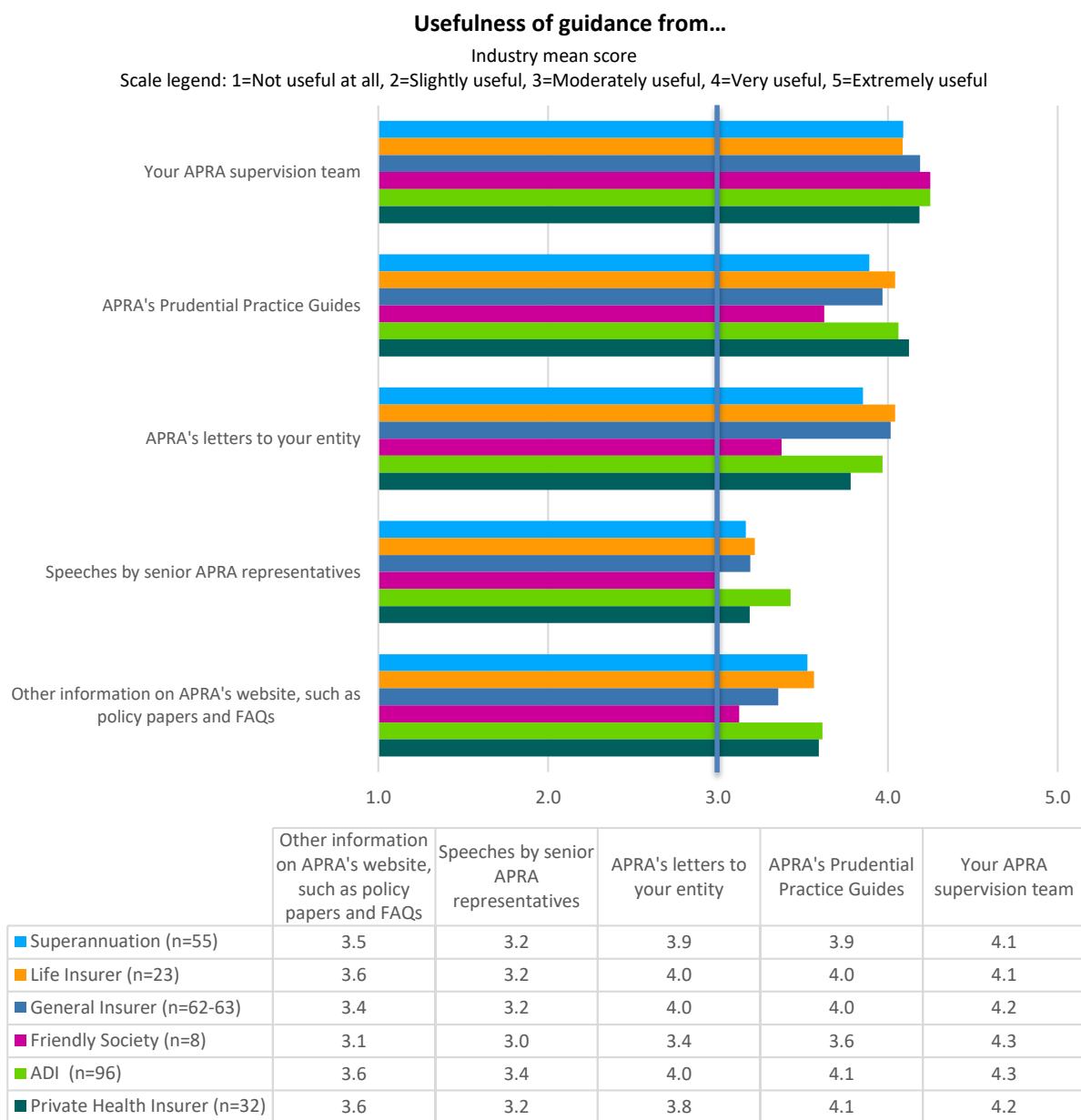


q1a, q1b, q1c, q1d.

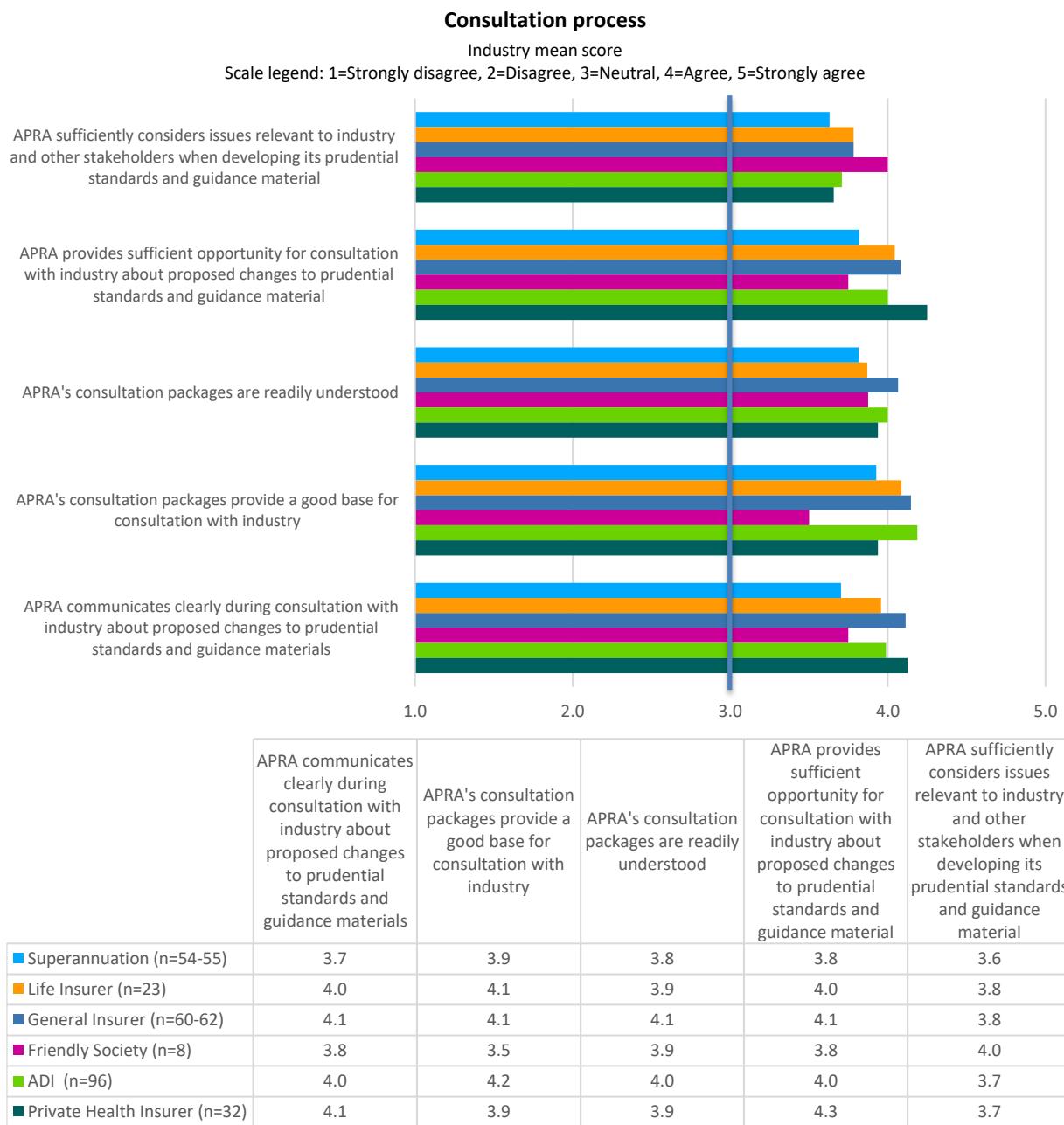
⁴ All 'don't know' response categories have been excluded from the calculation of means



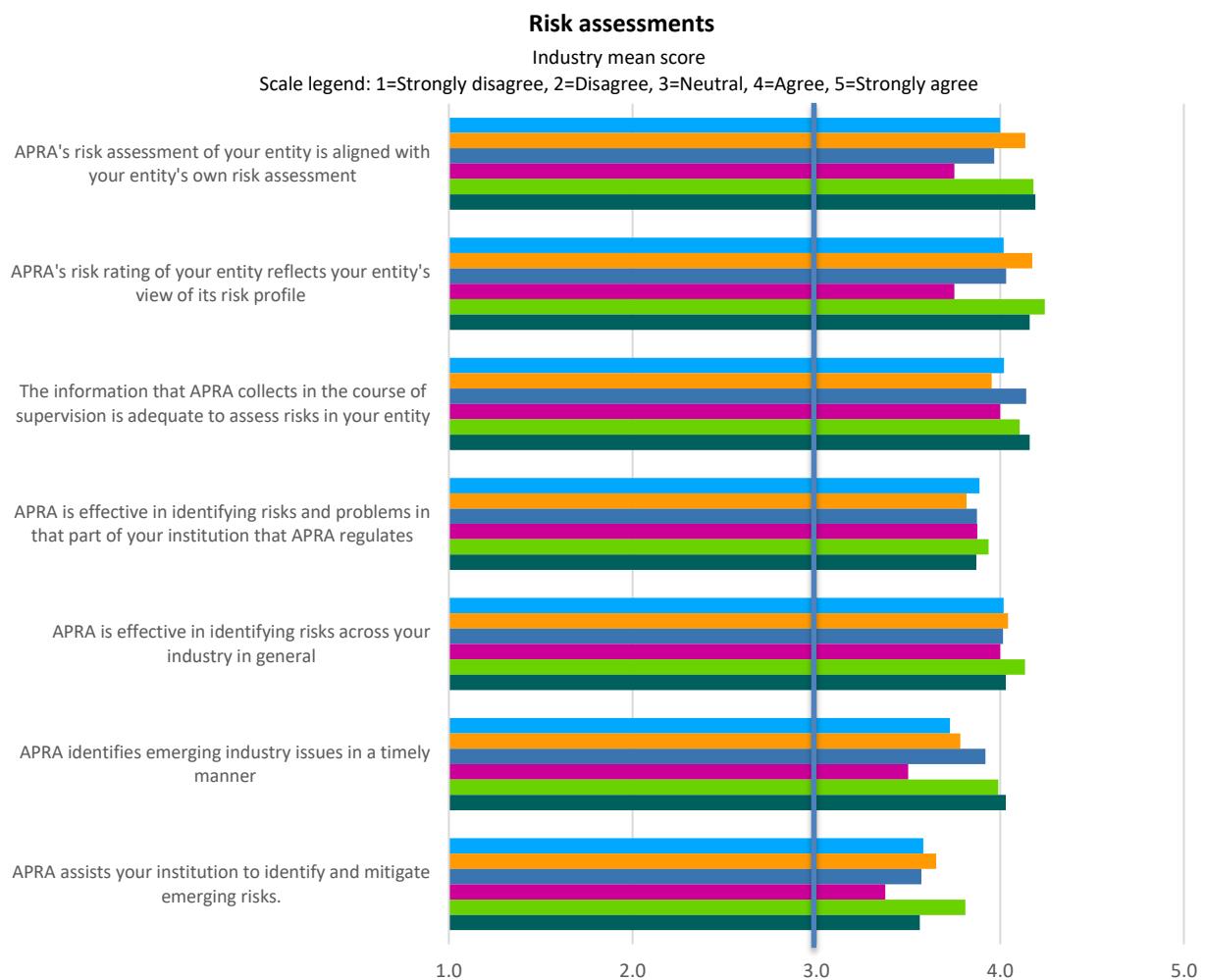
q2a, q2b, q2c, q2d, q2e.



q8a, q8b, q8c, q8d, q8e.

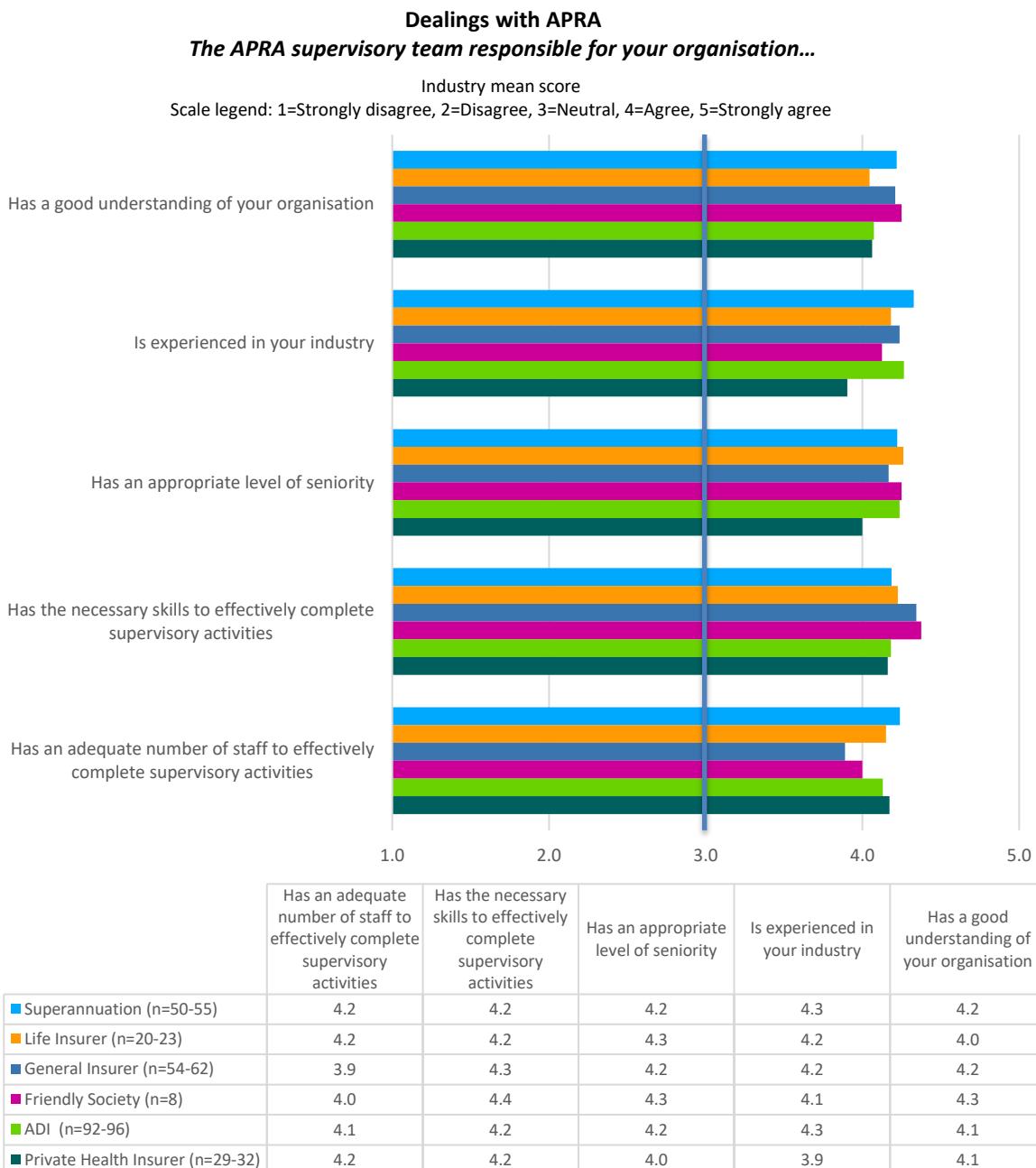


q9a, q9b, q9c, q9d, q9e.

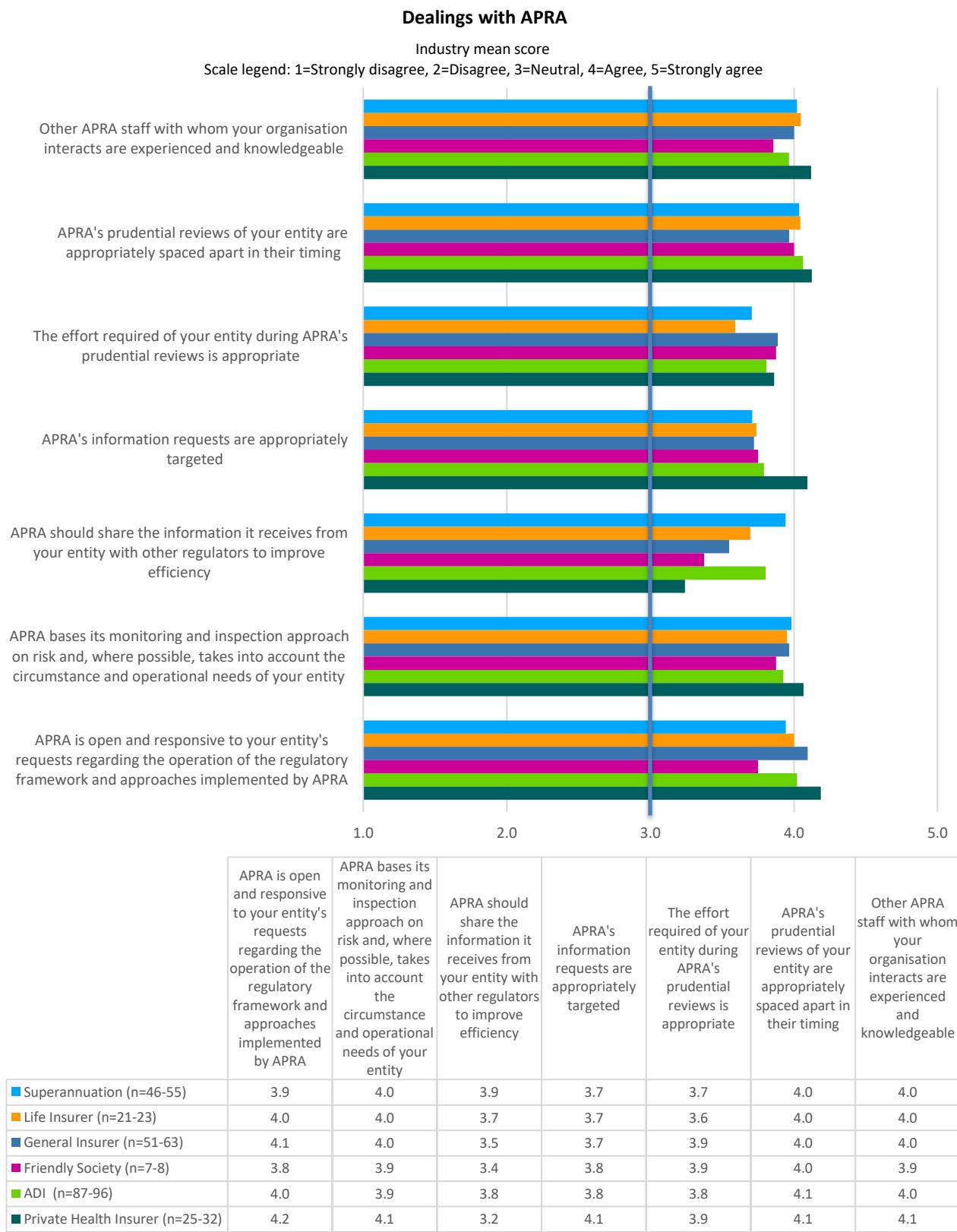


	APRA assists your institution to identify and mitigate emerging risks.	APRA identifies emerging industry issues in a timely manner	APRA is effective in identifying risks across your industry in general	APRA is effective in identifying risks and problems in that part of your institution that APRA regulates	The information that APRA collects in the course of supervision is adequate to assess risks in your entity	APRA's risk rating of your entity reflects your entity's view of its risk profile	APRA's risk assessment of your entity is aligned with your entity's own risk assessment
Superannuation (n=49-55)	3.6	3.7	4.0	3.9	4.0	4.0	4.0
Life Insurer (n=22-23)	3.7	3.8	4.0	3.8	4.0	4.2	4.1
General Insurer (n=62-63)	3.6	3.9	4.0	3.9	4.1	4.0	4.0
Friendly Society (n=8)	3.4	3.5	4.0	3.9	4.0	3.8	3.8
ADI (n=94-96)	3.8	4.0	4.1	3.9	4.1	4.2	4.2
Private Health Insurer (n=25-32)	3.6	4.0	4.0	3.9	4.2	4.2	4.2

q11a, q11b, q11c, q11d, q11e, q11f, q11g



q13a, q13b, q13c, q13d, q13e.

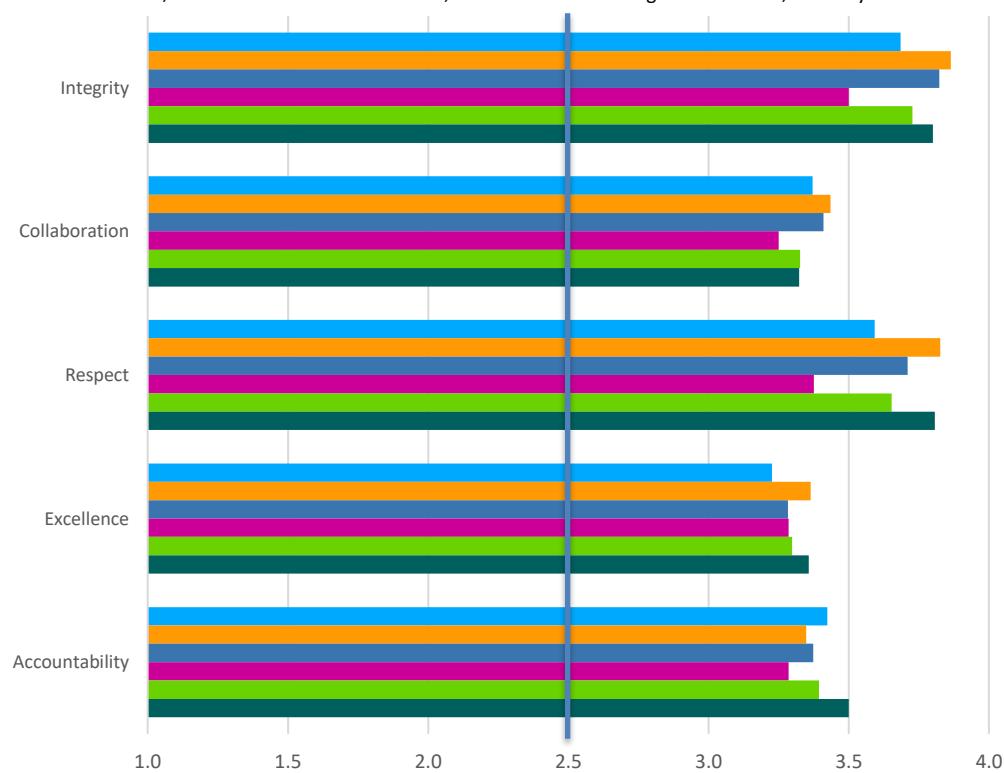


q14a, q14b, q14c, q14d, q14e, q14f, q14g.

Demonstration of APRA's values

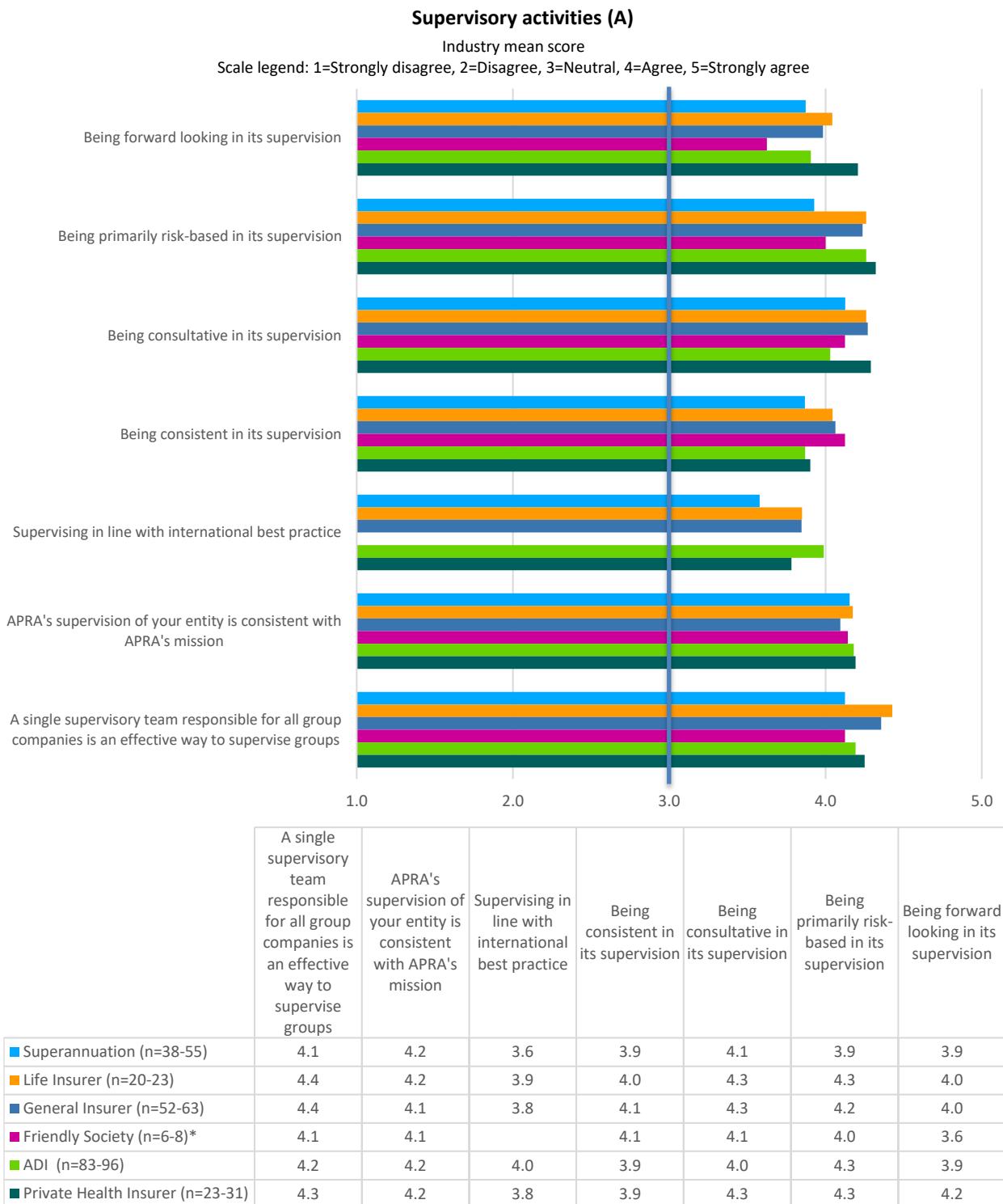
Industry mean score

Scale legend: 1=Never demonstrate, 2=Demonstrate to some extent, 3=Demonstrate to a significant extent, 4=Always demonstrate



	Accountability	Excellence	Respect	Collaboration	Integrity
Superannuation (n=52-54)	3.4	3.2	3.6	3.4	3.7
Life Insurer (n=22-23)	3.3	3.4	3.8	3.4	3.9
General Insurer (n=59-62)	3.4	3.3	3.7	3.4	3.8
Friendly Society (n=7-8)	3.3	3.3	3.4	3.3	3.5
ADI (n=94-95)	3.4	3.3	3.7	3.3	3.7
Private Health Insurer (n=28-31)	3.5	3.4	3.8	3.3	3.8

q15a, q15b, q15c, q15d, q15e.



q16a, q16b, q16c, q16d, q16e, q16f, q16g.

