Submission

Corporate Tax Association

Response to Board of Taxation

"Review of the application of GST to cross-border transactions"

4 September 2009

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1 Summary

As a general proposition, the CTA supports any legislative amendment or change to administrative practice that makes it easier for an entity to comply with its obligations under the law.

In the context of the Review of the Application of GST to Cross-Border Transactions (**Review**) by the Board of Taxation (**Board**), we therefore support measures that initially remove non-residents from the GST Act, and, so far as that is not possible provide both resident and non-resident entities with as much flexibility as possible to meet those GST obligations that remain.

On that basis, we generally:

(1) Support the Option 1 proposal for the limitation of the "connected with Australia" rules to exclude supplies to Australian businesses. However, this should only apply to supplies of things other than goods.

(2) Do not support the mandatory reverse charge mechanism proposed under Option 2.1.

(3) Provided that it is voluntary, support the Option 2.2 proposal for a non-resident and its subsidiary to agree that the non-resident's GST obligations can be transferred to or otherwise met by a resident subsidiary (although we note that such a voluntary system would, in effect, be a 'tax representative' system as recommended in Option 2.4, a recommendation that we support).

(4) Provided that it is voluntary, support the extension of the current resident agent rules in Division 57 of the GST Act as outlined in Option 2.3 to other business relationships.

(5) Support the proposal in Option 2.4 for non-residents to engage third parties to act as "tax representatives" to meet the non-resident's Australian GST obligations.

(6) Support the Option 3 proposal for introduction of a "Direct Refund Scheme" for non-residents.

(7) Strongly support the Option 3.1 proposal for section 38-190(3) of the GST to be amended for supplies "provided" to a GST registered Australian business to be GST-free.

(8) Strongly disagree with the Option 3.2 proposal that as a result of Option 3.1, the section 38-190(4) rules regarding supplies "provided" to non-residents should be reviewed.

(9) Strongly oppose the Option 3.4 proposal that GST be payable by the Australian subsidiary of a non-resident supplier where the supply is not otherwise a taxable supply.

(10) Express no strong view in relation to Option 3.3 (voluntary reverse charge for consumers) or Option 3.5 (Review of the low value supply threshold).

(11) Support the proposition underpinning Option 4 that a non-resident making only GST-free supplies should not, as an administrative matter, be required to register for GST. However, because being "required to be registered" is a key feature of many provisions in the GST Act, this technical requirement should be

retained (e.g. via an administrative concession allowing relevant entities not to in fact register notwithstanding that they are otherwise required to do so).

(12) Support Option 5 to expressly confirm that a non-resident is not obliged to register for GST (in the same context as that discussed above for Option 4) by virtue of the fact that it makes supplies through a resident agent.

We outline below our submission in respect to each specific issue and have responded to each of the express queries raised in the Review which, for convenience, we have reproduced.

2 Chapter 4: Issues raised by Australia's approach to cross-border transactions

Generally, the CTA agrees with the Board's observations in this Chapter.

We particularly endorse the Board's observation of the difficulties the current provisions (and, we might add, their interpretation/application by the ATO) create in relation to multiparty arrangements such as the subcontracting arrangements contained in examples 5 and 6.

CTA members and their related parties have also experienced the frustrations noted by the Board in registering non-residents for GST. Any recommendations to make the very cumbersome administrative processes and onerous information requirements imposed by the ATO, not the GST Act, would be most welcome.

(a) Further issue: supplies partly connected with Australia

One issue we would like the Board to include in its report to Government is the reporting of supplies that are partly "Connected with Australia". We have concerns as to whether the current drafting of Division 96 provides the intended GST compliance relief for non-resident service providers and whether the $50,000 threshold is appropriate.

This is perhaps best illustrated by way of an example involving freight/transport services for products that are exported from Australia. The transporter is a non-resident entity with no presence in Australia. The services are connected with Australia as they are physically performed partly in Australia so the "thing is done" partly in Australia. While the transport should qualify as GST-free international transport, the non-resident incurs compliance costs to identify, track and report such transactions even though no GST applies.

Q4.1 What has inhibited the take up of voluntary reverse charge agreements?

In the experience of CTA members, a number of factors have inhibited the take up of the current voluntary reverse charge mechanism under Division 83 of the GST Act, including:

1 The fundamental governance issue of one entity taking on another party's tax obligations and the associated risk.

2 In many cases the activity involves both on-shore and off-shore work, requiring an apportionment exercise to determine the extent of the supply that is taxable. If the supplier gets this wrong, the liability (and/or denial of input tax credits) falls to the recipient, who is unlikely to be in a position to verify the details.

