

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2015 - 2016

Department/Agency: ASIC

Question: SBT 25

Topic: Trio Collapse

Reference: Hansard page no. 69 - 21 October 2015

Senator: O'Neill, Deborah

Question:

Senator O'NEILL: There will be a punishment for homework! My question was around a meeting that was held on 3 September with members of groups that are representing victims of the Trio collapse—the ARP growth fund, VOFF and VOICCE groups. It was also with ASIC, APRA, Treasury officials and the then Assistant Treasurer Mr Frydenberg and was in regard to matters relating to Trio. Was compensation one of the matters discussed then?

Senator Ryan: I cannot speak to a meeting that Mr Frydenberg had, I am afraid.

Senator O'NEILL: Are you aware of anything to do with this meeting?

Senator RYAN: I am not, but you will appreciate this has not been a core responsibility of mine in this or in my previous position. I am happy to take on notice any question and, if appropriate, an answer will be provided in due course.

Senator O'NEILL: This is of considerable concern. I have been asking about what has been happening with Trio—

Senator RYAN: I appreciate it has been a concern of many senators.

Senator O'NEILL: over 2½ years and every time we have been getting a little bit more information for each of those groups, but there were periods where their hopes were greatly raised by Minister Cormann and I think it had reached a point where they had failed in any hope of this government doing anything. So I am very interested to see that this meeting was called. And to my understanding, Mr Tanzer, it was called by the government, not by the groups—is that correct? Were you invited by the government or by the groups?

Mr Tanzer: No, we were invited to attend a meeting by the Assistant Treasurer.

Senator O'NEILL: So it was a government-organised event.

Senator Ryan: The only thing I will say, Senator O'Neill, is it is possible that the meeting was organised at the request of the other groups you mentioned and the government was asked to invite ASIC. I do not know the initiative of it but, as I say, I will take it on notice and seek further information.

Senator O'NEILL: Could you provide me with any correspondence around the matter?

Senator Ryan: The minister is obviously no longer the minister and he is a member of the other place. So I will take it on notice and provide what information I can.

Senator O'NEILL: I am just wondering if the promise is still the promise.

Senator DASTYARI: You said there were different groups there. Was Treasury there?

Mr Tanzer: Yes.

Senator DASTYARI: Was it the markets group?

Mr Tanzer: Yes, there was a Treasury officer from the markets group.

Senator DASTYARI: The markets group are listening and they are on this evening. So perhaps between now and then markets group can speak to the relevant person. We assume someone in Treasury is listening to this—probably not. I am probably being naïve. We may ask markets group about it this evening if they were also at the meeting.

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2015 - 2016

Senator O'NEILL: Mr Tanzer could you provide us with any documentation around the invitation you received and an outline of any brief you received to help you prepare for that meeting, the committee would appreciate it.

Mr Tanzer: To the extent that I can, yes.

Answer:

The documents that Commissioner Tanzer received to help him prepare for the meeting between the Assistant Treasurer and representatives of the Trio Capital investor groups, were as follows:

- An invitation from the Department of Treasury;
- A background brief about the collapse of Trio prepared by ASIC staff ;
- ASIC's talking points for the meeting.

Queries about the invitation which set out the agenda for the meeting and the logistical details should be directed to the Department of the Treasury.

The ASIC internal brief provided background to the collapse of Trio and ASIC's investigation. This included details of the focus of our investigation, the resources expended on our investigation and the enforcement outcomes. Information about ASIC's dealings with the liquidators, including the assistance provided to advance their investigation and efforts to recover funds for creditors was also included in the brief. The brief also provided additional background about both the Astarra Strategic Fund and the ARP Growth Fund, which were the two funds the primary focus of ASIC's investigation. Investor Groups representing investors in each of these funds were attending the meeting.

ASIC's talking points for the meeting, which were also prepared by ASIC staff, noted the attendees at the meeting and provided a summary of both ASIC's and the liquidator's investigations and the Parliamentary Inquiry and other reviews into the collapse of Trio Capital.