



AUSTRALIAN
SENATE

**Senate Standing Committee for the
Scrutiny of Delegated Legislation**

Parliament House, Canberra ACT 2600
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8 October 2020

Senator James Paterson
Chair
Parliamentary Joint Committee on Corporations and Financial Services
Parliament House
CANBERRA ACT 2600

via email: corporations.joint@aph.gov.au

cc: The Hon Josh Frydenberg MP, Treasurer

Dear Chair,

Matters of interest to the Senate—litigation funding

I write on behalf of the Senate Standing Committee for the Scrutiny of Delegated Legislation which assesses all legislative instruments subject to disallowance, disapproval or affirmative resolution by the Senate against the scrutiny principles outlined in Senate standing order 23.

Standing order 23(4) requires the committee to scrutinise each instrument to determine whether the attention of the Senate should be drawn to the instrument on the ground that it raises significant issues or otherwise gives rise to issues that are likely to be of interest to the Senate. These may include instruments which contain significant policy matters or significant elements of a regulatory scheme, instruments which amend primary legislation, and instruments which have a significant impact on personal rights and liberties.

Noting that the following instrument appears to contain significant policy matters relating to the litigation funding industry, the committee has determined that the instrument engages standing order 23(4) and accordingly has resolved to draw it to the attention of your committee:

Instrument	Purpose	Last day to lodge disallowance notice
Corporations Amendment (Litigation Funding) Regulations 2020 [F2020L00942]	To amend the Corporations Regulations 2001 to bring litigation funders under the managed investment scheme and Australian Financial Services License regimes to ensure that they are subject to greater regulatory oversight and accountability. The instrument also removes exemptions from anti-hawking provisions and product disclosure requirements for litigation funders.	30/11/2020

Should your committee decide to further examine the above instrument as part of its inquiry into litigation funding and the regulation of the class action industry, I note that the table above identifies the last day (based on the current sitting pattern) for lodging a disallowance notice in the Senate. The committee has also drawn this instrument to the attention of the Senate Economics Legislation Committee.

Further details about the instrument are published on the Federal Register of Legislation at <https://www.legislation.gov.au/>.

Please note that in the interests of transparency this correspondence will be published on the Scrutiny of Delegated Legislation Committee's website.

Should you have any questions, please contact the committee's secretariat on or by email to

Yours sincerely,

Senator the Hon Concetta Fierravanti-Wells
Chair
Senate Standing Committee for the Scrutiny of Delegated Legislation