

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

Dear Dr Dermody

INQUIRY INTO THE CLERP 9 EXPOSURE DRAFT - CLERP (AUDIT REFORM AND CORPORATE DISCLOSURE) BILL

Thankyou for the invitation and opportunity to comment on the draft CLERP (Audit Reform and Corporate Disclosure) Bill ('**Bill**'). IFSA generally supports the proposals outlined in CLERP 9 with a few notable exceptions.

IFSA represents Australia's leading investment managers and life insurance companies. Our members hold more than \$655 billion in assets under management on behalf of nine million Australians who have superannuation and managed funds products. IFSA plays a leading role in developing corporate governance guidelines for funds managers and companies.

We welcome the opportunity to contribute to the debate on these important issues aimed at improving Australia's fundamentally sound regulatory regime. We note that the Bill incorporates recommendations of the Ramsay Report (*Independence of Australian Company Auditors*), the report of the HIH Royal Commission, and takes into account certain recommendations of the Joint Committee of Public Accounts and Audit (Report 391 *Review of Independent Auditing by Registered Company Auditors*).

The draft Bill includes a number of matters for which there were no specific announcements. These include executive remuneration (Schedule 5) and the establishment of a financial reporting panel (Schedule 2 Part 4). Additionally, the provisions for the incorporation of auditors (Schedule 1 Part 3) and proportionate liability (Schedule 3) are noted.

Yours sincerely

Richard Gilbert
Chief Executive Officer