*Blank cells indicate sub-sample size was less than 10 (or less than 7 for Friendly Society).

Supervisory activites (B)

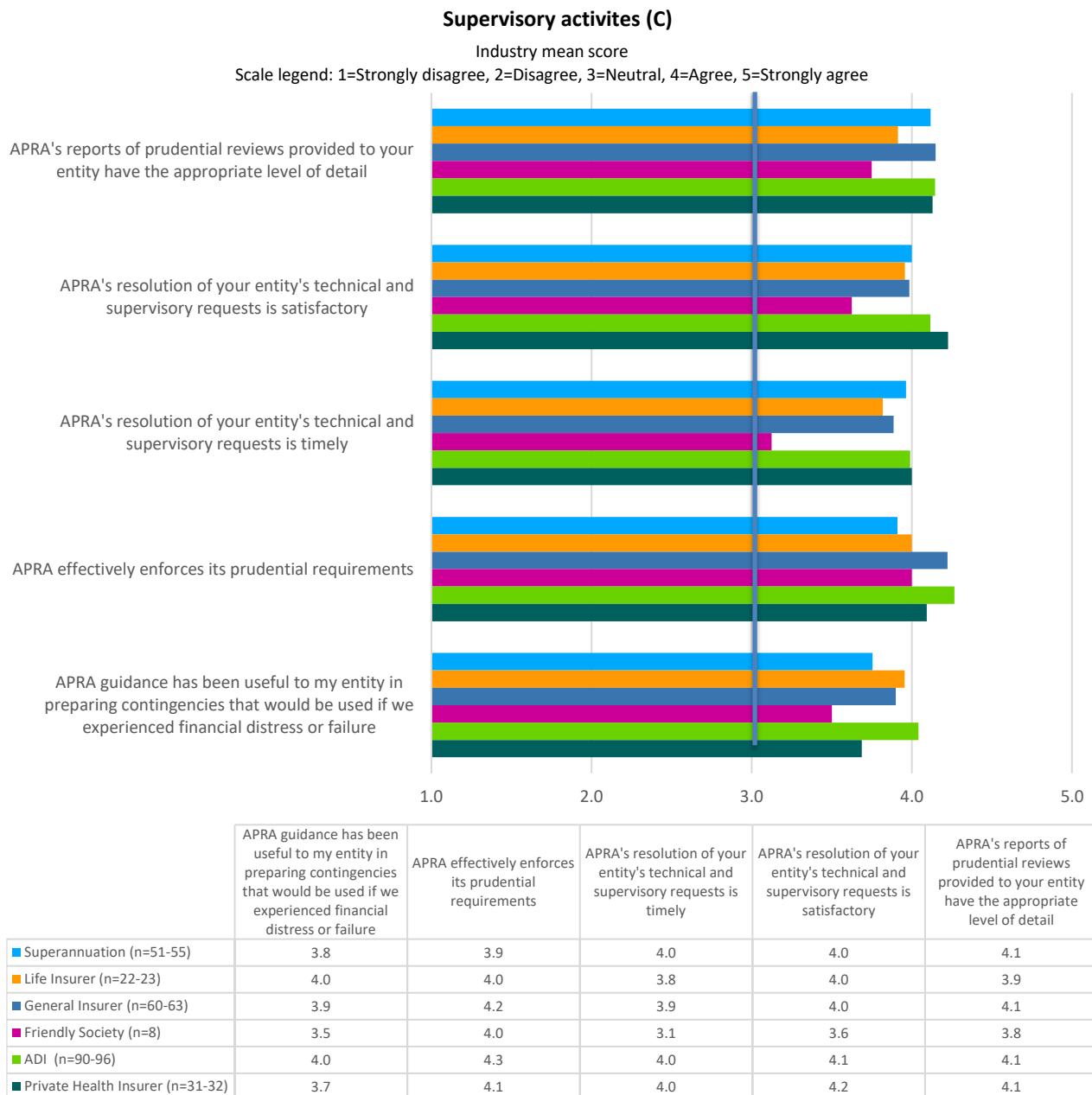
Industry mean score

Scale legend: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree



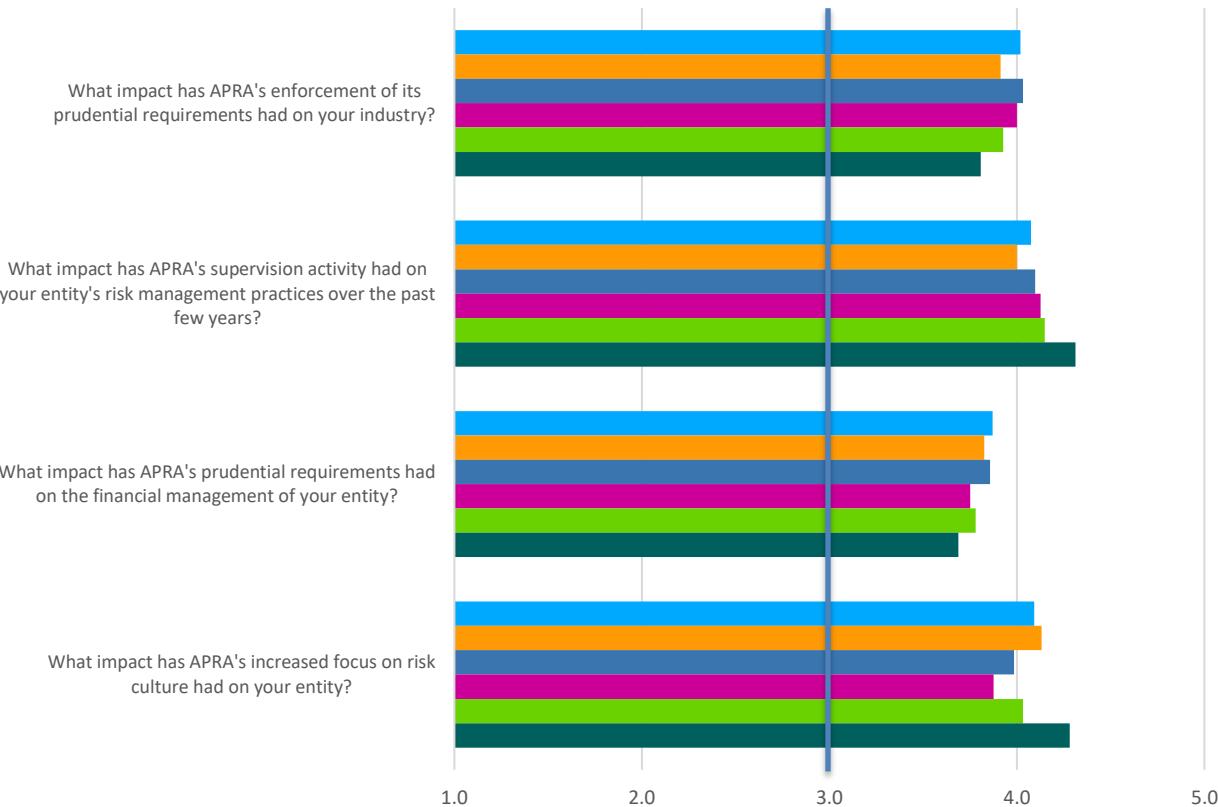
	APRA's recommendations and suggestions arising from its prudential review of your entity are useful for your entity	APRA is effective in communicating the findings of supervisory visits to your entity	During prudential reviews of your entity, APRA appropriately assesses the importance of issues that are subject to APRA requirements, recommendations or suggestions	During supervisory visits to your entity, APRA supervisors focus on major risks or controls	During supervisory visits to your entity, APRA supervisors focus on principles rather than detailed prescription
Superannuation (n=53-54)	4.0	4.2	4.2	4.0	3.8
Life Insurer (n=22-23)	3.8	4.1	3.8	4.0	3.9
General Insurer (n=60-61)	4.1	4.2	4.0	4.1	4.0
Friendly Society (n=8)	4.0	4.1	3.9	4.3	3.9
ADI (n=91-92)	4.1	4.2	4.1	4.1	4.0
Private Health Insurer (n=30-31)	4.0	4.1	4.0	4.1	4.1

q18a, q18b, q18c, q18d, q18e.



q18f, q18g, q18h, q19a, q19b.

APRA's impact
Industry mean score
Scale legend: 1=Very negative impact, 2=Negative impact, 3=No impact, 4=Positive impact, 5=Very positive impact



	What impact has APRA's increased focus on risk culture had on your entity?	What impact has APRA's prudential requirements had on the financial management of your entity?	What impact has APRA's supervision activity had on your entity's risk management practices over the past few years?	What impact has APRA's enforcement of its prudential requirements had on your industry?
■ Superannuation (n=54-55)	4.1	3.9	4.1	4.0
■ Life Insurer (n=23)	4.1	3.8	4.0	3.9
■ General Insurer (n=61-63)	4.0	3.9	4.1	4.0
■ Friendly Society (n=7-8)	3.9	3.8	4.1	4.0
■ ADI (n=94-95)	4.0	3.8	4.1	3.9
■ Private Health Insurer (n=31-32)	4.3	3.7	4.3	3.8

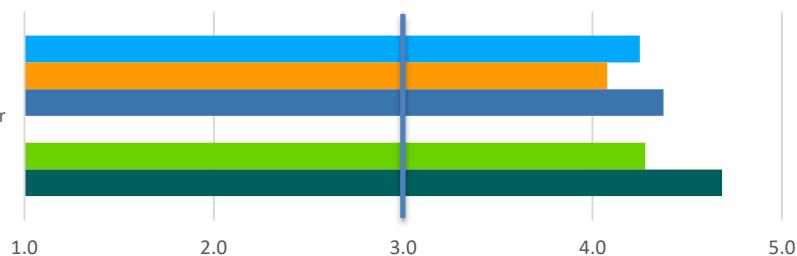
q21a, q21b, q21c, q21d.

Exemptions and variations

Industry mean score

Scale legend: 1=Very poorly, 2=Poorly, 3=Neutral, 4=Well, 5=Very well

Considering the process rather than the APRA decision, how did APRA handle your request for approval, variation or exemption?



Considering the process rather than the APRA decision, how did APRA handle your request for approval, variation or exemption?

■ Superannuation (n=28)	4.3
■ Life Insurer (n=13)	4.1
■ General Insurer (n=32)	4.4
■ Friendly Society (n=2)*	
■ ADI (n=43)	4.3
■ Private Health Insurer (n=19)	4.7

q24.

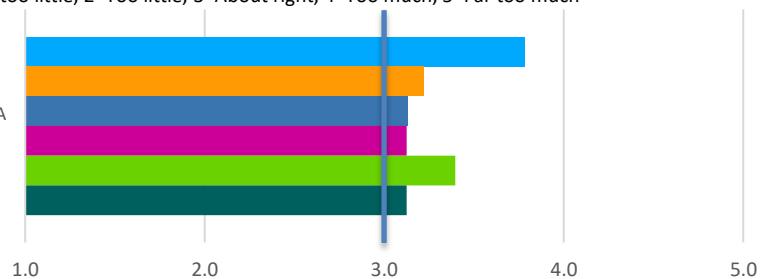
*Blank cells indicate sub-sample size was less than 10 (or less than 7 for Friendly Society).

Data collections

Industry mean score

Scale legend: 1=Far too little, 2=Too little, 3=About right, 4=Too much, 5=Far too much

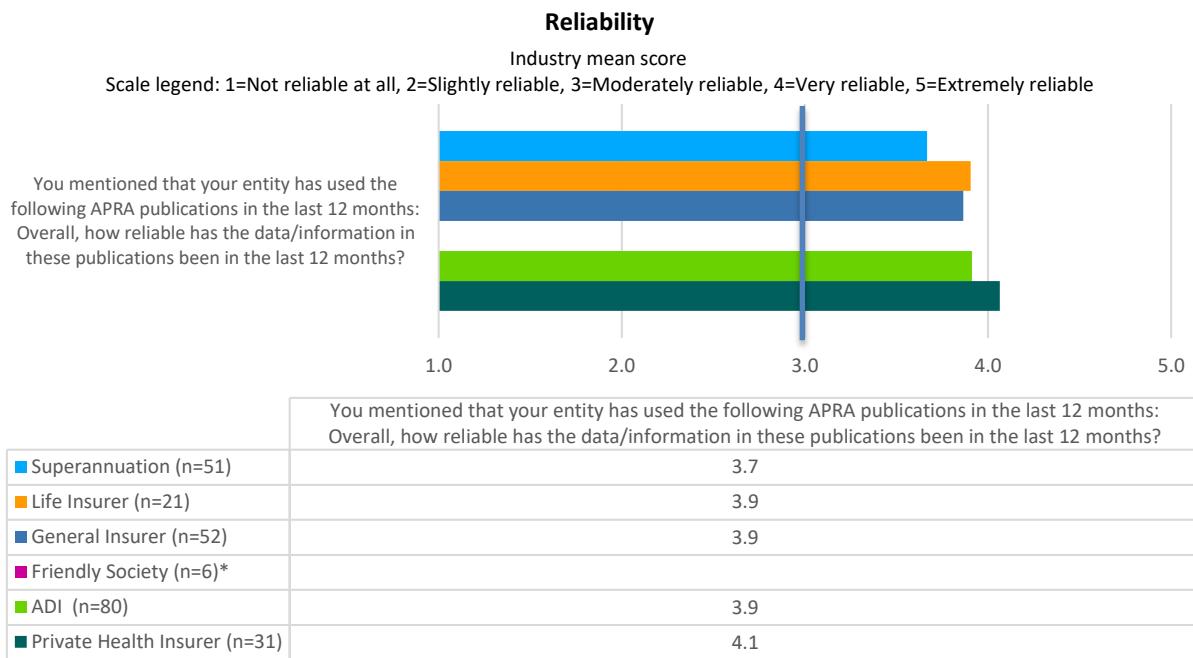
The amount of statistical data collected by APRA is...?



The amount of statistical data collected by APRA is...?

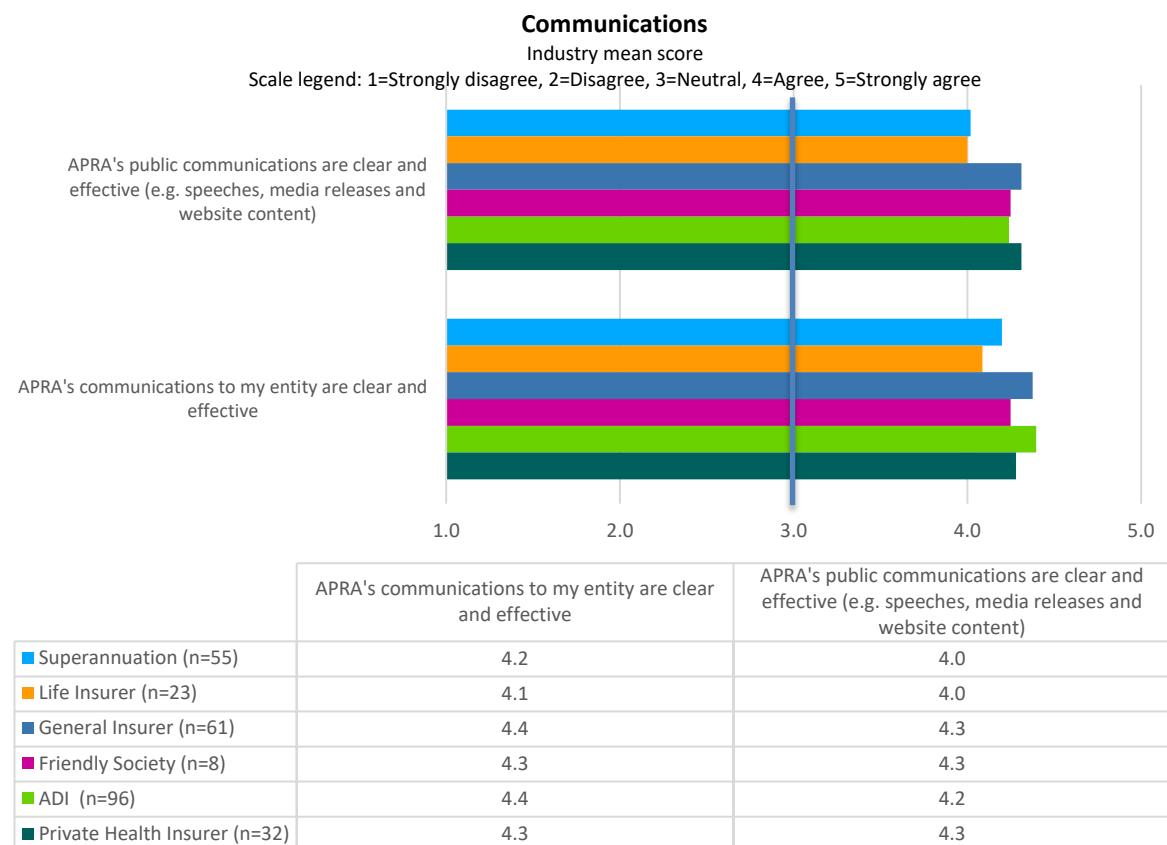
■ Superannuation (n=55)	3.8
■ Life Insurer (n=23)	3.2
■ General Insurer (n=63)	3.1
■ Friendly Society (n=8)	3.1
■ ADI (n=96)	3.4
■ Private Health Insurer (n=32)	3.1

q25.

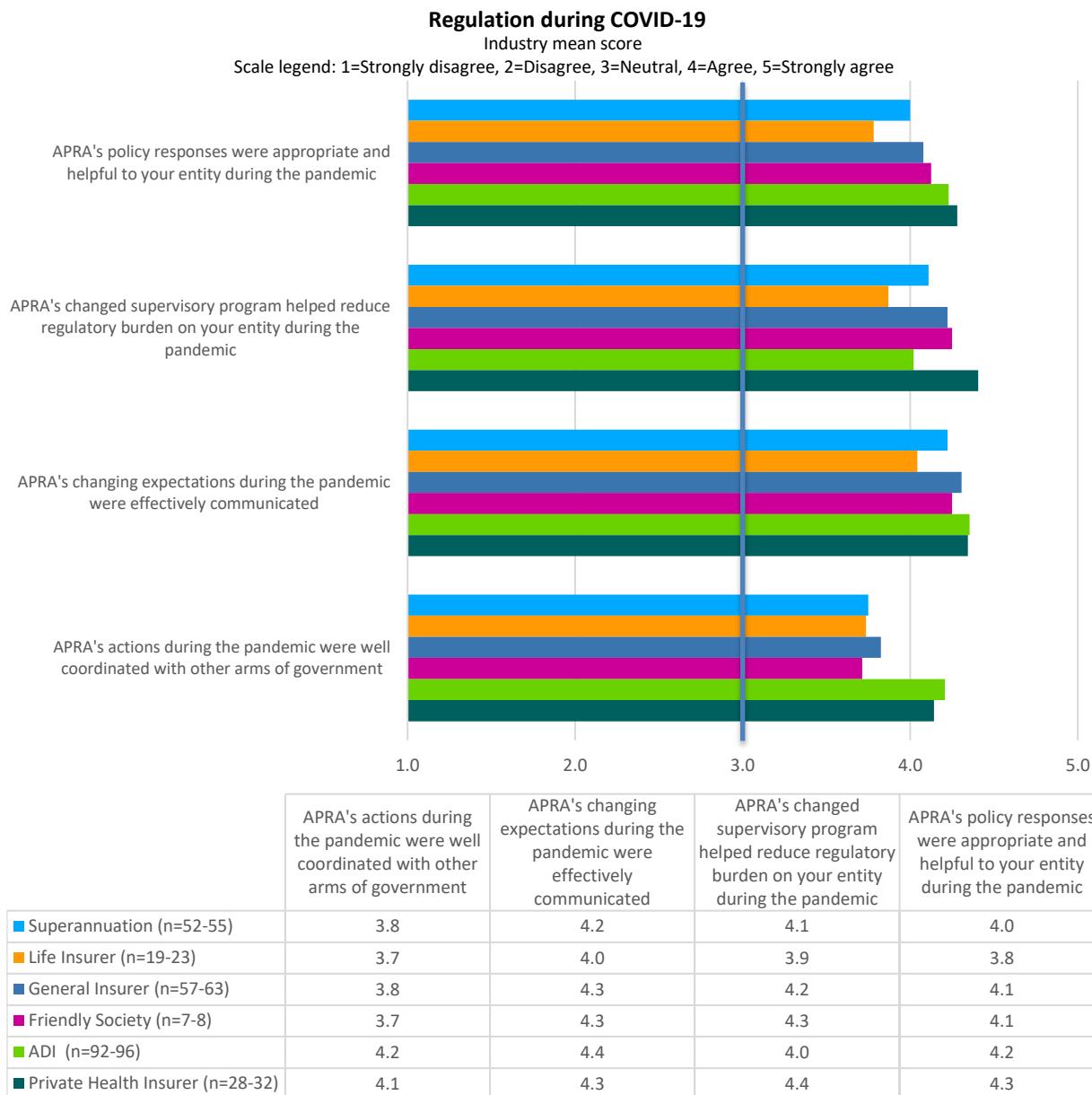


q31.

*Blank cells indicate sub-sample size was less than 10 (or less than 7 for Friendly Society).



q34a, q34b.



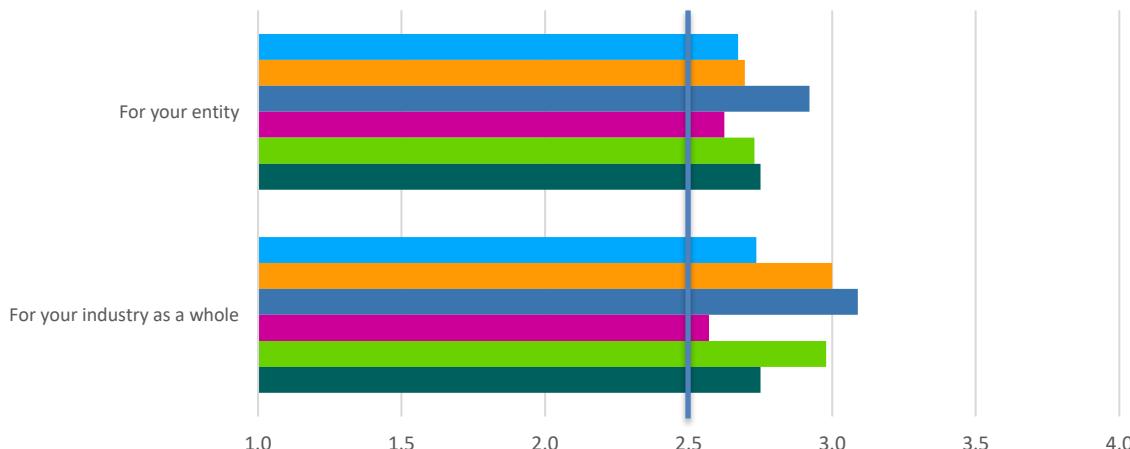
q35a, q35b, q35c, q35d.

Regulatory burden

Overall, where do you feel the balance currently sits between the burden of APRA's regulatory requirements and the benefits it provides?

Industry mean score

Scale legend: 1=Much too little benefit for the level of burden, 2=Somewhat too little benefit for the level of burden, 3=A fairly balanced level of benefit for the level of burden, 4=A high level of benefit for the level of burden

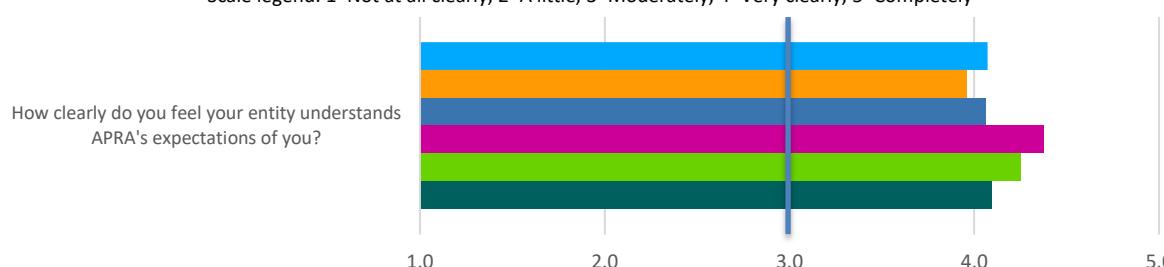


q36a, q36b.

Regulatory burden

Industry mean score

Scale legend: 1=Not at all clearly, 2=A little, 3=Moderately, 4=Very clearly, 5=Completely

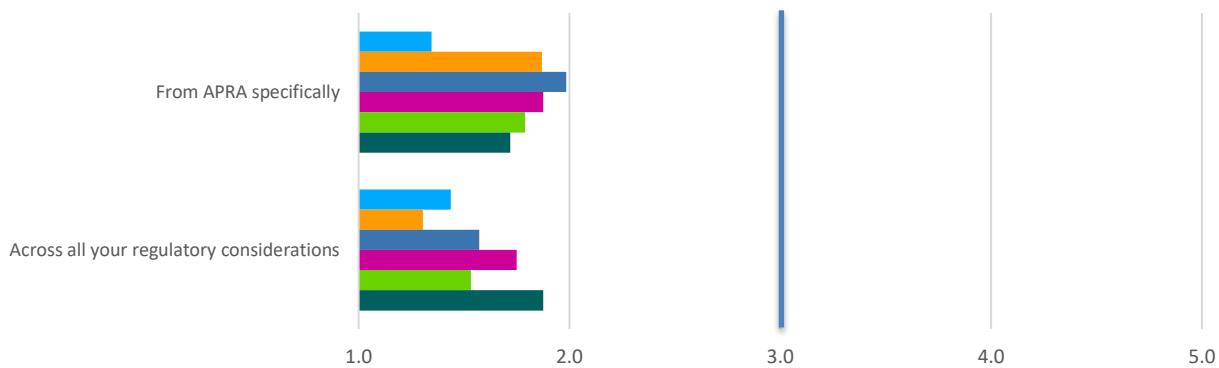


q37.

