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Via email: CATSIActReview@niaa.gov.au

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Dear Ms Collard

RE: Review of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*

Thank you for your correspondence of 11 August 2020, providing an opportunity for the Northern Territory Government's Department of the Chief Minister and Cabinet to give feedback regarding the review of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

The Northern Territory Government values the importance of this review, which relates to the future management of Indigenous corporations registered under the CATSI Act.

Please find attached feedback to the review of the CATSI Act. Should you wish to discuss further, I would encourage you to contact Ms Mischa Cartwright, Executive Director, Aboriginal Affairs Strategic Partnerships on (08) 8951 6575 or via mischa.cartwright@nt.gov.au.

Yours sincerely



JODIE RYAN

1 OCTOBER 2020

CATSI Act Review – Draft Report Feedback

Introduction

The Department of the Chief Minister and Cabinet recognises the importance of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) to facilitate the self-determination of Aboriginal and Torres Strait Islander people across Australia. Many of the Aboriginal corporations established under the Act play a critical role delivering an array of essential services (including municipal, housing, health, community, employment, training, food provision, native title, art and cultural services), and supporting economic development in communities.

As at 30 June 2016, the Australian Bureau of Statistics (ABS) estimated there were 74,546 Aboriginal people living in the NT, which represents 30.3% of the Northern Territory's population and 9.3% of the national Aboriginal population. A majority of the Northern Territory's Aboriginal population live in remote and very remote areas.

Approximately 21% of Aboriginal and Torres Strait Islander registered corporations are located in the Northern Territory. The Office of the Registrar of Indigenous Corporations' (ORIC's) 2018-19 Yearbook highlighted that, at 30 June 2019, there were 3,198 registered Aboriginal and Torres Strait Islander corporations in Australia – a figure that represents a 5% increase compared to the previous year. ORIC's 2018-19 Yearbook also reported 44 de-registrations compared to 41 in the previous year. There are approximately 686 Aboriginal corporations in the Northern Territory. This includes 371 in Central Australia, 229 in the Top End and Tiwi, and 86 in Arnhem Land and Groote Eylandt.

In November 2017, the Registrar of Indigenous Corporations published its ninth Annual Report on the 500 top-earning corporations registered under the CATSI Act. The report noted the average income of the top 500 corporations increased from \$3.76 million to \$3.84 million over the 2016-17 financial year. This Report noted Northern Territory-based corporations represented 47.1% of the combined total income for the top 500 corporations, and provided 44.1% of the total 12,981 full-time equivalent jobs offered by the top 500 corporations.

The Arnhem Land Progress Aboriginal Corporation (ALPA) was the highest-earning corporation outlined in the 2017 Report, with an income of \$95.5 million (up 7.5% from the previous year). The health and community services sector represents the sector with the largest concentration of top 500 Aboriginal and Torres Strait Islander corporations, with up to 202 corporations – 40.4% of the top 500 registered in this field.

The NT Government acknowledges that registered Aboriginal corporations are fundamental to Aboriginal economic and social development. These corporations are also key to driving local decision making, including through the transitioning of government services and programs to community control. Danila Dilba Biluru Butji Binnilutlum Health Service Aboriginal Corporation (Danila Dilba), for example, provides culturally appropriate health care services to Aboriginal people living in the Yilli Rreung (greater Darwin) region. In March 2016, a Deloitte review found that each dollar invested in Danila Dilba generates \$4.18 of benefit to Australian society. Aboriginal and Torres Strait Islander corporations such as Danila Dilba provide significant value to Australia – it is necessary that the CATSI Act Review is responsive to the diverse needs of these corporations to ensure they are supported to continue their important work.

The NT Government welcomes the CATSI Act Review and the proposed amendments as a means to promoting high standards of corporate and financial management and providing supportive regulatory tools.

Proposed amendments should be cognisant of broader Aboriginal Affairs policies that are being operationalised to strengthen Aboriginal self-determination. The Northern Territory continues to progress Aboriginal advancement in economic and social outcomes through the implementation of the Northern Territory *'Everyone Together'* Aboriginal Affairs Strategy and the NT Government's commitment to the National Agreement on Closing the Gap. These significant Aboriginal Affairs policy platforms strengthen government partnerships with Aboriginal people and ensure Aboriginal people are at the centre of decision-making. Growing the Aboriginal Community Controlled Sector and driving the development of community decision-making are at the forefront of these policies, and should be reflected in the CATSI Act Review.

