

Parliamentary Joint Committee on Corporations and Financial Services

Attorney-General's Department

Hearing date: 13 December 2022

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Senator Paul Scarr asked the following question:

Senator SCARR: This is my last question to the Attorney-General's Department and then I will move across to Treasury. Could you please take on notice the recommendations for change or reform in relation to this space that are contained in the submissions of the Law Council of Australia, ARITA, the Australian Small Business and Family Enterprise Ombudsman, and also Mr Murray and Dr Harris's submission—those four submissions. Could you just go through them. They make a number of recommendations. I am keen to know if there's something which the department agrees with or if there's a difference in view.
Ms Linacre: Yes.

The response to the question is as follows:

The department has reviewed the recommendations made in submissions by the Law Council of Australia – the Business Law Section (LCA), the Australian Restructuring Insolvency and Turnaround Association (ARITA), the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) and by Mr Michael Murray and Dr Jason Harris that relate to the *Personal Property Securities Act 2009* (PPS Act) and personal insolvency.

Submissions by the LCA,¹ ARITA² and ASBFEO³ make recommendations relating to a holistic corporate and personal insolvency review, and consideration of a single insolvency system and regulator.

Some stakeholder recommendations relating to the PPS Act either reference or are similar to recommendations made in the 2015 statutory review into the PPS Act (Whittaker Review).

The department is considering stakeholder views and will closely monitor outcomes of the PJC inquiry.

Any potential personal insolvency review or reforms would be a matter for Government.

¹ Recommendation 29 of the LCA submission

² Recommendations 1 and 4 of the ARITA submission

³ Recommendation 6 of the ASBFEO submission