

Appendix 4

Timeline of ASIC's changing responsibilities

Date	Development
1991	The Australian Securities Commission (ASC) commenced operation.
1993	The civil penalty regime for the enforcement of directors' duties is introduced.
1997	The final report of the Financial System Inquiry, chaired by Mr Stan Wallis (Wallis inquiry), was released in March. One of the recommendations was that a single agency be established to provide Commonwealth regulation of corporations, financial market integrity and consumer protection. Also in March, the government announced the Corporate Law Economic Reform Program (CLERP), a policy framework intended to reform key areas of corporate regulation. CLERP was gradually enacted over several years.
1998	The ASC becomes ASIC. Consumer protection responsibilities for insurance, superannuation and deposit-taking transferred from the ACCC to ASIC. Managed investments schemes became regulated by ASIC.
2002	The <i>Financial Services Reform Act 2001</i> (also known as CLERP 6) introduced a new regulatory regime for the provision of financial services. ASIC is given the responsibility for overseeing market conduct and consumer protection issues relating to credit, such as product disclosure. Providers of financial services must obtain an AFS licence issued by ASIC.
2004	Following the Ramsay Report, the collapse of HIH Insurance and the HIH Royal Commission, audit reform is introduced by legislation known as CLERP 9. Measures that directly relate to ASIC include continuous disclosure requirements and the power for ASIC to issue infringement notices for alleged contraventions of these requirements, as well as whistleblower protections for employees that report breaches to ASIC.
July 2005	The Choice of Fund reforms commence, requiring employers to offer a choice of superannuation fund to all eligible employees. The reforms are jointly administered by ASIC, APRA and the ATO.
March 2008	COAG agrees in principle that the states would transfer responsibility for regulating consumer credit to the Commonwealth.
November 2008	The government announces that, effective 1 January 2010, ASIC will require all credit rating agencies to hold an AFS licence.
May 2010	ASIC assumes responsibility from the states and territories for the regulation of trustee companies.

June 2010	The Super System Review (Cooper Review) delivers its final report to the government. The government's response to the review, the Stronger Super reforms, led to responsibilities for ASIC related to the implementation of the MySuper default superannuation product and the regulation of self-managed superannuation fund (SMSF) auditors.
July 2010	The <i>National Consumer Credit Protection Act 2009</i> commences. This Act replaces the Uniform Consumer Credit Codes administered by the states and territories and makes ASIC the national regulator of consumer credit. Entities that engage in credit activity generally need to obtain a credit licence from ASIC.
July 2010	The provisions of the Australian Consumer Law relating to unfair terms in consumer contracts for financial products and financial services take effect. ASIC is also given new enforcement and consumer redress powers.
August 2010	ASIC takes over responsibility for the supervision of real-time trading on domestic licensed equity, derivatives and futures markets.
September 2010	The Senate Economics References Committee completes an inquiry into liquidators and administrators. The report recommended that ASIC's corporate insolvency responsibilities be transferred to a new agency, however, the government did not adopt this recommendation.
March 2011	After being asked by the government to develop it, ASIC releases the <i>National Financial Literacy Strategy</i> .
January 2012	ASIC's register of company charges closes as part of the personal property securities reform (a new Personal Property Securities Register commences which is administered by the Insolvency and Trustee Service Australia).
May 2012	The administration of business names is transferred from the states and territories to ASIC.
July 2012	The Future of Financial Advice (FOFA) reforms commence, although compliance is only mandatory from 1 July 2013. Included in FOFA is a prospective ban on conflicted remuneration structures, a statutory fiduciary duty that financial advisers must act in the best interests of their clients, an opt-in obligation regarding clients' agreement to ongoing fees and strengthened enforcement powers for ASIC.
