

Parliamentary Joint Committee on Corporations and Financial Services

Australian Securities and Investments Commission

Answers to Questions on Notice

Public hearing: 28 February 2020

Question No: 013

Reference: 53

Question:

Senator PRATT: Can I ask, in that context, what resources you were looking at putting into the compliance oversight scheme once it was up and running?

Ms Bird: I'll have to take that on notice as well, because it would have had a business plan that would have allocated some resources to it. I can find out exactly what that is; I'll take it on notice.

Senator PRATT: Can you tell me how many personnel would've been active in that scheme and how much money you were looking at spending—well, that you should have started spending from January 2020 this year. Do you have a budget figure for that line item of what it was going to look like, seeing as it was supposed to be up and running now?

Ms Bird: No. As I said, I'd need to take that on notice.

Senator PRATT: How do those resources compare? Do you have any idea what the existing schemes are spending on their internal compliance?

Ms Bird: Can you clarify what you mean by 'the existing schemes'?

Answer:

ASIC has a dedicated Financial Advisers team. The Financial Advisers team was planning on allocating approximately 2 FTE to the oversight of each approved compliance scheme. However, a formal decision regarding resource allocation was not made given the withdrawal of all compliance scheme applications and the Government's announcement that it would accelerate the establishment of a single disciplinary body for financial advisers.

There are no existing compliance schemes. As such, ASIC is unable to answer the question about how much existing compliance schemes are spending on their internal compliance.