3 The recipient must be satisfied that the supplier does not carry on an enterprise in Australia. Therefore a warranty or indemnity is usually needed, and this needs to be monitored on an ongoing basis.

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4 If the supplier does carry on an enterprise in Australia, the recipient is exposed not only to GST but to ABN withholding of 46.5%.

5 The actual recording of the liability and offsetting credit in the accounts requires a manual process - it is not readily captured in a standard system like SAP and therefore creates a compliance burden and even more risk that the recipient fails to properly account for the transaction.

6 Using Division 83 can be useful in situations where an overseas supplier is making a one-off supply or for an isolated transaction, but is inherently risky for the recipient for ongoing work.

7 As a general proposition, Division 83 is often only used between related parties or on one-off occasions where the supplier's product is urgently required.

Q4.2 Are the non-resident agency provisions unnecessarily limited?

Yes, we consider that Division 57 is unnecessarily restrictive, limited as it is to supplies/acquisitions made through agents, in the legal sense of those terms. Please refer to our comments below in response to Option 2.3.

Q4.3 Do the non-resident agency provisions impose too much direct liability on the resident Australian agent? If so, how could the non-resident principal pay the correct amount of GST?

We submit that joint and several liability for the resident agent, as opposed to the current primary liability for the resident and relief from liability for the non-resident, would be more appropriate. This would be consistent with the Option 2.4 proposal for a tax representative.

Q4.4 Is your business being adversely impacted by on-line supplies and low value transactions? If so, what changes would you suggest to the current approach?

We are not in a position to comment on this issue.

3 Chapter 5: Possible options for change

Presupposing that Option 1 has been implemented, thereby minimising the number of non-residents that make taxable supplies, we generally support most of the options in this Chapter as they provide both certainty and administrative simplicity for taxpayers.

However, we stress that the measures must be voluntary – allowing the parties to select the option that best suits their individual circumstances. We do not favour the introduction of these options as compulsory measures.

Finally, we suggest that no single option represents a perfect solution. Thus, again provided they are voluntary, we suggest that a range of the proposed measures should be implemented to maximise flexibility.

3.1 Option 1: Limit the application of the connected with Australia provisions

The CTA strongly supports this recommendation in relation to the in-bound supply, by a non-resident supplier to an Australian business, of things other than goods and real property.

In terms of administrative and compliance simplicity and consistency, this would largely mirror the income tax position that only those supplies made through an Australian business presence ought properly be within the Australian tax system.

Further, the exclusion of supplies to Australian businesses, when considered in the light of Division 84 of the GST Act, will achieve the policy outcome of excluding non-residents from the Australian GST systems while not impacting revenue - i.e. any 'net GST' raised under the current tax and audit model would also arise by virtue of a reverse charge where the Australian business recipient makes the acquisition for less than a fully creditable purpose).

On that basis, we propose that this limitation (presumably to be achieved by way of a carve out to the section 9-25(5) definition) should simply apply where the Australian resident recipient holds an Australian Business Number.

Similarly, we suggest that in the interests of consistency the question of whether the non-resident has a business presence in Australia be addressed in terms of whether the non-resident is "in Australia" in the sense that term is used in section 38-190.

Q5.1 Would this approach reduce the number of non-residents that are unnecessarily drawn into the GST system? Does it raise any unintended consequences?

Yes, we think that it would reduce the number of non-residents drawn into the GST system, and appropriately so. Provided other measures (e.g. the tax representative of Option 2.4) are also introduced to provide mechanisms to allow non-residents to claim any input tax credits, we strongly endorse this proposal.

3.2 Option 2.1: Shifting the GST liability of non-residents to residents through compulsory reverse charge

We do not consider that the reverse charge should be compulsory, irrespective of the creditable purpose of the recipient.

As noted above in our response to Q4.1, there are a number of difficulties with the current voluntary reverse charge, particularly in relation to the information burden and risk placed on the recipient. These would only be exacerbated should the reverse charge be made compulsory.

We recommend that the existing voluntary reverse charge mechanism be retained to provide flexibility for those Australian recipients that wish to take advantage of it.

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Q5.2 Should the compulsory reverse charge only apply where the acquisition is not for a fully creditable purpose?

See above – we do not consider that the reverse charge mechanism should be made compulsory.

