

6 JUL 2004

**Wilson, Frances (REPS)**

**From:** Martin Holgye [martinh@weberbownman.com.au]  
**Sent:** Tuesday, 6 July 2004 9:23 AM  
**To:** Committee, LACA (REPS)  
**Subject:** Bankruptcy Legislation

I am a partner (and part owner) in a small suburban Chartered Accountancy firm in Melbourne.

I put myself through university with 4 part time jobs, as my parents didn't have enough money to support me. Though they weren't poor enough for me to get any major Austudy assistance.

I worked full time, whilst I studied my PY to become a Chartered Accountant. At my own cost.

I bought in to the practice, some 6 years ago, and have a huge mortgage.

I now earn a fair income, considering the extra time and effort that I've put in, and I pay a fair bit more tax.

This proposed legislation is just another hurdle, to try to earn a living and not be dependent in retirement on the government.

Our professional indemnity insurance has increased by over 1200% in five years, and will increase again this year, but we have had no claims. Yet the insurance companies find more and more excuses not to pay up.

It has been quoted that New South Wales is the second most litigious state in the world. I would be surprised if Victoria is not that far behind.

It appears to me that I've had very little government support, yet I contribute to the community to a much greater extent than most.

Why is it then, that if I make a mistake, and my insurance (if we can get it next year) won't pay, that assets that I have no interest in could be subject to this legislation. Does it include gifts? Yes. Will my child have to give his Christmas present back to my trustee in bankruptcy? It appears to be, yes.

So why should I do all this, with such a great risk? I don't know either.

Where is the government support for small to medium business? At the moment, there is very little. The government has done very little to support and assist. And this legislation is a further lack of support for small to medium business, from a Liberal Government.

I would expect this from Latham.

Enough is enough. This legislation goes too far. This is a political agenda. We don't need this.

Martin Holgye

Weber Bowman & Co