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Mr Tas Larnach  
Committee Secretary  
Senate Economics Legislation Committee  
By email: [Economics.Sen@aph.gov.au](mailto:Economics.Sen@aph.gov.au)

5 July 2023

Dear Mr Larnach

## **Treasury Laws Amendment (2023 Law Improvement Package No. 1) Bill 2023 [Provisions]**

Thank you for the invitation to make a submission into the *Treasury Laws Amendment (2023 Law Improvement Package No. 1) Bill 2023*.

The Property Council of Australia champions the industry that employs 1.4 million Australians and shapes the future of our communities and cities. Property Council members invest in, design, build and manage places that matter to Australians: our homes, retirement villages, shopping centres, office buildings, industrial areas, education, research and health precincts, tourism, and hospitality venues and more.

The Property Council supports the simplification of the Corporations and Financial Services Regulations where it benefits businesses and consumers while advancing a strong financial sector.

The Property Council supports in principle the proposed amendments as outlined, specifically in *Schedule 1* through to *Schedule 6* as released. We draw your attention to the fact that investment structures present practical issues to the broader examples identified in the Interim Report A and B.

We would like to draw the Committee's attention to the fact that investment structures present practical examples of the broader issues identified in the Interim Reports. Namely, the current regulatory framework for internally managed stapled groups demonstrates the unnecessarily complex and overly prescriptive nature of the Australian financial services legislation and the difficulties arising from its administration.

The Property Council's original submissions (attached for your reference) highlighted clear examples of regulatory requirements imposed on internally managed stapled groups (which are not imposed on listed companies) that are incompatible with the way these groups function as an integrated, single economic entity (much like a listed company). These regulatory requirements create complexity and additional cost (borne by securityholders), without offering meaningful consumer protections within the spirit and intent of the relevant laws.

The Property Council remains committed to assisting the Government deliver best practice outcomes for the property industry and welcome the opportunity to brief the Senate Economics

Legislation Committee on issues raised in our submissions to assist with future legislative packages arising from the ALRC review.

Kind regards

Antony Knep  
Executive Director, Capital Markets  
Property Council of Australia