

13 August 2015

Dr Warren Mundy
Presiding Commissioner
Business Set-up, Transfer and Closure
Productivity Commission
GPO Box 1428
CANBERRA ACT 2601

By email: business.inquiry@pc.gov.au

Dear Commissioner Mundy

Business Set-up, Transfer and Closure Inquiry

We refer to the previous submissions made by ARITA to the Productivity Commission in relation to this inquiry and make the following supplementary submission for your reference.

The Commission's draft report dated May 2015 includes a draft recommendation that the *Corporations Act 2001* should be amended to provide for a simplified 'small liquidation' process (draft recommendation 15.5) consistent with ARITA's model for streamlined liquidations as referred to in the report.

ARITA recognises a need for comprehensive research across the profession to ascertain the existing and anticipated costs of liquidation under the current and proposed simplified processes. We will be undertaking this research and anticipate it will be completed in the next six months.

If the Commission has any suggestions for the content or focus of our proposed research, which may go to issues on which the Commission is reporting, we would be pleased to discuss.

Yours sincerely

John Winter
Chief Executive Officer

About ARITA

The Australian Restructuring Insolvency and Turnaround Association (ARITA) represents practitioners and other associated professionals who specialise in the fields of insolvency, restructuring and turnaround.

We have more than 2,000 members including accountants, lawyers, bankers, credit managers, academics and other professionals with an interest in insolvency, turnaround and restructuring.

Some 76 percent of registered liquidators and 86 percent of registered trustees are ARITA members.

ARITA's mission is to support insolvency and restructuring professionals in their quest to restore the economic value of underperforming businesses and to assist financially challenged individuals.

We deliver this through the provision of innovative training and education, upholding world class ethical and professional standards, partnering with government and promoting the ideals of the profession to the public at large.

The Association promotes best practice and provides a forum for debate on key issues facing the profession. We also engage in thought leadership and advocacy underpinned by our members' knowledge and experience.