



Speech by

Mr JIM PEARCE

MEMBER FOR FITZROY

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PROPERTY AGENTS AND MOTOR DEALERS AMENDMENT BILL

Mr PEARCE (Fitzroy—ALP) (2.52 p.m.): It is a pleasure to rise to make a contribution to the Property Agents and Motors Dealers Amendment Bill. I am certainly not going to revisit a lot of the points that have been raised by other members from this side. However, I would like to say that I endorse the comments of the member for Ashgrove with regard to the retrospectivity provisions that are contained within the amendment bill. Whilst I am not a great supporter of retrospectivity, I believe that in this case it is certainly warranted. In doing that, the minister has taken the necessary steps that I believe should be supported by all members of the House.

I would like to say a couple of things. First of all, I am a little bit disappointed by the comments of a Logan solicitor, Mr Tim O'Dwyer, which were reported in the *Gold Coast Bulletin* on Wednesday, 27 November. I understand that O'Dwyer is an advocate for victims of shonky real estate agents and property dealers. That is commendable. I am glad to see that someone in the community is prepared to speak up on their behalf. Mr O'Dwyer, in commenting on the victims of shonky Gold Coast real estate marketeers, said that victims were now being shafted by a government that had promised them redress. I do not believe that the government was ever in the business of protecting people who had made investments where there was a definite risk. Mr O'Dwyer went on to state that the victims were—
... tricked and they were trapped, and they were conned and deceived, and they trusted real estate agents, financial brokers, banks and solicitors.

Mr O'Dwyer stated further—

The government did little to warn them and has not stopped the crooks yet.

I just think that comment is a bit rich, coming from a solicitor who is in a position to be well aware of the crooks who are operating in the real estate and property area.

I wonder what Mr O'Dwyer is really suggesting. Is he suggesting that the government should somehow involve itself in the day-to-day decision-making activities of people? Is Mr O'Dwyer suggesting that taxpayers should refund losses incurred because of the inability of an investor to realise or understand when they are being conned? I would really like to see people such as Mr O'Dwyer, who puts himself up as an advocate for victims, encourage solicitors, the good real estate agents and the property developers who are sincere and fair dinkum about what they are doing to join together as one force to expose those grubs who have no compassion for people or understanding of the damage that they do and the misery that they cause to families right across this state and in other parts of Australia. This is not just a Queensland problem; it exists right across the country.

The minister is 100 per cent spot on in saying that taxpayers should not pay for the bad decisions made by investors. I am of the view that the minister should be congratulated on her stand on this issue. It is a courageous stand. I notice that she has copped a lot of flak because of what we are doing today. That flak has been unfair and unwarranted. This is a good decision and it has to have the support of the House.

The people who make decisions about investments must realise that, from the time they make that decision, it is a gamble. It is either about making money or losing money. If I make a mistake because of the people I choose to deal with, then it is my problem. I cannot expect to be compensated if there is a mistake. If I punt on a horse and the horse loses because it did not perform to my expectations, I cannot expect the bookmakers or the TAB to refund my outlay. The taxpayers in this state want their taxes spent on health, education, law and order, emergency services—all of those things that we deal with on a daily basis—and they do not want their money used to compensate people who have, by choice, made the wrong decision.

People such as Mr O'Dwyer could better serve his cause by targeting the crooks who operate in the real estate and property market. I encourage him to do that—to come forward, put the information on the table, tell us who the crooks are, and then see if we can do anything about them. The grubs—the low-lives—who operate in this industry drag down those decent, honest operators who have standards and work hard to establish their business based on honesty. The good guys know the bad guys. They know how they operate. They know the lousy tricks that they play on people looking to invest for their own security, both in the short and long term. It is about time that the so-called good operators got off their backsides, took action and provided information to assist the government and other agencies to do their job.

The Leader of the Liberal Party, Bob Quinn, said in the same article that I referred to earlier—

If the person who is the investor is being scammed and that scam is being able to be perpetrated because of a lax state government legislation regime, then there ought to be some way in which the person who is being ripped off can have the same redress through the legislation.

I would be interested to hear what Mr Quinn proposes because, like it or not, it should not be the taxpayers' responsibility to pay compensation for people who make the wrong decisions about an investment. Mr O'Dwyer said that the state government did little to warn investors. I do not agree with him on that. There are always warnings from the minister about the need to be careful when signing up to investment portfolios. Just about every week there is some sort of message from the minister's office with regard to warning people about investment shonks and those grubs out there who target people who do not understand what they are getting themselves involved in.

I have a great deal of experience of this in my electorate. Unfortunately, I have heard on many occasions of people getting ripped off simply because of the deal presented to them. There is a saying that rings true when we hear about the sad endings to some of these situations—if it looks too good to be true, it usually is. My experience in the coalfields puts me a strong position with regard to tax-driven investment opportunities. Despite the warnings from the Australian Securities Commission, the minister's office, local union delegates and myself as local member, I still see people getting ripped off. People just do not think clearly when investing their money. They look at the investment opportunity for the wrong reasons.

Unfortunately, in many cases in the coalfields I have seen people ruined for the rest of their lives simply because they did not think through such investments. They did not get the right advice or sit down and talk to people to discuss the long-term and short-term outcomes. They just simply took up the investment for the wrong reasons. Every year the people in coal towns in central Queensland are targeted because they are high income earners who have extra money to invest. They are contacted by sales representatives from schemes investing in real estate, property development, film making, ostrich farming and tree plantations.

I could go to any coal community in my electorate and find people who have been affected and who are damaged for the rest of their lives paying off bills today to the Tax Department or paying back money they have borrowed when they do not have anything to put their hands around as being theirs. Every year I am approached by constituents who tell me heartbreaking stories of their involvement in schemes causing them financial hardship because of the way the scheme was structured. Many of these people are losing the money they have invested, money which has been borrowed. It is a noose around the neck.

I can remember a situation where I received a telephone call from a gentleman in Blackwater who was talking about suicide. It was a two-hour drive for me to that community and I did not know what to expect when I got there. He said, 'If the police come around I will end it now; I just need someone like you to talk to.' That poor bloke is still paying off that bill today. This happened some eight or nine years ago. It does enormous damage to people. It does enormous damage to families. It is just an unacceptable situation that must be corrected. The only way that we can really stop it is for these potential investors to think about what they are doing and to get advice. Do not just sign on that dotted line and hope that everything works out. I have consistently warned mine workers of the risks, but unfortunately people still are being caught investing with companies which put up front salespeople who, fair dinkum, could sell ice to the Eskimos or sand to the Arabs. They are smooth-talking, ruthless and lacking in compassion for those who sign on the dotted line.

While not apologising for the grubs who prey on well-meaning workers and their families, I must be honest and say that, yes, there are some decent such people out there and we should not say that they all are the same. It is really about identifying those who are fair dinkum and whom we can trust. I have even seen situations where, although letters appear to be signed by the Taxation Office, when we look at them closely we see that the taxation letterhead has been photocopied onto them. I have seen letters from solicitors and accountants where those sorts of things have happened. These crooks get a letter from a solicitor, an accountant or the Taxation Office, put the letterhead over the top and then write in their own wording. They are out there. It is a sad situation. A lot of people have been seriously affected.

The legislation that the minister has introduced must get the full support of the House, because it is just one step in moving forward and making sure that the consumers of Queensland have the protection that they deserve. I commend the bill to the House.
