

It has come to my attention that the Corporations Legislation Amendment (Deregulatory and Other Measures) Bill has been referred to the Senate Standing Committee on Economics for a Report.

As an investor with diverse interests in listed public companies, an active shareholder who has participated in numerous general meetings of such companies, a contributor to Parliamentary Committees investigating Corporate Law issues, a consultant to the former Australian Securities Commission, an adviser to company boards, a Queen's Counsel of 32 years standing, a former judge of the Federal Court of Australia and a former director of the Australian Shareholders' Association (NSW branch), I have a wealth of knowledge and experience in relation to Corporate Governance issues.

I strongly oppose the destruction of the significant shareholder right, embodied in s.249D(1)(b) of the Corporations Act 2001 (Cth). The amendments to the Corporations Act proposed in paragraphs 1 and 2 of Schedule 1 to the Bill (see also cl.3) have nothing that marks them as "deregulatory", they are simply "destructive".

If there is a concern that the power contained in s.249D(1)(b) is open to abuse, a simple solution is available which preserves, rather than destroys, the significant shareholder right of 100 company members to requisition a general meeting. One simply inserts a section, around s.201D, providing for public companies, in general meeting, to fix minimum shareholdings for their directors, one provides that directors who fail to secure the requisite minimum shareholding within 3 months of their appointment shall forthwith cease to be directors and one amends s.249D(1)(b) by adding words to the effect "and who each have shareholdings equal to or in excess of the minimum shareholding fixed for the company's directors from time to time".

May I urge the Standing Committee to call for public hearings in respect of the proposed amendment that I have referred to above. I would be grateful for the opportunity to present a written submission to the Committee and to address it at a Public Hearing.

Peter R. Graham