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CATSI Act Review

# Part 10—Power to exempt corporation from employee-director requirement

Recommendation 39 of the CATSI Act Review final report recognised that there are times when it may be appropriate for a corporation’s directors to also be employees. For example, in a Registered Native Title Body Corporate where the directors may work as employees undertaking cultural heritage work, or an art centre where directors may also be artists who work as employees to sell their artwork. Recommendation 39 stated:

*Allow the Registrar to exempt a corporation or class of corporations from the requirement that a majority of directors must not be employees*.

Items 172 and 173 give effect to this recommendation by providing the Registrar with the power to exempt a corporation from, or make a determination exempting a class of corporations from, the requirement that the majority of directors must not be employees.