Division 83 is currently a voluntary mechanism and this should be retained to maximise the flexibility of the system. It should be available for the convenience of any entities that wish to avail themselves of it, irrespective of the resident's extent of creditable purpose. We consider that the existing Division 84 is adequate for this purpose.

Q5.3 Should the compulsory reverse charge apply to all supplies or just services and intangibles?

In our view, Division 84 adequately deals with the inbound supply of things other than goods and real property. While superficially similar to the Division 83 style reverse charge mechanism the subject of this option, Division 84 serves a different policy objective and should not, we submit, be expanded.

As above – we do not consider that the reverse charge mechanism should be made compulsory. Division 83 is currently a voluntary mechanism and this should be retained to maximise the flexibility of the system. It should be available for the convenience of any entities that wish to avail themselves of it, and, where available on the circumstances of the parties, is not currently limited to any class of supplies.

Q5.4 Should the compulsory reverse charge apply to both registered and non-registered Australian businesses or only to registered Australian businesses?

See above – we do not consider that the reverse charge mechanism should be made compulsory. We do not see that any useful policy objective would be achieved by drawing non-registered Australian entities into the GST net.

3.3 Option 2.2: Transfer GST liability to an Australian subsidiary

We do not support this proposal.

The Australian GST system should respect the differing legal and commercial structures employed. The simple fact is that an Australian subsidiary of a non-resident is a separate legal entity, with (usually) separate directors, rights, duties and obligations.

It is not, in our view, appropriate for an entity to be made responsible for the tax consequences of a transaction merely by virtue of the fact that it has common ownership with a party to the transaction.

In the absence of the agreement of the resident to become so bound (e.g. as a tax representative pursuant to Option 2.3, which we support), the resident should only become so bound where it participates in the transaction in a relevant sense (e.g. Division 57).

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Q5.5 Under option 2.2, should a non-resident with a subsidiary in Australia be treated the same as a resident Australian business for GST purposes?

We do not support this option and hence have not addressed the specific query.

Q5.6 What business relationships between a subsidiary and its non-resident parent could this option apply to most appropriately?

We do not support this option and hence have not addressed the specific query.

Q5.7 Should this option apply to entities other than subsidiaries, such as subcontractors, who assist in delivering the non-resident's supply to an Australian recipient?

We do not support this option and hence have not addressed the specific query.

Q5.8 What type of supplies could this option apply to?

We do not support this option and hence have not addressed the specific query.

Q5.9 Would this option be simple for taxpayers to comply with?

We do not support this option and hence have not addressed the specific query.

3.4 Option 2.3: Expanding the non-resident agency provisions

Subject to a review of the detailed proposal, we agree with this option. Provided that the resident entity has a sufficiently proximate nexus to the transaction, we agree that Division 57 could be sensibly broadened to encompass entities that are not, strictly speaking, agents.

We agree that this should be optional. It is not appropriate, we submit, for arms' length third parties to be made responsible for the GST obligations of another without consent.

Q5.10 Are commission agents or sub-contractors likely to take up this option? If not, why not?

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Provided that the arrangement is at the option of the parties, parties will adopt it where it best suits their circumstances. No doubt many sub-contractors would be happy do so, while others would decline.

3.5 Option 2.4: Non-residents be allowed to have a tax representative

We strongly endorse this option. The experience of CTA members, and their related parties, is that the VAT/EU system is very helpful.

Q5.11 Should options 2.3 and 2.4 apply instead of other options that reduce the need for non-residents to be in our GST system or should these options be used to supplement those circumstances where other options are ineffective?

These options, in particular option 2.4, should be implemented in addition to other options.

Within the underlying policy framework identified by the Board, the CTA strongly recommends that a range of measures should be available to allow entities the maximum flexibility to select the approach that best suits their individual circumstances.

Q5.12 Should options 2.3 and 2.4 be compulsory rather than voluntary?

Voluntary – flexibility for taxpayers should be a key consideration in the Board's deliberations.

3.6 Option 3: Non-residents not required to be registered for GST could be allowed a direct refund of any GST

We endorse this option. The experience of CTA members, and their related parties, is that subject to the limitations and administrative difficulties identified by the Board, the VAT/EU system is useful.

Q5.13 Should the GST law provide a direct refund mechanism? If so, under what circumstances?

Yes. We assume that the mechanism would require the non-resident to establish that it is carrying on an enterprise and the extent to which the relevant acquisition would have been made for an otherwise creditable purpose (i.e. to put the non-resident in the same position it would have been had it registered for GST and claimed input tax credits via a GST return).

