



Speech By  
**Deb Frecklington**

**MEMBER FOR NANANGO**

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### **DIRECTORS' LIABILITY REFORM AMENDMENT BILL**

 **Mrs FRECKLINGTON** (Nanango—LNP) (8.40 pm): I rise in the House tonight to support the Directors' Liability Reform Amendment Bill 2012. I would like to congratulate and thank our wonderful Attorney-General for his hard work in relation to not only this bill but all of the bills that he has brought before the House this week which are certainly making Queensland a safer place for all Queenslanders. I would also like to thank the Legal Affairs and Community Safety Committee for considering the proposed changes to what is, in my opinion, a very important bill.

In regards to this bill I would particularly like to focus on one of its key objectives, and that is the reduction of red tape and regulation across Queensland and to promote Queensland as the best place to do business within Australia. In my role as assistant minister for regulatory reform, I am particularly pleased to see the Attorney-General embrace red-tape reduction reforms and the proposed amendments which address the concerns raised by the business community and legal profession about the number and complexity of provisions which impose personal liability on executive officers for corporate criminal fault.

The Attorney-General notes that the number of offences under the statute will be reduced from 3,800 to around 280. I spend quite a bit of time speaking to small, medium and large businesses all across this state in relation to regulatory reform. There has not been one director or future director that I have met that did not think that this is just fantastic legislation because it will reduce directors' liability and enable them to practice and do better business for Queenslanders.

This type of red-tape reduction is just so beneficial for all Queenslanders. This does not mean, however, that corporate criminals will be able to get away with wrongdoing. They will only be liable if they encourage or assist in the commission of an offence or are negligent. So what this means is that, as with our fellow governments around Australia, we have recognised the unsatisfactory nature of company directors being held liable for the actions taken by their company even if the director had no knowledge of the act. The Attorney-General has acted swiftly in relation to this bill mainly because of the business community's concerns in relation to these harsh laws.

We need good people as our company directors. As some of the other speakers here tonight have said, a lot of these companies are not for profit. It is not just the big money end of town. Prior to this legislation many good people have been scared off from being company directors of not-for-profit organisations due to the sheer fact that they could have been found liable for something when they did not even know that they had done something wrong. We need to encourage more good people—and especially females—to serve on these boards. We do need to encourage females particularly because that will help break the glass ceiling right down to the bottom of all these companies, and we really need this to happen. With the reduction of these offences from 3,800 to 280, I believe we will see more good people on boards. People like the Attorney-General will be able to recommend great people for boards because of the reduction of these offences.

I just would like to finalise by saying that this legislation supports the government's economic development agenda. It is supported by the business community, it is consistent with approaches taken by other Australian jurisdictions and it results in a significant reduction in the red tape and regulatory burden imposed on Queensland business. I would again like to thank the Attorney-General for continuing to work towards his target of a 20 per cent reduction in his department by reducing red tape and the burden on Queenslanders. This is common-sense legislation, there is adequate justification and I strongly support this bill.