

You may recall that the U.S. Chamber Institute for Legal Reform (“ILR”) electronically submitted on November 1, 2013 response comments to the Productivity Commission’s Issues Paper *Access to Justice Arrangements*. We attached to our comments two reports issued by ILR entitled “*Third Party Litigation Financing in Australia – Class Actions, Conflicts and Controversy*” and “*Improving the Environment for Business in Australia – A proposal for Oversight of Litigation Funding.*” I trust that the Commission has found our response comments and these reports useful and relevant to its ongoing work.

Two new reports, which were since then issued, should also be of great relevance to the Productivity Commission’s work on Access to Justice Arrangements. I realize that we are way past the submission deadline, but we feel that you ought to have a chance to review this material while you are still working on your interim report. Attached are these two reports for your review and consideration:

- 1) “*Ripe for Reform – Improving the Australian Class Action Regime*” by King & Wood & Mallesons – March 2014
- 2) “*Economic Consequences – The Real Cost of U.S. Securities Class Actions*” – February 2014

The latter paper is an exhaustive economic study prepared by Navigant consultants. It was issued in Washington D.C. ahead of the U.S. Supreme Court decision in the Halliburton case. Until a similar study is done in Australia, which would be really helpful, we believe that some of the inferences made in this paper are valid for the Australia market and its own securities class actions environment.

The KWM study is a first of its kind review of the Australian class action regime, which after 20 years of existence ought to be assessed. We strongly support KWM’s no-nonsense suggestions for improvements.