

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates 2012

15 – 17 February 2012

**Question: AET 271**

**Topic: Climate Change (ASIC)**

**Hansard Page: Written**

**Senator BUSHBY asked:**

271. Are there climate change sections or areas that work on climate change in your department/agency? If yes, list details.

**Answer:**

As a range of emissions units will be regulated as financial products for the Corporations Act from 1 July 2012 we have staff in a number of areas in ASIC working on the implementation of our regulation of these financial products. For example, staff are currently working on the development of relevant policies that will be applicable to emission units. We also have staff in a number of the key stakeholder areas who, in conjunction with their other responsibilities, will be responsible for the oversight of relevant financial service providers who are engaged in operating financial service business relating to emission units. These relevant financial services providers may include, for example, investment banks and investment managers. There are also likely to be facilities on which the emission units may be traded (e.g. markets) and ASIC will have staff that will be responsible for the oversight of those facilities and the participants on those facilities.

A small number of staff in our licensing area will be responsible for the assessment of application for licences and variations of licences to allow entities to provide financial services involving the emission units that are to be regulated as financial products. Once the emissions units are regulated as financial products staff from our Misconduct and Breach Reporting and Deterrence teams may also be involved in the ongoing regulation of activities.

Staff and funding details for ongoing oversight of the carbon markets

<b>Year</b>	<b>No of Staff 11/12</b>	<b>No of Staff 12/13</b>	<b>No of Staff 13/14</b>	<b>No of Staff 14/15</b>	<b>Costs for 11/12</b>	<b>Costs for 12/13</b>	<b>Costs for 13/14</b>	<b>Costs for 14/15</b>
<b>TOTAL</b>	3.0	15.7	8.5	8.0	\$401,733	\$1,960,927	\$1,154,407	\$1,077,819