

MEDIA RELEASE

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ASIC capability review should clarify role of regulator

The Australian Institute of Company Directors (AICD) has welcomed the Federal Government's Capability Review of the Australian Securities and Investments Commission (ASIC) as a timely opportunity to review the focus, governance and funding of ASIC.

"A well-funded and effective corporate regulator is essential for efficient financial markets and good corporate governance," said John Brogden, AICD Managing Director & Chief Executive Officer.

"It is important to improve the clarity of ASIC's responsibilities and determine the funding model that will give it sufficient resources to meet its extensive objectives."

"If the commercial knowledge within ASIC was improved, more effective consultation between ASIC and the companies it regulates would be possible. This could, of itself, create greater effectiveness within ASIC and avoid regulatory over-reach," said Mr Brogden.

"Over regulation has a negative impact on business and on the performance of a regulator itself," Mr Brogden said.

AICD welcomed the commitment to consultation as part of the Capability Review.

"Improving consultation and understanding of business will assist ASIC in the performance of its regulatory functions."

"We welcome the ASIC Capability Review and look forward to playing an active role in its deliberations," said Mr Brogden.

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The Australian Institute of Company Directors is the nation's leading organisation for directors, dedicated to making a positive impact on society and the economy by promoting professional director education and excellence in corporate governance. We have a significant and diverse membership of more than 35,000 from across a wide range of industries, commerce, government, the professions, private and not-for-profit sectors.