



**CHARTERED SECRETARIES
AUSTRALIA**

Leaders in governance

22 February 2007

Mr Geoff Miller
The General Manager
Corporations and Financial Services Division
Department of the Treasury
Langton Crescent
PARKES ACT 2600

By email to: RORlcomments@treasury.gov.au

Dear Mr Miller

Register of relevant interests

CSA is the peak professional body delivering accredited education and the most practical and authoritative training and information on governance, as well as thought leadership in the field. We are an independent, widely-respected influencer of governance thinking and behaviour in Australia and represent over 8,000 governance professionals working in public and private companies. Our members are all involved in governance, corporate administration and compliance with the *Corporations Act* (the Act) and we have drawn on their experience in the formulation of each submission on these matters.

Review of whether section 672DA is achieving its policy objective
CSA members welcome the review of the operation of section 672DA of the Act, requiring listed companies or the responsible entity for a listed management scheme to keep a register of specified information it receives under Part 6C.2 of the Act in response to their own or ASIC 'tracing notices'. Section 672DA also addresses the location of the register, notifying ASIC about the location of the register, the form of the register, inspection and copying, and the time to enter information in the register. The information must be entered in the register before the end of two business days after the company or responsible entity receives it.

CSA recognises that the government introduced this provision to increase the information available to interested persons in relation to relevant interests in listed entities, information which does not appear on the face of the register of members. The stated policy objective was to increase the transparency of company ownership by making available to shareholders the names of beneficial owners of their companies. CSA believes that a review of the operation of s 672DA after more than 18 months is fully justified to ascertain if the policy objectives are being achieved.

Experience of the Register

CSA notes that of those companies surveyed on this issue, none has received any queries from interested persons in relation to the Register of Relevant Interests. Furthermore, CSA understands that the principal share registries between them have received only four queries concerning this particular register since enactment of the provision.

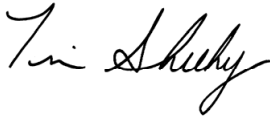
The review paper notes that “Several investor relations firms have reported informally that they have received no more than 20 requests to search registers since the provision was enacted. These requests were made by professionals: lawyers; investment banks; and corporate clients. No requests were made by members of the wider public”.

CSA recommendation

CSA believes that there are insufficient queries and no evidence of significant use to justify the maintenance of this register, with its attendant costs, including the application of human resources. CSA can see no compelling policy reason for requiring companies to maintain this register, given the evident lack of use of it.

Within the context of the government seeking to reduce the regulatory burden on business, CSA strongly recommends that section 672DA be deleted from the Act.

Yours sincerely

A handwritten signature in black ink, appearing to read "Tim Sheehy". The signature is written in a cursive, flowing style.

Tim Sheehy
CHIEF EXECUTIVE