Q5.14 Is a direct refund system necessary if the number of non-residents in the GST system is reduced under the options in this chapter?

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Yes – maximum flexibility, for those who would otherwise have to register, should be a policy objective.

Q5.15 Should a direct refund system be based on reciprocal agreements with other countries as is the case in some European countries?

No. Provided the integrity processes are sufficient (but not too onerous), there should be no difficulty in making the mechanism available to all non-residents.

Q5.16 Should there be a more restrictive time limit for non-resident refund claims (as is the case in some foreign jurisdictions)? If so, what how long should this period be? If so, how long should this period be?

No.

Q5.17 Should it be restricted to certain supplies as in some foreign jurisdictions?

No, but we suggest a quantum limit as an integrity measure (i.e. encouraging registration for larger input tax credit claims).

3.7 Option 3.1: Supplies made to a non-resident but provided to a registered Australian business be GST-free

While the policy behind section 38-190(3) is sound (i.e. imposing taxation on a supply that is consumed in Australia), it is a provision that is very difficult to apply in all but the simplest of cases.

Further, because the onus to determine whether section 38-190(3) applies rests with the Australian supplier, the statutory 'risk' does not follow the perceived policy 'mischief'. That is, the supplier, which as a practical matter in most cases will be unable to pass-on any GST liability in the event that section 38-190(3) is later found to apply, will bear the tax arising because there has been consumption in Australia due to the commercial arrangements imposed on the supplier.

The ATO guidance, while laudable in its scope, is often not helpful. It is often very difficult to determine with any great degree of confidence at what stage in a transaction supplies that have been both 'made' and 'supplied' to a non-resident start to become 'provided' to an Australian entity. The compliance burden and statutory risk rests solely with the Australian service provider.

We therefore welcome any proposal that will simplify this onerous compliance burden and risk exposure.

Q5.18 Will the Australian supplier be able to readily identify situations where it provides a supply to a registered Australian business? In what circumstances

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might this prove difficult?

We do not see that this would be any more difficult than the enquiry currently required under section 38-190(3). As noted, that provision has its difficulties. However, as a general proposition, if this Option is implemented, the enquiry will likely be made easier.

In most instances, the relevant Australian entity for section 38-190(3) purposes is readily apparent. Whether the supply is 'provided' to that entity is often a difficult question to resolve in practice, particularly noting the complex and often contradictory interpretation the ATO applies to various factual scenarios.

For example, AustSupplier is engaged by UKParent to provide services that are GST-free under item 2 of section 38-190(1). As a feature of this arrangement, AustSub is also involved in the acquisition of services from AustSupplier and it is possible, but not certain, that the supply is 'provided' to AustSub while being 'made' to UKParent. This is a very common scenario.

If this option is implemented, the compliance burden and statutory risk for AustSupplier is largely removed. The supply will be GST-free if it is both 'made' and 'provided' to UKParent (i.e. it is not in fact 'provided' to AustSub). In the alternative, if the supply is in fact 'provided' to AustSub, the supply remains GST-free if AustSupplier confirms that AustSub is GST registered (which can be fairly easily done via the Australian Business register).

Thus, AustSupplier need only form the view that the supply is provided to either of UKParent or AustSub to confirm GST-free status. It does not need to go to the next step and determine which entity the supply is in fact provided to, unless AustSub is not GST registered. This will significantly ease the compliance and risk burden for Australian suppliers.

We recommend that the option be drafted to the effect that the supply is GST-free if made to an Australian entity that the supplier 'has reasonable grounds to consider' that the Australian entity is GST registered.

This would recognise that while the Australian Business Register is the best (and perhaps only) external source for an entity to investigate the GST registration of another, it is prima facie evidence only because the register expressly notes that its entries are:

> *… based on information supplied by businesses to the Registrar of the Australian Business Register. Neither the Registrar nor the Federal Government guarantee this information is accurate, up to date or complete. Consider verifying this information from other sources.*

Q5.19 Could this option be expanded to include supplies provided to employees or office holders of an Australian business or non-resident business? If so, how?

Yes. It is only current ATO interpretation that in some instances requires recognition of employees/office holders as not acting for and on behalf of their employer/business. A simple legislative 'for the avoidance of doubt' deeming would address this.

