



<b>Committee</b>	Parliamentary Joint Committee on Corporations and Financial Services
<b>Inquiry</b>	Oversight of the ASIC, the Takeovers Panel and the Corporations Legislation No. 1 of the 46th Parliament
<b>Question No.</b>	QON 018
<b>Date</b>	27 August 2021
<b>Topic</b>	Whether ASIC has provided submissions to Consultation Paper 332 (CP 332) to the Australian Law Reform Commission
<b>Reference</b>	Spoken, 27 August 2021, Hansard page 35
<b>Committee member</b>	Mr Van Manen

### Question

**Mr VAN MANEN:** Thank you, Mr Longo. As for the terms 'reasonable' and 'best endeavours', many in the industry would say there's also been a gap between what they think are best efforts and reasonable and where ASIC has been in that space over the last few years. So I look forward to that actually working positively, to everybody's benefit, and I hope it does. In the interests of time, Chair, this is my last question. Can I please get an update on where CP 332 is. I note that you put out a rather limited infographic summarising various aspects of the feedback you've got on CP 332. I also note it says on the bottom of that that you've held a series of roundtables. But there generally appears to be a lack of detailed information about what direction that has now provided to ASIC in this piece of work on affordable advice. I think the industry, let alone my colleagues on the committee and I, would be very interested in where this is all now heading. You also note on that infographic:

Industry feedback on issues relating to law reform has been provided to Treasury.

Has that also been provided to the Australian Law Reform Commission, given that they're doing a review of at least chapter 7 of the Corporations Act at present?

**Ms Press:** Thank you for that question. I will need to take the last part of that, on the Law Reform Commission, on notice. I'll get back to you. I know that's definitely been provided to Treasury, as they're looking at the affordability of advice issue over the course of the next year.

With respect to where the publication is at, we have provided all of the information to Treasury now with their review that's coming through. So the submissions have been provided to Treasury. We have done a number of round tables. Out of that, there has been some project work that we have started or are scoping around how we can better engage with industry. However, some of that will now be put on hold due to the single disciplinary body and some of the issues with the costing to the industry. We talked earlier about the levy and how much it costs advisers for the regulatory actions of ASIC. Clearly, everything we do in this space has an impact on the cost, and we are now reconsidering what we're doing to ensure that we can manage the advice or levy as best we can within the law.

### Answer

ASIC has not provided the submissions it received in response to Consultation Paper 322 (CP332) to the Australian Law Reform Commission (ALRC). ASIC understands that the ALRC is not tasked with considering policy changes. The Terms of Reference for the ALRC's Review of the Legislative Framework for Corporations and Financial Services Regulation states that the ALRC should consider the "importance, within the context of existing policy settings, of having an adaptive, efficient and navigable legislative framework for corporations and financial services".

As stated by Commissioner Press, all submissions received in response to CP 332 have been provided to Treasury. ASIC understands Treasury is considering the policy settings of financial advice regulation as part of its Quality of Advice Review in 2022.