Regulatory burden

In the last 2 years (thinking beyond the temporary impacts of changes during COVID-19), do you feel that the regulatory burden on your organisation is:

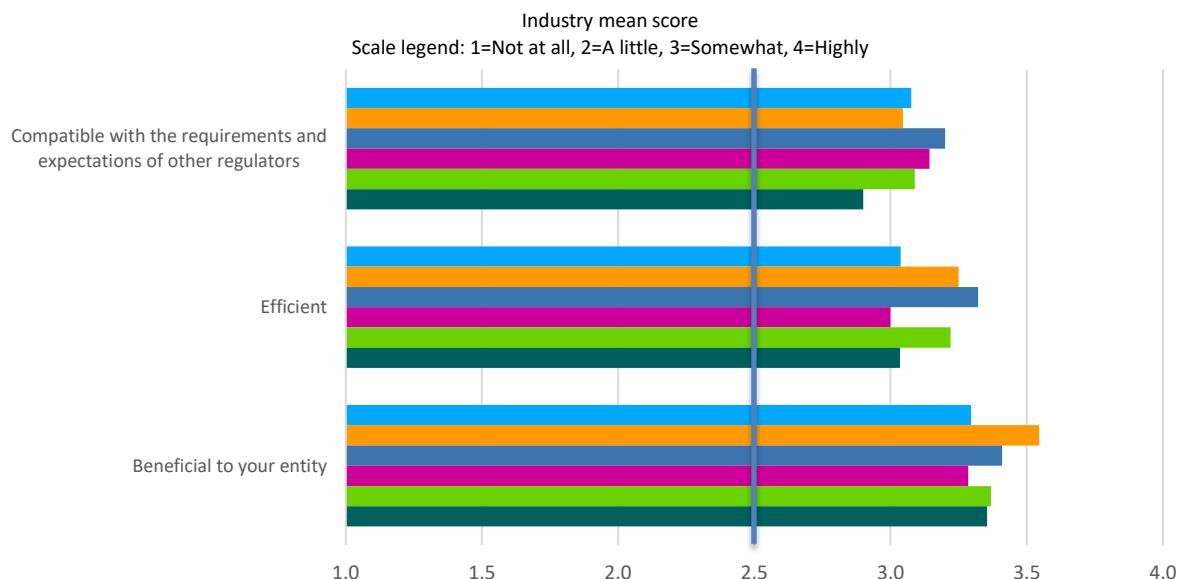
Industry mean score
Scale legend: 1=Greatly increasing, 2=Slightly increasing, 3=Staying about the same, 4=Slightly decreasing, 5=Greatly decreasing



	Across all your regulatory considerations	From APRA specifically
Superannuation (n=55)	1.4	1.3
Life Insurer (n=23)	1.3	1.9
General Insurer (n=63)	1.6	2.0
Friendly Society (n=8)	1.8	1.9
ADI (n=94-95)	1.5	1.8
Private Health Insurer (n=32)	1.9	1.7

q38a, q38b.

To what extent do you feel APRA's regulation of your entity is...

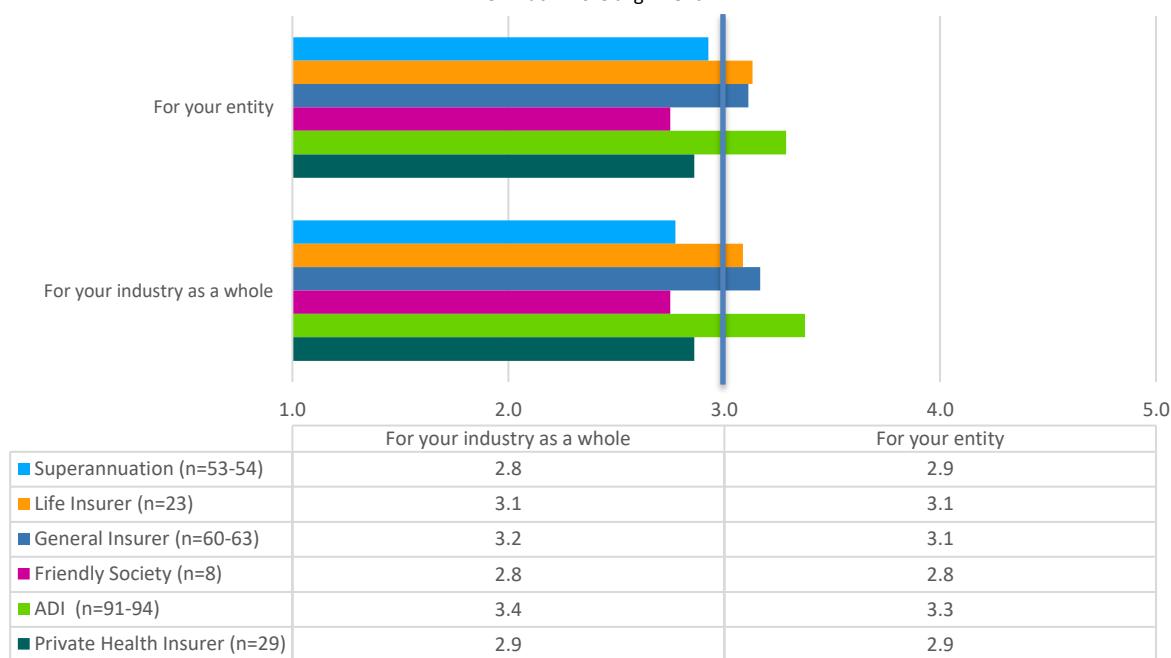


	Beneficial to your entity	Efficient	Compatible with the requirements and expectations of other regulators
Superannuation (n=53-54)	3.3	3.0	3.1
Life Insurer (n=20-22)	3.5	3.3	3.0
General Insurer (n=59-61)	3.4	3.3	3.2
Friendly Society (n=7)	3.3	3.0	3.1
ADI (n=90-95)	3.4	3.2	3.1
Private Health Insurer (n=29-31)	3.4	3.0	2.9

q39a, q39b, q39c.

**Expected future direction of alignment between APRA's expectations and the needs
of entities being regulated**

Industry mean score
Scale legend: 1=Much less alignment, 2=A little less alignment, 3=About the same level of alignment, 4=A little more alignment,
5=Much more alignment



q40a, q40b.

C. Regulated Entity means comparison table by group^{^^}

Regulated entity means comparison between Group and Non-Group – Only statistically significant results shown	Group (n=0-164)	Non-group (n=0-132)	Difference	
Prudential framework				
q2a. APRA's prudential framework is effective in achieving APRA's mission	4.0	4.2	-0.2	
Data collections				
q25. The amount of statistical data collected by APRA is...?~	3.4	3.3	0.2	
Usefulness and reliability of statistical publications				
How useful have each of the following statistical publications been for your entity in the last 12 months?*	q30o. Industry profile table (quarterly) q30dd. PHI Prostheses Statistics	3.6 4.4	2.9 3.6	0.7 0.8
Regulation during COVID-19				
q35b. APRA's changed supervisory program helped reduce regulatory burden on your entity during the pandemic	4.0	4.3	-0.3	
Regulatory Burden				
q38b. In the last 2 years (thinking beyond the temporary impacts of changes during COVID-19), do you feel that the regulatory burden on your organisation has been increasing, staying about the same, or decreasing across all your regulatory considerations? [^]		1.4	1.6	-0.2

All means shown on this table had a statistically significant difference (p<0.05)

^{^^} Group REs were those identified by APRA as a "group".

Scale legend:

~ 1=Far too little, 2=Too little, 3>About right, 4=Too much, 5=Far too much

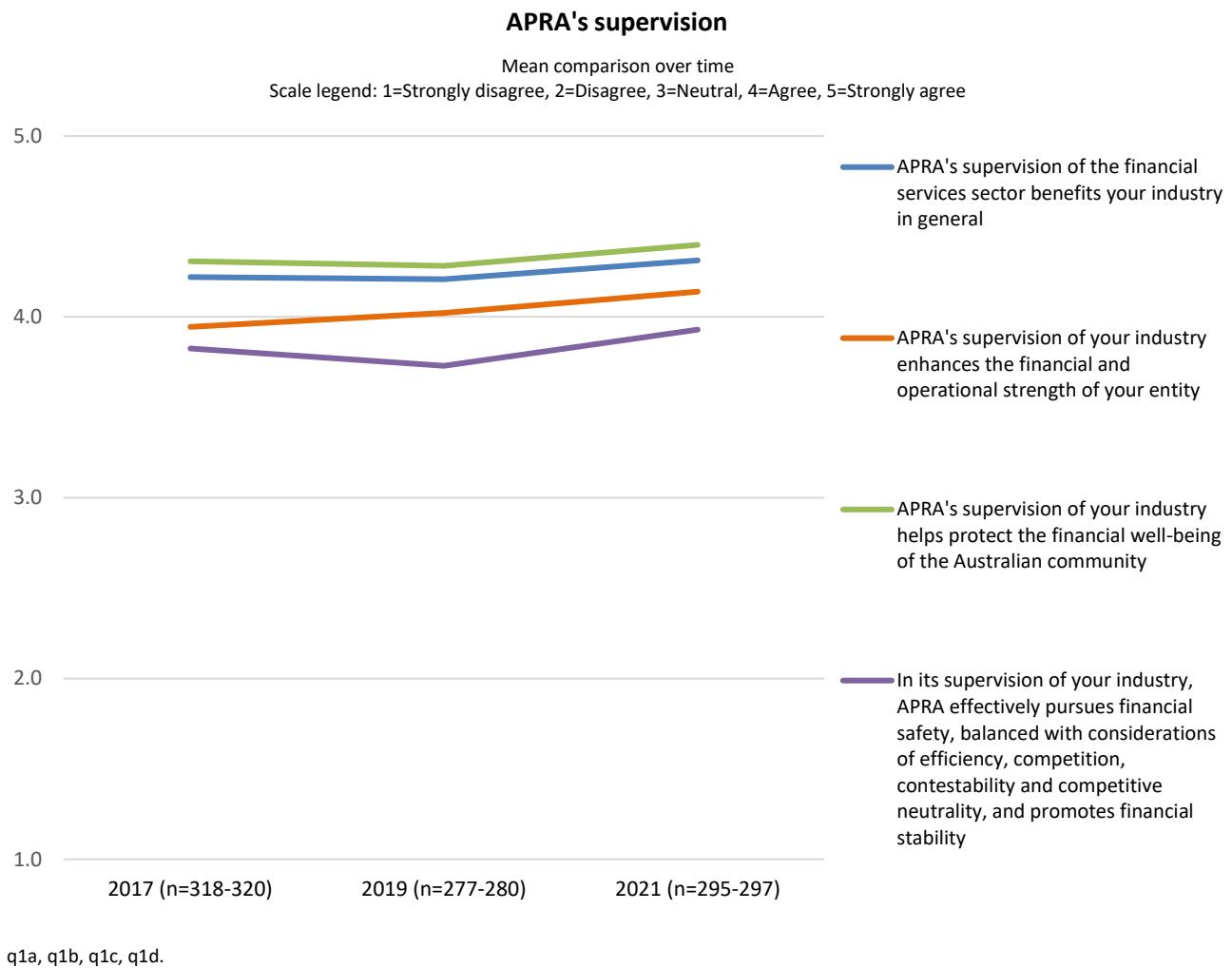
* 1=Not useful at all, 2=Slightly useful, 3=Moderately useful, 4=Very useful, 5=Extremely useful

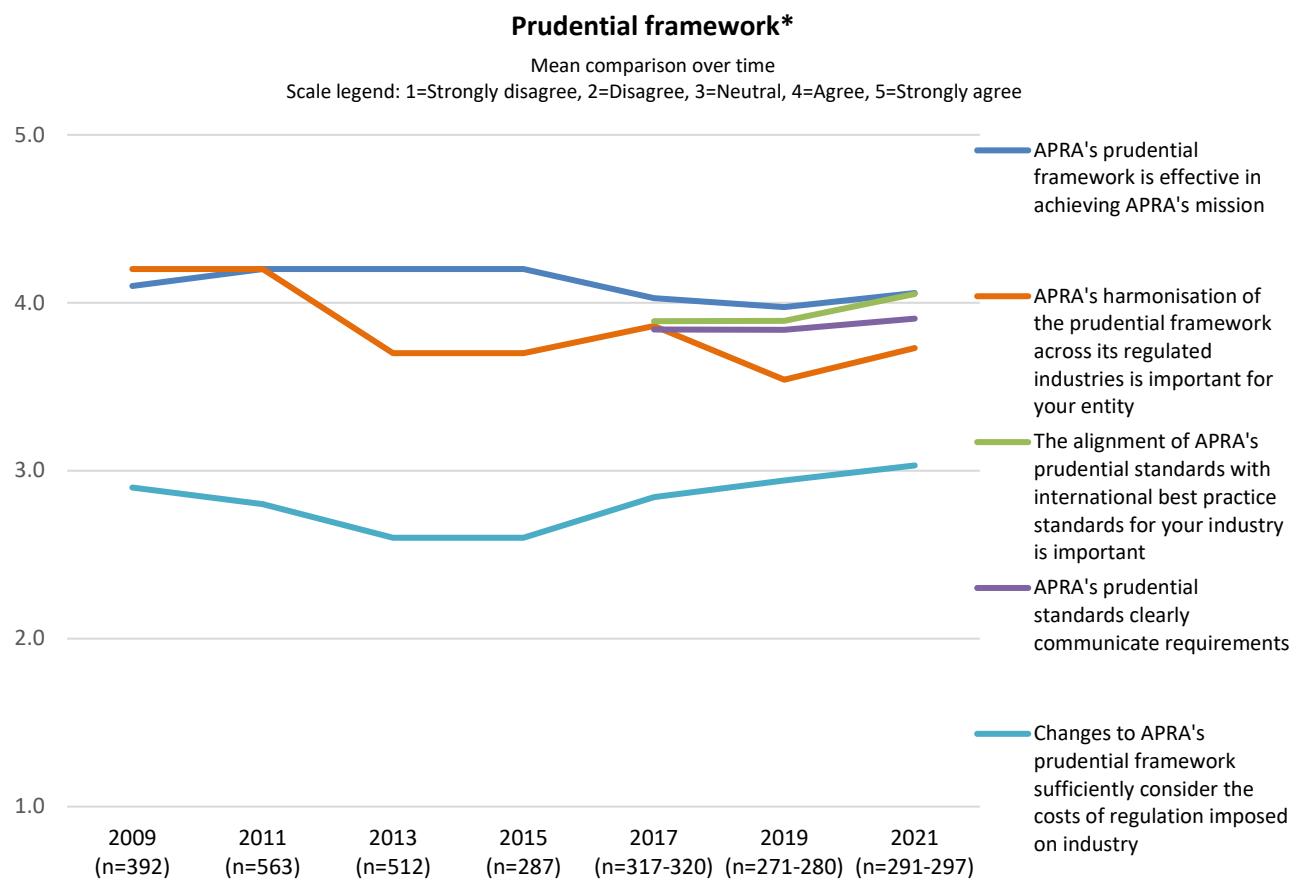
[^] 1=Greatly increasing, 2=Somewhat increasing, 3=Staying about the same, 4=Somewhat decreasing, 5=Greatly decreasing

All others: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

D. Regulated Entity year trends

This section of the report shows the Regulated Entity (RE) results for 2021 compared to the track of previous survey results. The charts track the mean (average) scores on individual questions for any previous years in which the same questions were asked.





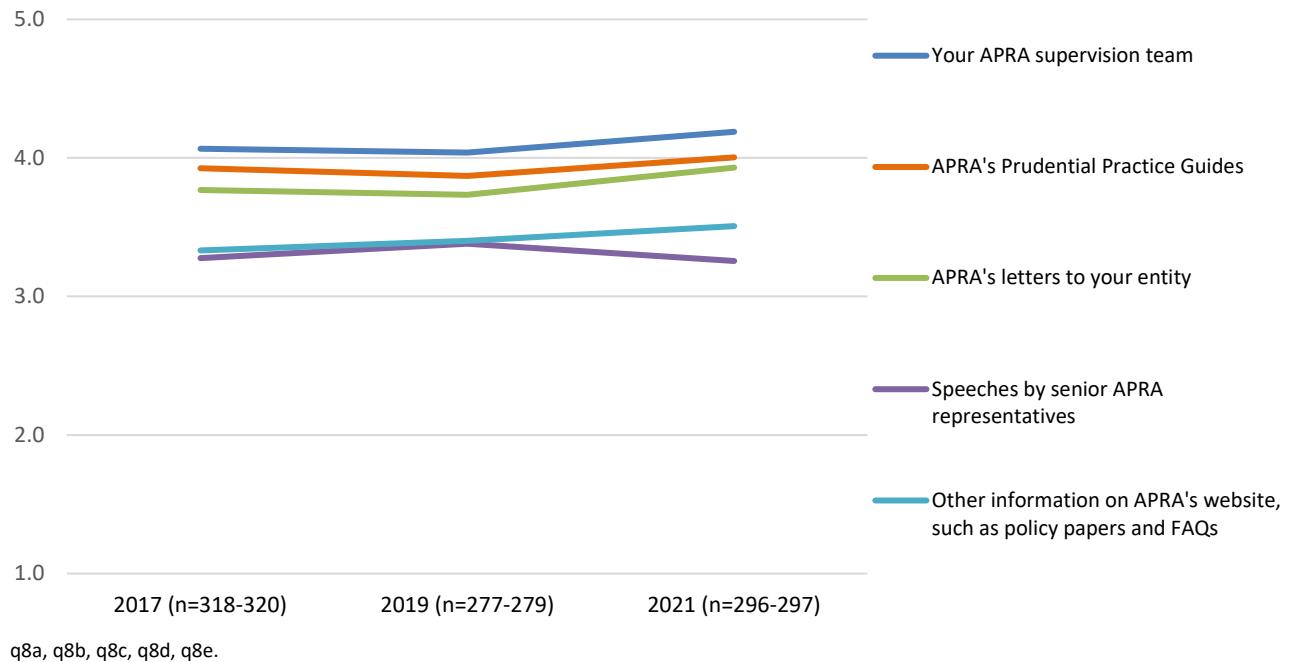
q2a, q2b, q2c, q2d, q2e.

*q2a, q2b. Only asked of Group institutions in 2015.

Usefulness of APRA guidance

Mean comparison over time

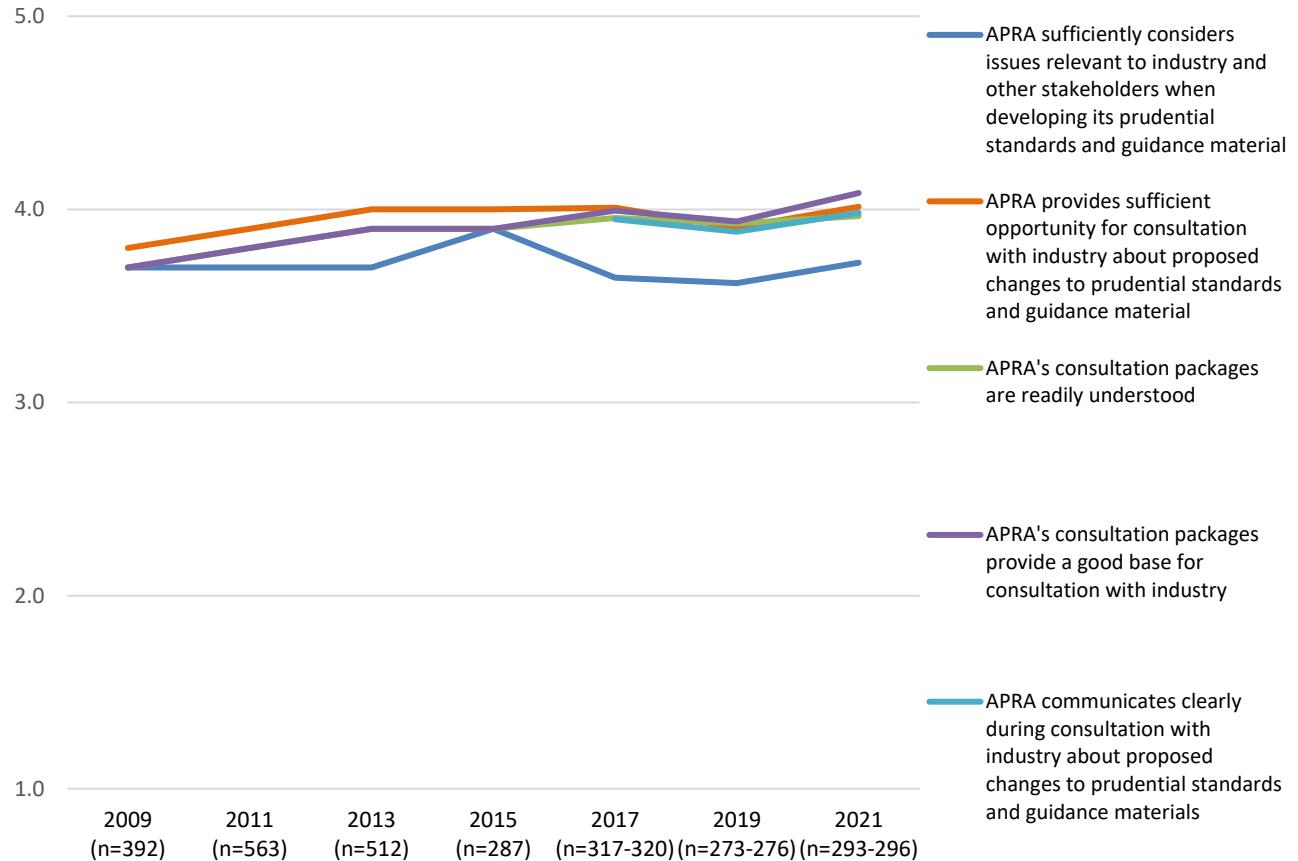
Scale legend: 1=Not useful at all, 2=Slightly useful, 3=Moderately useful, 4=Very useful, 5=Extremely useful

