

The Manager
Governance and Insolvency Unit
Corporations and Capital Markets Division
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Dear Sir/Madam

Options Paper - A Modernisation and Harmonisation of the Regulatory Framework Applying to Insolvency Practitioners in Australia

The Australian Council of Trade Unions (ACTU) is the peak trade union body in Australia, representing two million working people.

For some time now, our affiliated unions have had concerns about the about the professionalism, competency, efficiency and transparency of some insolvency practitioners, and the quality of the regulatory framework governing them.

There is particular concern about small-scale sole practitioners, who often have inappropriate personal and professional links to the directors of companies in administration and/or are complicit in dubious corporate activity, including 'phoenix' activity.

One of our affiliate unions, the Australian Manufacturing Workers' Union, has made a detailed response to the Options Paper. We wholeheartedly endorse that submission.

We have only one further suggestion to make. We have had reports that many insolvency practitioners refuse to deal with trade unions, acting on behalf of their members, without express written authority from individual employees. This is impractical, and in many cases frustrates the speedy resolution of difficulties. We suggest that there should be a statutory obligation for insolvency practitioners to recognise and deal with trade unions in respect of their members who are affected by the insolvency - unless the individual member opts out in writing.

Please do not hesitate to contact me if you have any questions.

Yours sincerely



Joel Fetter
Policy & Industrial Director