

Albanese Government covers for Coalition in ASIC corruption probe

By Anthony Klan

11 June 2024



The Albanese Government refuses to disclose key findings of a corruption probe into the corporate regulator that were secretly deleted under former Treasurer [Josh Frydenberg](#).

Treasurer [Jim Chalmers](#), through a spokesman, has refused to provide the secretly deleted findings of the investigation into improper payments made to former Australian Securities and Investments Commission ([ASIC](#)) bosses [James Shipton](#) and [Daniel Crennan](#), saying it was ‘*a matter for the previous Government*’.

The revelations come as Frydenberg again last week made national headlines over speculation he would [return to politics](#), after losing his seat to Independent [Monique Ryan](#) at the 2022 Election.

As previously [revealed](#), in January 2021

Frydenberg released a version of the investigation into the payments scandal from which three of the four key findings had been secretly deleted.

In what was – and remains – the biggest scandal in the 33-year history of corporate regulator ASIC, it was revealed in late 2020 that its two top bosses had been given \$180,000 in taxpayer funds to which they weren’t entitled.

Provided as “relocation expenses” to begin their roles at ASIC, chair James Shipton had been given \$118,557 in personal “tax advice”. Deputy chair Daniel Crennan had been given \$69,621 towards the rent of his luxury Sydney family home.

Both men stood down when the scandal broke in October 2020 and the then-Treasurer Frydenberg announced an “independent review” by former public servant Dr [Vivienne Thom](#), working for private company [CPM Reviews](#), promising to make her findings public.

The report was commissioned by the Treasury (which reports to the Treasurer) at an ultimate cost to taxpayers of \$110,000. Thom provided her final report to Frydenberg’s Treasury on 17 December 2020.

Six weeks later, on 29 January, Frydenberg released a [statement](#) which said:

Dr Thom made no adverse findings regarding Mr Shipton and Mr Crennan.

I am satisfied that there have been no instances of misconduct by Mr Shipton.

That was despite Frydenberg simultaneously announcing Shipton would be replaced as ASIC chair, a little over halfway through his five-year term and both Crennan and Shipton repaying the money — with payments being above the legally allowable amounts set by the [Remuneration Tribunal](#).

Along with his statement, Frydenberg [released a document](#). It was not Thom's review, but an 'abridged version' that had been 'prepared by the Treasury'.

Investigations showed three of Thom's four key findings had been [secretly erased](#) — the only finding not deleted relates to an instance where Thom identified no wrongdoing.

The matter is particularly serious because the affair only came to light after Australia's then-Auditor-General, [Grant Hehir](#) – after 19 months of inaction by ASIC and Treasury – took the extremely rare action of issuing Frydenberg with a "[section 26](#)" letter, which meant the matter was forced into the open.

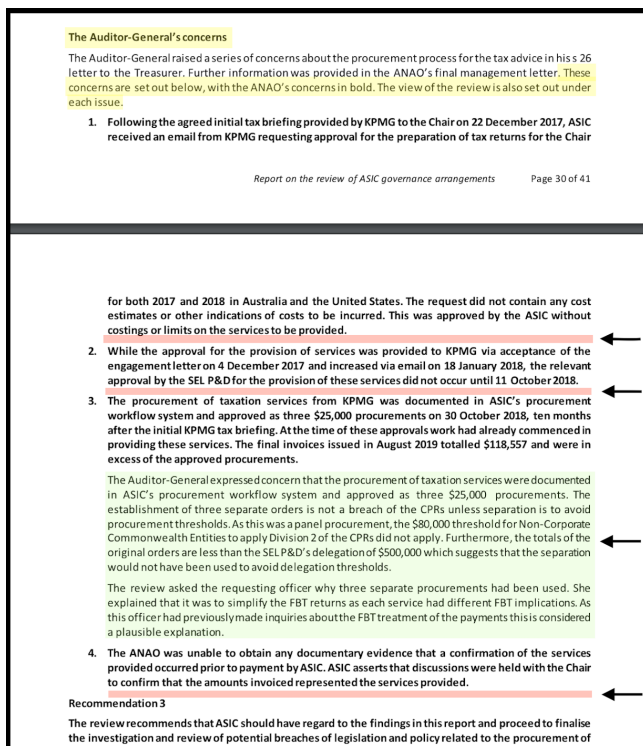
(According to experts, it is the only time in Australian history a section 26 letter has been issued.)