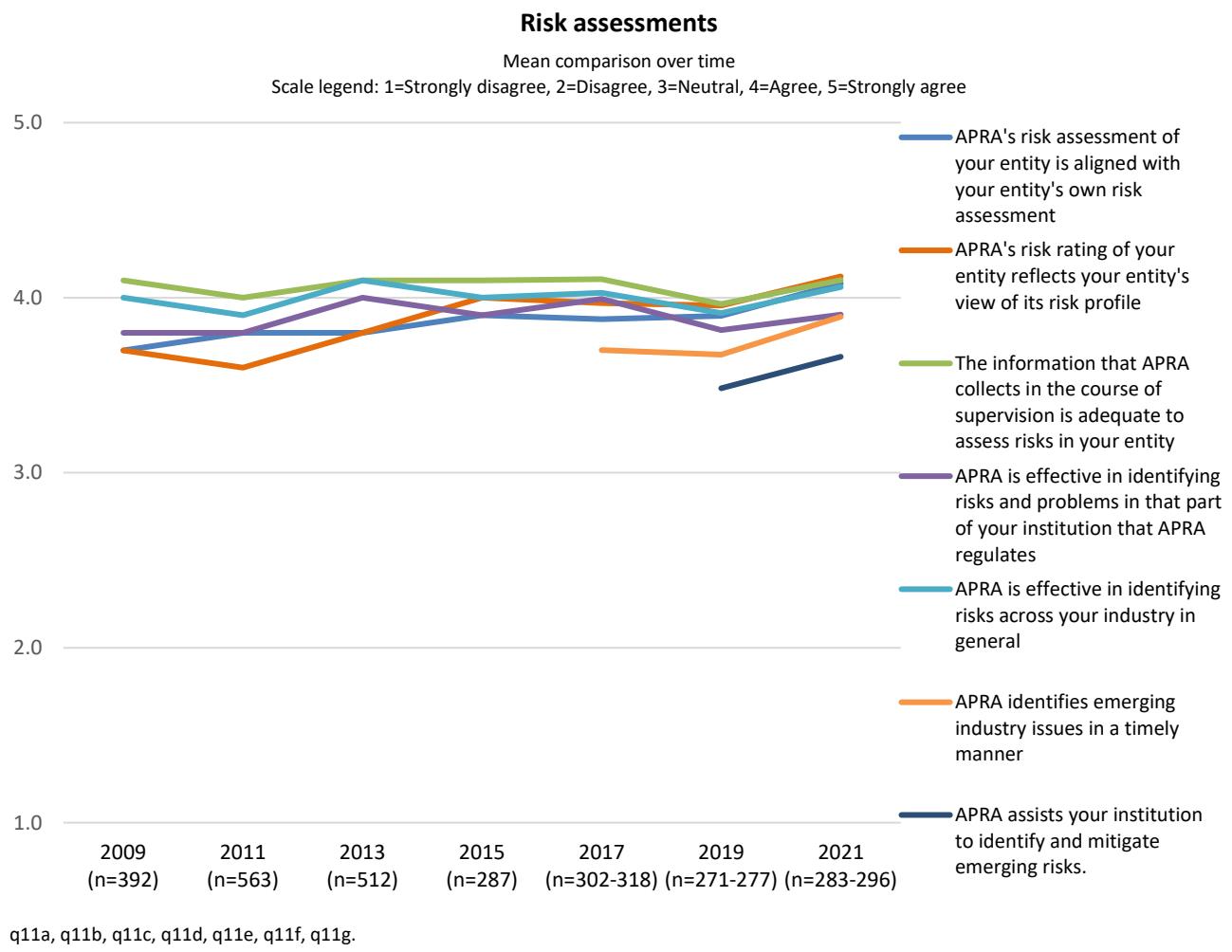


Consultation processes

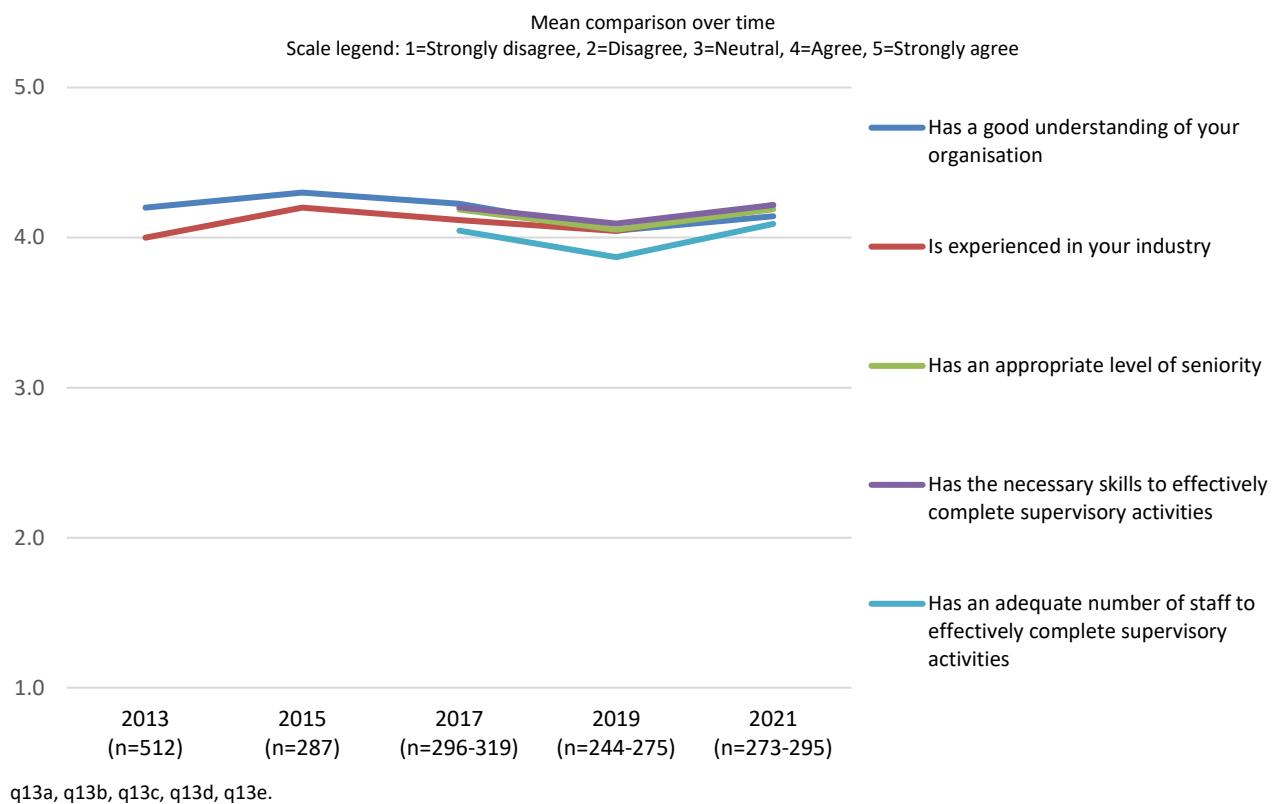
Mean comparison over time

Scale legend: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

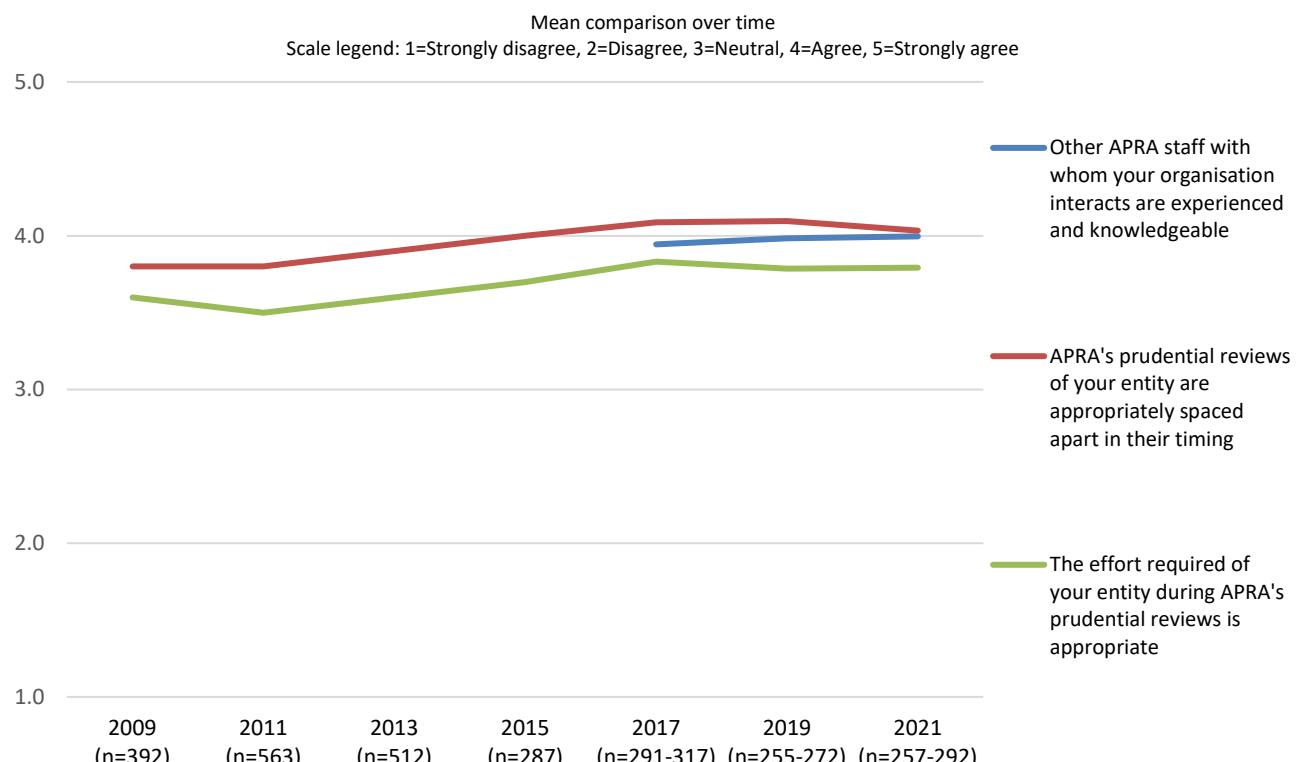




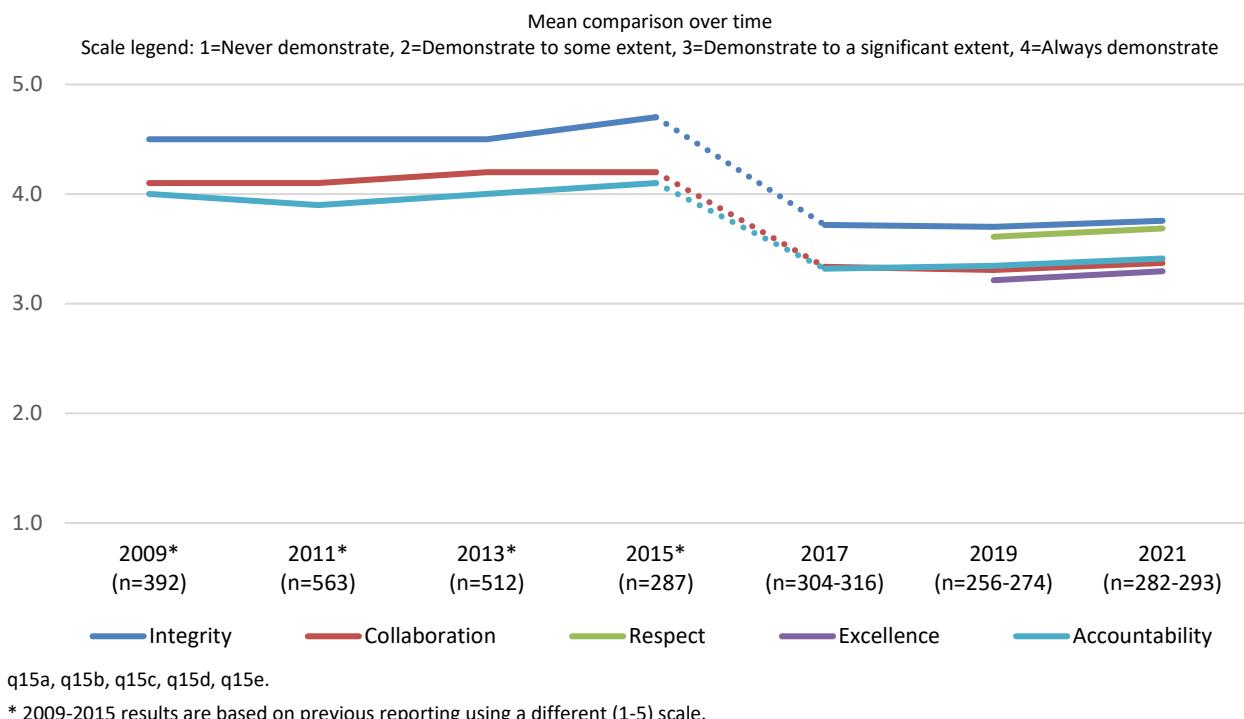
Dealings with APRA (A): The APRA supervisory team responsible for your organisation...



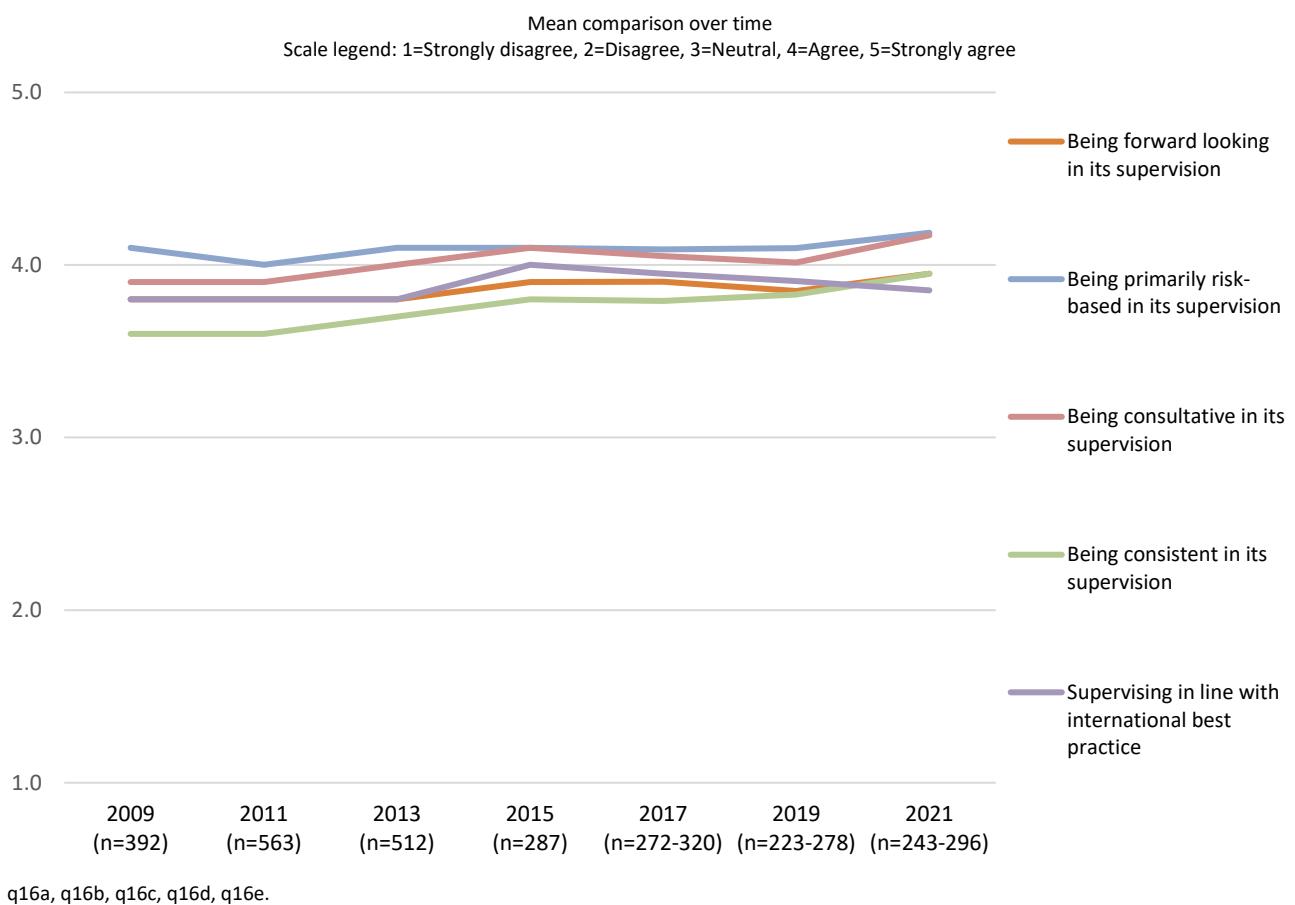
Dealings with APRA (B)*

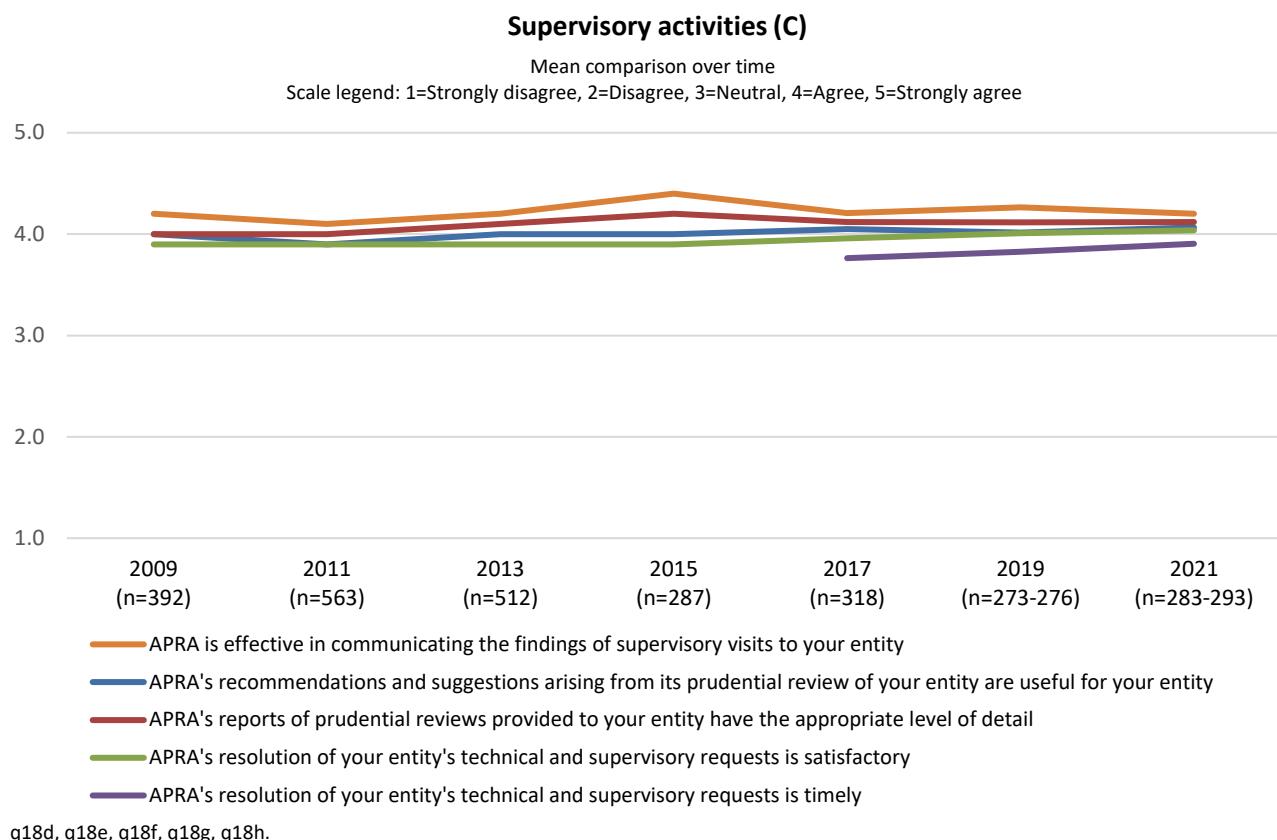
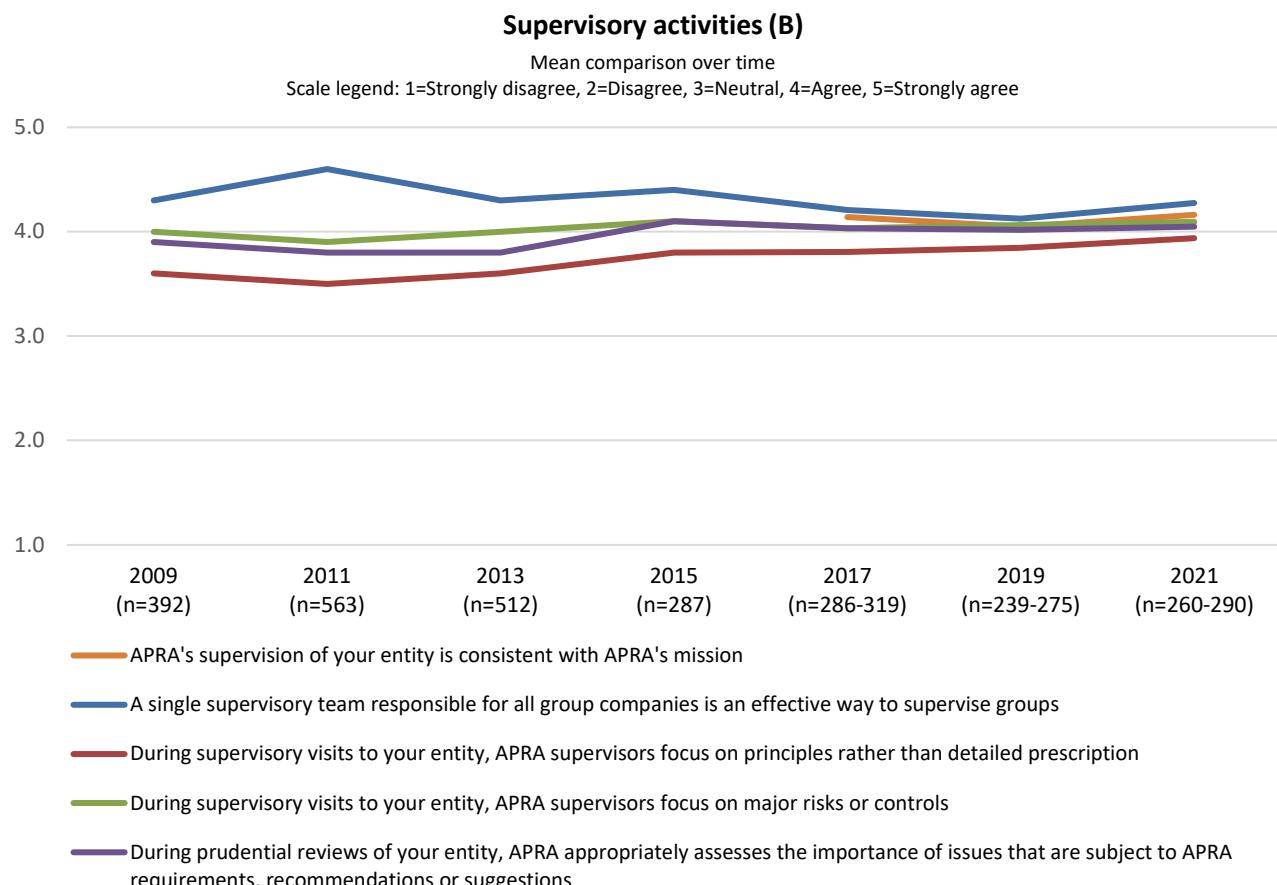


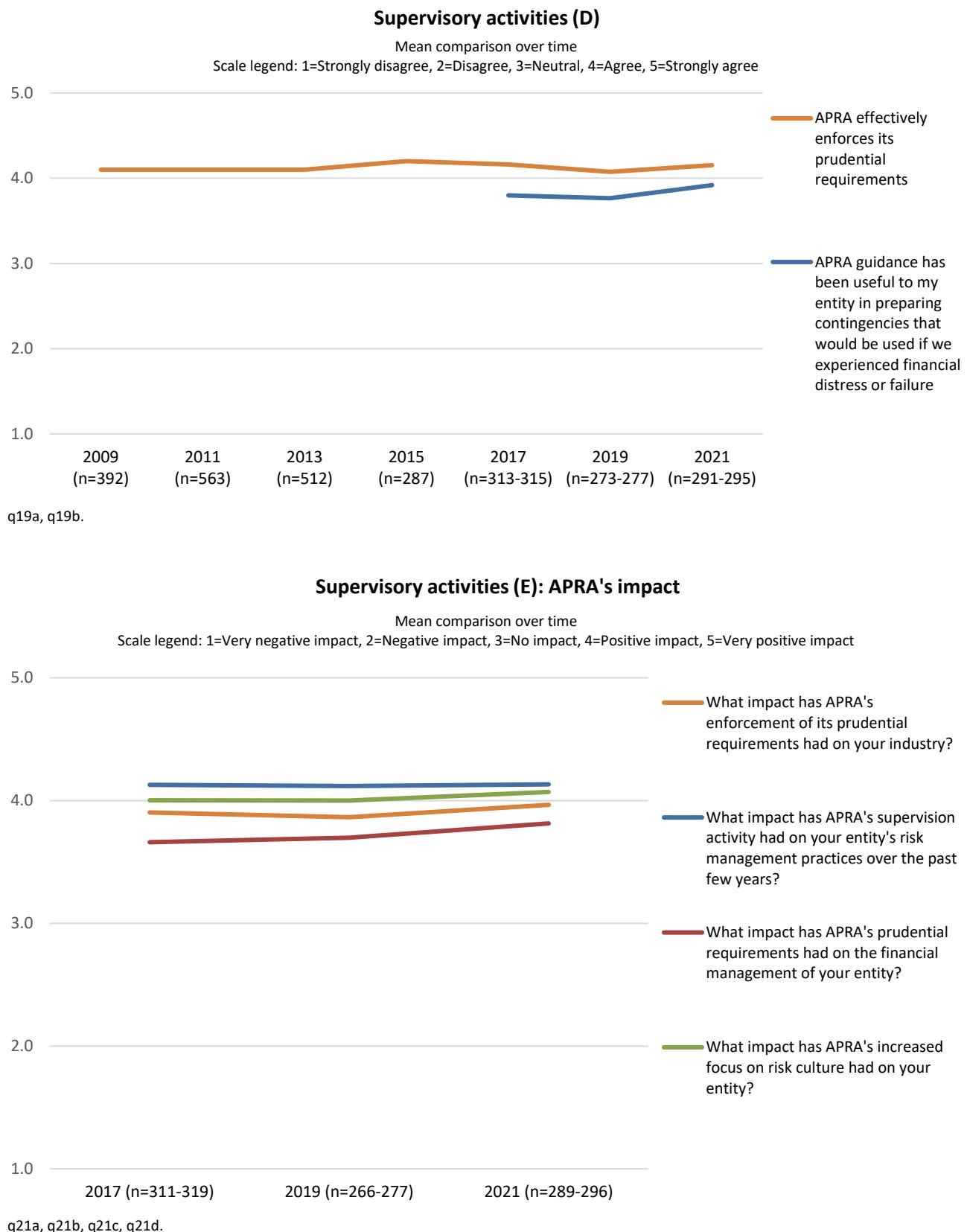
Dealings with APRA (C): APRA values



Supervisory activities (A): APRA meets its stated approach of:



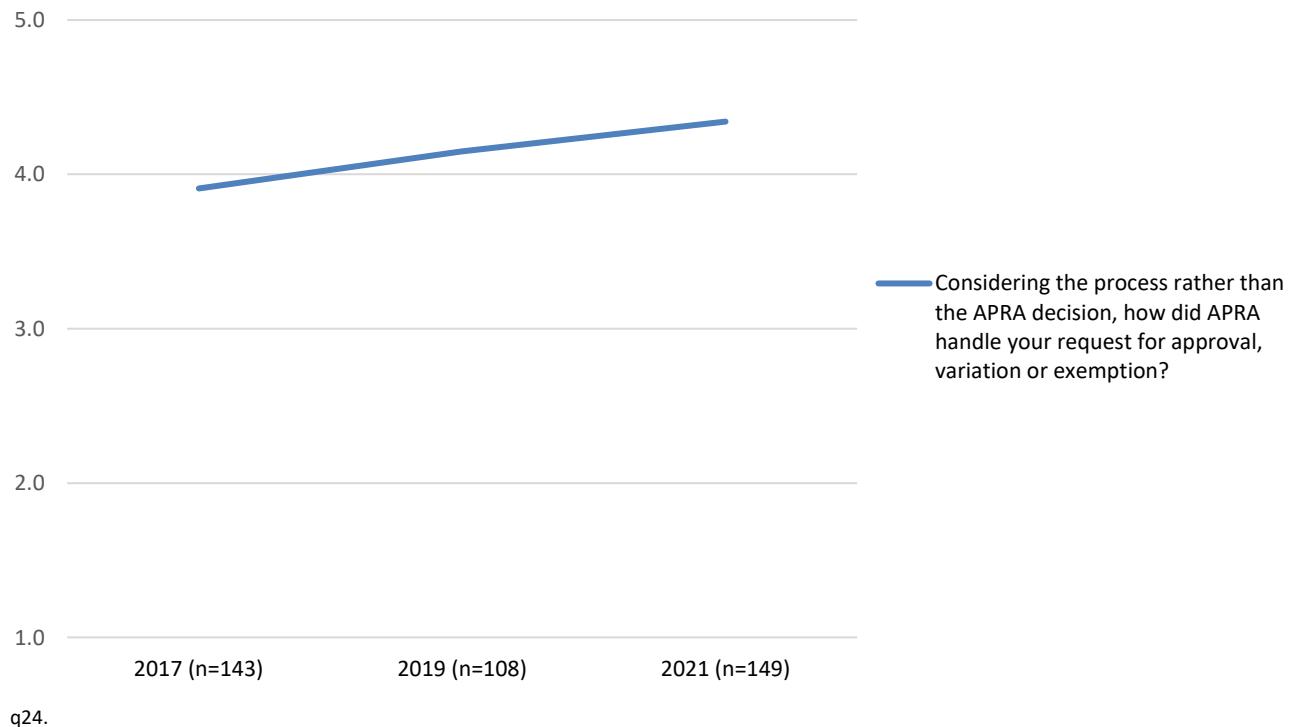




Exemptions and variations

Mean comparison over time

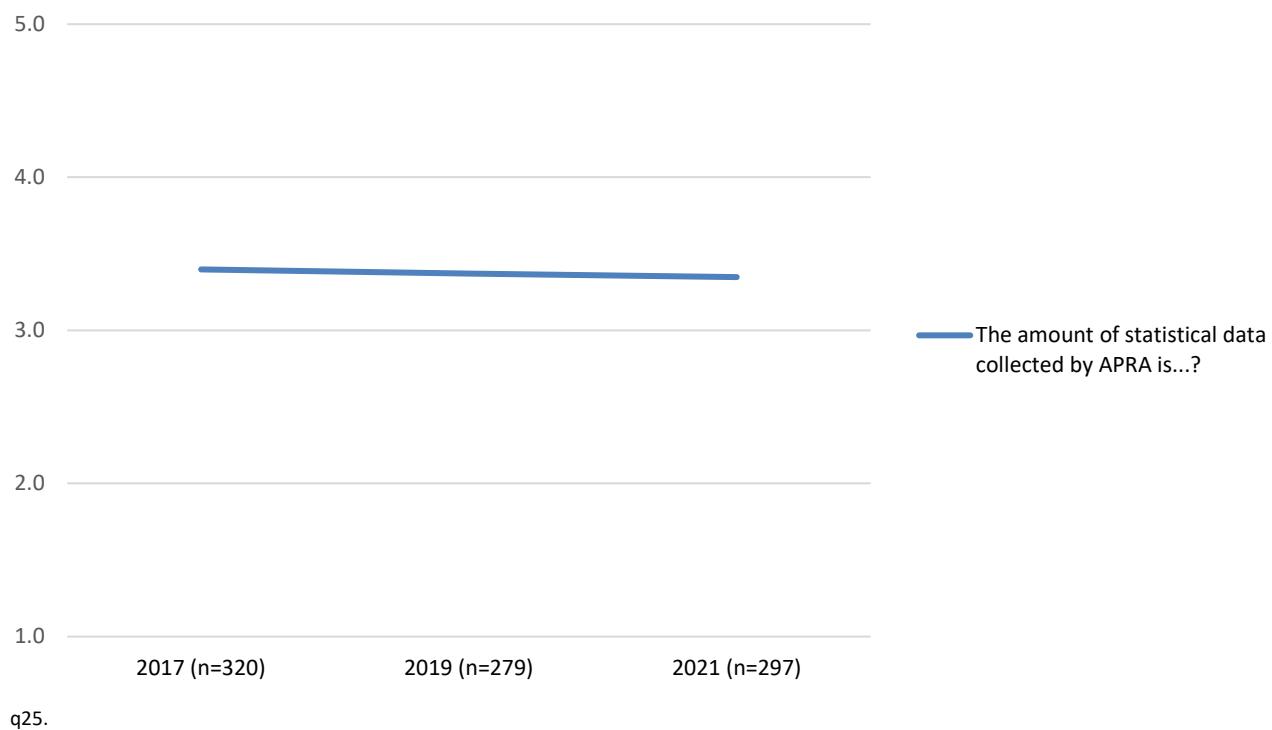
Scale legend: 1=Very poorly, 2=Poorly, 3=Neutral, 4=Well, 5=Very well



