

14 April 2023

Ms Gillian McNish
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By email: Gillian.McNish@treasury.gov.au

Dear Ms McNish

Limited Circulation Exposure Draft—Treasury Laws Amendment (Measures for Consultation) Bill 2023: ALRC Financial Services Interim Report Tranche 2

1. The Financial Services Committee of the Business Law Section of the Law Council of Australia (the **Committee**) makes this submission in response to limited circulation exposure draft schedules and a revised explanatory memorandum (collectively the **Supplementary Materials**) which were provided to the Business Law Section via email on Wednesday, 6 April 2023.
2. The Supplementary Materials relate to the exposure draft *Treasury Laws Amendment (Measures for Consultation) Bill 2022: ALRC Financial Services Interim Report Tranche 2* (the **ALRC Tranche 2 Bill**), which was released for consultation on 12 December 2022. The Committee, together with the Corporations Committee, provided a submission to Treasury in response to that exposure draft ALRC Tranche 2 Bill on 12 January 2023.
3. The Supplementary Materials update the ALRC Tranche 2 Bill and its Explanatory Memorandum, including measures to take account of certain other Bills which are currently before Parliament which would amend various pieces of Treasury portfolio legislation which are impacted by the ALRC Tranche 2 Bill.
4. The Committee appreciates being included in Treasury's targeted consultation on the Supplementary Materials, and thanks Treasury for this opportunity.

General position

5. Overall, the Committee considers that the amendments that the Supplementary Materials seek to make to the ALRC Tranche 2 Bill are sensible and logical.
6. Given the very short length of the targeted consultation period, the Committee has not had the opportunity to:
 - (a) consider the proposed amendments in any great level of detail; or
 - (b) consult widely among its membership, with other Committees of the Business Law Section or other sections of the Law Council.

Revised Explanatory Memorandum

7. The Committee wishes to bring to Treasury’s attention the following apparent typographical errors in the Revised Explanatory Memorandum, which forms part of the Supplementary Materials, and has suggested some revisions to the current content in the third column.

Paragraph number	Current wording	Alternative wording suggested
1.64	It also combines definitions for terms that are different grammatical forms of the another terms.	It also combines definitions for terms that are different grammatical forms of the another <u>other</u> terms.
1.80	For example, the definition of ‘reasonable investigation’ is updated to acknowledge that it is something that occurs into ‘financial products’	For example, the definition of ‘reasonable investigation’ is updated to acknowledge that it is something that occurs into <u>in respect of</u> ‘financial products’
1.122	That Bill amends the requirements relating to the communication of notices of cancellation of a financial services licenses to ensure technology neutrality.	That Bill amends the requirements relating to the communication of notices of cancellation of a financial services licenses <u>licences</u> to ensure technology neutrality.
1.124	Consequential amendments are required to the provisions relating to the communication of notices of cancellation of a financial services licenses.	Consequential amendments are required to the provisions relating to the communication of notices of cancellation of a financial services licenses <u>licences</u> .

8. The Committee also queries whether the reference to “*Superannuation Industry Supervision Act 1993*” in the first sentence of paragraph 1.88 of the Revised Explanatory Memorandum should be “SIS Act” (as SIS Act is a defined term in that document).
9. If Treasury has any questions or would like to further discuss any matters raised in this submission with the Committee, please do not hesitate to contact Pip Bell, Chair of the Financial Services Committee (pbell@pmclegal-australia.com).

Yours faithfully



Philip Argy
Chairman
Business Law Section