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3.8 Option 3.2: Supplies for consumption outside Australia

The CTA considers that it is not appropriate to treat these supplies as taxable supplies. The current operation of Subsection 38-190(4) should not be altered in the manner contemplated by Option 3.2, because:

(a) the cost of compliance and revenue for certain industries outweighs any policy 'purity' gains;

(b) the potential for inequitable treatment of certain supplies;

(c) the proposed option is, in the CTA's view, outside the scope of the 'Terms of Reference' of the Board's review; and

(d) the purported relationship with the proposed Option 3.1 changes to Section 38-190(3) is not, with respect, apparent.

(a) Cost of compliance and revenue for certain industries

The option would create significant and costly compliance issues for certain industries, in particular, telecommunications businesses. Further, the option could result in real revenue loss for existing fixed price contracts.

For instance, there would be differing GST treatments for telecommunication supplies made to individuals on international travel such as with international roaming services, depending on who the 'recipient' of the supply was. For an individual travelling in their capacity as an employee of a GST registered business, the alteration to s38-190(4) would require a taxable supply treatment. However, where the individual was travelling in their own capacity, for private purposes, the supply would retain a GST-free treatment.

This would require significant compliance and implementation costs for telecommunications businesses in implementing technologies that could track/capture such information to determine the correct GST treatment. Further, accounting system changes would need to be implemented with significant increases in GST/tax coding requirements etc.

From a revenue and contractual perspective, telecommunications businesses would be required to bear the GST cost for all current fixed priced contracts that would now be subject to GST. This would be the case until such time as those contracts could be renegotiated and competitive pricing issues considered.

(b) Inequitable treatment of supplies

As noted above there would be inequitable treatments resulting in differing pricing and cost issues and give rise to competitive pricing issues. For instance, it would be inequitable for specific telecommunication supplies through international roaming services to have differing GST treatments dependent on the purpose for which a customer was using the service.

(c) Relevance to 'Terms of Reference'

This option is not relevant to the issue of cross-border transactions with non-residents.

The 'Terms of Reference' for the review are with respect to such things as considering the extent to which non-residents should be drawn into the Australian GST system and ensuring that cross-border transactions are treated in an efficient and effective manner (referring to Chapter 1: Introduction, at paragraph 1.7).

Subsection 38-190(4) is not concerned with cross-border transactions. The subsection relates to supplies that are otherwise taxable supplies made to Australian residents who are in Australia at the time of the supply. The 'supply' in question is not 'cross-border', neither is the recipient in question a non-resident. Subsection 38-190(4) applies to 'item 3' of Subsection 38-190(1) which is not specific to 'non-residents'. Subsection 38-190(4)(a) specifically refers to supplies that are made to an 'Australian resident'.

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(d) Unrelated to Option 3.1 - changes to Subsection 38-190(3)

It is suggested in the Review that a change in the operation of Subsection 38-190(3) under Option 3.1 would require a similar alteration to Subsection 38-190(4) (referring to paragraph 5.62). This presupposes that Option 3.1 cannot occur in isolation of Option 3.2.

This is not, in our view, correct. The provisions are mutually exclusive in operation.

Subsection 38-190(3) applies to 'item 2' of Subsection 38-190(1), which is specifically concerned with 'non-residents', and which the CTA considers is within the scope of the 'Terms of Reference'. As stated above, Subsection 38-190(4) applies to 'item 3' of Subsection 38-190(1). These two items are dealing with separate concepts.

Altering the operation of Subsection 38-190(3) under Option 3.1 does not require any change in the current operation of Subsection 38-190(4).

Q5.20 Do you consider that it is more appropriate that these supplies are taxable supplies with the registered recipient determining their entitlement to an input taxed credit?

No. We do not support this option.

3.9 Option 3.3: Reverse charge for private consumers

Q5.21 Should Australia consider imposing a reverse charge on supplies to private consumers if those supplies exceed a threshold? How could this be enforced?

The enforcement difficulties of a compulsory system would seem to be intractable. It is difficult to see how the costs of enforcement would outweigh any revenue gain. Having said that, the CTA would be comfortable with a voluntary regime (coupled with a review of the 'low value' threshold).

If the regime were to be compulsory, penalties for non-compliance may need to be disproportionately significant given the small sums of GST involved in individual transactions and the difficulties of detection enforcement.

3.10 Option 3.4: Changing the connection rules and GST liability transferred to an Australian subsidiary

Q5.22 Should option 3.4 apply to goods, services and intangibles?

