



<b>Committee</b>	Parliamentary Joint Committee on Corporations and Financial Services
<b>Inquiry</b>	Oversight of ASIC, the Takeovers Panel and the Corporations Legislation
<b>Question No.</b>	082
<b>Topic</b>	Use of external consultants
<b>Reference</b>	Spoken, 30 April 2024, Hansard page 19
<b>Committee member</b>	Senator O'NEILL

**Question**

Mr Mullaly: As Chair Longo said, we utilise external counsel significantly. We utilise external law firms significantly, both in providing advice and in assisting in investigations. Given the technical nature of a lot of the work that we do, we seek outside expert assistance in relation to matters, particularly markets related matters. Where particular issues arise in matters and we require expertise, we'll seek that at times within ASIC from our regulatory teams, which have built up a lot of expertise in relation to matters, but also we might go externally where that's required.

CHAIR: Could you take on notice for the last three or four years—because of COVID we'll probably need to go to five, I'm afraid, to get a real sense—who those externals that you engage with are. Could you give us a sense of how frequently you go to them for both the legal side and for market-specific advice and any other advice that you might receive. And could you give us an indication, just on the fly, as to whether you use the resources of consultancies from KPMG, PwC, Deloitte or EY.

**Answer**

We generally engage external consultants where specific expertise is required. Examples include markets, share trading, financial services, forensic services, geological, actuarial, legal costs assessment, accounting and audit.

In responding to this question, we have provided data over the past four financial years to 30 April 2024. Due to changes in internal reporting in 2020-21, data prior to this time cannot be readily extracted from our systems.

Table 1 shows the number of entities and individuals that were paid for services provided during the financial years 2020-21 to 2023-24 (to 30 April 2024), including where commencement or procurement of those services was in a prior year.

**Table 1 – Number of external providers**

	Number of external providers			
	2020-21	2021-22	2022-23	2023-24 (to 30 April)
<b>Expert/consulting services</b>				
Market misconduct matters	21	34	26	20
Other enforcement matters	42	34	21	14
	63	68	47	34
<b>Legal services</b>				
- counsel	253	224	196	169
- law firms	17	16	15	15

Table 2 shows the number of matters for which ASIC utilised external providers during the financial years 2020-21 to 2023-24 (to 30 April 2024).

**Table 2 – Number of matters for which ASIC utilised external providers**

Number of matters with external providers				
	2020-21	2021-22	2022-23	2023-24 (to 30 April)
<b>Expert/consulting services</b>				
Market misconduct matters	23	31	20	13
Other enforcement matters	48	45	30	19
	71	76	50	32
<b>Legal services</b>				
- counsel	196	182	151	134
- law firms	99	79	71	68

As an example, Tables 1 and 2 indicate that 169 counsel were utilised by ASIC on 134 investigations in 2023-24 (to 30 April 2024).

Table 3 shows the number of matters for which ASIC used the Big 4 accounting firms to provide expert/consulting services during the financial years 2020-21 to 2023-24 (to 30 April 2024). This includes independent experts appointed to carry out independent multi-year reviews pursuant to court-enforceable undertakings on market misconduct matters.

**Table 3 – Number of matters with Big 4 accounting firms**

Number of matters with external providers				
	2020-21	2021-22	2022-23	2023-24 (to 30 April)
Market misconduct matters:				
- Deloitte	2	1	1	1
- KPMG	1	0	1	0
- PwC	2	2	2	2
Other enforcement matters:				
- Deloitte	6	7	6	5
- EY	0	0	1	0
- KPMG	2	1	0	0