

Type of entry	Proposed activity
Title	Bankruptcy –Trustees’ remuneration amendments [Amendments to the provisions of the <i>Bankruptcy Act 1966</i> (the Act) relating to the remuneration of registered trustees]
Description of issue	Recurring problems have arisen in relation to some aspects of the remuneration regime which warrant legislative reform. A review of the remuneration provisions has been conducted and amendments to enhance the transparency and effectiveness of the provisions are proposed, including: <ul style="list-style-type: none"> • increasing the minimum statutory remuneration entitlement of trustees and removing the ability to recover the amount directly from the bankrupt where there are insufficient assets in the estate; • removing remuneration claims based on a ‘default’ scale and replacing this with a process for trustees to apply to the Inspector-General in Bankruptcy to determine whether proposed remuneration is reasonable, in situations where it is not possible to obtain creditor approval; and • replacing the current process for taxing the remuneration of a trustee with a more flexible and focussed review process, in order to reduce the time and cost involved in resolving disputes about remuneration.
Consultation opportunities	A paper outlining proposals for reform was released for public consultation in May 2008. The proposals paper can be found at http://www.itsa.gov.au/dir228/itsaweb.nsf/docindex/law+reform-%3Etrustee+remuneration+review-%3Etrustee+remuneration+review+documents/\$FILE/Proposals_Paper.pdf Submissions received in response to the paper assisted in formulating the proposed amendments to the Act. Amendments to the Bankruptcy Regulations will be required to provide the detail of the proposed remuneration arrangements and further consultation will be conducted.
Expected timetable	The legislation is expected to be introduced during the 2008 Spring Sittings of Parliament.
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