



Speech by

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MEMBER FOR MUNDINGBURRA

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EQUITY AND FAIR TRADING (MISCELLANEOUS PROVISIONS) BILL

Ms NELSON-CARR (Mundingburra—ALP) (4.15 p.m.): I rise to support the Fair Trading (Miscellaneous Provisions) Bill 1999. This Bill makes a range of amendments to improve the efficiency and workability of legislation in the Fair Trading portfolio. The amendments have been developed in close consultation with the relevant community organisations and with the relevant industry groups.

I would like to refer to a number of points that concern just three of the areas where the amendments proposed in the Bill will improve the legislative environment. I refer to the Cooperatives Act 1997. As a result of reasonable requests by the Co-operative Federation of Queensland, which is the peak body for the industry, the Bill makes several amendments to the Cooperatives Act 1997. The Act will be amended to ensure that cooperatives can have independent directors but will also ensure that the control of cooperatives stays with member directors. At present, there must be a ratio of three member directors to one independent director. That means that if a cooperative wishes to have two independent directors, it must have a board of eight, which is unworkable.

A further amendment will relieve cooperatives in appropriate circumstances from the requirement to have a registered company auditor. This will be convenient and will obviously have major cost savings. A further amendment will provide for a simplified disclosure statement, that is a prospectus, for covering shares and debentures. A further amendment will provide that, where applicable, cooperatives can get exemptions from the accounting requirements of the Corporations Law. The Bill also contains numerous minor or technical amendments to cure anomalies that have been detected since the legislation was passed in 1997 and as a result of recent amendments to the Corporations Law. The Act adopts a number of Corporations Law provisions.

The Bill contains amendments to the Land Sales Act 1984, which were requested by the Urban Development Institute of Australia through its solicitors and which help clarify the intent of the legislation. Presently, section 10A(1) of the Act requires that the vendor give to the purchaser within 18 months of the date of the contract the registrable instrument of transfer, a copy of the registered survey plan, a copy of the "as constructed plan", and a statement by a licensed surveyor. The provision unintentionally catches lots sold off a sealed plan of subdivision. Accordingly, this Bill amends this section so that the requirement to provide the documents applies only where the vendor has not already given the purchaser a copy of the plan of survey for the proposed allotment sealed by the local government.

At present, it is possible for a purchaser to take possession of a proposed allotment and to undertake work for future development prior to completion. This work could amount to a significant variation as defined in the Act, thereby allowing the purchaser to terminate the contract. This was never the intention of the legislation and is unfair to the vendor. The Bill also amends the Act to provide that the purchaser may not terminate if the purchaser is given possession of a proposed allotment and the purchaser has caused a significant variation.

At the moment, the Security Providers Act 1993 provides that a licensee who lodges an application for renewal before expiry of the licence, but the renewal is not processed until after expiry, is unable to work until a new licence is issued. Obviously, this creates extreme hardship. Therefore, the Bill provides that a licence holder who lodges an application for a renewal before expiry is deemed to be licensed until the chief executive either approves or rejects the application for renewal. This will be consistent with the approach taken in comparable circumstances in other pieces of legislation administered by the Office of Fair Trading, that is, the Second-hand Dealers and Collectors Act 1984, the Hawkers Act 1984, and the Auctioneers and Agents Act 1971. I commend the Bill to the House.