While there are numerous high performing NT-based Aboriginal corporations, further work is needed to build the capacity and capabilities of many Aboriginal corporations. The retainment of the CATSI Act as a special measure under the *Racial Discrimination Act 1975* will be essential for this work.

Unique provisions of the CATSI Act

The CATSI Act is still relevant today. Its framework, regulations and support mechanisms have been tailored specifically to the needs of Aboriginal and Torres Strait Islander people.

The Review of the CATSI Act must ensure that the Act upholds culturally appropriate governance structures. Corporations such as the Western Desert Nganampa Walytja Palyantjaku Tjutaku Aboriginal Corporation (Purple House), an NT-based Aboriginal Community Controlled Organisation, demonstrate the importance of culturally appropriate governance that takes into consideration language groups, traditional systems and community needs. Purple House is nationally recognised for its Aboriginal-owned-and-operated, purpose-built governance structure. This governance structure has helped strengthen Purple House's ability to deliver remote dialysis, social support, aged care and NDIS services to communities.

The requirement under the CATSI Act for corporations to have constitutions (rulebooks) is important for ensuring effective corporate governance. Constitutions outline a corporation's purpose, guide operations, and clarify the relationship between members and directors. Under the CATSI Act, corporations have the flexibility to tailor the rulebook to meet the needs of their Aboriginal governance systems while balancing the need for corporate governance. The Review of the CATSI Act should aim to strengthen these rulebook arrangements.

The Review Draft Report notes many Aboriginal corporations receive government funding to deliver community services. The provision of a special administrator under the CATSI Act is therefore important to ensure corporations are supported if faced with disputes, issues with senior management and/or financial concerns. The CATSI Act provides scope for corporations to access support in instances where a special administrator may be required to resolve a challenging situation. A Review of the CATSI Act should seek to strengthen these support mechanisms.

Education and training provided to corporations by the Registrar is another key component of the CATSI Act. The current challenging fiscal environment has resulted in fewer face-to-face training opportunities, which has been particularly challenging for staff based in regional and remote areas. The NT Government would suggest the Review of the CATSI Act to consider options to increase education and training resources for corporations.

The NT Government's commitment to education and training is exemplified through the annual Aboriginal Leadership and Governance Forum, delivered by the NT Department of the Chief Minister and Cabinet in partnership with ORIC, the Australian Institute of Company Directors and Aboriginal Peak Organisations of the Northern Territory (APO NT)'s Aboriginal Governance and Management Program (AGMP). The Forum provides an opportunity to celebrate and acknowledge Aboriginal leadership and governance, share success stories, and discuss lessons learnt.

Capacity Building

Despite greater resourcing in recent years, the demand for Aboriginal governance tools and training currently outweighs supply. The significant increase in the number of registered Aboriginal corporations has grown at the same time as the budgets of many governance training providers have decreased.

The NT Government recognises that remote Aboriginal governance and capacity building needs vary across corporations, and that corporations themselves are best placed to recognise how to strengthen their governance structures. The NT Government's Department of the Chief Minister and Cabinet offers the Remote Aboriginal Governance and Capacity Building Grant Program on an annual basis to support community controlled organisations to strengthen their capacity to deliver community-led initiatives, programs and services.

There is a significant need for governance training amongst Aboriginal and Torres Strait Islander corporations. ORIC is well placed to respond to this need given its focus on corporate governance and its experience developing culturally responsive training materials. A Review of the CATSI Act should seek to strengthen the avenues through which Aboriginal and Torres Strait Islander corporations may access governance support.

Recent COVID-19 Pandemic

The issue of remote food security in the NT was a major concern during the 2020 COVID-19 crisis, highlighting the need for the CATSI Act to provide tailored support and monitoring for Aboriginal corporations. While working through food security matters, it became evident that greater monitoring and support was necessary for Aboriginal corporations who were independently operating remote stores. Ensuring that communities have well-run stores that meet licencing requirements is important for communities, particularly during crisis events such as COVID-19. A collaborative approach between Commonwealth agencies such as ORIC and the National Aboriginal Australians Agency (NIAA) is important, as is the inclusion of an NT Government perspective, to ensure these issues are resolved.

Conclusion

The Department of the Chief Minister and Cabinet recognises that the CATSI Act fulfils an important role as a special measure under the *Racial Discrimination Act 1975*. The CATSI Act is a useful framework that builds the capacity of Aboriginal and Torres Strait Islander corporations.

