

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 2991-2992

Topic: Insider Trading

Hansard Page: p38, 26 Feb 2014

Senator Whish-Wilson asked:

Senator WHISH-WILSON: My first question is in reference to the ex-CEO of Gunns Ltd, John Gay's insider trading case. When did ASIC refer the case to the Australian Federal Police for a proceeds of crime investigation?

Mr Medcraft: We would like to take that on notice.

Ms Armour: We do not have that information

Senator WHISH-WILSON: Could you take that on notice?

Mr Medcraft: Yes.

Senator WHISH-WILSON: Okay. Could you explain why you referred it? Is it common practice to refer white-collar crime to the AFP?

Mr Medcraft: I will ask Mr Savundra to step up, if that is okay.

Senator WHISH-WILSON: Sure.

CHAIR: Absolutely.

Senator WHISH-WILSON: Do you know the exact date you referred it?

Ms Armour: No, we do not.

Mr Medcraft: I am happy to take that on notice, though, and give a response.

Mr Savundra: In relation to insider trading matters, it is common practice to refer cases where there have been significant gains, or alternatively losses avoided, for proceeds of crime investigation where that is available.

Senator WHISH-WILSON: Did you personally refer it? Who in ASIC referred it?

Mr Savundra: The team that was handling the matter referred the matter to the AFP.

Senator WHISH-WILSON: Were there discussions? Did you provide advice with that referral? How does that work—do you just hand over a file?

Mr Savundra: We provide a brief. A brief can take various forms. I should—

Senator WHISH-WILSON: Would it be possible to get a copy of that on notice?

Mr Savundra: Certainly not on a public basis, but perhaps on a confidential basis. I would stress that the matter is a live issue. The AFP is not the only—

CHAIR: Mr Savundra, just for the purposes of clarity: the legislation committee, when sitting for estimates, cannot take information confidentially.

Mr Savundra: Okay. So, Senator, my answer would be no to that question, particularly given in is a live issue.

Answer:

Please see answer to AET 1500.