



ASIC
Australian Securities &
Investments Commission

Committee	Parliamentary Joint Committee on Corporations and Financial Services
Inquiry	Inquiry into Corporate Insolvency in Australia
Question No.	028
Date	1 March 2023
Topic	Pre-insolvency advisers
Reference	Spoken, 1 March 2023, Page 41
Committee member	Senator Deborah O'Neill

Question

CHAIR: I note that, in your opening statement, you indicated that you're keeping your fingers on the pulse, literally, of what's happening. It would be interesting to understand how successfully these pre-insolvency practitioners are operating and how that's compromising the fair tax that all Australian businesses and 'pay as you go' owners should be paying. The last thing we want, which I think is what the AMWU might have had in their submission in relation to construction, is a statement that businesses thrive on using everybody else's money in that sector, and it shouldn't be the Australian taxpayers' money any more than it should be unsecured creditors' money. So, in light of that observation, I seek your input on pre-insolvency advisers and your sense of integrity of the current registered liquidation model. Thank you.

Mr Day: Thanks, Senator.

CHAIR: The committee will break now for lunch.

Answer

ASIC undertakes risk-based surveillance activities of registered liquidators and takes disciplinary action when appropriate; including where there are potential independence concerns.

Whether changes are needed to regulate the conduct of pre-insolvency advisers or the current regulatory regime for registered liquidators is a matter for government.