



SPEECH

CRAIG EMERSON

Member for Rankin

28 March 2007

BANKRUPTCY LEGISLATION AMENDMENT (SUPERANNUATION CONTRIBUTIONS) BILL 2006 Second Reading

[Dr EMERSON](#) (Rankin) (7.21 p.m.)—I wish to speak tonight about those amendments contained in the [Bankruptcy Legislation Amendment \(Superannuation Contributions\) Bill 2006](#) which allow bankruptcy trustees to recover superannuation contributions made before bankruptcy with the intention to defeat creditors. That part of the legislation is required because a decision was made by the High Court in *Cook v Benson* in 2003 which opened up the possibility that people could hide money from their creditors by putting it into superannuation before declaring themselves bankrupt. The purpose of those amendments within this bill relating to that matter give rise to a situation where payments to superannuation plans to defeat creditors will be recoverable in the same way as other payments or transfers to defeat creditors.

It is sometimes said, and even more often believed, that in a parliamentary system the opposition opposes for the sake of opposing. I take the opportunity tonight to prove that that is not always the case. We do not oppose this legislation. It is legislation which corrects a problem in relation to people being able to declare themselves bankrupt and still maintain a very substantial amount of their assets through the contrivance of putting it into superannuation. That is not something that Labor supports. Legislation that defeats that contrivance is something that Labor supports, and that is why we support the legislation here tonight.

I want to say a couple of words about superannuation and indicate, in so doing, that I will do what I can to facilitate the passage of this legislation tonight. Superannuation is a great initiative. It is an initiative that was undertaken by the previous Labor government, opposed on many occasions by the present government. I will not go through all that tonight other than to say that our superannuation assets in this country have reached \$1 trillion, which is a terrific achievement in a relatively short period of time. It is an achievement that was initiated by Labor.

Labor supports strongly the superannuation savings system in this country. In order to facilitate the passage of this legislation tonight I think I will leave my remarks there so that we can get to a point where this bill passes the chamber tonight.