



Speech by

**Jarrold Bleijie**

**MEMBER FOR KAWANA**

Hansard Thursday, 7 October 2010

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## **PERSONAL PROPERTY SECURITIES (ANCILLARY PROVISIONS) BILL**

**Mr BLEIJIE** (Kawana—LNP) (2.51 pm): I rise this afternoon to address the Personal Property Securities (Ancillary Provisions) Bill 2010. From the outset, may I commend the shadow minister on his contribution to this debate and for his stance on the bill. We know that it impacts on many things, including a lengthy list of acts. We will hear more about that from the shadow minister at a later date. I will not repeat the list of acts in the House. We have it on the record from the shadow minister.

As stated by the minister in his second reading speech, the bill before the House today is the second piece of legislation introduced into the Queensland parliament to progress reforms to Australia's personal property securities law in Queensland. The establishment of a national scheme was initiated by the Standing Committee of Attorneys-General in 2006 and it was subsequently agreed at a Council of Australian Governments meeting to proceed with the reform of Australian personal property securities law.

As mentioned in the explanatory notes to this bill, the Commonwealth Personal Property Securities Act 2009 will establish a single, national law governing personal property securities. In Queensland, the Bills of Sale Register, which includes the Register of Liens on Crops of Sugar Cane, the Register of Encumbered Vehicles and the Register of Cooperative Charges administered by the Department of Employment, Economic Development and Innovation will all cease existing prior to the commencement of the national scheme. This bill will close Queensland's obsolete registers and repeal the acts that established them in the first place.

The national PPS register will commence in May 2011 and will be made available in electronic format. This will provide for easier searching of the register and certainly, in my view, be more efficient in terms of time for financiers and purchasers. All the data on the relevant Queensland registers will be migrated into the national scheme. The bill before the House includes the appropriate transitional arrangements for current applications between the closing of the Queensland registers and the establishment of the national scheme.

The bill before the House also follows on from the Personal Property Securities (Commonwealth Powers) Bill that was passed in this parliament last year, as we have heard from the shadow minister. As I stated in my contribution to that debate, the current process in Australia, on a state-by-state basis, is quite complex, inadequate and can be quite costly. This can relate to security interests having to be registered in more than one jurisdiction and required to be recorded on a number of different registers. The national scheme will make the process far more streamlined.

The bill also provides certain opt-out clauses for particular statutory licences and rights from the national scheme that may apply on a state-by-state basis. This is due to the fact that the Commonwealth act does not include licences, rights, entitlements or authorities bequeathed by relevant state laws. Mining leases and exploration permits, energy licences, casino licences and wine producer and merchant licences will all be opted out of the scheme.

There are also provisions in the bill which relate to cost recovery where property is seized or acquired under law. There is an entitlement under these provisions for state and local governments to recover expenses incurred in seizing, impounding or disposing of properties under the act. Any amounts that are owing to secured interest holders can be paid out of the proceeds where it is appropriate to do so.

One national standardised set of legislation is, in my view, far more realistic and efficient in the current marketplace. Interstate transactions will now be far less complicated and make other improvements to risk management and ultimately remove uncertainty around this commercial area of law—all of which is reform that will encourage more economic development, something that will be welcomed in the current economic climate.

There are other amendments contained in the bill that are consequential and technical and are required to complete the transfer of the jurisdictional authority. The bill before the House will finalise the modernisation of this commercial practice that nationally has been some four years in the making. As I said, it will be a brief contribution so in closing I indicate that I support the statements and sentiments made by the shadow minister in relation to this legislative amendment.