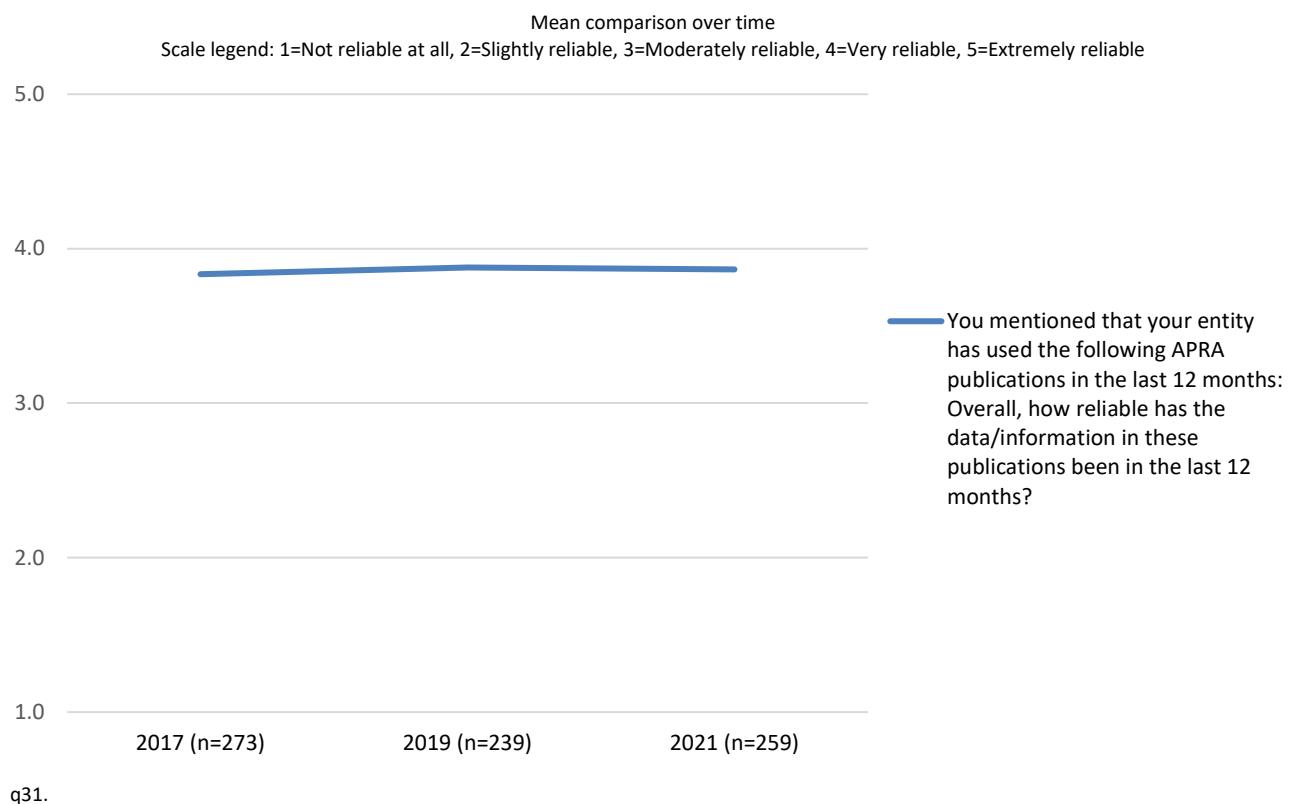
Data collections

Mean comparison over time

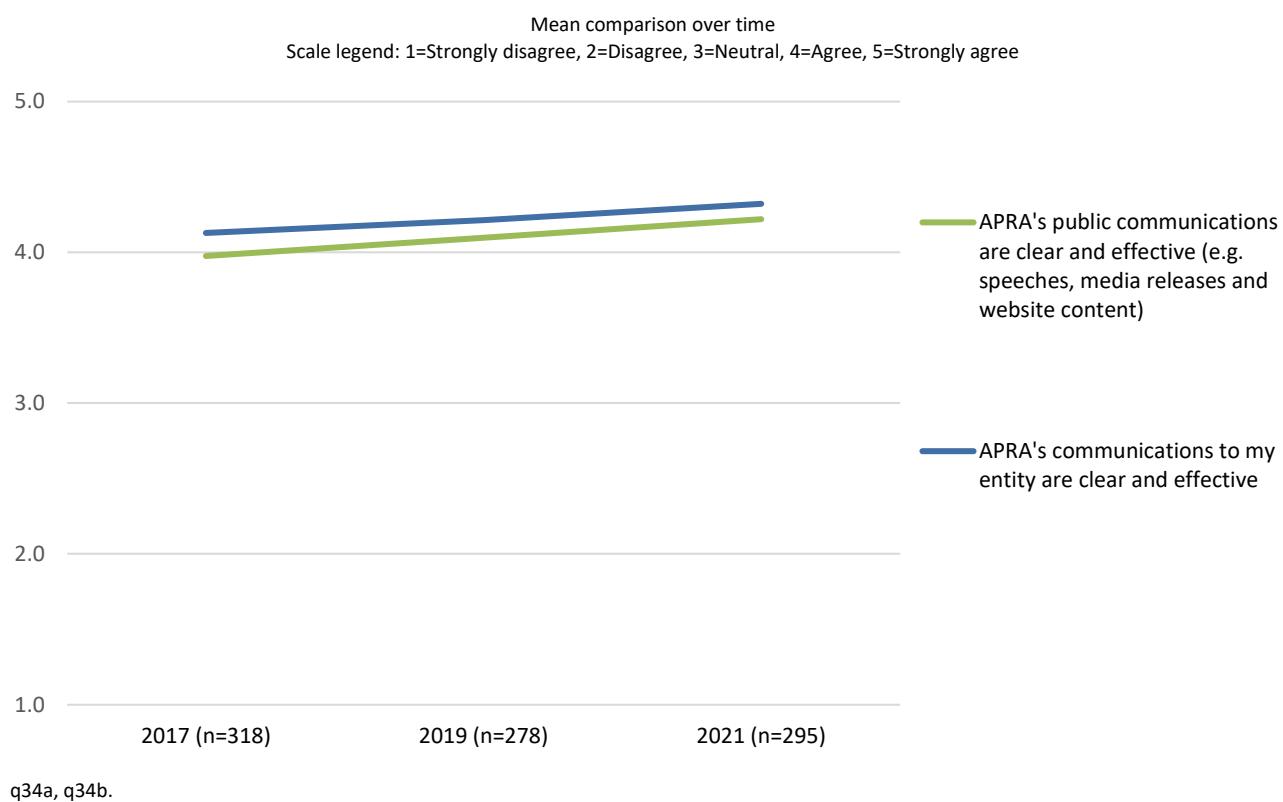
Scale legend: 1=Far too little, 2=Too little, 3=About right, 4=Too much, 5=Far too much



Usefulness and reliability of statistical publications (A)



Usefulness and reliability of statistical publications (B)



E. Regulated Entity 2019 comparison⁵

The table below compares the means for each question repeated in the RE survey in 2021 from 2019. Statistically significant results are highlighted yellow.

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=19-297)	2019 mean (n=39-280)	Difference
APRA's supervision			
q1a. APRA's supervision of the financial services sector benefits your industry in general	4.3	4.2	0.1
q1b. APRA's supervision of your industry enhances the financial and operational strength of your entity	4.1	4.0	0.1
q1c. APRA's supervision of your industry helps protect the financial well-being of the Australian community	4.4	4.3	0.1
q1d. In its supervision of your industry, APRA effectively pursues financial safety, balanced with considerations of efficiency, competition, contestability and competitive neutrality, and promotes financial stability	3.9	3.7	0.2
Prudential framework			
q2a. APRA's prudential framework is effective in achieving APRA's mission	4.1	4.0	0.1
q2b. APRA's harmonisation of the prudential framework across its regulated industries is important for your entity	3.7	3.5	0.2
q2c. The alignment of APRA's prudential standards with international best practice standards for your industry is important	4.1	3.9	0.2
q2d. APRA's prudential standards clearly communicate requirements	3.9	3.8	0.1
q2e. Changes to APRA's prudential framework sufficiently consider the costs of regulation imposed on industry	3.0	2.9	0.1
Usefulness of APRA guidance			
How useful is the guidance that your entity receives about the prudential framework from...*	q8a. Your APRA supervision team	4.2	4.0
	q8b. APRA's Prudential Practice Guides	4.0	3.9
	q8c. APRA's letters to your entity	3.9	3.7
	q8d. Speeches by senior APRA representatives	3.3	3.4
	q8e. Other information on APRA's website, such as policy papers and FAQs	3.5	3.4
Consultation processes			
q9a. APRA sufficiently considers issues relevant to industry and other stakeholders when developing its prudential standards and guidance material	3.7	3.6	0.1

⁵ All 'don't know' response categories have been excluded from the calculation of means

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=19-297)	2019 mean (n=39-280)	Difference	
q9b. APRA provides sufficient opportunity for consultation with industry about proposed changes to prudential standards and guidance material	4.0	3.9	0.1	
q9c. APRA's consultation packages are readily understood	4.0	3.9	0.0	
q9d. APRA's consultation packages provide a good base for consultation with industry	4.1	3.9	0.1	
q9e. APRA communicates clearly during consultation with industry about proposed changes to prudential standards and guidance materials	4.0	3.9	0.1	
Risk assessments				
q11a. APRA's risk assessment of your entity is aligned with your entity's own risk assessment	4.1	3.9	0.2	
q11b. APRA's risk rating of your entity reflects your entity's view of its risk profile	4.1	4.0	0.2	
q11c. The information that APRA collects in the course of supervision is adequate to assess risks in your entity	4.1	4.0	0.1	
q11d. APRA is effective in identifying risks and problems in that part of your institution that APRA regulates	3.9	3.8	0.1	
q11e. APRA is effective in identifying risks across your industry in general	4.1	3.9	0.1	
q11f. APRA identifies emerging industry issues in a timely manner	3.9	3.7	0.2	
q11g. APRA assists your institution to identify and mitigate emerging risks.	3.7	3.5	0.2	
Dealings with APRA				
The APRA supervisory team responsible for your organisation...	q13a. Has a good understanding of your organisation	4.1	4.0	0.1
	q13b. Is experienced in your industry	4.2	4.0	0.2
	q13c. Has an appropriate level of seniority	4.2	4.1	0.1
	q13d. Has the necessary skills to effectively complete supervisory activities	4.2	4.1	0.1
	q13e. Has an adequate number of staff to effectively complete supervisory activities	4.1	3.9	0.2
q14a. Other APRA staff with whom your organisation interacts are experienced and knowledgeable	4.0	4.0	0.0	
q14b. APRA's prudential reviews of your entity are appropriately spaced apart in their timing	4.0	4.1	-0.1	
q14c. The effort required of your entity during APRA's prudential reviews is appropriate	3.8	3.8	0.0	
q14d. APRA's information requests are appropriately targeted	3.8	-	N/A	
q14e. APRA should share the information it receives from your entity with other regulators to improve efficiency	3.7	-	N/A	

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=19-297)	2019 mean (n=39-280)	Difference
q14f. APRA bases its monitoring and inspection approach on risk and, where possible, takes into account the circumstance and operational needs of your entity	4.0	-	N/A
q14g. APRA is open and responsive to your entity's requests regarding the operation of the regulatory framework and approaches implemented by APRA	4.0	-	N/A
To what extent do APRA staff demonstrate the APRA values?#			
q15a. Integrity	3.8	3.7	0.1
q15b. Collaboration	3.4	3.3	0.1
q15c. Respect	3.7	3.6	0.1
q15d. Excellence	3.3	3.2	0.1
q15e. Accountability	3.4	3.3	0.1
Supervisory activities			
APRA meets its stated approach of...			
q16a. Being forward looking in its supervision	3.9	3.8	0.1
q16b. Being primarily risk-based in its supervision	4.2	4.1	0.1
q16c. Being consultative in its supervision	4.2	4.0	0.2
q16d. Being consistent in its supervision	3.9	3.8	0.1
q16e. Supervising in line with international best practice	3.9	3.9	-0.1
q16f. APRA's supervision of your entity is consistent with APRA's mission	4.2	4.0	0.1
q16g. A single supervisory team responsible for all group companies is an effective way to supervise groups	4.3	4.1	0.1
q18a. During supervisory visits to your entity, APRA supervisors focus on principles rather than detailed prescription	3.9	3.8	0.1
q18b. During supervisory visits to your entity, APRA supervisors focus on major risks or controls	4.1	4.1	0.0
q18c. During prudential reviews of your entity, APRA appropriately assesses the importance of issues that are subject to APRA requirements, recommendations or suggestions	4.0	4.0	0.0
q18d. APRA is effective in communicating the findings of supervisory visits to your entity	4.2	4.3	-0.1
q18e. APRA's recommendations and suggestions arising from its prudential review of your entity are useful for your entity	4.1	4.0	0.1
q18f. APRA's reports of prudential reviews provided to your entity have the appropriate level of detail	4.1	4.1	0.0
q18g. APRA's resolution of your entity's technical and supervisory requests is satisfactory	4.0	4.0	0.0
q18h. APRA's resolution of your entity's technical and supervisory requests is timely	3.9	3.8	0.1
q19a. APRA effectively enforces its prudential requirements	4.2	4.1	0.1

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=19-297)	2019 mean (n=39-280)	Difference	
q19b. APRA guidance has been useful to my entity in preparing contingencies that would be used if we experienced financial distress or failure	3.9	3.8	0.2	
q21a. What impact has APRA's enforcement of its prudential requirements had on your industry?^	4.0	3.9	0.1	
q21b. What impact has APRA's supervision activity had on your entity's risk management practices over the past few years?^	4.1	4.1	0.0	
q21c. What impact has APRA's prudential requirements had on the financial management of your entity?^	3.8	3.7	0.1	
q21d. What impact has APRA's increased focus on risk culture had on your entity?^	4.1	4.0	0.1	
Exemptions and variations				
q24. Considering the process rather than the APRA decision, how did APRA handle your request for approval, variation or exemption?^^	4.3	4.1	0.2	
Data collections				
q25. The amount of statistical data collected by APRA is...?~	3.3	3.4	0.0	
Usefulness and reliability of statistical publications				
How useful have each of the following statistical publications been for your entity in the last 12 months?^*	q30a. ADI Points of Presence (annual)	2.9	2.6	0.2
	q30b. Monthly ADI Statistics	3.7	3.3	0.4
	q30c. Quarterly ADI Performance Statistics	3.6	3.2	0.4
	q30d. Quarterly ADI Property Exposures Statistics	3.5	3.1	0.4
	q30i. General Insurance Claims Development Statistics	3.6	2.9	0.7
	q30j. General Insurance Institution-level Statistics	3.8	3.0	0.8
	q30k. Intermediated General Insurance Statistics	3.5	2.7	0.8
	q30l. National claims and policies database statistics	3.6	2.8	0.8
	q30m. Quarterly General Insurance Institution-level Statistics	3.8	-	N/A
	q30n. Quarterly General Insurance Performance Statistics	3.7	2.9	0.8
	q30q. Annual Friendly Society Bulletin	3.1	1.8	1.3
	q30r. Life Insurance Claims and Disputes Statistics	3.5	-	N/A

⁶ Please note that q30 was asked in two parts in 2021, where respondents were first asked if they had used each publication before being asked to rate its usefulness, whereas in 2019 this was combined into one question.

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=19-297)	2019 mean (n=39-280)	Difference	
q30s. Life Insurance Institution-level Statistics	3.7	2.9	0.8	
q30t. Life Insurance Supplementary Statistical Tables	3.5	2.7	0.9	
q30u. Quarterly Life Insurance Performance Statistics	3.6	2.9	0.8	
q30w. Annual coverage survey	3.8	2.8	1.0	
q30x. Annual risk equalisation	3.9	2.9	1.0	
q30y. Annual State of Health Funds Report	4.1	-	N/A	
q30z. PHI Medical Gap	3.5	2.4	1.2	
q30aa. PHI Medical Services	3.5	2.3	1.3	
q30bb. PHI Membership and Benefits	4.0	2.9	1.1	
q30cc. PHI Membership Coverage	4.0	2.8	1.2	
q30dd. PHI Prostheses Statistics	3.7	2.4	1.3	
q30ee. PHI Quarterly Statistics	4.1	2.7	1.4	
q30ff. PHI Statistical Trends	4.0	2.9	1.1	
q30kk. Annual fund-level Superannuation Statistics	3.6	3.1	0.5	
q30ll. Annual MySuper Statistics	3.4	3.1	0.3	
q30mm. Annual Super Bulletin	3.6	3.1	0.5	
q30nn. Quarterly MySuper Statistics	3.4	3.0	0.4	
q30oo. Quarterly Superannuation Performance	3.4	3.1	0.3	
q31. You mentioned that your entity has used the following APRA publications in the last 12 months: Overall, how reliable has the data/information in these publications been in the last 12 months?**	3.9	3.9	0.0	
q34a. APRA's public communications are clear and effective (e.g. speeches, media releases and website content)	4.2	4.1	0.1	
q34b. APRA's communications to my entity are clear and effective	4.3	4.2	0.1	
Regulation during COVID-19				
q35a. APRA's policy responses were appropriate and helpful to your entity during the pandemic	4.1	-	N/A	
q35b. APRA's changed supervisory program helped reduce regulatory burden on your entity during the pandemic	4.1	-	N/A	
q35c. APRA's changing expectations during the pandemic were effectively communicated	4.3	-	N/A	
q35d. APRA's actions during the pandemic were well coordinated with other arms of government	4.0	-	N/A	
Regulatory Burden				
Overall, where do you feel the balance currently sits between the burden of	q36a. For your entity	2.8	-	N/A

Regulated Entity 2019 comparison Statistically significant differences highlighted yellow		2021 mean (n=19-297)	2019 mean (n=39-280)	Difference
APRA's regulatory requirements and the benefits it provides?##	q36b. For your industry as a whole	2.9	-	N/A
q37. How clearly do you feel your entity understands APRA's expectations of you?~~		4.1	-	N/A
In the last 2 years (thinking beyond the temporary impacts of changes during COVID-19), do you feel that the regulatory burden on your organisation has been increasing, staying about the same, or decreasing:^^^	q38a. From APRA specifically	1.7	-	N/A
	q38b. Across all your regulatory considerations	1.5	-	N/A
APRA's regulation of your entity is:***	q39a. Compatible with the requirements and expectations of other regulators	3.1	-	N/A
	q39b. Efficient	3.2	-	N/A
	q39c. Beneficial to your entity	3.4	-	N/A
If APRA's regulation continues on a similar trajectory to the last few years, do you expect APRA's expectations and the needs of entities being regulated will be much less, equally, or much more aligned?###	q40a. For your entity	3.1	-	N/A
	q40b. For your industry as a whole	3.1	-	N/A

Yellow and bold indicates statistically significant difference (p<0.05). The method used was a Welch T test assuming unequal variances.

Scale legend:

* 1=Not useful at all, 2=Slightly useful, 3=Moderately useful, 4=Very useful, 5=Extremely useful

1=Never demonstrate, 2=Demonstrate to some extent, 3=Demonstrate to a significant extent, 4=Always demonstrate

^ 1=Very negative impact, 2=Negative impact, 3=No impact, 4=Positive impact, 5=Very positive impact

^^ 1=Very poorly, 2=Poorly, 3=Neutral, 4=Well, 5=Very well

~ 1=Far too little, 2=Too little, 3>About right, 4=Too much, 5=Far too much

** 1=Not reliable at all, 2=Slightly reliable, 3=Moderately reliable, 4=Very reliable, 5=Extremely reliable

1=Much too little benefit for the level of burden, 2= Somewhat too little benefit for the level of burden, 3= A fairly balanced level of benefit for the level of burden, 4=A high level of benefit for the level of burden

~~ 1=Not at all clearly, 2=A little, 3=Moderately, 4=Very clearly, 5=Completely

^^^ 1=Greatly increasing, 2=Somewhat increasing, 3=Staying about the same, 4=Somewhat decreasing, 5=Greatly decreasing

*** 1=Not at all, 2=A little, 3=Somewhat, 4=Highly

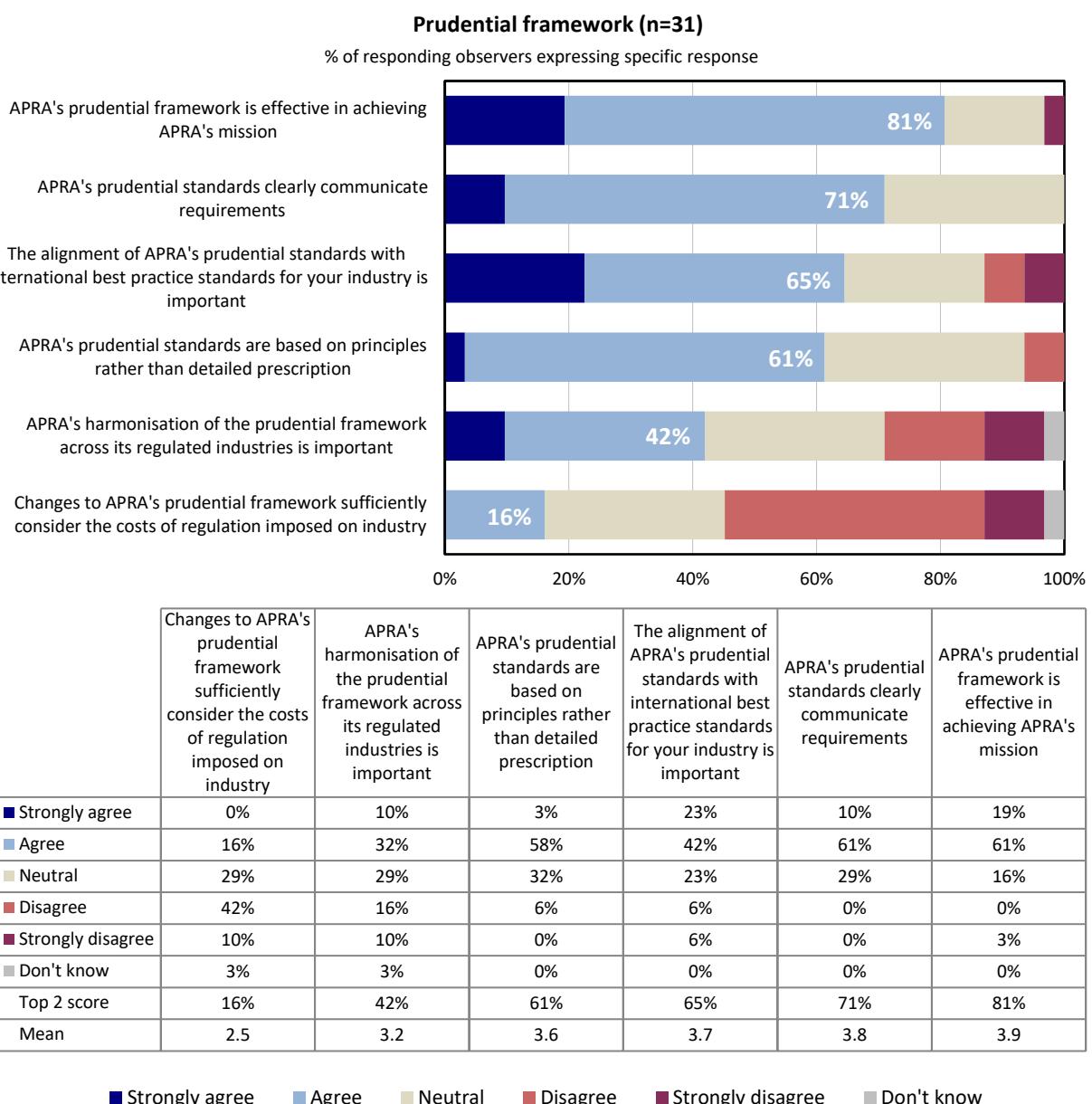
1=Much less alignment, 2=A little less alignment, 3=About the same level of alignment, 4=A little more alignment, 5=Much more alignment

All others: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

IV. Knowledgeable Observer charts and tables

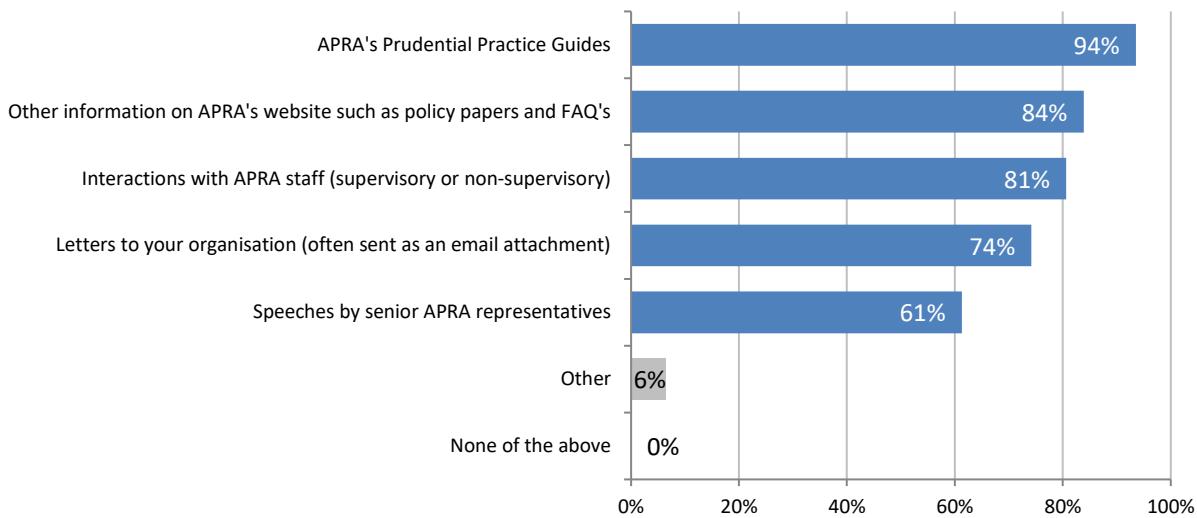
This section of the report shows the results for Knowledgeable Observers (KOs) for each individual question asked in the 2021 survey. Percentage results shown in white in the following charts denote the 'Top 2' score for each question (except for Multiple Response questions).

