

SENATE STANDING COMMITTEE ON ECONOMICS QUESTION
(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 193

Topic: ANAO Centerlink audit

Senator Bushby asked:

Senator BUSHBY—Are you aware that the ANAO recently audited Centrelink and, amongst other things, found the in the context of those standards that evidence re investigations was not collected in an appropriate manner. Ineffective intelligence processes led to the unnecessary collection of information on persons. There was unauthorised or inappropriate use of coercive notices to extract information from persons. There was a finding of a 100 per cent failure rate in a sample of 113 cases for the 2009 financial year and a lack of training to ensure knowledgeable and appropriate conduct by investigations staff. How do you think ASIC would fare in a similar audit by the ANAO into the use of its investigatory and coercive powers?

Mr D'Aloisio—I was not aware of the results of that audit. I am not really in a position to give you a judgment on that, off the cuff.

Senator BUSHBY—But clearly the ANAO is looking at these issues in agencies. It may not yet have brought its focus to bear on ASIC, but it may well do so. Those Centrelink investigations are similar activities to those undertaken by ASIC. I would hope that ASIC's internal procedures would mean that you would not fail, but I am just highlighting that it is something of interest—rightly—to the ANAO and parliament. That is why I am asking questions about it, for the people of Australia. I have asked you about AGIS, and you have undertaken to take that on notice.

Mr D'Aloisio—And the last issue as well, because I am not in a position to answer. I think we will do very well, but I need to look at the information.

Answer:

In 2008, ASIC conducted a preliminary review of whether we complied with the Australian Government Investigation Standards (AGIS) package in our regulatory investigations. The preliminary review found that our processes and procedures were well above the standards set in the AGIS.

On 21 October 2010, ASIC told the Senate Economics Committee it was reviewing its use of coercive powers and this review will include another assessment of whether we meet the AGIS.

ENDS