

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Budget Estimates 2011-2012**

Outcome 2 - Schools

DEEWR Question No.EW0181_12

Senator Mason provided in writing.

Question

Bovis Lend Lease/Project Kendall Pty Ltd

Is the Minister aware and will he confirm that some of these subcontractors had borrowed against their family homes to partly repay their suppliers and their subcontractors and are now insolvent and therefore cannot continue trading and each day goes by without resolution compounds the financial stress on the "tradies and subbies" who did all the work?

Answer

Neither the department nor the Minister is aware of individual personal financial arrangements of subcontractors on BER projects.

Australia has a corporate insolvency system that is designed to maximise the returns to creditors and shareholders in the event of insolvency. Anyone affected by insolvency is encouraged to seek independent legal advice regarding their rights as creditors. The Australian Securities and Investments Commission website (www.asic.gov.au) provides information relating to insolvency and the process of liquidation.

The Australian Government has also established a Small Business Support Line, which provides initial advice and referral services on matters such as obtaining finance, cash flow management and personal stress and hardship counselling. Support Line advisers are able to link into the network of Business Enterprise Centres and other small business advisory services around Australia.