A. Knowledgeable Observer overall frequency distribution charts



q2a, q2d, q2c, q2f, q2b, q2e.

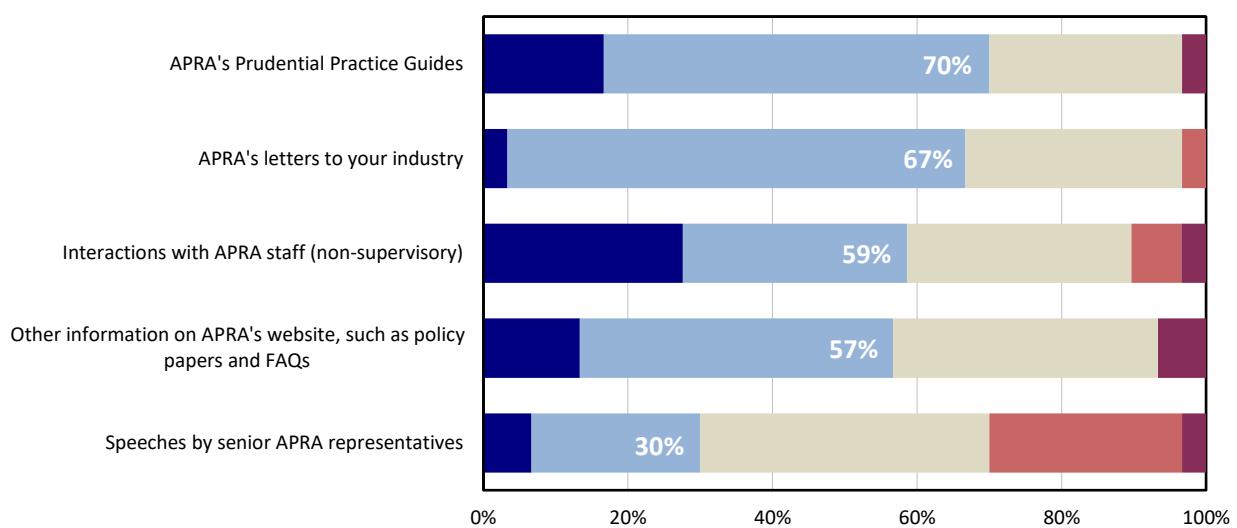
Sources of guidance organisation has used in past 12 months (Multiple Response) (n=31)



q7.

Usefulness of guidance (n=29-30)

% of responding observers expressing specific response



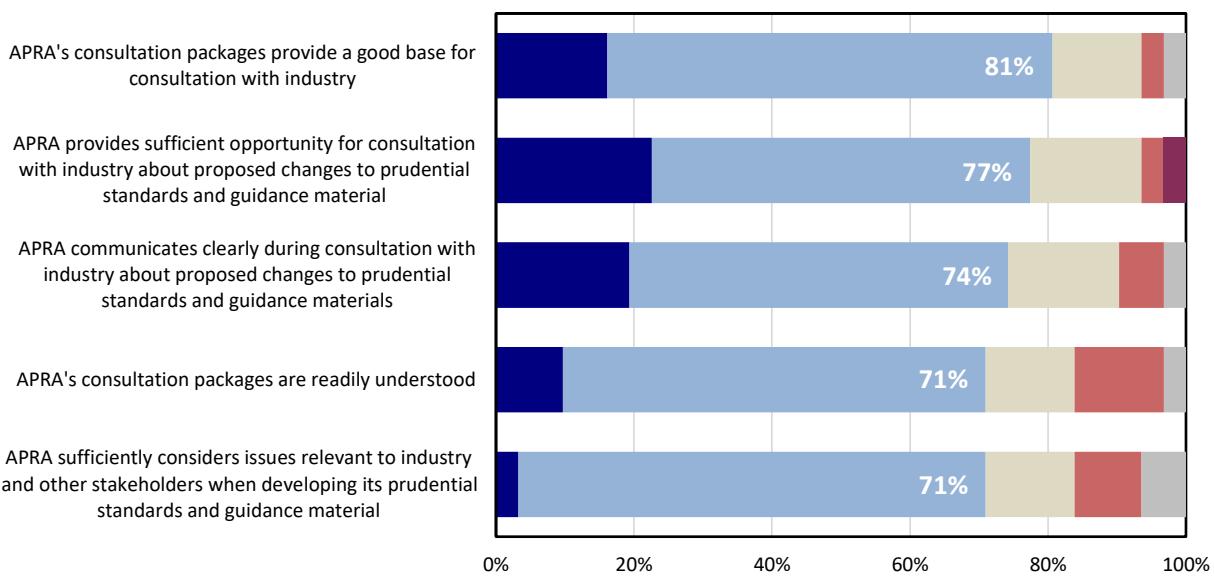
	Speeches by senior APRA representatives	Other information on APRA's website, such as policy papers and FAQs	Interactions with APRA staff (non-supervisory)	APRA's letters to your industry	APRA's Prudential Practice Guides
■ Extremely useful	7%	13%	28%	3%	17%
■ Very useful	23%	43%	31%	63%	53%
■ Moderately useful	40%	37%	31%	30%	27%
■ Slightly useful	27%	0%	7%	3%	0%
■ Not useful at all	3%	7%	3%	0%	3%
Top 2 score	30%	57%	59%	67%	70%
Mean	3.0	3.6	3.7	3.7	3.8

■ Extremely useful ■ Very useful ■ Moderately useful ■ Slightly useful ■ Not useful at all

q8b, q8c, q8ai, q8e, q8d.

Consultation processes (n=31)

% of responding observers expressing specific response



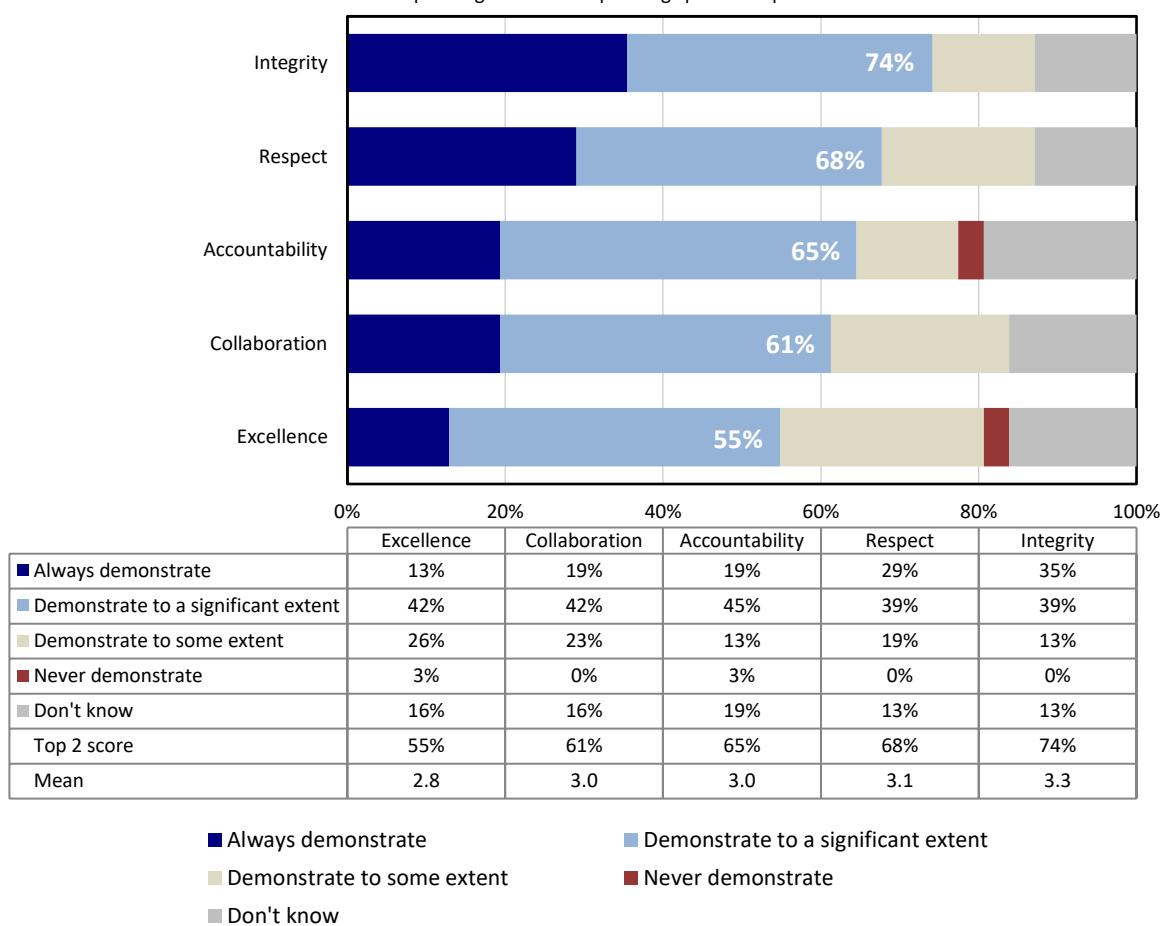
	APRA sufficiently considers issues relevant to industry and other stakeholders when developing its prudential standards and guidance material	APRA's consultation packages are readily understood	APRA communicates clearly during consultation with industry about proposed changes to prudential standards and guidance materials	APRA provides sufficient opportunity for consultation with industry about proposed changes to prudential standards and guidance material	APRA's consultation packages provide a good base for consultation with industry
■ Strongly agree	3%	10%	19%	23%	16%
■ Agree	68%	61%	55%	55%	65%
■ Neutral	13%	13%	16%	16%	13%
■ Disagree	10%	13%	6%	3%	3%
■ Strongly disagree	0%	0%	0%	3%	0%
■ Don't know	6%	3%	3%	0%	3%
Top 2 score	71%	71%	74%	77%	81%
Mean	3.7	3.7	3.9	3.9	4.0

█ Strongly agree
 █ Agree
 █ Neutral
 █ Disagree
 █ Strongly disagree
 █ Don't know

q9d, q9b, q9e, q9c, q9a.

To what extent do APRA staff demonstrate values? (n=31)

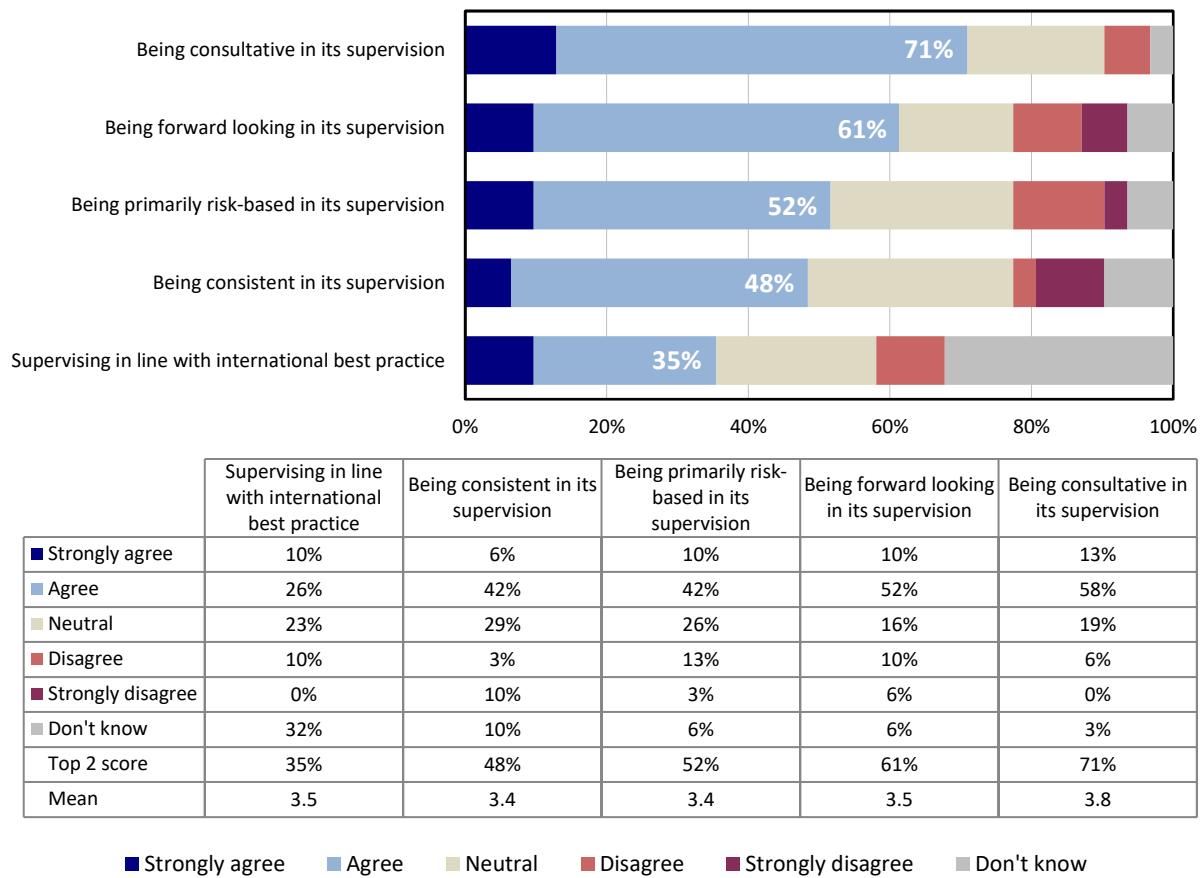
% of responding observers expressing specific response



q15a, q15c, q15e, q15b, q15d.

Supervisory activities (n=31)

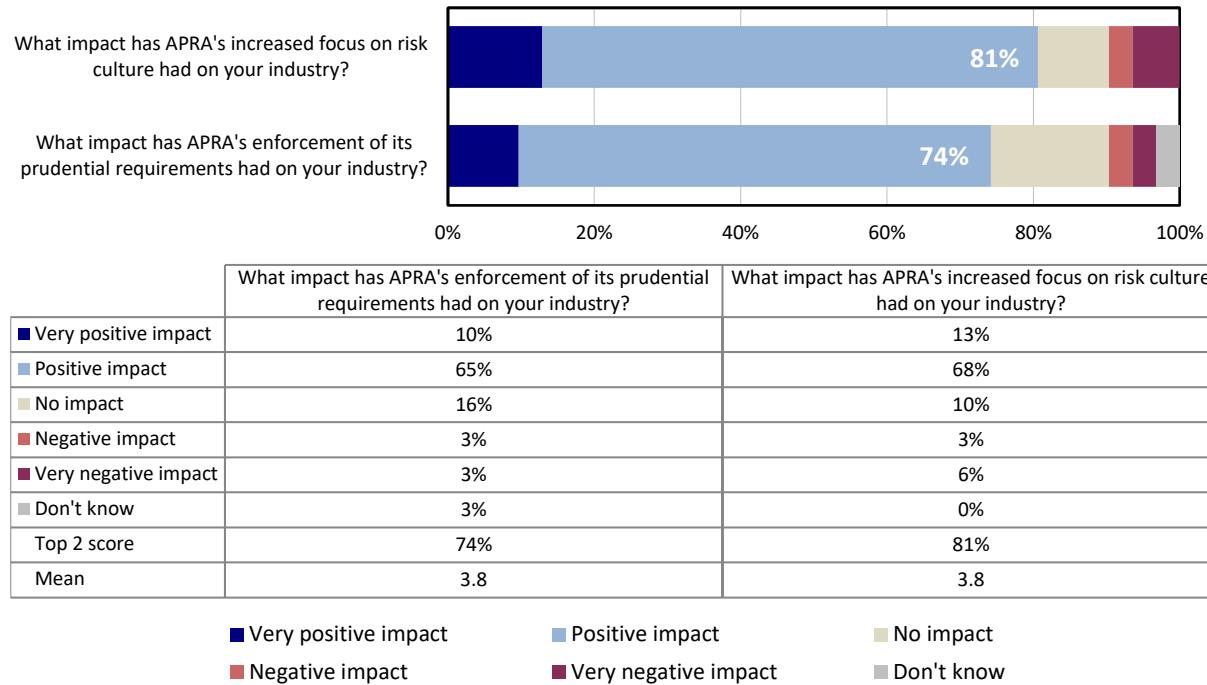
% of responding observers expressing specific response



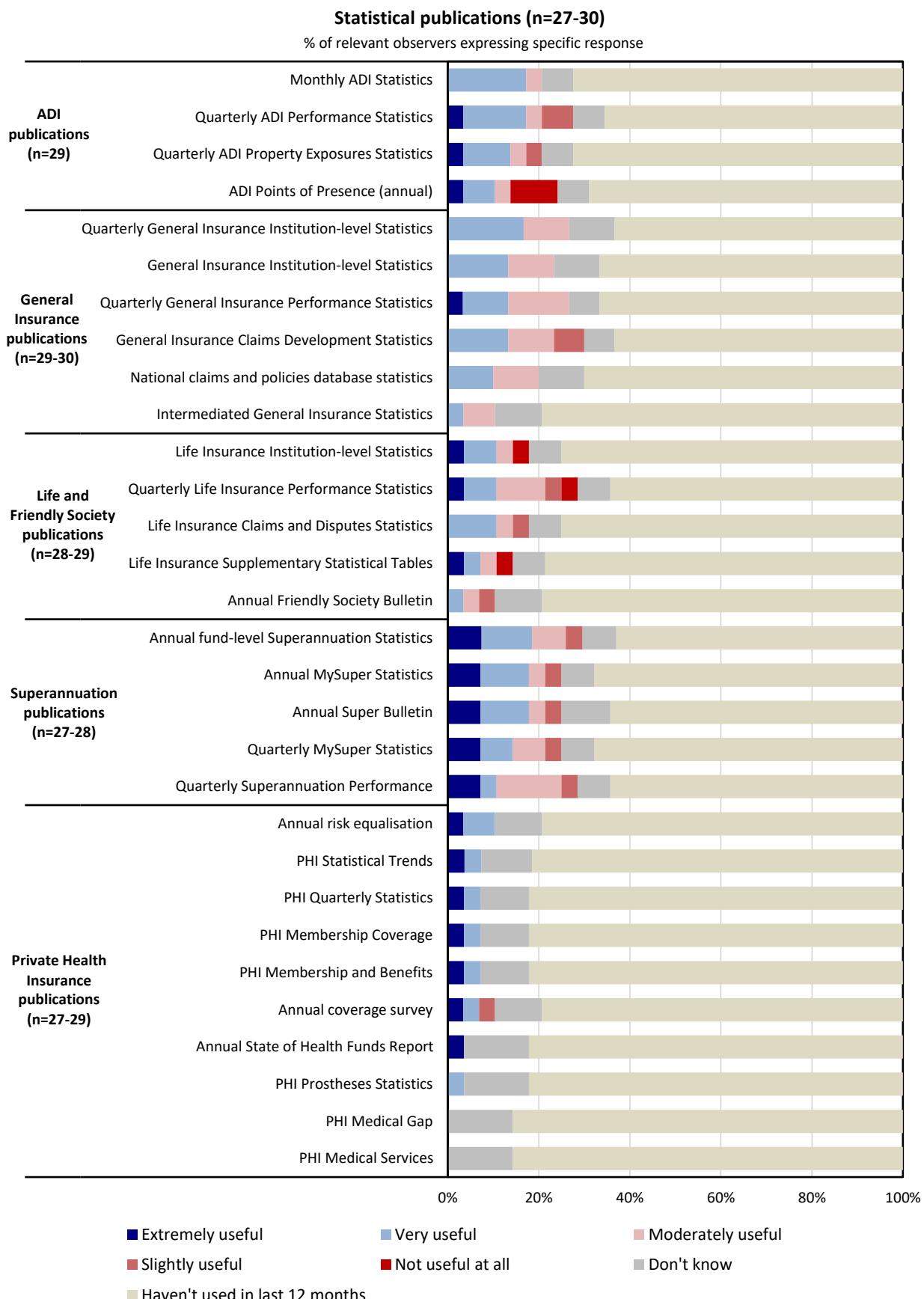
q16c, q16a, q16b, q16d, q16e.

Impact of APRA (n=31)

% of responding observers expressing specific response

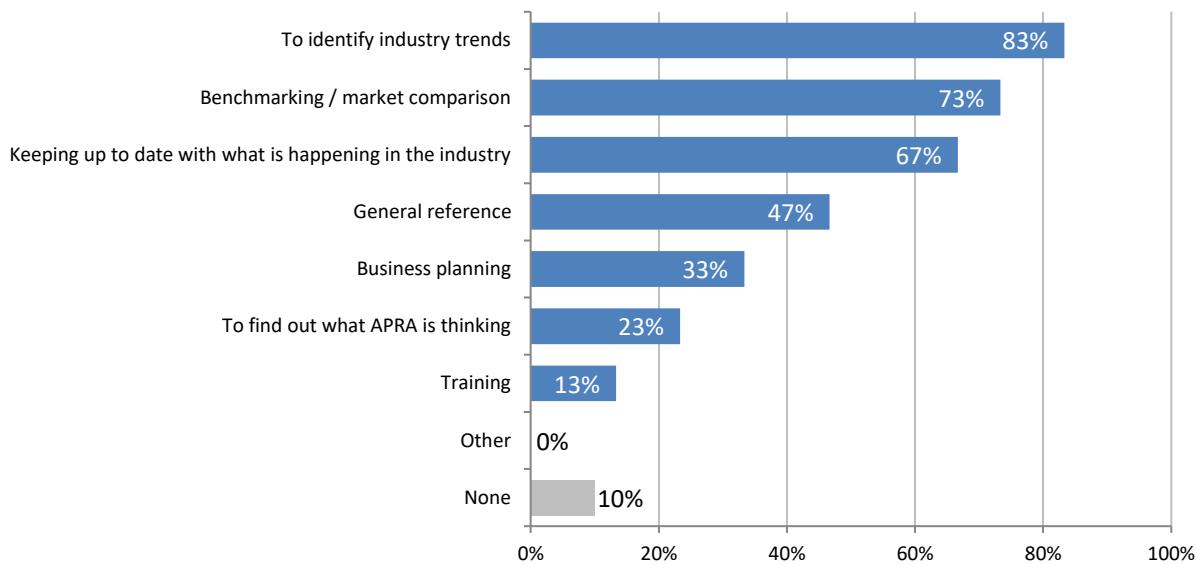


q21d, q21a.



q30b, q30c, q30d, q30a, q30m, q30j, q30n, q30i, q30l, q30k, q30s, q30u, q30r, q30t, q30q, q30kk, q30ll, q30mm, q30nn, q30oo, q30x, q30ff, q30ee, q30cc, q30bb, q30w, q30y, q30dd, q30z, q30aa.

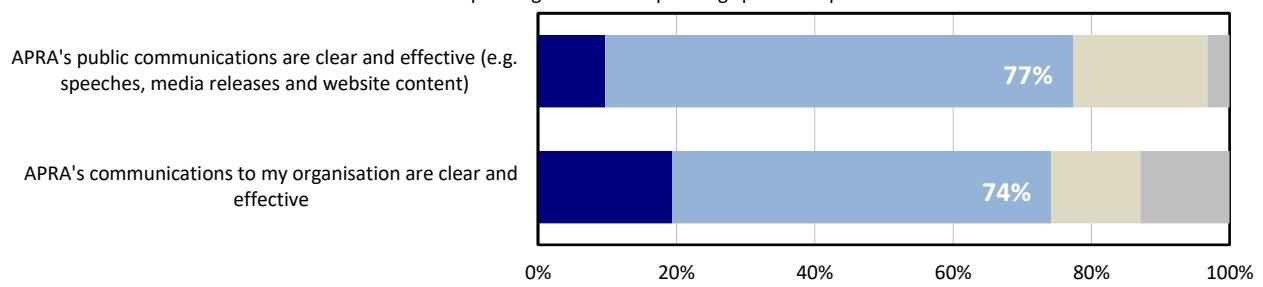
**For what purpose/s does your organisation use APRA statistical publications?
(Multiple Response) (n=30)**



q33.

Communications (n=31)

% of responding observers expressing specific response



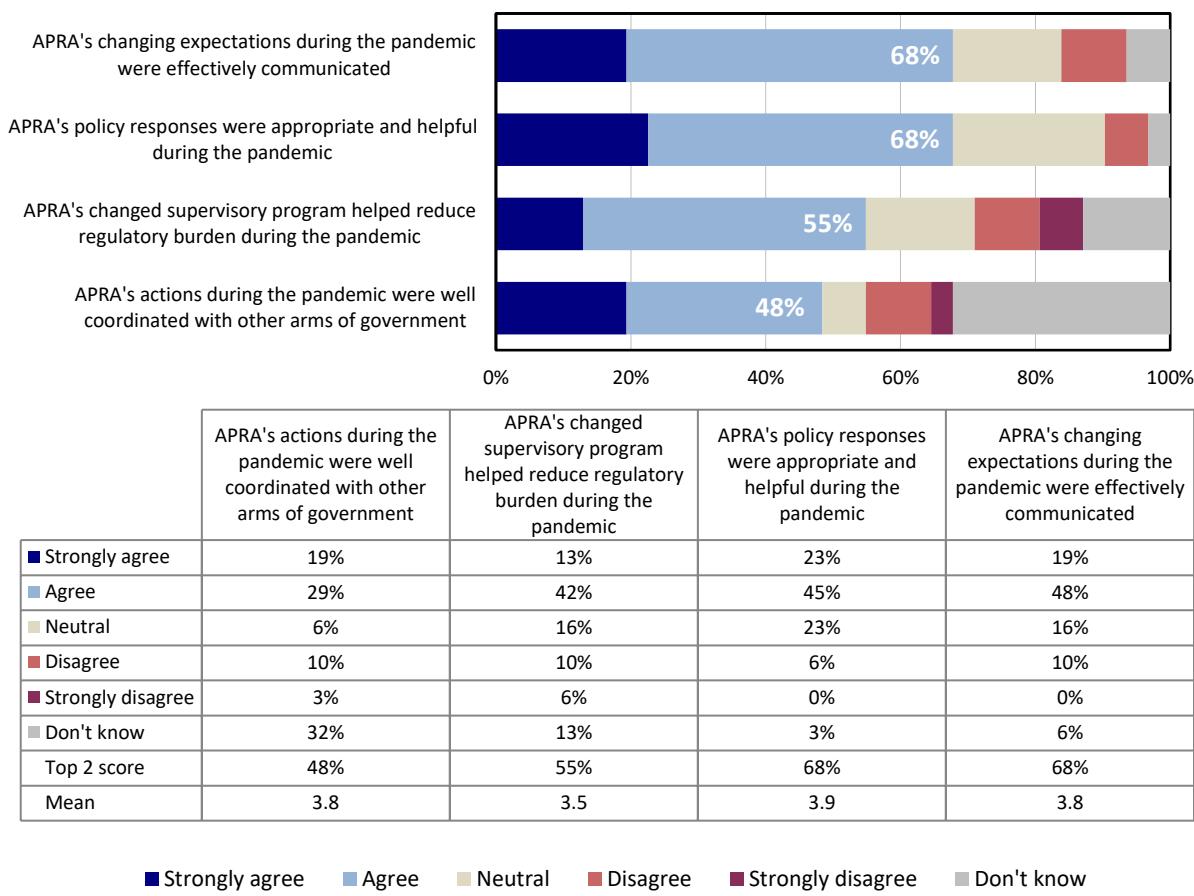
	APRA's communications to my organisation are clear and effective	APRA's public communications are clear and effective (e.g. speeches, media releases and website content)
Strongly agree	19%	10%
Agree	55%	68%
Neutral	13%	19%
Disagree	0%	0%
Strongly disagree	0%	0%
Don't know	13%	3%
Top 2 score	74%	77%
Mean	4.1	3.9

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree ■ Don't know

q34a, q34b.

