REPORT NO. 9 of 2010

23 June 2010

MEMBERS OF THE COMMITTEE

Senator Kerry O'Brien (Government Whip, Chair)

Senator Stephen Parry (Opposition Whip)

Senator John Williams (The Nationals Whip)

Senator Rachel Siewert (The Australian Greens Whip)

Senator Steve Fielding (The Family First Party Whip)

Senator Judith Adams

Senator Mitch Fifield

Senator the Hon. Joe Ludwig

Senator Anne McEwen

Secretary: Maureen Weeks 26277 3020

REPORT NO. 9 OF 2010

- 1. The committee met in private session on Tuesday, 22 June 2010 at 4.48 pm.
- 2. The committee resolved to recommend—That—
 - (a) the Banking Amendment (Delivering Essential Financial Services for the Community) Bill 2010 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 2 September 2010 (see appendices 1 and 2 for statements of reasons for referral);
 - (b) the *provisions* of the Civil Dispute Resolution Bill 2010 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 30 July 2010 (see appendices 3 and 4 for statements of reasons for referral); and
 - (c) the *provisions* of the Corporations Amendment (Sons of Gwalia) Bill 2010 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 24 August 2010 (see appendix 5 for a statement of reasons for referral).
- 3. The committee resolved to recommend—That the following bills *not* be referred to committees:
 - Health Insurance Amendment (Professional Services Review) Bill 2010
 - International Monetary Agreements Amendment Bill (No. 1) 2010
 - Radiocommunications Amendment Bill 2010
 - Service and Execution of Process Amendment (Interstate Fine Enforcement) Bill 2010
 - Tradex Scheme Amendment Bill 2010
 - Water Efficiency Labelling and Standards Amendment Bill 2010.

The committee recommends accordingly.

- 4. The committee considered the Preventing the Misuse of Government Advertising Bill 2010 and noted that the Senate had agreed to refer the provisions of the bill to the Finance and Public Administration Legislation Committee for inquiry and report.
- 5. The committee deferred consideration of the Commonwealth Commissioner for Children and Young People Bill 2010 to its next meeting.

(Kerry O'Brien) **Chair** 23 June 2010

APPENDIX 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

Banking Amendment (Delivering Essential Financial Services for the Community) Bill 2010

Reasons for referral/principal issues for consideration:

- To consider the impact of this legislation on consumers and their ability to access suitable financial services
- To consider the impact of this Bill on banking operations and competition in the financial services sector

Possible submissions or evidence from:

Abacus Australian Mutuals Australian Bankers Association Australian Financial Markets Association Choice Consumer Action Law Centre

Committee to which bill is to be referred:

Senate Standing Committee on Economics

Possible hearing date(s):

To be determined by the Committee

Possible reporting date:

2 September 2010

(signed)

Whip / Selection of Bills Committee member

APPENDIX 2

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill: Banking Amendment (Delivering Essential Financial Services for the Community) Bill 2010

Reasons for referral/principal issues for consideration:

Possible submissions or evidence from:

Australia Institute (David Richardson) Brotherhood of St Laurence (Gerard Brody) Finance Sector Union Consumer Credit Legal Centre Good Shepherd Youth and Family Service Financial and Consumer Rights Centre (Richard Foster) Australian Council of Social Services

Committee to which bill is to be referred:

Senate Economics Legislation Committee

Possible hearing date(s):

Possible reporting date: 24/September

(signed)

Whip / Selection of Bills Committee member

APPENDIX 3

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

Civil Dispute Resolution Bill 2010

Reasons for referral/principal issues for consideration:

- Whether the obligation to "assist" in clause 9 of the Bill creates potential conflicts in the lawyer/client relationship, particularly in circumstances when a client does not accept advice to engage in "genuine steps" and issues contrary instructions; and
- Whether the provisions in clause 12 amount to an abrogation of settlement privilege and the extent to which additional safeguards may be required.

Possible submissions or evidence from:

Attorney-General's Department, Law Council of Australia.

Committee to which bill is to be referred:

Legal and Constitutional Affairs Legislation

Possible hearing date(s):

Possible reporting date:

30 July 2010

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(signed)

Whip / Selection of Bills Committee member

Proposal to refer a bill to a committee

Name of bill: Civil Dispute Resolution Bill 2010

Reasons for referral/principal issues for consideration:

- Need to assess the extent to which the new obligation requiring a 'genuine steps statement' to be filed in Federal Courts, which the Magistrate may take into account when awarding costs, will deter pursuit of justice or facilitate efficiency
- Need to assess the extent to which this new obligation will have an impact on the already chronically under-funded legal support services –given that the preparation of this 'genuine steps statement' adds an additional step to the legal process, particularly onerous to people from non-English speaking backgrounds.

Possible submissions or evidence from:

Australian Law Council Federation of Community Legal Services Liberty Victoria Human Rights Law Resource Centre Ltd Public Interest Law Clearing House (VIC) Inc

Committee to which bill is to be referred:

Legal and Constitutional

Possible hearing date(s): August

Possible reporting date: 21 September 2010

(signed)

Whip / Selection of Bills Committee member

Proposal to refer a bill to a committee

Name of bill:

Corporations Amendment (Sons of Gwalia) Bill 2010

Reasons for referral/principal issues for consideration:

Despite this Bill already being considered by the Selection of Bills Committee, there has been a technical legal point raised regarding the broader legal implications of subordinating compensation claims where the claimant is also a shareholder. As a result, the additional information raised means that the legislation would benefit from the senate inquiry process and the opportunity to gather wider legal opinion.

The principal issues for consideration are:

- To consider the legal implications of subordinating compensation claims behind unsecured creditors in the event of a company winding up, and where the party making those claims is also a shareholder;
- To consider the broader impact of the legislation on shareholders and creditors during the winding up process.

Possible submissions or evidence from:

- Law Council of Australia,
- Chartered Secretaries of Australia,
- Australian Financial Markets Association,
- Insolvency Practitioners of Australia,
- Law Institute of Victoria,
- Australian Institute of Company Directors

Committee to which bill is to be referred:

Senate Standing Committee on Legal and Constitutional Affairs

Possible hearing date	:(s):
To be determined by	the Committee
Possible reporting da	ite:
24 September 2010	-1 \ <u>\</u>
(signed)	Whip/Selection of Bills Committee member
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