


The Committee Secretary
Senate Economics Legislation Committee
PO Box 6100
Parliament House Canberra ACT 2600

Submission re CAMAC abolition bill 2014

I am pleased to provide a short submission to the Committee in relation to the proposed legislation relating to the formal abolition of the Corporations and Markets Advisory Committee (CAMAC), which has been referred to the Australian Senate following passage of the legislation by the House of Representatives.

Let me say unequivocally that in my view the decision to abolish CAMAC was a fundamental error of judgment on the part of the current Federal Government. I believe that it was a mistake brought about by the 'understandable' but regrettably erroneous view of the Federal Government that this was a sound decision to take to reduce Government expenditure. It was an easy matter for the relevant working party responsible for providing recommendations to the Minister as to which areas of government expenditure could be reduced to take a tough decision to remove this particular organisation from the government network. CAMAC was not one of the organisations that should ever have been considered viable for abolition! CAMAC has been one of the most successful, highly respected, innovative, and useful law reform organisations. It was established some years ago by a previous Liberal/National government to provide guidance to the government on matters relating to corporate law and corporate law reform.

I will not detail the history of CAMAC and the value that it has provided to the Australian community. In that context I refer to a submission made by the Business Law Section of the Law Council of Australia. I am a member of the Executive of the Business Law Section and was a member of the working party of the Business Law Section that prepared the submission forwarded to Senator The Hon. Mathias Cormann, with a copy going to the Treasurer the Hon. Joe Hockey. A copy of the submission is attached to this email. 

In that submission our working party outlined the significant contribution made by CAMAC over the years to the work of corporate law reform, and the reasons why we did not believe that the decision to abolish it was a sensible one.

We received a letter from the Acting Assistant Treasurer, Senator Mathias Cormann on 11 June 2014 explaining why the Government believe that it had to abolish CAMAC. We found the reasons unsatisfactory. Since the submission made by the Business Law Section to the Minister in June 2014, the same working party of the Business Law Section prepared on behalf of the Law Council of Australia, a submission to Treasury on the Exposure Draft of the relevant legislation. It is also attached. In this submission praise from other Government bodies on the work of CAMAC is noted amongst a range of other reasons supporting our view that the decision to abolish CAMAC was an error of judgment and raises significant problems for corporate law reform being progressed satisfactorily

.. Hopefully, my submission, will persuade the government that it has made a mistake and that it should graciously, admit that it has made a mistake, and set aside funds for a new body to be set up to carry out this type of corporate law reform work. It is vital that we do not lose this valuable contribution that has been made to the legal developments in the corporate law area in this country.

I am happy to appear before the Committee to provide oral evidence if this would be of assistance. Regrettably I do not have the financial support to fly to Canberra to attend hearings in that city but would happy to appear by video link or in person in Melbourne if hearings were held in my home town.

Naturally I would be happy to provide further information or answer any queries if the Members of the Committee wishes to address them to me.

Thank you for the opportunity to participate in what I regard to be a significant enquiry by the Senate Committee. I wish it well in its deliberations.

Yours sincerely

Bob Baxt AO

Emeritus Partner.

Competition, Regulation and Trade

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