We do not support the proposal for a compulsory imposition of GST obligations on the Australian subsidiary of a non-resident supplier. Rather, we strongly endorse the option 3.5 'tax representative' proposal.

Q5.23 Should the option be restricted to on-line supplies or apply more

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broadly?

We do not support the proposal for a compulsory imposition of GST obligations on the Australian subsidiary of a non-resident supplier. Rather, we strongly endorse the option 3.5 'tax representative' proposal.

3.11 Option 3.5: Review the low value threshold limit of $1,000

Q5.24 Is the importation threshold at an appropriate level? If not what should this be?

We are not currently in a position to comment. However, at a broad level we do not necessarily see that this is an area of concern. The current threshold seems reasonable (noting that it has only recently been increased to the current level). Having said that, we accept this is a matter that should be monitored.;

Q5.25 Should there be a connection between low value import threshold for GST purposes and for customs duty purposes?

While we are not currently in a position to comment, it seems that the underlying policy objectives of simplicity and consistency would be served if these two measures were connected.

4 Chapter 6: Specific issue options

4.1 Registration procedures for non-residents

Q6.1 Would further streamlining of the registration process for non-residents still be necessary if the circumstances where non-residents need to register is significantly reduced because the options in Chapter 5 are implemented?

Yes. The current procedures (e.g. attendance at an embassy/consulate for authentication of documents etc) as imposed by the ATO, not the GST Act, are simply unworkable.

Q6.2 Are there alternative ways of streamlining the registration process?

We consider that entities of the types mentioned in paragraph 6.7 should be registered with no information requirement beyond satisfactory proof of existence (e.g. evidence of incorporation etc) on the basis that they are already within systems with integrity checks that Australia should be comfortable with.

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The current information requirements for non-resident GST registration are simply far too onerous to justify the mischief they purport to eliminate.

Q6.3 For those non-residents that may need to stay in the GST system what do you see as the most appropriate method for administering their involvement? Instead of streamlining registration procedures would it be more appropriate to have a direct refund system (option 3) or a tax representative (option 2.4)?

We endorse both options to provide maximum flexibility. We strongly endorse the introduction of a tax representative mechanism.

Q6.4 Would any of the above situations introduce integrity risks, particularly those relating to revenue and identity fraud?

Perhaps, but this is not, we submit, an unacceptable risk. The options do not, of course, preclude compliance activity by the ATO (e.g. refund integrity checks etc)

4.2 Option 4: Non-residents making GST-free supplies

Q6.5 What would be the most appropriate method of excluding these non-residents from being required to be registered for GST?

Because so many provisions in the GST Act use the phrase “registered or required to be registered’, it is likely that unintended consequences would arise if such entities are not required to register.

We therefore recommend that the GST Act be amended such that these entities need not in fact register (perhaps with notification to the Commissioner), notwithstanding the fact that they remain ‘required to register’. GST would not be payable in respect of any otherwise taxable supplies.

That is, the technical requirement to register remains, but the practical obligation (and hence exposure to penalties and GST) to do so is removed.

Q6.6 Should the GST-free supplies made by a non-resident be included in the registration threshold but only to determine whether other supplies that are not GST-free should be subject to GST?

No. As above, they should be excluded for the purpose of determining whether, notwithstanding a technical requirement to register, such registration must in fact be sought.

Q6.7 Alternatively, should the GST-free supplies made by the non-resident

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be excluded when determining the non-residents requirement to register?

Yes, in the context discussed above.

4.3 Option 5: Non-residents using an agent

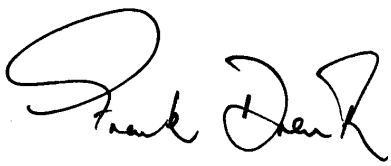
Q6.8 What would be the best method of removing the non-resident's requirement to register without undermining the taxable or creditable status of the supply or acquisition made by the non-resident?

See our response to Q6.5. In the alternative, a provision to the effect of section 83-30 could be employed.

* * *

We thank the Board for this opportunity to comment. We trust that this submission is helpful and would welcome the opportunity to discuss these matters further. If you have any queries in relation to the matters raised in our submission, which has been prepared with assistance from Greenwoods & Freehills Pty Ltd, please do not hesitate to contact us.

Yours sincerely



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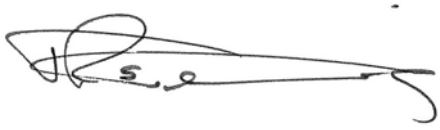

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