

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into corporate insolvency in Australia

2022 - 2023

Division: Market Conduct Division
Topic: Safe harbour instances
Reference: Spoken (p. 59)
Senator: Deborah O'Neill

Question:

CHAIR: I want to be comforted by that review, and I have to confess that I haven't read it. How many instances of safe harbour did they review since the legislation has been in place?
Mr Dickson: That's something I'd have to take on notice.

Answer:

The final report of the independent Review of the Insolvent Trading Safe Harbour does not detail the number of instances of safe harbour reviewed by the Panel. The report notes a number of case studies referred to the Panel by various stakeholders where safe harbour provisions were utilised.

The former Government's response to the report was tabled 24 March 2022. It accepted nine of the 14 recommendations. Overall, the Panel considered that the safe harbour was operating as intended, particularly for larger companies. They noted room for improvement for small and medium companies.