Regulation during COVID-19 (n=31)

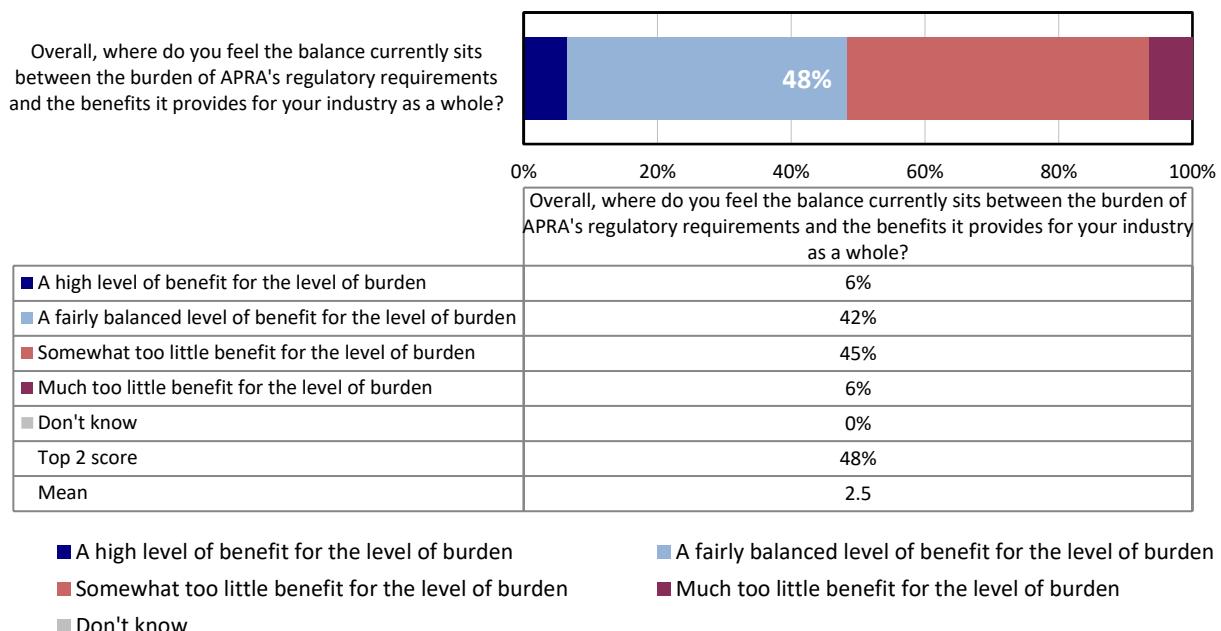
% of responding observers expressing specific response



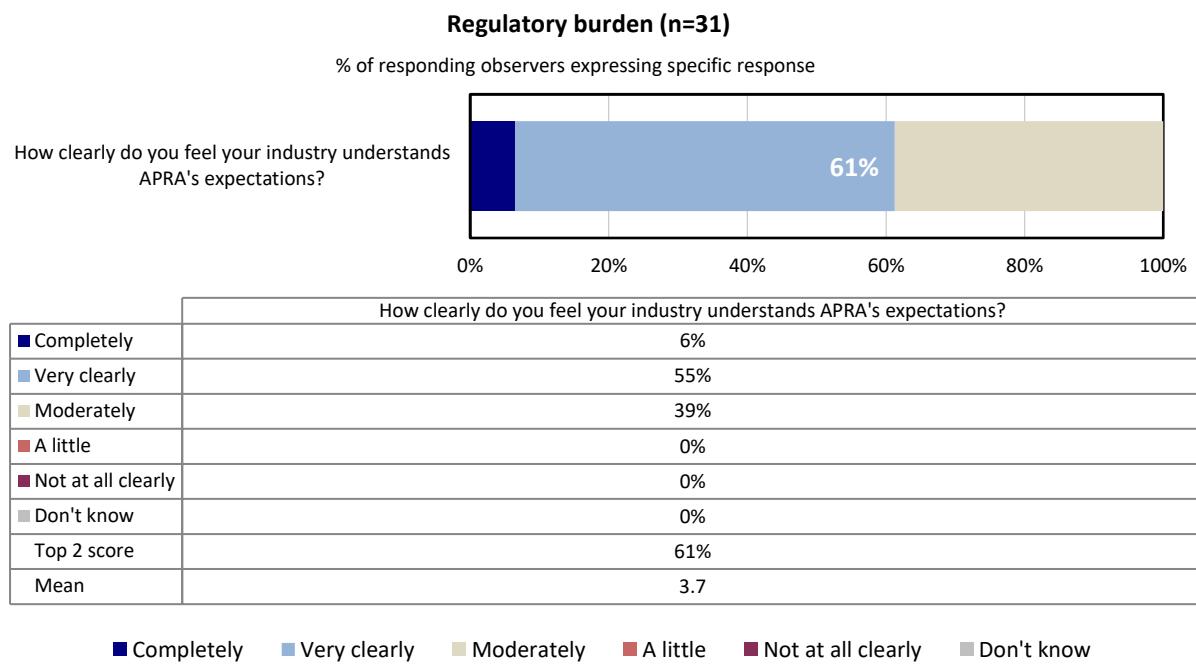
q35c, q35a, q35b, q35d.

Regulatory burden (n=31)

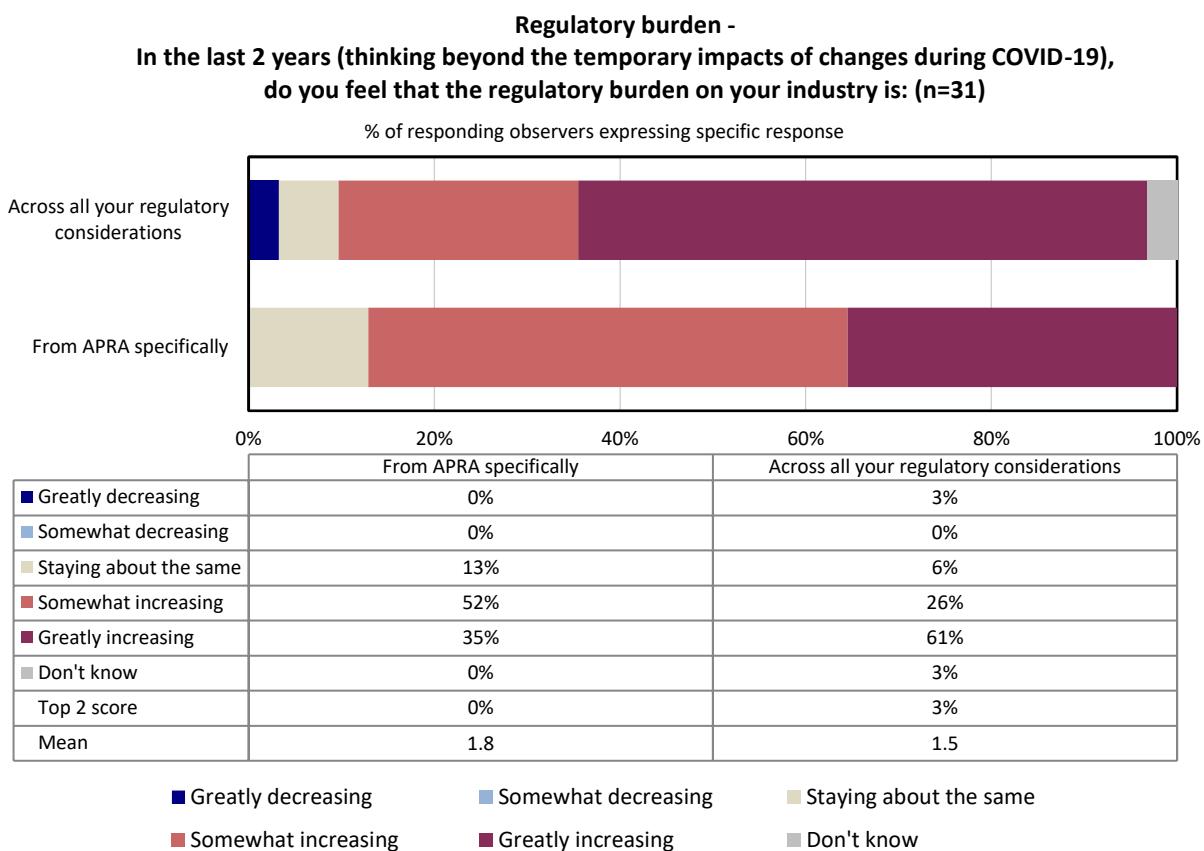
% of responding observers expressing specific response



q36b.

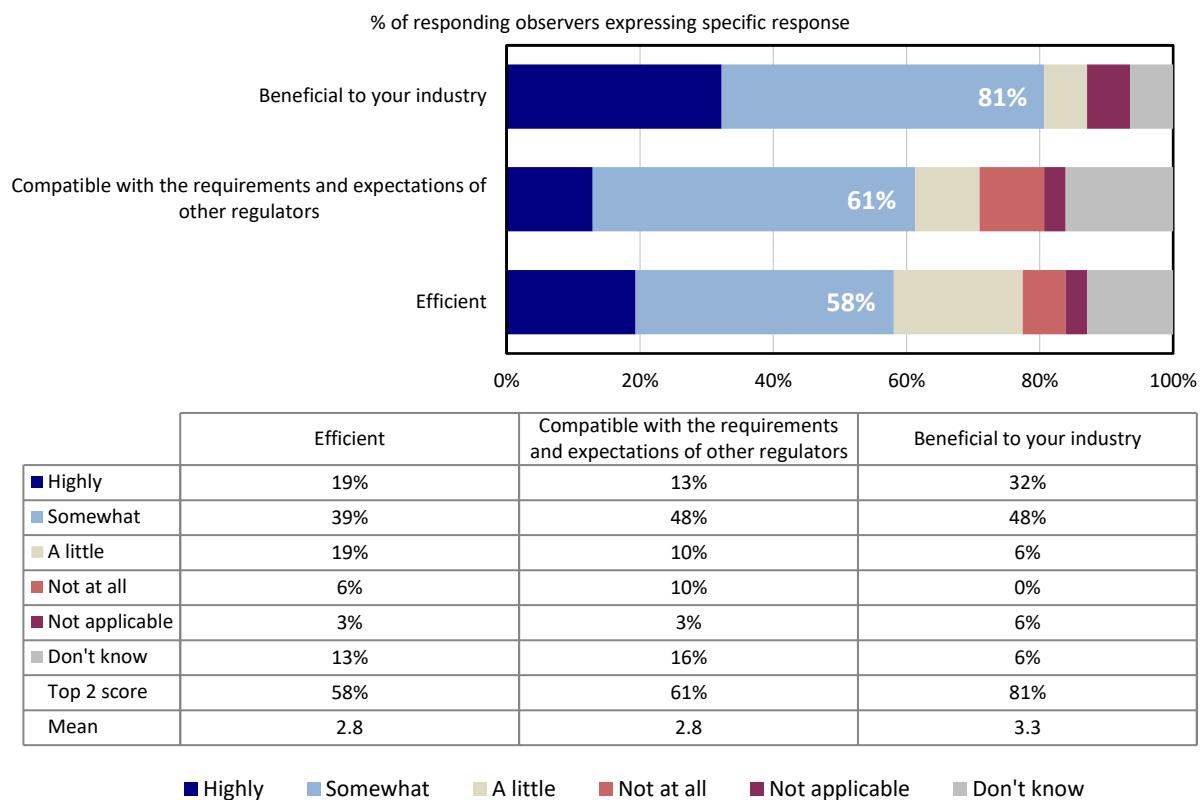


q37.



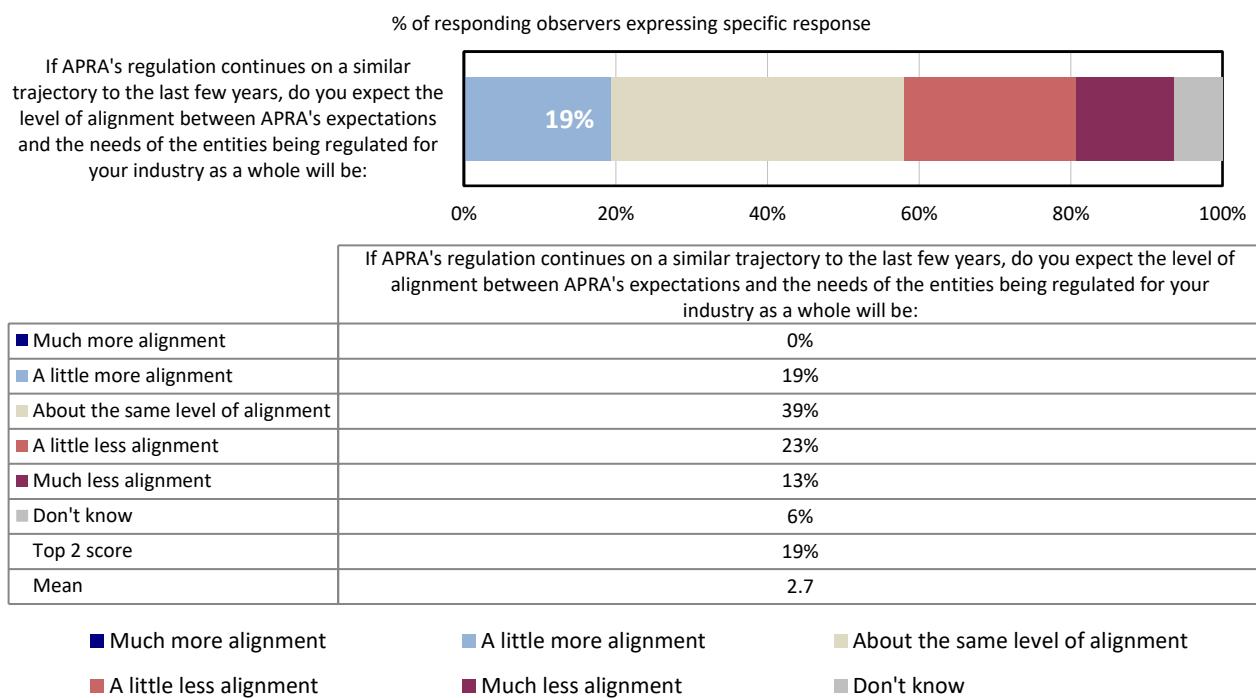
q38b, q38a.

To what extent do you feel APRA's regulation of your industry is: (n=31)



q39c, q39a, q39b.

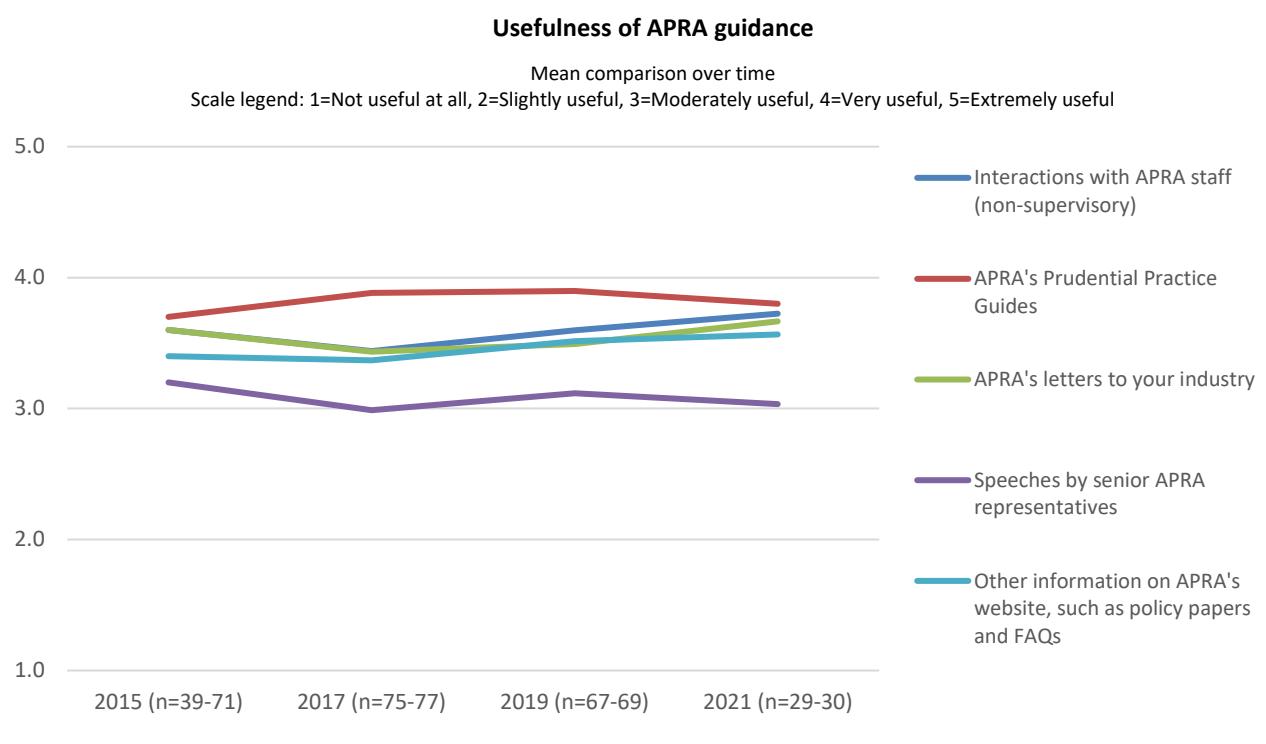
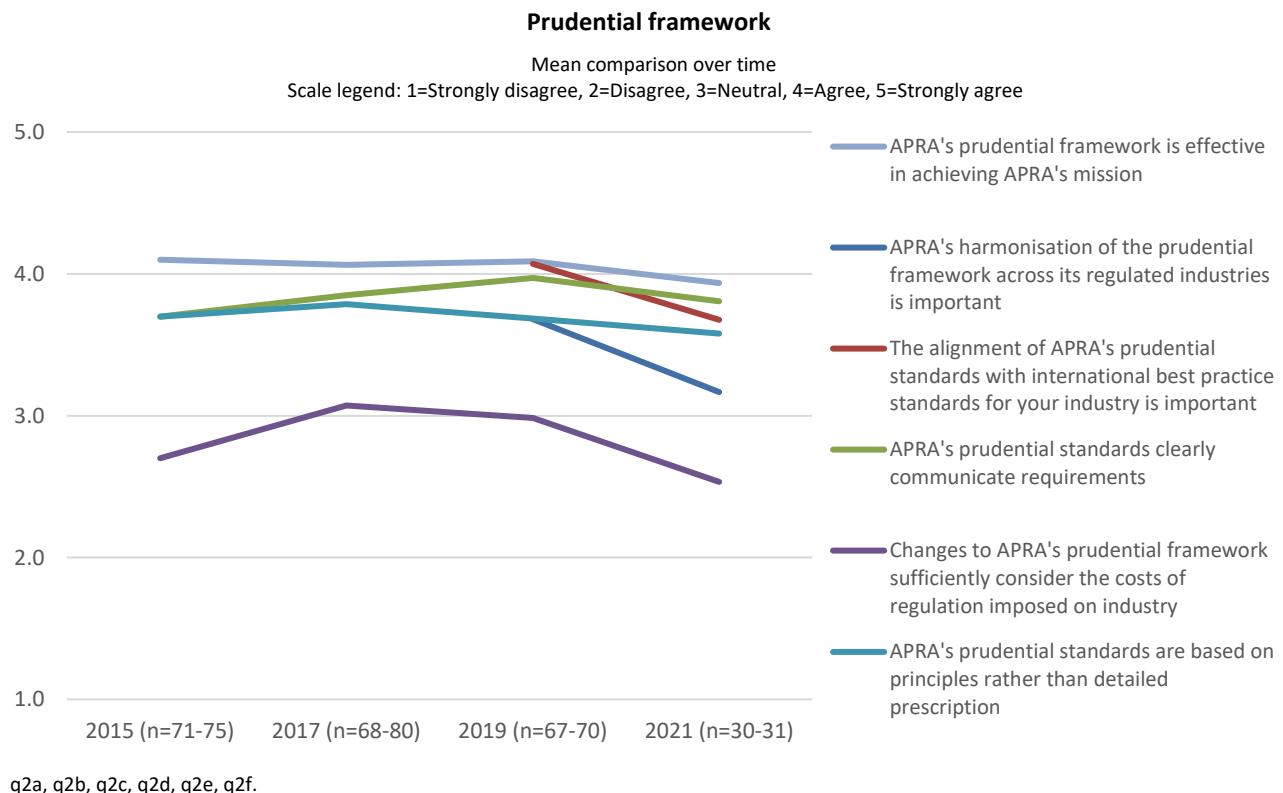
Expected future direction of alignment between APRA's expectations and the needs of entities being regulated (n=31)

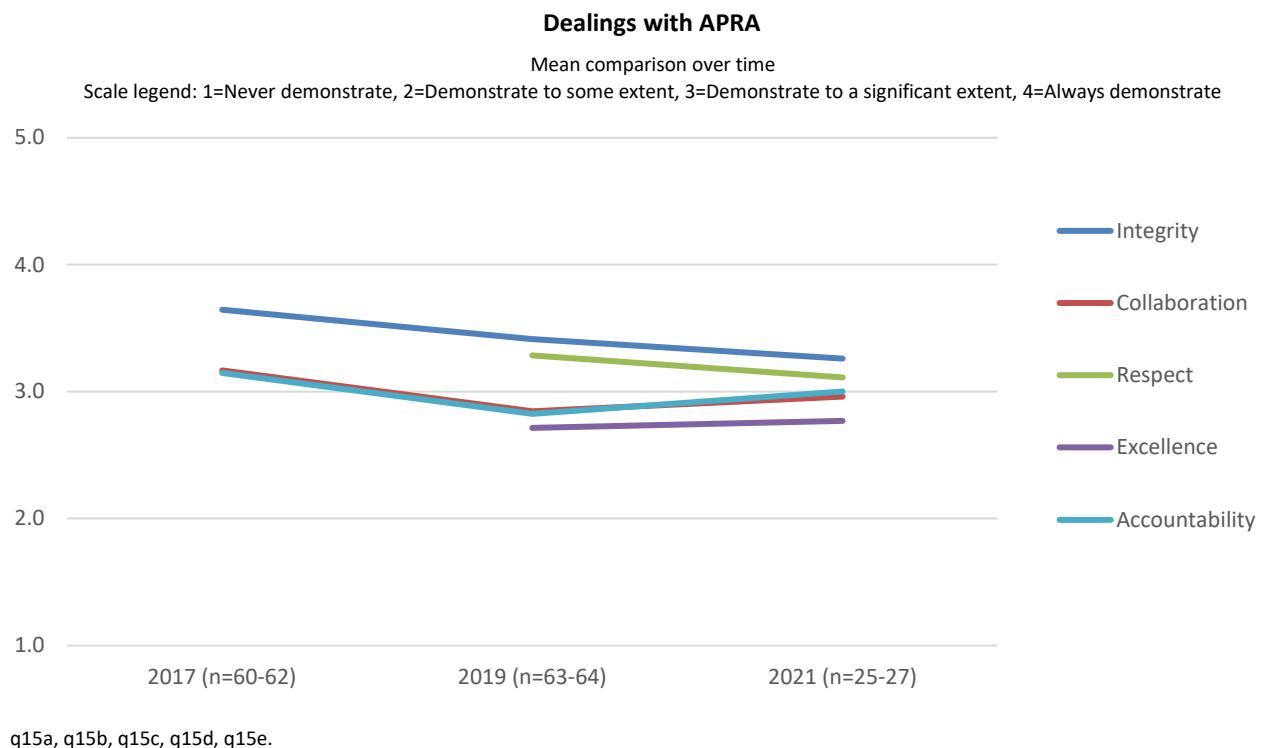
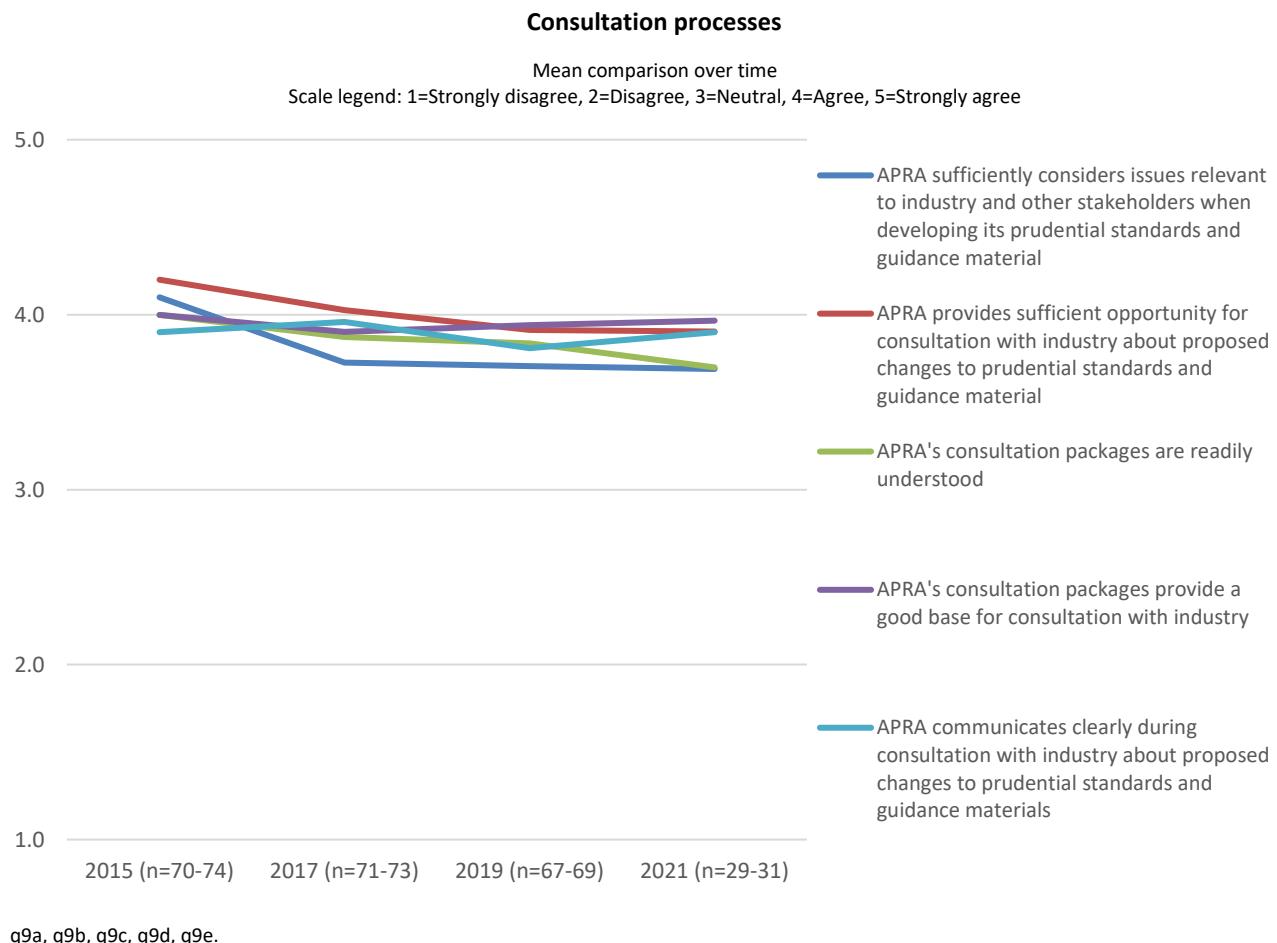


q40b.