The Auditor-General oversees the Australian National Audit Office ([ANAO](#)), which audits the accounts of government agencies. The ANAO discovered the Shipton and Crennan payments when auditing ASIC's accounts.

In the section 26 letter to Frydenberg, Hehir said the payments to Shipton and Crennan breached public service pay rules, and he

raised four specific concerns.

It is Thom's findings regarding three of those four concerns that were secretly deleted from the version of Thom's report released by Frydenberg.



'Has ASIC's Commission (all current commissioners) been provided with the unredacted version of Vivienne Thom's review, which Thom filed with Treasury on December 17?'

ASIC spokesman [Gervase Greene](#) responded:

'Decline to comment.'

On 28 May 2021, each member of ASIC's executive was asked whether *'they agree with Mr Frydenberg's statement that the Thom review into ASIC did not deliver any adverse findings against Mr Shipton or Mr Crennan'*.

All refused to answer.

That same day, Treasury Secretary [Steven Kennedy](#), who commissioned the \$110,000 Thom review, was asked the same thing, as well as whether he *'agrees with Mr Frydenberg's statement that Mr Shipton engaged in no wrongdoing with regards to the alleged relocation payments'*.

Kennedy refused to comment. Instead, we were directed to the same Frydenberg statement we were asking about, which Frydenberg issued when he released the doctored report.

Treasury commented:

'We have nothing further to add to the Treasurer's (Frydenberg's) statement on 29 January.'

In February last year, questions were again put to ASIC and its chair, [Joe Longo](#). (Longo was appointed by Frydenberg to replace Shipton in April 2021.)

ASIC was asked whether it had been provided with a copy of the original, unredacted version

Pages 30 and 31 of Frydenberg's doctored version of the Thom report, deletions highlighted in red (Screenshot via [Treasury website](#))

Thom was Australia's Inspector-General of Intelligence and Security – responsible for overseeing Australia's intelligence agencies, including the Australian Security Intelligence Organisation ([ASIO](#)) – until her term expired in 2015, when she joined CPM Reviews.

As previously [revealed](#), Thom resigned from CPM Reviews almost immediately after Frydenberg released the doctored version of her report.

Shipton and Crennan have repeatedly declined to comment.

When the scandal broke on 17 October 2020, ASIC refused to comment, saying it would be inappropriate to do so while the Thom review was ongoing. After the Thom review, ASIC refused to comment.

On 26 February 2021, the question was asked:

of the Thom report; if so, what were the three findings that had been removed from the version released on 29 January and, *'is it true that Thom's report cleared Mr Shipton?'*

ASIC spokesman [Matthew Keenan](#) responded:

Chair Longo commenced with ASIC in mid-2021, which was after the report was released.

As this is a Treasury Report, it is more appropriate for you to direct these questions to Treasury for response.

We responded to ASIC's Keenan that we had been *'approaching Treasury for over two years about this and they refuse to comment'*.

We again approached the Treasury. We asked whether it had been given a copy of the unredacted version of the report (it had because it commissioned it); what were the three findings removed from the version released by Mr Frydenberg on 29 Jan 2021; and, *'Is it true that Thom's report cleared Mr Shipton of wrongdoing?'*

Treasury did not respond.

The same three questions were put to Treasurer Jim Chalmers — this time a response was received.

Chalmer's press secretary Fergus Maguire responded:

'On background, this is a matter for the previous Government.'

(An official, on-the-record response was sought and at no time requested or intimated

otherwise.)

On 16 February this year, ASIC and Treasury were approached once more, seeking a copy of the Thom report:

The ALP has come under scrutiny for failures around transparency and governance, despite having campaigned on these issues at the last Federal Election.

If we cannot gain access to the Thom report, we will be seeking a copy via FoI and lodging an official complaint with the NACC.

No response was received.

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