



ASIC
Australian Securities &
Investments Commission

Senate Economics Legislation Committee

2024-2025 Additional Estimates

ASIC Chair Joe Longo Opening Statement

Wednesday 26 February

Introduction

I am pleased to appear before the Committee for the first time in 2025. I am joined today by Deputy Chair Sarah Court, and fellow Commissioners Kate O'Rourke, Alan Kirkland and Simone Constant, as well CEO Greg Yanco, Executive Director Enforcement and Compliance Chris Savundra and Executive Director Enterprise Services Peter Dunlop.

New executive appointments

As you will be aware, ASIC has appointed a new Chief Executive Officer Scott Gregson, who will take over from our retiring interim CEO Greg Yanco on the 17th of March. I'd also like to take this opportunity to thank Mr Yanco for his exemplary service, and his contribution to helping make ASIC a modern, confident and ambitious regulator.

This week we have also appointed Amy Nichol as ASIC's General Counsel. Peter Dunlop, who you will know has been with ASIC for three years as our Chief Financial Officer, has been appointed in the broader role of Executive Director Enterprise Services.

As this is our first estimates hearing for 2025, I thought it would be timely to provide a brief update on some key aspects of ASIC's work program for the coming year.

Public and private markets

Yesterday, we released a discussion paper canvassing key and emerging issues relating to public and private markets. The changing dynamics between public and private



markets is evident worldwide. In Australia, the number of initial public offers is at a decade low, alongside declines in many developed markets. Australian and global private capital funds have experienced significant growth and are becoming an increasingly important source of economic funding, partly driven by the growth in domestic superannuation.

Our discussion paper poses questions to inform ASIC's priorities and future work program. The paper seeks feedback on ASIC's role in balancing the dual goals of ensuring Australia's public and private markets are open, accessible, attractive and support economic growth, while protecting against risks.

We are looking to ensure we have the regulatory settings right to maintain the integrity, transparency and efficiency of our capital markets, which is critical to the sound functioning of Australia's financial system and investor confidence.

Simplification

The ASIC Simplification Consultative Group (ASCG) held its first meeting this week to discuss how we can more efficiently and effectively administer the law.

As a regulator, our experience is that simplicity means enforceability. It's good for consumers, investors and businesses, and it is in line with government aims to reduce the regulatory burden throughout the economy. The ASCG will identify how we can more efficiently and effectively administer the law, how we can cut back on unnecessary bureaucracy and how we can simplify guidance and legislative instruments. The focus will be on making the most difference as quickly as possible for consumers and investors, for businesses and directors. I look forward to updating this committee on the progress of this group at a later date.

Enforcement

Our enforcement outcomes remain strong. Last year, we increased both our investigation numbers and civil litigation filings by more than 20% on the previous year, and we saw important enforcement outcomes across a broad range of areas, including greenwashing, crypto, predatory lending, high-cost credit and insider trading.



This year we have already seen a number of strong enforcement outcomes:

- Last Friday AustralianSuper was fined \$27 million, with the Federal Court agreeing with the findings of our investigation which identified failure to merge multiple superannuation accounts.
- In a strong signal to directors and executives on the importance of meeting their duties under the Corporations Act, this week the Federal Court penalised two former Star Entertainment executives for breaches of their Corporations Act duties, and disqualified them from managing corporations for a period of time. ASIC's proceedings continue in relation to the remaining nine former Star directors and officers.
- Recently we have also banned the former director of JB Markets from carrying on a financial services business after finding he was not a fit and proper person to participate in the financial services industry.
- And, following an application made by ASIC, the Federal Court recently made interim freezing orders against certain assets of two individuals in connection with our investigation into the Shield Master Fund. These investigations are ongoing.

Our 2025 enforcement priorities were launched in November 2024 and reflect our strong focus on investor and consumer protection in the face of increasing cost of living pressures. Our priorities are selected to focus our enforcement efforts on the areas of greatest potential financial harm and promoting transparent and reliable markets:

- We will detect, investigate and prosecute unlawful conduct that seeks to take advantage of consumers and investors
- We will target business models that avoid consumer credit protections.
- We will target conduct that exploits superannuation savings, with a particular focus on fraudulent property investment schemes. We will continue to uphold the integrity of our financial markets, and to support this we have established a new dedicated team to target insider trading.

We welcome the Committee's questions.