

15 January 2014

Ms Penny Lipscombe
Director, Legislation and Policy
Consumer Protection Division
Department of Commerce
Locked Bag 14
Cloisters Square PO
PERTH WA 6850

RE: DISCUSSION PAPER- PROPOSED REFORMS TO LIMITED PARTNERSHIP LAWS

Dear Ms Lipscombe

On behalf of the Western Australian Technology and Industry Advisory Council (“TIAC”) thank you for the opportunity to comment on the proposed reforms to limited partnership laws in Western Australia.

TIAC provides independent expert advice to the State Government on the future economic development of industry, science and technology in Western Australia. The discussion paper articulates and defines a much needed framework which, if implemented, will significantly enhance the effectiveness and workability of the current legislation.

As requested, below is TIAC’s comments and feedback on the proposed reforms.

1. *Concerns or issues with the Act which would not be addressed by the proposed amendments which seek to bring the Act into line with other Australian jurisdictions.*

TIAC is satisfied with the scope of the amendments made to the Limited Partnerships Legislation (LPL). However, given the higher levels of investment risk associated with early stage innovation investment, it favours inclusion of “Restriction on insolvents and convicted persons” as previously proposed. TIAC also favours provision for inclusion of a “Model Limited Partnerships Agreement” to facilitate the establishment of partnerships.

2. *Additional amendments to the Act which TIAC considers necessary.*

Subject to the comments above, TIAC is satisfied with the proposed amendment.

3. *Experience with limited partnerships law in other jurisdictions which may be helpful to the proposed amendments.*

Whilst TIAC members cannot comment on limited partnerships in other jurisdictions, significant experience with public companies in the high risk resources sector indicates that the proposed changes are essential to attract more high risk investment into innovation – oriented partnerships and to enable successful developments to prosper and progress into more substantial enterprises.

4. *Promotion and monitoring of future legislation*

TIAC members wish to point out that once the proposed reforms are in place, it would be advantageous for the State Government to promote the legislative change to venture capitalists and potential venture capital partners. In addition, TIAC suggests that it would be strategic to monitor on an annual basis, the value of the capital inflow, as a measure of the success of the legislation. These measures are in place in other jurisdictions.

5. *Nomination of a primary and secondary contact for ongoing consideration.*

Primary Contact:

Mr Alan Bansemer
Chair
TIAC

Secondary Contact:

Mr Michael Dickson
Manager
Strategic Policy
Department of Commerce

We look forward to seeing the progression of the proposed reforms to the Limited Partnerships Legislation.

Yours sincerely,



Mr Alan Bansemer

Chair