

House Economics Committee

Corporations Amendment (Phoenixing and Other Measures) Bill

2012

***Statement discharging the committee's requirement to provide an
advisory report on the Bills***

Ms Julie Owens, MP

Chair

Canberra

27 February 2012

[Refer to buff procedure]

Mr Speaker, the committee has endorsed the comments of this statement. On 16 February 2012 the Selection Committee referred the Corporations Amendment (Phoenixing and Other Measures) Bill 2012 to the committee.

The Bill has two main purposes. The first is to grant the Australian Securities and Investments Commission the power to order the winding up of a company that has been abandoned to facilitate payment of employee entitlements. The second is to allow petitioning creditors and liquidators to publish notices of certain administration events on a website, rather than the print media or the Commission's gazette. The Bill also makes other miscellaneous and technical amendments.

Mr Speaker, the committee considers that the Bill comprises uncontroversial measures that will assist in curbing the amoral practice of phoenixing. Indeed, in a briefing issued on 23 January 2012, the law firm Minter Ellison stated that

the Bill ‘contains some reasonable measures for facilitating the protection of workers’ entitlements. These measures are unlikely to affect the position of the majority of directors.’

Therefore, the committee has decided not to inquire into the Bills and recommends that the House or Main Committee consider the Bill forthwith.

Julie Owens, MP

Chair

House of Representatives Standing Committee on Economics

27 February 2012