The Review of the CATSI Act should consider measures to protect the unique practices of Aboriginal and Torres Strait Islander corporations. Doing so will provide space for Aboriginal corporations to operate according to culturally appropriate governance structures, and help strengthen Aboriginal empowerment and self-determination.

The Department of the Chief Minister and Cabinet has provided feedback on the proposed changes outlined in the CATSI Act Review Draft Report (as at **Attachment A**).

The Department of the Chief Minister and Cabinet strongly encourages the Commonwealth Government to commit to resourcing the capacity-building of Aboriginal corporations, and welcomes partnerships between all levels of government to work together to support the aspirations of regional and remote Aboriginal corporations.

The Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) Review

Proposed Change		Comments	Supported/Not Supported
Powers and Functions of the Registrar			
3.7	Expand the powers of the Registrar to include a suite of lower level discretionary powers, modelled on those of ASIC, including power to issue fines.	Expanding the Registrar's powers to include a broader suite of regulatory responses will allow for more proportionate intervention, and better and more suitable support to corporations when required. Granting the Registrar the same powers as its authorised officers to inspect, use and copy the books of CATSI corporations will rectify a current anomaly in the CATSI Act.	Supported.
3.11	Expand the powers of the Registrar to accept enforceable undertakings as well as to identify situations where a corporation is failing to fulfil the undertakings it has made.	See comments at 3.7	Supported.
3.17	Amend the CATSI Act to: <ul style="list-style-type: none"> • provide the Registrar with the same powers as its authorised officers; and • expand the sections of the CATSI Act that enable an authorised officer to inspect a corporation's books and request a person to explain the material in those books, to model the rights currently granted to an auditor of a corporation under the CATSI Act. 	See comments at 3.7	Supported.

3.18	Amend the CATSI Act to mirror the powers given to ASIC under section 84 of the Corporations Act to exercise powers over a person who is, or has been, an officer or employee of the body corporate.	See comments at 3.7	Supported.
Governance			
4.11	Amend the CATSI Act to include a statutory timeframe within which corporations need to consider membership applications and the appropriate length of such a timeframe.	<p>This amendment will implement timing expectations to be met by the Board, and will be a useful indicator for applicants.</p> <p>A timeframe of 6-8 weeks should be sufficient to undertake an appropriate review process, and is similar to standard recruitment timeframes in other organisations.</p>	Supported.
4.12	Amend the CATSI Act to provide timeframes within which an applicant whose application for membership is rejected can request a meeting, and within which the meeting must be called, as well as a specified quorum of members to consider the applicant's membership request.	<p>This amendment will formalise the appeals handling process. The introduction of fourteen-day timeframes and a requirement for a minimum of 2 members at the meeting will ensure appropriate timing and governance arrangements are in place.</p> <p>For example, 14 days and a minimum of 2 members to allow for appropriate timing and governance.</p>	Supported.
4.20	Amend the CATSI Act to change the current membership and directorship provisions for corporations with corporate members to make it easier for CATSI corporations to establish subsidiaries and joint ventures.	The existing requirement to have a majority of personal members is complex and costly, which is consistent with submissions received from the Technical Review.	Supported.
4.23	Removing the requirement that a majority of directors be Aboriginal and Torres Strait Islander persons in circumstances where a CATSI corporation is established with two	The current legislation would make it difficult to establish a two-person corporation.	Supported.

	members, one of whom is an Aboriginal and Torres Strait Islander person.		
4:30	Amend the CATSI Act to change the corporation size classification test to be based on revenue only and align the revenue thresholds used to determine size with the Australian Charities and Not-for-profits Commission (ACNC) classifications.	<p>There should be more consultation and consideration on this proposed change.</p> <p>While the proposed model is simpler, it is inconsistent with the model applied under the <i>Corporations Act 2001</i>.</p> <p>This alignment may have unintended consequences for certain businesses, such as small organisations managing large funds which are not technically defined as income (such as royalty payments).</p>	Partly supported.
4.34	A new CATSI Act classification framework could be introduced with only two sizes: small and large. The Review is seeking feedback in relation to what the criteria and associated threshold(s) could be for determining whether a corporation is small or large.	<p>This is a sensible proposal. Criteria and thresholds could include:</p> <ol style="list-style-type: none"> 1. Number of employees <i>Small: 0-10</i> <i>Large: 11 or more</i> 2. Revenue <i>Small: \$0 - \$1 million</i> <i>Large: \$1 million or more</i> 3. Asset Portfolio 4. Liability Portfolio 5. Number of Directors 	Supported.
4.39	<p>Amend the CATSI Act to provide flexibility to corporations that would struggle to meet their meeting obligations when faced with an uncommon event by:</p> <ul style="list-style-type: none"> • allowing corporations to access a 30-day time extension to hold a particular annual general meeting (AGM) where the corporation: 	<p>Applications for 30-day extensions of AGMs should meet strong criteria and be approved by the Registrar.</p> <p>This will support corporations in defined circumstances, while adhering to good governance practices.</p>	Supported.

