



Law Council  
OF AUSTRALIA

*Business Law Section*

Manager  
Disclosure and International Unit  
Retail Investor Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600  
Via email: [creditphase2bill@treasury.gov.au](mailto:creditphase2bill@treasury.gov.au)

1 March 2013

Dear Sir or Madam,

## **National Consumer Credit Protection Amendment (Credit Reform Phase 2) Bill 2012**

### **1. Introduction**

- 1.1 The Financial Services Committee of the Business Law Section of the Law Council of Australia (**Committee**) is pleased to provide this submission in response to the consultation process operated by The Treasury of the Commonwealth (**Treasury**) into the National Consumer Credit Protection Amendment (Credit Reform Phase 2) Bill 2012 (**Bill**) and related proposed draft regulations.
- 1.2 The Committee notes the email from Christian Mikula of 18 February 2013, announcing that the Government has decided to defer the small business finance reform proposals contained in Schedule 2 of the Bill on the basis that the Bill's release "*has raised consideration of whether the benefits could be delivered in a more targeted and effective way, through the development of a different model from that in the Phase 2 Bill*".
- 1.3 Although the Committee understands that Treasury no longer proposes to consult formally on the model set out in Schedule 2 at this time, the Committee attaches comments in Attachment A which had already been prepared in the hope that they will support the consideration of a more

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targeted and effective model. The Committee had significant concerns about aspects of the approach taken by Schedule 2.

- 1.4 The Committee may wish to provide further comment if there is an opportunity to do so at any subsequent stages of this inquiry. Please contact the Chair of the Committee, James Moore, [jmoore@hwle.com.au](mailto:jmoore@hwle.com.au), +61 2 9334 868 if you wish to discuss further any matter contained in it.

Yours faithfully,



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Frank O'Loughlin  
**Section Chairman**