

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 3069

Topic: Budget Pressures (ASIC)

Written: 7 March 2014

Senator BUSHBY asked:

3069. Can the Agency confirm that it has faced recent budget pressures, potentially including risk of losses? If so, when did the agency begin to exceed its estimates or realise it was facing difficulties for forward periods?

Answer:

3069. ASIC has had a number of additional savings measures applied to our current year funding, as well as to funding over the forward estimates. In addition, temporary funding of \$10 million per year terminates at the end of the current year.

ASIC has worked to manage the reduction in our appropriation for the current and future years, and have implemented changes to permanently reduce ASIC's cost base in future years. Such measures include voluntary redundancies (announced 19 March 2014).

ASIC is not currently exceeding our estimates nor does ASIC expect to be in a loss position in the current or future years. However any additional reductions to funding, which would impact either the current or the 2014/15 year, may require ASIC to expand our redundancy program and/or implement additional measures which could result in an operating loss.