



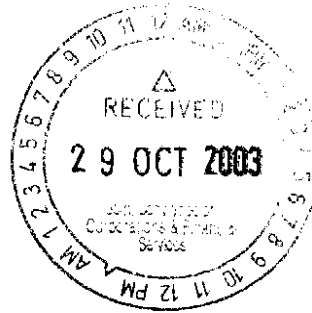
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Allens Arthur Robinson

27 October 2003

The Secretary
Parliamentary Joint Committee on Corporations
and Financial Services
Room SG 64
Parliament House
Canberra ACT 2600



ARN 47 702 595 758

Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000
Australia

Tel 61 3 9614 1011
Fax 61 3 9614 4661

Correspondence
GPO Box 1776Q
Melbourne VIC 3001
Australia
DX 30999 Melbourne

www.aar.com.au

Dear Dr Dermody

CLERP (Audit Reform and Corporate Disclosure) Bill (the CLERP Bill)

I refer to your letter of 13 October calling for submissions into the CLERP Bill. I wish to make a submission, in my personal capacity to the Parliamentary Joint Committee in relation to the above CLERP Bill.

My submission will only be on certain issues raised in the CLERP Bill and those related to it. The topics I will cover are:

1. The proposed enlarged infringement notice power to be vested in the Australian Securities and Investments Commission (see Schedule 6 of the relevant legislation).
2. The requirement that auditors must disclose breaches of the *Corporations Act* (and related legislation) to ASIC within 7 days of forming a reasonable view that such breaches have occurred. (The proposed amendments to section 311 of the *Corporations Act*).
3. The provisions relating to protection for whistleblowers (see proposed Part 9.4AAA).

I would also like to make a more general submission in relation to the process whereby legislative changes to the *Corporations Act* have been made in recent years and what I regard to be an unsatisfactory ad hoc process of stop/start reaction type legislation.

I hope to have my submission forwarded to the Committee by the due date.

I should indicate that I am participating in two organisations which are making separate submissions (the Law Council of Australia Business Law Section) and the Australian Institute of Company Directors. My submissions, in some respects, will parallel comments made by both organisations (I have been given the responsibility of drafting part of the relevant organisations' submissions); but I would like my views to be treated as separate.

In addition, I should point out that some of the views I will be setting forth in my submission have already been made, in one form or another, in editorials under my hand as editor either of the *Company and Securities Law Journal*, or of the *Australian Business Law Review* published by the Lawbook Company.

Our Ref RB:150230

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If you wish to raise initial issues with me in relation to this letter please do not hesitate to do so.

Yours sincerely

Bob Baxt

Partner

Bob.Baxt@aar.com.au

Tel 61 3 9613 8718