



Speech by

**Mark McArdle**

**MEMBER FOR CALOUNDRA**

Hansard Tuesday, 17 April 2007

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## **CONSUMER CREDIT (QUEENSLAND) AND ANOTHER ACT AMENDMENT BILL**

**Mr McARDLE** (Caloundra—Lib) (3.54 pm): At the outset, I can say that the opposition will be supporting this bill. It deals with two matters. Firstly, it extends by two years to 30 June 2009 the sunset clause in relation to the mandatory comparison rate system in the Consumer Credit Code that is contained in the appendix to the Consumer Credit (Queensland) Act 1994. This extension is to allow the Ministerial Council on Consumer Affairs to complete the review conducted into the merit of the system. Secondly, the bill amends the Tourism Queensland Act 1979 to increase the number of members of the Corporation of Tourism Queensland by one. This person is to be the chief executive of the department of tourism.

I will now turn briefly to the components of the bill. I will deal firstly with those amendments that relate to the Consumer Credit (Queensland) Act 1994. That act provides the framework for the Uniform Consumer Credit Laws Agreement 1993. The Consumer Credit Code in the appendix applies to most consumer products and governs the provision of credit to consumers where its purpose is personal, domestic or household. The code sets out rules governing consumer credit transactions and provides remedies and penalties for breaches. The code is structured nationally with Queensland's code as the template. As such, any changes to the code have to be passed in Queensland first.

The code provides for a mandatory comparison interest system that is to be reviewed nationally. It is important, as it provides a method of disclosure that is useful when consumers who are not very financially literate are faced with making choices in an aggressive market for complex products. The review of the mandatory comparison rate may conclude that it is not needed, that it should be retained with amendments, or that it should be maintained as is. Irrespective, due process and consideration is required, although it is unclear why the period of potential is so lengthy, particularly as there has already been an extension of one year—issued to 30 June 2007. I ask the minister to address that point in her reply. I note that clause 4 amends section 146D of the Consumer Credit Code to extend the sunset provisions that require a national review of the mandatory comparison system.

The second act that is to be amended by this bill is the Tourism Queensland Act 1979. In particular, the amendments deal with the board of the Corporation of Tourism Queensland. The board is responsible for implementing the Queensland Tourism Strategy. The Department of Tourism, Fair Trading and Wine Industry Development principally oversees the implementation of the strategy, which requires collaboration between the department and Tourism Queensland. To aid this collaboration, the director-general of the department of tourism is to be included as a member of the board rather than as an observer, as has earlier been the case.

In addition, the bill also removes the restriction on the length of appointment of board directors. Currently, a board member can be appointed for only a maximum of two three-year terms. Through these amendments, board members can be appointed for more than two years. However, they must be reappointed every three years and the current process for appointment will continue to be followed. That allows the retention of experienced board members, which is seen as beneficial to the tourism industry. I note that four new board members were appointed on 23 March 2007: Shane O'Reilly of O'Reilly's

Rainforest Guesthouse; Grant Cassidy, the chairman of Capricorn Tourism and a hotelier; Kayleen Collins, the Executive General Manager of Cairns International Airport; and Lyn Gregson, the Vice-Chairman of Tourism Whitsundays and a retailer.

Clause 6 of the bill clarifies the difference between board members of the corporation and the director-general of the department that administers the act and who is not deemed to be an appointed member. Clause 7 allows for a maximum of nine board members and the director-general of the department administering the act, thus increasing the number of board members from nine to 10. Clause 8 inserts a new section 7A, which provides for a chairperson and a deputy chairperson to be appointed from the membership of the corporation by the Governor in Council. Currently, only the chairperson is appointed by the Governor in Council while the deputy chairperson is appointed by the members. I ask the minister to explain the circumstances as to why that change has occurred. In particular, are there concerns or circumstances that warrant the amendment being made, that is, the Governor in Council now appointing the deputy chairperson in addition to the chairperson of the board.

I would ask the minister to comment on the fact that there is no limit on the length of time a person can be a member of a board. I take on board the following comment in the explanatory notes—

The limitation stifles the promotion of members and means membership must end for the most experienced appointees.

Again, there needs to be a basis for this amendment. Perhaps the minister can elaborate outside the contents of the explanatory notes on why this amendment is required, given the depth and breadth of experience that Queensland has in the tourism industry.

Clause 10 removes the position of observer at board meetings. Clause 12 states that only appointed members are entitled to a fee under subclause (1) but that all members are able to have their expenses reimbursed under subclause (2).

Clause 13 inserts a new section 20D enabling the director-general to appoint an officer as his alternate and that person may fill the position of chairperson or deputy chairperson if that is the role the director holds on the executive. Clauses 14 and 15 make minor amendments relating to the now obsolete observer's role whilst clause 16 inserts a new section 34A and validates appointment periods where a previous time limit on service may have prevented a continued service as a member or chairperson, allowing them to serve for more than six consecutive years as a member. This change allows longer appointments to retain experience and corporate knowledge. Finally, clause 17 inserts a new part 5 division 3 providing for transitional measures to confirm member appointment periods.

As I stated earlier, we will not be opposing this bill. Tourism across Queensland, and indeed the Sunshine Coast, is a critical economic driving factor. We on the Sunshine Coast are ably represented by Mr John Fitzgerald of Tourism Sunshine Coast. He works very hard to make tourism across the region an effective and efficient tool. Queensland itself relies upon tourism to a significant degree, with many people employed directly and indirectly as a consequence. I commend the government for the bill. As I said, we will not be opposing this bill in any way, shape or form.