

- the proposed establishment of a panel to make unacceptable conduct declarations in place of the ASC.

Mr Bowen said that there was 'no grab for power' by his department.

committee report. The Joint Select Committee split over two aspects of its report. First, Opposition members of the Committee released a dissenting report which attacked the proposal to take the administration of companies and securities law from the States. The Committee also split along party lines on the subject of unacceptable conduct declarations. The casting vote of the ALP chairman, Mr Edwards, produced a recommendation that the Australian Securities Commission retain the power to make unacceptable conduct declarations (*Australian Financial Review*, 14 April 1989). This would leave the Panel with the ability to ratify a decision by the Commission and to make orders. It would not achieve the original objective of separating the functions of investigating dubious market behaviour and making unacceptable conduct declarations between the NCSC and the Panel. The Business Council of Australia regarded the Committee's recommendation that the ASC have the power to make unacceptable conduct declarations as 'inappropriate and objectionable in principle' (*Australian Financial Review*, 26 April 1989). It said:

The differentiation between the investigative and adjudicative role is of fundamental importance.

The Council argued that the ASC's ability to publicise its intention to refer particular market behaviour to the Panel would provide it with sufficient 'leverage'. It supported a national scheme of companies and securities regulation but said that it was 'critically important' for the Government to outline the transitional arrangements which will accompany the shift from

the current co-operative scheme to a national scheme.

The Committee unanimously recommended against abolition of the pre-vetting of takeover statements and s 261 notices which are used to trace the beneficial ownership of shares. However, it supported the provision in the Corporations Bill for the substantial shareholder disclosure threshold (the percentage of a company's share capital which necessitates the giving of a formal notice by the holder of that share capital) to be reduced from 10% to 5%. The Corporations Bill now appears likely to be passed by the Parliament with the support of the Australian Democrats in the Senate, even though major deregulatory aspects of the legislation will be removed if the recommendations of the Joint Select Committee are accepted. The general counsel of the Confederation of Australian Industry, Mr Bob Gardini, has said that, with most of the deregulatory elements of the Bowen package gone, the CAI 'would not support a national scheme for its own sake' (*Australian Financial Review*, 14 April 1989). The steering committee of market professionals advising Mr Bowen in the preparation of national legislation has recommended that the Government should not accept the Committee's recommendations in relation to several matters including unacceptable conduct declarations, pre-vetting and s 261 notices (*Australian Financial Review*, 2 May 1989). Revelation of the Government's attitude to the recommendations of the Select Committee is eagerly awaited.

* * *

woolly thinking banished

I was dreaming, I suppose, of these entertaining shows,
But it never crossed my mind I was asleep,

Till the boss beneath the cart woke me up
with such a start,
Yelling, "Clancy, where the hell are all the
sheep?"

traditional bush song,
The Drover's Dream

The colonial experienced men of the VLRC and the Regulation Review Unit (Vic) have just released a timely report on The Sheep Owners Protection Act. The report is tastefully decorated with a picture of an empty sheep truck and some shears.

The report deals with the extent to which sheep carriers and sheep skin buyers should be regulated. The regulation is through a system of licences renewed annually through the Magistrates Court or the police. Licences are granted only to 'fit and proper persons'.

The report examines such basic questions as

who are sheep carriers?
should they also carry log books?

and contains detailed information about the extent of rustling in Victoria from 1983-1987. It would appear that there are a number of Godfathers operating in Victoria since well over 400 horses' heads were stolen over that period. Of these, however, only about 100 were ever recovered. No information is available on the fate of the rest of the horses (the report does not examine the hamburger meat industry).

The report concludes by recommending repeal of the Act and a slight modification of police powers to allow questioning of livestock carriers and farm-produce carriers. No recommendations are made on the difficult question of distinguishing sheep from goats.

admiralty reform

A ship in dock, surrounded by quays and the walls of warehouses, has the appearance of a prisoner meditating upon freedom in the sadness of a free spirit put under restraint.

Joseph Conrad, *The Mirror of the Sea*

admiralty act proclaimed. On 1 January 1989 the Admiralty Act 1988 (Cth) came into force. The need for reform of admiralty law has been generally recognised for many years. Previous legislation, inherited from England, restricted admiralty jurisdiction to matters within the admiralty jurisdiction in England in 1890. In November 1982 the Government asked the ALRC to review and report on all aspects of the Admiralty Jurisdiction in Australia and to make recommendations on provisions to be included in an Australian Admiralty Act. The new Act follows the recommendations contained in the Commission's report entitled Civil Admiralty Jurisdiction (ALRC 33).

second reading speech. In his second reading speech the Attorney-General, the Honourable Lionel Bowen said

the proposed Admiralty Bill will give Australia, for the first time, a comprehensive, up to date, locally enacted and uniform law governing the exercise of Admiralty Jurisdiction by Australian Courts. . . . Australia is principally a country of shippers rather than ship owners and is dependent upon foreign shipping for much of its import and export trade. It is, therefore, in Australia's best interest to support a broad admiralty jurisdiction, which is dependent principally on the presence in the jurisdiction of the ship or sister ship in relation to which a maritime claim arises.

significant features of the act. The significant features of the Act were outlined in the second reading speech