

# Chapter 1

## Statutory oversight

1.1 The Parliamentary Joint Committee on Corporations and Financial Services was established by the *Australian Securities and Investments Commission Act 2001*. Section 243 specifies the committee's duties, which include:

(a) to inquire into, and report to both Houses on:

(i) the activities of the Australian Securities and Investments Commission (ASIC) ... or matters connected with such activities, to which, in the Parliamentary Committee's opinion, the Parliament's attention should be directed ...

1.2 This report is presented in execution of the committee's duty under section 243(a)(i).

### Gathering evidence

1.3 On 22 March 2010, the committee benefited from a site visit to ASIC's Information Processing Centre at Traralgon, in Victoria's Latrobe Valley. This gave the committee an opportunity to better understand practical aspects of ASIC's business and experience the call centre operations first-hand. The committee would like to thank the many staff, whether from the executive or from front-line service areas, who gave their time to the committee.

1.4 The committee held a public hearing on 29 April 2010 in Sydney to examine matters falling within ASIC's regulatory jurisdiction. Witnesses who gave evidence are listed in Appendix 1. A copy of the Hansard transcript from the hearing has been tabled for the information of the Parliament. It is available online at: [http://www.aph.gov.au/senate/committee/corporations\\_ctte/asic/hearings/hansard/290410.pdf](http://www.aph.gov.au/senate/committee/corporations_ctte/asic/hearings/hansard/290410.pdf)

1.5 At the start of 2010 the committee agreed that it would periodically seek private briefings from experts in the field of corporations law and regulation, to give it access to new perspectives and insights that will assist it in its oversight function. In this regard the committee wishes to thank Professor Michael Adams and Associate Professor Joanna Bird for agreeing to meet and talk with the committee. The committee especially acknowledges the great efforts made by Professor Adams who, despite illness, provided considerable material at short notice as well as meeting with the committee.

1.6 In addition, also on 29 April, the committee had a short briefing and site visit with the Australian Securities Exchange (ASX), during which it was shown examples of market monitoring activities conducted by ASX, responsibility for some of which will be passed to ASIC this year (discussed further below).

### **Additional information**

1.7 A number of questions were placed on notice at the hearing. Those questions, and ASIC's responses to them, are published in Appendix 2.