B. Knowledgeable Observers year trends

This section of the report shows the KO results for 2021 compared to the track of previous survey results. The charts track the mean (average) scores on individual questions that were asked in previous survey years.

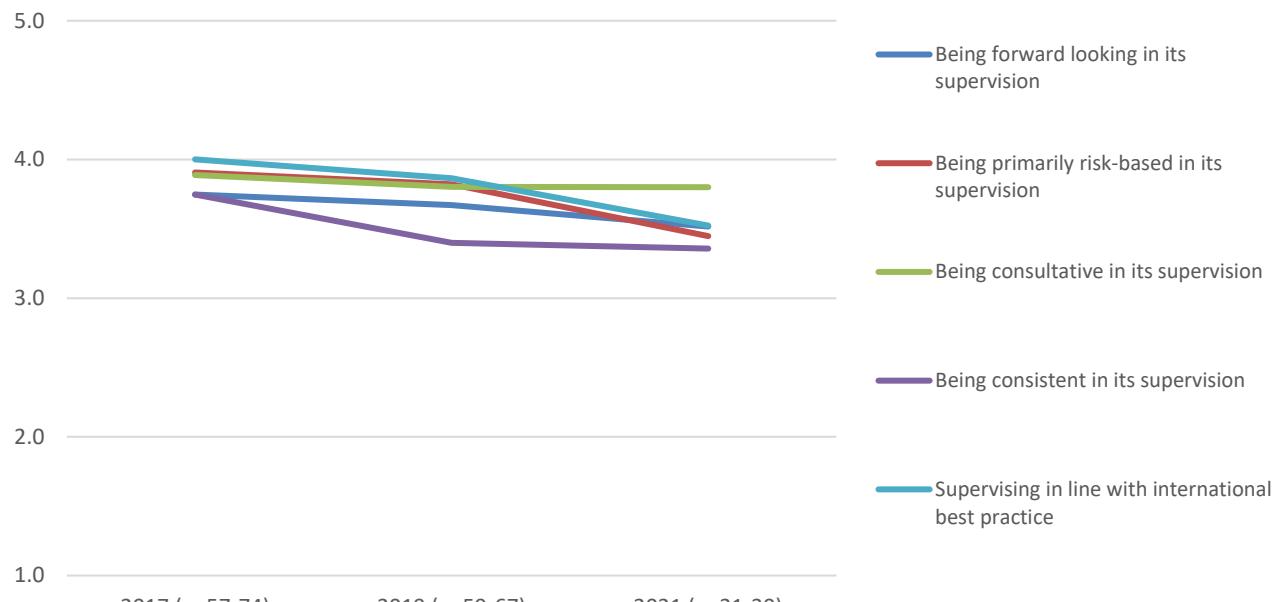




Supervisory activities (A): APRA meets its stated approach of:

Mean comparison over time

Scale legend: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

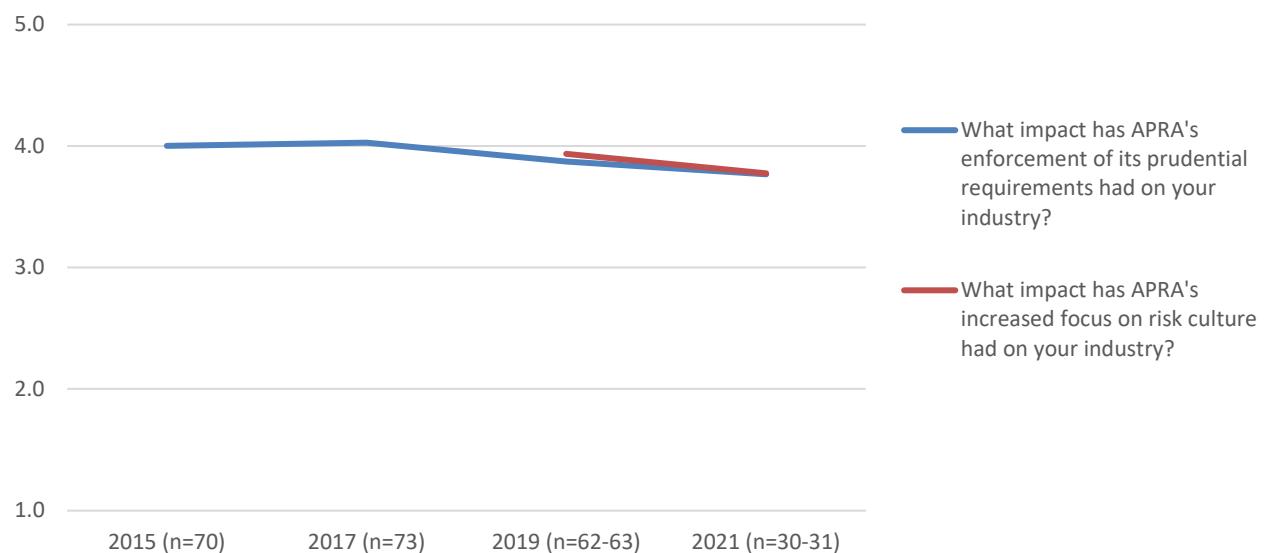


q16a, q16b, q16c, q16d, q16e.

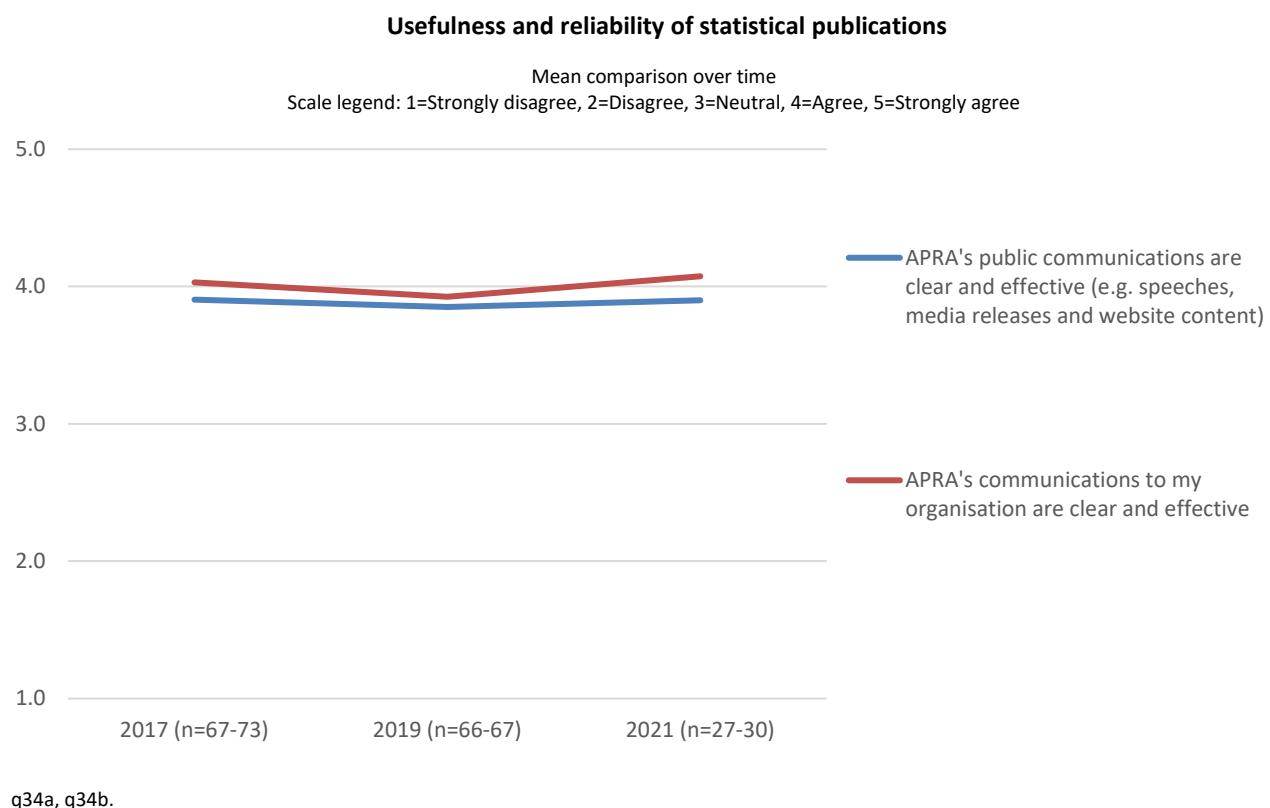
Supervisory activities (B)

Mean comparison over time

Scale legend: 1=Very negative impact, 2=Negative impact, 3=No impact, 4=Positive impact, 5=Very positive impact



q21a, q21d.



C. Knowledgeable Observer 2019 comparison⁷

The table below compares the means for each question repeated in the KO survey in 2021 from 2019. Statistically significant results are highlighted yellow. Due to the small KO sample size in the 2021 survey, relatively few of the observed differences are statistically significant.

Knowledgeable Observer 2019 comparison Statistically significant differences highlighted yellow		2021 mean (n=0-31)	2019 mean (n=21-70)	Difference
Prudential framework				
q2a. APRA's prudential framework is effective in achieving APRA's mission		3.9	4.1	-0.2
q2b. APRA's harmonisation of the prudential framework across its regulated industries is important		3.2	3.7	-0.5
q2c. The alignment of APRA's prudential standards with international best practice standards for your industry is important		3.7	4.1	-0.4
q2d. APRA's prudential standards clearly communicate requirements		3.8	4.0	-0.2
q2e. Changes to APRA's prudential framework sufficiently consider the costs of regulation imposed on industry		2.5	3.0	-0.5
q2f. APRA's prudential standards are based on principles rather than detailed prescription		3.6	3.7	-0.1
Usefulness of APRA guidance				
How useful is the guidance that your entity receives about the prudential framework from...*	q8ai. Interactions with APRA staff (non-supervisory)	3.7	3.6	0.1
	q8b. APRA's Prudential Practice Guides	3.8	3.9	-0.1
	q8c. APRA's letters to your industry	3.7	3.5	0.2
	q8d. Speeches by senior APRA representatives	3.0	3.1	-0.1
	q8e. Other information on APRA's website, such as policy papers and FAQs	3.6	3.5	0.1
Consultation processes				
q9a. APRA sufficiently considers issues relevant to industry and other stakeholders when developing its prudential standards and guidance material		3.7	3.7	0.0
q9b. APRA provides sufficient opportunity for consultation with industry about proposed changes to prudential standards and guidance material		3.9	3.9	0.0
q9c. APRA's consultation packages are readily understood		3.7	3.8	-0.1
q9d. APRA's consultation packages provide a good base for consultation with industry		4.0	3.9	0.0
q9e. APRA communicates clearly during consultation with industry about proposed changes to prudential standards and guidance materials		3.9	3.8	0.1
Dealings with APRA				
To what extent do APRA staff demonstrate the APRA values?#	q15a. Integrity	3.3	3.4	-0.2
	q15b. Collaboration	3.0	2.8	0.1
	q15c. Respect	3.1	3.3	-0.2
	q15d. Excellence	2.8	2.7	0.1
	q15e. Accountability	3.0	2.8	0.2

⁷ All 'don't know' response categories have been excluded from the calculation of means

Knowledgeable Observer 2019 comparison Statistically significant differences highlighted yellow		2021 mean (n=0-31)	2019 mean (n=21-70)	Difference
Supervisory activities				
APRA meets its stated approach of...	q16a. Being forward looking in its supervision	3.5	3.7	-0.2
	q16b. Being primarily risk-based in its supervision	3.4	3.8	-0.4
	q16c. Being consultative in its supervision	3.8	3.8	0.0
	q16d. Being consistent in its supervision	3.4	3.4	0.0
	q16e. Supervising in line with international best practice	3.5	3.9	-0.3
	q21a. What impact has APRA's enforcement of its prudential requirements had on your industry?^	3.8	3.9	-0.1
	q21d. What impact has APRA's increased focus on risk culture had on your industry?^	3.8	3.9	-0.2
	Usefulness and reliability of statistical publications			
	q30a. ADI Points of Presence (annual)	2.7	2.4	0.3
	q30b. Monthly ADI Statistics	3.8	2.9	0.9
How useful are each of the following statistical publications for your organisation? ^{8*}	q30c. Quarterly ADI Performance Statistics	3.5	3.0	0.5
	q30d. Quarterly ADI Property Exposures Statistics	3.7	2.7	1.0
	q30i. General Insurance Claims Development Statistics	3.2	3.0	0.2
	q30j. General Insurance Institution-level Statistics	3.6	3.1	0.4
	q30k. Intermediated General Insurance Statistics	3.3	2.8	0.6
	q30l. National claims and policies database statistics	3.5	2.9	0.6
	q30m. Quarterly General Insurance Institution-level Statistics	3.6	-	N/A
	q30n. Quarterly General Insurance Performance Statistics	3.6	2.9	0.7
	q30q. Annual Friendly Society Bulletin	3.0	2.0	1.0
	q30r. Life Insurance Claims and Disputes Statistics	3.4	-	N/A
	q30s. Life Insurance Institution-level Statistics	3.4	2.9	0.5
	q30t. Life Insurance Supplementary Statistical Tables	3.3	2.8	0.4
	q30u. Quarterly Life Insurance Performance Statistics	3.1	2.7	0.4
	q30w. Annual coverage survey	3.7	2.8	0.9
	q30x. Annual risk equalisation	4.3	2.4	1.9
	q30y. Annual State of Health Funds Report	5.0	-	N/A
	q30z. PHI Medical Gap	0.0	2.3	-2.3
	q30aa. PHI Medical Services	0.0	2.2	-2.2
	q30bb. PHI Membership and Benefits	4.5	2.8	1.7
	q30cc. PHI Membership Coverage	4.5	2.9	1.6
	q30dd. PHI Prostheses Statistics	4.0	2.3	1.7
	q30ee. PHI Quarterly Statistics	4.5	2.9	1.6
	q30ff. PHI Statistical Trends	4.5	2.9	1.6

⁸ Please note that q30 was asked in two parts in 2021, where respondents were first asked if they had used each publication before being asked to rate its usefulness, whereas in 2019 this was combined into one question.

Knowledgeable Observer 2019 comparison Statistically significant differences highlighted yellow	2021 mean (n=0-31)	2019 mean (n=21-70)	Difference	
q30kk. Annual fund-level Superannuation Statistics	3.8	2.9	0.8	
q30ll. Annual MySuper Statistics	3.9	2.7	1.2	
q30mm. Annual Super Bulletin	3.9	3.0	0.9	
q30nn. Quarterly MySuper Statistics	3.7	2.8	0.9	
q30oo. Quarterly Superannuation Performance	3.5	2.9	0.6	
q34a. APRA's public communications are clear and effective (e.g. speeches, media releases and website content)	3.9	3.9	0.0	
q34b. APRA's communications to my organisation are clear and effective	4.1	3.9	0.1	
Regulation during COVID-19				
q35a. APRA's policy responses were appropriate and helpful during the pandemic	3.9	-	N/A	
q35b. APRA's changed supervisory program helped reduce regulatory burden during the pandemic	3.5	-	N/A	
q35c. APRA's changing expectations during the pandemic were effectively communicated	3.8	-	N/A	
q35d. APRA's actions during the pandemic were well coordinated with other arms of government	3.8	-	N/A	
Regulatory Burden				
q36b. Overall, where do you feel the balance currently sits between the burden of APRA's regulatory requirements and the benefits it provides for your industry as a whole?##	2.5	-	N/A	
q37. How clearly do you feel your industry understands APRA's expectations?~~	3.7	-	N/A	
In the last 2 years (thinking beyond the temporary impacts of changes during COVID-19), do you feel that the regulatory burden on your organisation has been increasing, staying about the same, or decreasing:^^^				
APRA's regulation of your industry is:***	q38a. From APRA specifically	1.8	-	N/A
	q38b. Across all your regulatory considerations	1.5	-	N/A
q39a. Compatible with the requirements and expectations of other regulators	2.8	-	N/A	
q39b. Efficient	2.8	-	N/A	
q39c. Beneficial to your industry	3.3	-	N/A	
q40b. If APRA's regulation continues on a similar trajectory to the last few years, do you expect the level of alignment between APRA's expectations and the needs of the entities being regulated for your industry as a whole will be:###	2.7	-	N/A	

Yellow and bold indicates statistically significant difference (p<0.05). The method used was a Welch T test assuming unequal variances.

Scale legend:

* 1=Not useful at all, 2=Slightly useful, 3=Moderately useful, 4=Very useful, 5=Extremely useful

^ 1=Very negative impact, 2=Negative impact, 3=No impact, 4=Positive impact, 5=Very positive impact

1 = Never demonstrate, 2=Demonstrate to some extent, 3=Demonstrate to a significant extent, 4=Always demonstrate

1=Much too little benefit for the level of burden, 2= Somewhat too little benefit for the level of burden, 3= A fairly balanced level of benefit for the level of burden, 4=A high level of benefit for the level of burden

~~ 1=Not at all clearly, 2=A little, 3=Moderately, 4=Very clearly, 5=Completely

^^^ 1=Greatly increasing, 2=Somewhat increasing, 3=Staying about the same, 4=Somewhat decreasing, 5=Greatly decreasing

*** 1=Not at all, 2=A little, 3=Somewhat, 4=Highly

1=Much less alignment, 2=A little less alignment, 3=About the same level of alignment, 4=A little more alignment, 5=Much more alignment

All others: 1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

D. Knowledgeable Observer (KO) means comparison table to Regulated Entity (RE)⁹

The tables in this section compare the mean scores on items completed in 2021 by both REs and KOs. Statistically significant differences between the two audiences are highlighted. Due to the small KO sample size, relatively few of the observed differences are statistically significant.

Knowledgeable Observer vs Regulated Entity mean comparison Statistically significant differences highlighted yellow		KO (n=0-31)	RE (n=19-297)	Difference
Prudential framework				
q2a. APRA's prudential framework is effective in achieving APRA's mission		3.9	4.1	-0.1
q2b. APRA's harmonisation of the prudential framework across its regulated industries is important for your entity		3.2	3.7	-0.6
q2c. The alignment of APRA's prudential standards with international best practice standards for your industry is important		3.7	4.1	-0.4
q2d. APRA's prudential standards clearly communicate requirements		3.8	3.9	-0.1
q2e. Changes to APRA's prudential framework sufficiently consider the costs of regulation imposed on industry		2.5	3.0	-0.5
Usefulness of APRA guidance				
How useful is the guidance that your entity receives about the prudential framework from...*	q8b. APRA's Prudential Practice Guides	3.8	4.0	-0.2
	q8c. APRA's letters to your entity	3.7	3.9	-0.3
	q8d. Speeches by senior APRA representatives	3.0	3.3	-0.2
	q8e. Other information on APRA's website, such as policy papers and FAQs	3.6	3.5	0.1
Consultation processes				
q9a. APRA sufficiently considers issues relevant to industry and other stakeholders when developing its prudential standards and guidance material		3.7	3.7	0.0
q9b. APRA provides sufficient opportunity for consultation with industry about proposed changes to prudential standards and guidance material		3.9	4.0	-0.1
q9c. APRA's consultation packages are readily understood		3.7	4.0	-0.3
q9d. APRA's consultation packages provide a good base for consultation with industry		4.0	4.1	-0.1
q9e. APRA communicates clearly during consultation with industry about proposed changes to prudential standards and guidance materials		3.9	4.0	-0.1
Dealings with APRA				
To what extent do APRA staff demonstrate	q15a. Integrity	3.3	3.8	-0.5
	q15b. Collaboration	3.0	3.4	-0.4
	q15c. Respect	3.1	3.7	-0.6

⁹ All 'don't know' response categories have been excluded from the calculation of means

Knowledgeable Observer vs Regulated Entity mean comparison Statistically significant differences highlighted yellow		KO (n=0-31)	RE (n=19-297)	Difference
the APRA values?#	q15d. Excellence q15e. Accountability	2.8 3.0	3.3 3.4	-0.5 -0.4
Supervisory activities				
APRA meets its stated approach of...	q16a. Being forward looking in its supervision	3.5	3.9	-0.4
	q16b. Being primarily risk-based in its supervision	3.4	4.2	-0.7
	q16c. Being consultative in its supervision	3.8	4.2	-0.4
	q16d. Being consistent in its supervision	3.4	3.9	-0.6
	q16e. Supervising in line with international best practice	3.5	3.9	-0.3
q21a. What impact has APRA's enforcement of its prudential requirements had on your industry? [^]		3.8	4.0	-0.2
q21d. What impact has APRA's increased focus on risk culture had on your entity? [^]		3.8	4.1	-0.3
Usefulness and reliability of statistical publications				
How useful have each of the following statistical publications been for your entity in the last 12 months?*	q30a. ADI Points of Presence (annual)	2.7	2.9	-0.2
	q30b. Monthly ADI Statistics	3.8	3.7	0.1
	q30c. Quarterly ADI Performance Statistics	3.5	3.6	-0.1
	q30d. Quarterly ADI Property Exposures Statistics	3.7	3.5	0.1
	q30i. General Insurance Claims Development Statistics	3.2	3.6	-0.4
	q30j. General Insurance Institution-level Statistics	3.6	3.8	-0.3
	q30k. Intermediated General Insurance Statistics	3.3	3.5	-0.2
	q30l. National claims and policies database statistics	3.5	3.6	-0.1
	q30m. Quarterly General Insurance Institution-level Statistics	3.6	3.8	-0.1
	q30n. Quarterly General Insurance Performance Statistics	3.6	3.7	0.0
	q30q. Annual Friendly Society Bulletin	3.0	3.1	-0.1
	q30r. Life Insurance Claims and Disputes Statistics	3.4	3.5	-0.1
	q30s. Life Insurance Institution-level Statistics	3.4	3.7	-0.3
	q30t. Life Insurance Supplementary Statistical Tables	3.3	3.5	-0.3
	q30u. Quarterly Life Insurance Performance Statistics	3.1	3.6	-0.5
	q30w. Annual coverage survey	3.7	3.8	-0.1
	q30x. Annual risk equalisation	4.3	3.9	0.4
	q30y. Annual State of Health Funds Report	5.0	4.1	0.9
	q30z. PHI Medical Gap	0.0	3.5	-3.5
	q30aa. PHI Medical Services	0.0	3.5	-3.5

Knowledgeable Observer vs Regulated Entity mean comparison Statistically significant differences highlighted yellow	KO (n=0-31)	RE (n=19-297)	Difference	
q30bb. PHI Membership and Benefits	4.5	4.0	0.5	
q30cc. PHI Membership Coverage	4.5	4.0	0.5	
q30dd. PHI Prostheses Statistics	4.0	3.7	0.3	
q30ee. PHI Quarterly Statistics	4.5	4.1	0.4	
q30ff. PHI Statistical Trends	4.5	4.0	0.5	
q30kk. Annual fund-level Superannuation Statistics	3.8	3.6	0.1	
q30ll. Annual MySuper Statistics	3.9	3.4	0.5	
q30mm. Annual Super Bulletin	3.9	3.6	0.2	
q30nn. Quarterly MySuper Statistics	3.7	3.4	0.3	
q30oo. Quarterly Superannuation Performance	3.5	3.4	0.1	
q34a. APRA's public communications are clear and effective (e.g. speeches, media releases and website content)	3.9	4.2	-0.3	
q34b. APRA's communications to my entity are clear and effective	4.1	4.3	-0.2	
Regulation during COVID-19				
q35a. APRA's policy responses were appropriate and helpful to your entity during the pandemic	3.9	4.1	-0.3	
q35b. APRA's changed supervisory program helped reduce regulatory burden on your entity during the pandemic	3.5	4.1	-0.6	
q35c. APRA's changing expectations during the pandemic were effectively communicated	3.8	4.3	-0.5	
q35d. APRA's actions during the pandemic were well coordinated with other arms of government	3.8	4.0	-0.2	
Regulatory Burden				
q36b. Overall, where do you feel the balance currently sits between the burden of APRA's regulatory requirements and the benefits it provides for your industry as a whole?##	2.5	2.9	-0.4	
q37. How clearly do you feel your entity understands APRA's expectations of you?~~	3.7	4.1	-0.5	
In the last 2 years (thinking beyond the temporary impacts of changes during COVID-19), do you feel that the regulatory burden on your organisation has been increasing, staying about the same, or decreasing:^^^	q38a. From APRA specifically	1.8	1.7	0.0
	q38b. Across all your regulatory considerations	1.5	1.5	0.0
	q39a. Compatible with the requirements and expectations of other regulators	2.8	3.1	-0.3
APRA's regulation of your entity/industry is:***	q39b. Efficient	2.8	3.2	-0.3
	q39c. Beneficial to your entity	3.3	3.4	-0.1

Knowledgeable Observer vs Regulated Entity mean comparison Statistically significant differences highlighted yellow	KO (n=0-31)	RE (n=19-297)	Difference
q40b. If APRA's regulation continues on a similar trajectory to the last few years, do you expect APRA's expectations and the needs of the entities being regulated for your industry as a whole will be much less, equally, or much more aligned?###	2.7	3.1	-0.4

Yellow and bold indicates statistically significant difference (p<0.05)

Scale legend:

* 1=Not useful at all, 2=Slightly useful, 3=Moderately useful, 4=Very useful, 5=Extremely useful

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