	<ul style="list-style-type: none"> ○ notifies the Registrar before the period to hold the AGM has expired that there is a death in the community, natural disaster, cultural activity or an unavoidable delay in the audit; ○ has not notified the Registrar of an extension of time more than three years in a row; and ● allowing directors to issue an updated notice of meeting—after one has already been issued—within 30 days of the original meeting date in the case of death, natural disaster and certain cultural activities in community, which may change one or all of the following: date, time and place of the meeting. 		
4.43	Amend the CATSI Act to provide greater clarification in relation to the conduct and cancellation of general meetings, particularly in circumstances where it may be reasonable to cancel a general meeting at short notice. For example, to accommodate sorry business within a community.	Promoting greater flexibility in the CATSI Act may be more appropriate rather than prescribing specific reasons for cancellation that may not be applicable to all corporations.	Supported.
4.45	Amend the CATSI Act to allow corporations to activate a 30-day time extension to lodge report(s) with the Registrar in the case of death, natural disaster and certain cultural activities in community where they have not notified the Registrar of an extension of time more than three years in a row.		Supported.

4.47	Amend the CATSI Act to require corporations to lay before the AGM any reports they are required to prepare for that financial year.	This would provide greater transparency for members regarding the operations and performance of their corporation, and ensure all members have visibility of and input into discussions and issues.	Supported.
4.48	The Review is seeking feedback in relation to whether 'dormant' corporations should be subject to reduced reporting and audit requirements under the CATSI Act, and, if so, what constitutes a 'dormant corporation'.	<p>This proposal is inconsistent with the <i>Corporations Act 2001</i>, and further consultation should be undertaken.</p> <p>A company should be considered to be 'dormant' if it is not trading/operating and <u>does not receive any form of income</u>.</p> <p>It is important to note that any dormant company is still required to comply with its obligations under the <i>Corporations Act 2001</i>, which includes paying an annual review fee to ASIC and meeting ATO obligations.</p>	Not supported.
Officers of Corporations			
5.10	Medium and large CATSI corporations to include the details and amounts of their CEO's and other senior managers' remuneration packages and any other material benefits in their Annual Reports.	<p>This requirement is not fully consistent with the current approach for corporations under the <i>Corporations Act 2001</i>. However, noting that many CATSI corporations are grant recipients, there is value in providing transparency regarding the remuneration packages received by CEOs and senior officers. Accordingly, a model that discloses remuneration bands (perhaps in \$50 000 increments) may be an appropriate middle ground.</p> <p>It is important that there is a balance between the interest of the corporation and interests of the individual.</p>	Not supported.

		Note – APO NT is not supportive of this amendment.	
5.15	To be consistent with the suggested changes for key management personnel, it is proposed that all corporations report on how much each director is paid in sitting fees in their annual financial reports that are lodged with the Registrar.	Refer to the comments relating to paragraph 5.10.	Not supported.
5.18	Introduction of Director Identification Number (D.I.N).	The introduction of a Director Identification Number seems reasonable. However, the term DIN has potential pejorative connotations in Indigenous communities and language. It is recommended that the use of the abbreviation be discontinued and that further publications on the Director Identification Number be used in full or abbreviated to Director ID.	Partly supported.
5.19	As a minimum requirement, all corporations include the names of key management personnel (CEO, Chief Financial Officer and Chief Operating Officer) and their qualifications in their Annual Reports.	This will provide a transparent and clear organisational structure for all members and external stakeholders.	Supported.
5.21	We would like to hear your views on: <ol style="list-style-type: none"> 1. Whether medium and large corporations have the capacity to publish CEO and other senior executives' work history in Annual Reports; 2. How to handle the situation where there are multiple CEOs throughout the year; and 3. How work history can be confirmed before publishing. 	There should be a record of key management personnel's work history within a corporation's records, regardless of whether it is disclosed in annual reports. At a minimum the current year's CEO and key management's profile should be reported on. If only the current financial year's CEO is being reported on, then this should be within capacity of all corporations.	

