

24 October 2014

Senator the Hon Mathias Cormann
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Dear Minister

Cessation of the Corporations and Markets Advisory Committee: Exposure Draft Bill

The signatory bodies to this submission are all deeply committed to ongoing, research-based law reform in the corporations and markets areas.

While we understand and acknowledge the government's broader *Smaller and More Rational Government* reform agenda in relation to a range of Commonwealth bodies, we are writing to urge the government to reconsider its decision to abolish CAMAC.

However, should that decision stand, we propose that professional associations such as those signatory to this letter could meet with government to constructively discuss how best to facilitate independent, transparent, research-based corporate and markets law reform, which would ensure that appropriate input to the development of corporate law is received from business, market and legal sources.

Support for retaining the Corporations and Markets Advisory Committee (CAMAC)

The signatories to this letter do not support the bill and the decision to abolish CAMAC.

Corporations and the financial markets are the lynchpin of Australia's economy. If they do not function efficiently, there will be detrimental consequences for business, investors and the capital markets. Having an expert, research-focused, consultative and independent body such as CAMAC to develop and advise the government on best practice policy has made a significant contribution to the strength and efficiency of our corporate and financial institutions.

Poorly conceived corporations and markets laws can create excessive red tape, leading to substantial, unnecessary costs to be borne ultimately by shareholders, employees and consumers, and society at large. Moreover, the dynamic nature of corporations and markets means that there is an ongoing need for reform based on research and stakeholder consultation in these areas.

Independent advice does not replicate the work of Treasury, but supplements it. Legislative processes developed by Treasury are enhanced by expert independent consideration of reform proposals at the developmental stage.

Further, while industry representative groups and business will continue to express their views to government on matters relating to the corporations law which they view as important, this process

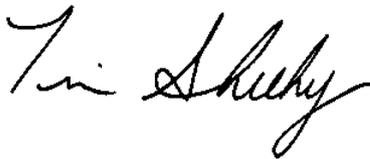
differs considerably from that of an independent body conducting extensive research, both domestically and internationally, into particular challenges in corporations and markets law and seeking stakeholder feedback on proposals arising from such research.

We also note that reform in the corporations and markets area is most successful when it is bipartisan and outside the constraints of the political and electoral cycle.

The signatories to this letter urge the government to reconsider the decision to abolish CAMAC. Our preference is to retain CAMAC in its present form.

However, our principal concern is to ensure the continued quality of corporate and market law reform. On this basis, we encourage the government to consider preserving such quality by working with the professional associations represented in this letter to facilitate independent, transparent, research-based corporate and market law reform. We would be more than happy to meet with you to discuss how this could be implemented.

Yours sincerely



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