



Speech by

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MEMBER FOR CAIRNS

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FAIR TRADING FEES AMENDMENT REGULATION [NO. 1] 2002

Ms BOYLE (Cairns—ALP) (4.56 p.m.): Let us get some proportion back in this debate. The Fair Trading Fees Amendment Regulation 2002 increased fees for initial applications for licences under five acts. These five acts are the Property Agents and Motor Dealers Act 2000, the Security Providers Act 1993, the Second Hand Dealers and Collectors Act 1984, the Pawnbrokers Act 1984 and the Travel Agents Act 1988. Under these acts, initial application fees for new licences only were doubled. This means that existing industry participants were not affected. Only new entrants entering these industries after the fee increases were introduced have been affected. This is a one-off cost to businesses, as all renewal fees charged by the Office of Fair Trading have only increased in line with the Consumer Price Index.

The increased fees commenced on 1 January 2003. What the fees reflect is the greater cost of processing new licence applications for the Office of Fair Trading. The direct costs of licensing include administrative costs for wages, leasing and equipment costs, the maintenance of database systems, and conducting fitness checks on applicants. All of these are services that are essential to the licensing operation.

The Office of Fair Trading also pays the Queensland Police Service a fee to conduct Queensland criminal history checks on applicants. In addition, legal costs are incurred in administering and enforcing the various pieces of legislation. The industries covered by this regulation are real estate, motor dealers, pastoral houses, auctioneers, second-hand dealers, travel agents and security providers. The fact is that they benefit from the regulation that this government provides. They benefit through enhanced public confidence in doing business with them. They benefit because it allows us to root out of the industry any disreputable players who could cause harm to the whole industry. They give us the basis on which we can deal with those who are not fair traders trading in the interests of the people of Queensland.

The industries want us to be able to do that job. Therefore, it is necessary that it be paid for. Consumers know that licensees meet minimum competency standards and that complaints will be investigated properly by the Office of Fair Trading. The pattern of complaints that the Office of Fair Trading receives bears witness to that and to the particular importance of the general public having confidence in motor dealers and the real estate industry. Therefore, it is entirely appropriate that these licensing regimes be self-funded. Taxpayers should not have to bear the cost of providing a benefit to these industries. That is the bottom line. That is the key reason why these charges have been introduced as an increase to the initial application fees.

These days, any government of any political persuasion considers their important priorities of government spending. There is no doubt that a user-pays system that is self-funding is not appropriate for the primary functions of a state government. For example, health and education must be provided to all Queenslanders without restriction on the basis of ability to pay, without direct costs involved in public education and public health. Yet if these services are to be well provided and provided to the extent that we are capable of through health professionals and education standards, in terms of the demands of the people of Queensland, then we cannot use funds to subsidise business operations that should properly be self-funded. That is what this is about.

It is important to recognise that these industries have had a reasonable chance to have their say. The Office of Fair Trading prepared a regulatory impact statement that was available for public

comment from 6 September 2002 until 4 October 2002. Comment was specifically invited in writing from all stakeholder organisations, including Commerce Queensland. It may be that some of those stakeholder organisations did not inform all of their members. I certainly have had reports from some business operators in Cairns that they did not know about it. A question was even asked of me as to whether we were doing this behind closed doors. I was able to not only inform the businesses that their impression was incorrect but also ask them to confirm through their peak bodies that the consultation had taken place and over that period.

The results of the consultation were incorporated into a public benefit test report, which was endorsed by cabinet on 11 November 2002. The regulation was then approved by Governor in Council on 21 November 2002. There is no doubt that these services need to be provided to the industry—to keep these industries operating at least at the basic level of competency and to protect the consumers of Queensland. There is no doubt that these are not fees that should be subsidised by the general taxpayer. I am pleased to stand by the Fair Trading Fees Amendment Regulation (No. 1) 2002.