		Until the Director Identification Number (DIN) is established (creating a central register of directors), a manual process, certified by the CEO, may be required.	
5.23	Currently, corporations are required to advise ORIC within 28 days of the details of directors when there has been a change of directors. It is also proposed that this be extended to key management personnel, for the purposes of consistency.		Supported.
5.38	All registered entities be required to disclose related party transactions in their Annual Reports to increase transparency around such transactions.	While it is noted that further consultation is needed on whether it is appropriate to reduce some regulatory burden around related party provisions for CATSI corporations, all transactions being made transparent can be the best way to keep members on the same page and provide an organisation-wide view of the financial benefits.	Supported.
6.3	Amend the CATSI Regulations to prescribe who is permitted to receive protected information in more detail.	This amendment would establish the appropriate level of authority to receive confidential information.	Supported.
6.5	Registrar to be able to use electronic means, such as email, when required to notify people or corporations directly.	While this promotes business efficiency, there is some concern relating to network coverage, access and disruptions in remote communities. Other mechanisms, such as read receipts and notifications, will need to be implemented. Highly critical notices should continue to be hand-delivered to ensure messages are delivered on time and are not missed. Notices should also be published on the ORIC website.	Partly supported.
6.9	Registrar be able to share de-identified data and information with stakeholders such as	As long as the data is not able to identify an individual (removing title, name, dates, and any	Supported.

	researchers, academics and peak bodies among others.	other traceable information), this should not cause any issues with confidentiality and minimises risk to the corporation.	
6.10	Require the provision of electronic contact details for people and corporations as well as physical address information.	This seems reasonable and supports both traditional and modern contact approaches.	Supported.
6.11	Enable the Registrar to update the personal details of a director when aware that they are incorrect or out-of-date.	This seems reasonable, particularly where a person is acting as a director for more than one corporation.	Supported.
6.12 6.13	Create a consistent approach in relation to false and/or misleading information.	It is reasonable to align the CATSI Act with the Corporations Act 2001, and allow for consistent penalties for similar or identical offences. These changes will provide greater consistency across regulatory frameworks.	Supported.
6.14	Expand the protection provisions for whistle-blowers under the CATSI Act to bring them in line with the 2019 amendments to the <i>Corporations Act 2001</i> .	Aligning with the <i>Corporations Act 2001</i> will provide greater consistency across regulatory frameworks for both CATSI and non-CATSI corporations.	Supported.
6.16	Require ORIC to issue a finalisation letter if either a compliance notice or “show cause” notice is not issued at the conclusion of an examination.	This seems reasonable as it can provide certainty to CATSI corporations and stakeholders that an examination has been formally concluded. This change would also provide guidance regarding actions required to fix any identified issues, and would confirm that issues have been addressed.	Supported.
6.17	Require the Registrar under the CATSI Act to issue Compliance Outcome Letters to confirm that matters raised in compliance notices have been adequately addressed by corporations.	See comments at 6.16.	Supported.
6.18	Amend CATSI Regulation 23 to make it clear that reporting entities under the CATSI Act need to prepare general-purpose financial	This will be an efficient change. Preparing statement using a common set of standards will	Supported.

	statements in accordance with the accounting standards, as opposed to special purpose financial statements.	assist stakeholders to better understand financial statements.	
6.19	Amend CATSI Regulations to outline the process for corporations needing to replace an auditor who has resigned.	It is reasonable and standard practice to have a formal process.	Supported.
6.20	Align the CATSI Act with the <i>Corporations Act 2001</i> under which auditors are provided with qualified privilege in relation to specific actions they may undertake as part of their work.	Aligning with the <i>Corporations Act 2001</i> will provide greater consistency across regulatory frameworks.	Supported.
6.21	Expand the definition of negotiable instruments to include payments such as electronic funds transfers.	This change seems reasonable. It will expand accepted payment methods to incorporate modern payment options.	Supported.
7.11	One option is to support greater transparency of trusts by providing for the creation of trusts under the CATSI Act. In turn, the Registrar could hold a Register of Trust Deeds, ensuring accessibility and transparency for members and common law holders and could require regular reporting on trust activity. We would like feedback on whether this would be a useful provision and whether it would increase transparency for stakeholders.	While there is no equivalent in the <i>Corporations Act 2001</i> , this proposal would be beneficial in that it would support transparency for all stakeholders around Native Title monies and overcome governance shortcomings by placing accountability on the Registrar for recording details of trusts.	Supported.
7.20	Introduce a requirement that RNTBCs must separately report on monies derived from native title, as well as non-monetary native title benefits held on trust, in addition to their existing reporting requirements.	This seems reasonable and would increase transparency of information around what native title benefits exist, where monies are held and how and to whom distributions are paid – the main aim of the provision.	Supported.

