

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 117

Topic: Storm Investigation

Hansard Page: E99

Senator Ian MacDonald asked:

Senator IAN MACDONALD—I am sort of across what Senator Williams asked you so I will try not to repeat that. Do you have any statistics on the Storm investigation that would be available, such as total investment in Storm, total losses, total number of people, how many investors affected and how many have been forced on to social welfare? Do you have those sorts of statistics?

Mr D'Aloisio—We would not have them in a form that we would be comfortable to publish, but as part of the investigation and part of what we are looking at clearly we look at those sorts of issues as well in terms of numbers of investors, how they were affected and what they lost; for example, if they had a claim, what sort of damages they could expect and what has happened to them. We would have that information, but not in a form to release to the market at this point.

Senator IAN MACDONALD—Would you be able to tell us—you may not have the figure with you—how many investors have actually contacted you?

Mr D'Aloisio—I will take that on notice and just make general comments. Not only do we have investors that have contacted us either through the action group, the complaints system that I spoke about earlier at ASIC or directly coming in through other ways to ASIC; in addition, we have sought to communicate with them as well to ascertain who they are, to talk to them and so on to help us with our inquiries and investigations. It is a two-way communication process. I am happy to see if I can get some statistics around that for you if you wish.

Answer:

Since the commencement of our investigation on 12 December 2008, approximately 700 former Storm clients have contacted ASIC directly, either by lodging a formal complaint or through our contact centre. Many of these are couples and we have been in contact with many of these people on multiple occasions. Of these clients, approximately 100 former Storm clients contacted us during the period from 12 December 2008 to 9 January 2009, the date on which Storm went into voluntary administration. We also received some complaints prior to 12 December 2008, including complaints in October 2008, which led to the commencement of ASIC's investigation.

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Up to July 10, we had also initiated contact with 55 investors, through the conduct of investor interviews as part of our investigations. We are currently conducting further such interviews.