

From:

Sent: Tuesday, 27 June 2017 3:04 p.m.

To: Geoff Connor; Corporate Law

Cc: I

Subject: RE: Consultation on Corporate Insolvency Law and Director Identification Numbers
[UNCLASSIFIED]

Dear Geoff and the Corporate Law team,

Thank you for consulting us about these changes to Insolvency Law and the introduction of a Director Identification Number.

Apologies for missing the deadline on these consultations. The CTU has some very brief comments to make and we hope you will take these into account.

LONG SERVICE LEAVE

Regarding the recommendation to clarify the status of Long Service Leave in Working Group Report No 2 (R24), our view is that Long Service Leave should be included in the preferential claim categories. Long Service Leave is similar in kind to annual leave (some employers reward long service with additional annual leave whereas others make one off grants of leave). Distinguishing between these two types of leave seems odd and inconsistent. We note also that employee's preferential claims remain subject to the existing cap.

DIRECTOR IDENTIFICATION NUMBERS

We support the introduction of DINs. We think that the benefits listed in the consultation document greatly outweigh the identified negatives. We also note that this information may help to more clearly identify complex webs of related companies (such as those confronted by MBIE in the Masala litigation. Director Identification Numbers also facilitate the use of banning orders under the new Employment Standards Legislation (ss 142M to 142R Employment Relations Act 2000).

Thank you and happy to discuss.

Kind regards

| General Counsel | New Zealand Council of Trade Unions - Te Kauae Kaimahi | PO
Box 6645, Wellington

