

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

17 October – 18 October 2012

Question: SBT 29

Topic: ASIC Case Costs

Hansard Page: pg 123, Thursday 18 October 2012

Senator CORMANN asked:

Senator CORMANN: Given that there was an award of costs against ASIC and given the cost to ASIC of running the case for however many years, have you been able to quantify what the total cost of running this case has been to ASIC?

Ms Gibson: We have started down that process. We obviously have to talk to Fortescue and Mr Forrest before we can come to any arrangement on costs. We would rather defer any discussion in this public forum until that is done.

Senator CORMANN: Leaving the cost to FMG one side, do you have a figure for the cost for ASIC?

Ms Gibson: I would rather not discuss that in a public forum because there is a negotiation to come—

Senator CORMANN: I am not talking about the negotiation.

Ms Gibson: I understand that you are looking for what ASIC's costs are, and I am saying I would rather not disclose that in a public forum. If you press, I suppose —

Senator Wong: We will take it on notice.

Senator CORMANN: Could you take it on notice? I would like you to look at precedent around whether this sort of information across government has been released in the past. It seems to me that the public deserves to know how much money is spent in the pursuit of a case that ultimately was found to be wanting. But I will leave this issue there.

Ms Gibson: Thank you.

Answer:

ASIC is able to quantify the total cost it has spent on this case. ASIC and other government agencies are not ordinarily obliged to publish the amount which they spend on a particular case. Disclosing what ASIC has spent on this case may not be helpful in reaching a satisfactory resolution of the costs payable to Fortescue and Mr Forrest. In those circumstances ASIC would prefer not to disclose the amount it has spent on this case until the issue of the costs payable to Fortescue and Mr Forrest has been resolved.