

The Manager  
Market Conduct Division  
The Treasury  
Langton Crescent  
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30 October 2020

Via Email: [businesscomms@treasury.gov.au](mailto:businesscomms@treasury.gov.au)

To whom it may concern

**Making permanent reforms in respect of virtual meetings and electronic document execution.**

The Property Council would like to thank the Treasury for the opportunity to respond to the consultation on making permanent changes to the *Corporations Act 2001* and associated regulations to make permanent changes implemented during the COVID-19 pandemic to allow Australian businesses to move a execute documents electronically and to conduct meetings in a virtual environment.

The emergency powers enacted by the Government in May 2020 in the midst of the Coronavirus pandemic which allowed for businesses to conduct their annual general meetings in a Covid safe method through the use of virtual platforms was a welcomed solution which allowed businesses to continue to comply with their governance requirements and report to their shareholders during a severe period of disruption. Additionally, the direction from the Government to allow documents to be executed electronically added certainty and a means of operating in a time of flux and where physical presence to witness documents, in particular in Victoria, was not possible.

The proposed changes to the *Corporations Act 2001* through the *Corporations Amendment (Virtual Meetings and Electronic Communications) Bill 2020 ("Bill")*, are welcomed reforms for Australian businesses which allow for business to embrace technology to improve efficiencies and support sustainability initiatives.

The Property Council supports the proposed reforms in the Bill as these reforms will be a positive step in providing businesses in Australia with the flexibility to adapt to new technologies while at the same time allowing greater engagement with stakeholders, investors and shareholders. For instance, virtual or hybrid annual general meetings allow for stakeholders and investors who are unable to travel to still be able to participate and ask questions of the companies' boards giving a far greater reach whilst still maintaining a high standard of governance and compliance.

The proposed reforms will also help businesses reduce costs for shareholders, directors and others from attending meetings and annual general meetings in person as well as reducing costs to businesses to have documents executed in person and support businesses sustainability initiatives through the reduction of printing documents for 'wet signatures' and decreasing director inter-state travel to meetings efficiently reducing the carbon offsets of air travel.

We note that there are some practical considerations that may need to be considered in terms of witnessing the electronic affixing of company seals, polling (given the broad range and differing needs of companies) as well the proposal that virtual meetings be minuted in a different manner than physical meetings. We look forward to seeing how these new reforms will be addressed and work in practice to ease costs and provide flexibility to all companies.

The Property Council considers that the proposed reforms will provide welcome support to businesses as they seek to recover from these unprecedented times and economic hardships to balance governance and compliance with quick and efficient means of conducting business.

Should you have any questions about this submission please do not hesitate to contact myself or Collin Jennings, Policy Manager – Capital Markets at [cjennings@propertycouncil.com.au](mailto:cjennings@propertycouncil.com.au) or on 0413 472 189.

Yours sincerely



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