

Recommendations

Recommendation 1

4.11 The committee recommends that the Government give positive consideration to the suggestions from ASIC to amending the *Corporations Act 2001* (Cth), to ameliorate the risk of the one-year default period being made available to bankrupts for whom such a concession is not a desirable or justifiable outcome.

Recommendation 2

4.12 Subject to the foregoing recommendation the committee recommends that the Senate pass the BAEI bill.

Recommendation 3

4.22 The committee recommends that the government consider amending the BADAR bill to allow for debt agreements implemented under a three year cap to be capable of being extended by up to an additional two years by agreement of the debtor, creditors, and debt agreement administrator.

Recommendation 4

4.23 The committee recommends that the government consider including provision in the BADAR bill to require the minister to have regard to the cost of living for low-income households, the average cost of housing, and potential CPR increases, when setting the payment to income ratio, and whether differential payment to income ratios based on a debtor's ability to cover costs of living at a reasonable standard could be appropriate.

Recommendation 5

4.24 Subject to recommendations 3 and 4, the committee recommends that the BADAR bill be passed.

