



Speech by

Hon. R. WELFORD

MEMBER FOR EVERTON

Hansard 4 April 2001

MINISTERIAL STATEMENT

Corporations Law

Hon. R. J. WELFORD (Evertton—ALP) (Attorney-General and Minister for Justice) (9.57 a.m.), by leave: Some recent decisions of the High Court cast doubt on the constitutional framework which supported our nation's corporations laws. For some time there has been a pressing need to address these decisions and to change the national scheme for the regulation of corporations, companies and securities—a scheme which first commenced in 1991.

I am pleased to advise the House that our government has agreed to participate in the development of a single uniform national corporations law. This decision means that existing companies and those planning to establish in Queensland will continue to operate under the best business laws in Australia, with no advantage to the southern states.

Queensland's attractive business environment—less red tape, a low tax regime and sensible industrial relations laws—is attracting new business, such as Virgin Blue and Boeing. To further improve the way business operates, Queensland has long advocated a uniform national approach to laws affecting companies.

At the most recent meeting of the Standing Committee of Attorneys-General, held in Adelaide on 23 March, I reached agreement with the Commonwealth and other state Attorneys-General to work towards a referral of state corporations law powers to the Commonwealth. The stumbling block had been a guarantee from the Commonwealth that it would not use referred powers to undermine our state's successful industrial relations system. We have now received that guarantee, and it will be written into the national legislation and the intergovernmental agreement which confers our power on the Commonwealth.

The agreement contains a number of safeguards for Queensland that address concerns about giving this power to the Commonwealth. The objects clause in the state referral legislation will include a provision to ensure that referred powers are not used to regulate industrial relations. The corporations agreement itself will specifically prohibit the use of the referred powers to regulate industrial relations, the environment or any other agreed matter. Under the corporations agreement, at least three jurisdictions, including the Northern Territory, will be required to vote to approve amendments to the corporations law in areas where approval of the ministerial council is currently required.

The corporations agreement will provide that if four states vote to terminate the amendment reference, all states will terminate it. The new corporations act will provide that if any state individually terminates the amendment reference, that state will cease to be part of the scheme. In other words, any state can unilaterally cease to be part of the scheme and withdraw its referral of powers at any time.

The refined package of measures protects the interests of our state, gives certainty to the business community and defines more clearly the scope of the state corporations power, which it is proposed to refer to the Commonwealth. It is my intention to introduce a bill into this House as soon as possible so that Queensland can participate in the new scheme and all states can provide business certainty from 1 July this year.
