

9 July 2018

Peter Krizmanits  
Workplace Relations Programmes Group  
Department of Jobs and Small Business

Nathania Nero  
Corporations Policy Unit  
The Treasury

By email: [ImprovingFEG@jobs.gov.au](mailto:ImprovingFEG@jobs.gov.au)

Dear Peter and Nathania,

**Reforms to Address Corporate Misuse of the Fair Entitlements Guarantee scheme – Submission**

I refer to the explanatory memorandum for the Corporations Amendment (Strengthening Protections For Employee Entitlements) Bill 2018 (“Explanatory Memorandum”).

This submission is made by Hayes Advisory in support of the proposed changes outlined in the explanatory memorandum and the submission made by the Australian Restructuring Insolvency and Turnaround Association.

I am supportive of the FEG Scheme and believe it fulfils an important role in the economy. Despite this I am concerned that the current FEG Scheme is being over-used by some and is likely open to abuse by directors and their advisors.

I have reviewed the proposed changes and Explanatory Memorandum and am supportive of the proposed changes.

The proposed changes will make it easier for Liquidators, employees and other agencies to pursue directors (and their advisors) when transactions have been entered into for the purpose of avoiding employee entitlements. Further to this I believe the proposed changes will also act as greater deterrent to directors, who might be otherwise tempted to enter into transactions which might avoid employee entitlements.

Yours faithfully,



Alan Hayes  
Partner