

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into the FOREIGN INVESTMENT PROPOSALS

2019 - 2020

Division: Foreign Investment Division
Topic: Remedial Action Plans
Reference: Written

Question:

What is the policy for companies being permitted to agree a 'remedial action plan' to comply with conditions after the deadline for their completion has passed?

a) What do entities have to show for Treasury to agree to a remedial action plan?

Answer:

When a foreign investor submits a draft remediation plan, Treasury assesses the proposal itself and also liaises closely with the consultation partners that were involved in recommending the relevant condition(s) to which the plan relates.

(a)

The plan needs to show that all aspects of non-compliance or partial compliance are addressed; that remediation action embeds policy and procedure to ensure that compliance will be achieved on an ongoing basis, rather than just at a point in time; that the proposed remediation is comprehensive (for example, that it extends to the behaviour of subcontractors to the business where they act as agents for the business) and is completed within an acceptable timeframe. Compliance with the implementation of the remediation plan would then form part of the scope of regular compliance audits until it is completed.