	All RNTBCs would be required to provide a certain base amount of information in their annual general report that is submitted to the Registrar about the native title monies they have received, invested or used; while some RNTBCs (with income above a certain level) will be required to provide a greater level of detail in their annual financial report.		
7.24	Whether there should there be a financial threshold where reporting requirements are triggered to avoid undue regulatory burden.	This proposal requires further consideration and consultation with stakeholders to discuss potential material and non-material thresholds.	
7.25	Noting that the PBC Regulations only apply to RNTBCs, should a reporting obligation be extended to any entity that is related to a RNTBC that is holding monies (above a certain threshold) derived from native title? What would a relevant threshold look like?	This requires further consultation and it would be most appropriate for the threshold to be consistent with the determined threshold for a RNTBC.	
7.26	Given ORIC's corporate regulatory role, are there any issues with extending this to significant aspects of the PBC Regulations such as the making of native title decisions on native title monies and proposed obligations to separately report on native title benefits? Should there be a limit to this regulatory oversight?	This requires further consultation.	
7.32	Views on whether, in addition to the existing and proposed dispute resolution options, a new arbitration function would assist in resolving RNTBC disputes noting complex design issues may limit the scope of any arbitration function.	This requires further consultation.	

	If an arbitration option is developed, which agency should hold the arbitration function? Would additional enforcement powers be needed for ORIC to arbitrate decisions?		
7.34	The Review seeks feedback regarding the desirability of a RNTBC specific model rule book that offers sample rules to assist groups to develop their own rules, promote good practices, and enable a 'default' set of rules for newly established RNTBCs.	This seems like a sensible proposal and could guide RNTBCs to develop rule books unique to their business and standard processes for members to follow.	Supported.
8.10	It is proposed that, rather than becoming part of the Consolidated Revenue Fund, the CATSI Act be amended to allow the Registrar to use funds in the Unclaimed Money Account after six years to maintain and protect assets that are vested in the Registrar under subsection 546-20(2) of the Act. This may include using those funds to engage an asset manager to manage the property until the Registrar can take appropriate action to divest the property. It is not proposed that funds will be used to pay liabilities such as rates, but rather for threat mitigation and rectification, and insurance costs.	This would help reduce potential liabilities on vested properties. Six years is a satisfactory time period to handle potential applicants for the rightful transfer of funds before granting the Registrar the ability to utilise the funds.	Supported.
9.6	Changing the name of special administration may help prevent people assuming that it is the same as external or voluntary administration.	There is no associated risk to changing the name, however this change should be clearly defined in legislation, and communicated to corporations to ensure they have understanding of this process. A potential new name could be 'Special Assistance'.	Supported.
9.10	One of the grounds for appointing a special administrator is if a majority of directors request the Registrar to appoint one. As	It seems reasonable to streamline the 'show cause' process if the majority of a Board agree to it and it	Supported.

	such, it has also been suggested that the 'show cause' process could be dispensed with, since the request itself satisfies one of the grounds for special administration.	satisfies one of the grounds for special administration.	
9.11	We are keen to hear your views on whether the 'show cause' process should be removed if all or only the majority of a corporation's directors request the appointment of a special administrator?	See comments at 9.10.	Supported.
9.12	Whether the 'show cause' notice process could be streamlined or shortened?	See comments at 9.10.	Supported.
9.33	It is proposed that a CATSI corporation should be presumed to be insolvent where an authorised officer appointed under the CATSI Act has reported to the Registrar, or a special administrator forms the opinion, that: <ul style="list-style-type: none"> the corporation has failed to keep adequate written financial records (with no time period specified); or the corporation has failed to keep adequate financial records for a period of seven years. 	Given the potentially serious implications of presuming a CATSI corporation is insolvent, and uncertainty regarding what would constitute failing to keep "adequate written financial records", further consultation should be undertaken with stakeholders.	
9.40	A current requirement exists for all members to agree to deregistering a CATSI corporation. It is proposed that this could be improved by providing a lower threshold, such as allowing a special resolution to be passed agreeing to the winding up, or, alternatively, providing the Registrar with the power to exempt corporations from a particular criteria for deregistration such as the requirement for 100 per cent of the membership to agree.		Supported.