



**CHECK AGAINST DELIVERY**

**Senate Economics Legislation Committee – Budget Estimates**

**ASIC Acting Chair Karen Chester**

**Opening Statement**

**Tuesday, 27 October 2020**

Thank you Mr Chairman, and good afternoon Committee members. I do have a brief opening statement and then we would be happy to take your questions.

First, I need to update some testimony I made to the House of Representatives Economics Committee last Friday on the ANAO matter. In relation to payments made by ASIC on Mr Shipton's behalf for tax services and payments made by ASIC to Mr Crennan for ongoing accommodation, I need to make it clear that both of these issues were first brought to the attention of the ANAO by ASIC during the audit process. That is, ASIC staff identified these payments and brought them to attention of the ANAO as part of the year end audit of ASIC's financial statements. When I said that 'we' became aware of the issue via the ANAO, I meant that the full Commission only became aware of the matter after the ANAO had

expressed concerns regarding the payments during the finalisation of their year-end audit of ASIC's financial statements.

The other matter I would like to touch on is ASIC's enforcement program as it relates to the litigation flowing from the Hayne Royal Commission. All of the matters in this program have been and remain under the direction and decisions of the full Commission, and on a regular basis oversighted by Deputy Chair Crennan and Commissioner Hughes. That regular oversight will continue under Commissioner Hughes and Commissioner Armour. Importantly, there is a team of highly capable ASIC litigators driving the program forward. In addition, and thanks to a major injection of funds from last year's Budget, ASIC has been able to engage private law firms and highly experienced barristers to augment both expertise and capacity so these matters can be litigated as efficiently as possible.

I would now like to ask Commissioner Hughes to provide the Committee with a very brief update on this enforcement program.