

Inquiry into the Exposure Draft of the Corporations Amendment (Insolvency) Bill 2007 and related draft regulations

Terms of reference

On 29 November 2006, the Parliamentary Joint Committee on Corporations and Financial Services resolved to inquire into Exposure Drafts of the Corporations Amendment (Insolvency) Bill 2007 and related regulations.

The Exposure Drafts and explanatory material are available on Treasury's website at:
<http://www.treasury.gov.au/contentitem.asp?NavId=037&ContentID=1186>

The bill includes measures to modernise Australia's insolvency laws to implement the integrated package of reforms announced by the Government in October 2005. The measures take into account recommendations of reviews by the Corporations and Markets Advisory Committee and the report of the Corporations and Financial Services Joint Committee, *Corporate Insolvency Laws: a Stocktake* (June 2004).

The bill provides an opportunity for the committee to revisit various aspects of its 2004 report and recommendations which are not incorporated in the bill. In particular, the committee will examine the bill with regard to the following issues:

- a) the regulation of the insolvency process (7, 8, 13, 33, 35, 37, 47, 52, 54);
- b) the role of administrators (3, 12, 18, 24, 25, 55);
- c) the role of directors (10, 14, 31, 54);
- d) the rights of creditors, including the treatment of employee entitlements (43, 44, 47); and
- e) the need for empirical research and review processes (29, 30, 32, 34, 40, 41, 43, 58).

The numbers listed against each term of reference denote recommendations from the committee's June 2004 report which the Government either rejected, supported in principle, or argued were matters for ASIC.

Written submissions are invited and should be addressed to:

The Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Department of the Senate
Parliament House
Canberra ACT 2600

The closing date for submissions is 26 February 2007.

Please refer to the committee's 2004 recommendations listed against the terms of reference when preparing your submission. The committee prefers to receive submissions electronically at:
corporations.joint@aph.gov.au

The committee's June 2004 report, *Corporate Insolvency Laws: a Stocktake*, is available at:
http://www.aph.gov.au/Senate/committee/corporations_ctte/completed_inquiries/2002-04/ail/index.htm

A full list of the committee's recommendations and the Government's Response are available at:
http://www.aph.gov.au/Senate/committee/corporations_ctte/completed_inquiries/2002-04/ail/gov_response/gov_response.pdf

For further information, contact:

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