




Speech By
Rob Molhoek

MEMBER FOR SOUTHPORT

Record of Proceedings, 16 October 2013

DIRECTORS' LIABILITY REFORM AMENDMENT BILL

 **Mr MOLHOEK** (Southport—LNP) (8.45 pm): I rise to make a brief contribution to the debate on the Directors' Liability Reform Amendment Bill 2012. When the Newman government was elected by the people of Queensland in March 2012, we were given a mandate to slash regulatory burdens and red tape left over after a decade of Labor mismanagement. This legislation highlights why we were granted that mandate and highlights why Queensland businesses and the Queensland economy have been struggling under the heavy burden of Labor's red tape.

The Directors' Liability Reform Amendment Bill 2012 reduces the number of offences under the statute from 3,800 to around 280. For the benefit of my Labor colleagues, whose legacy we are still untangling today, I will repeat that incredible figure. The number of provisions that impose liability on directors for offences committed by their corporations will reduce from 3,800 to 280 should this bill pass tonight. One can only imagine the cautious approach of a director in this state if there are some 3,800 different offences for which you can automatically be held liable. This represents a severe impact on the innovation, profitability and productiveness of corporations. Is it any wonder the Queensland economy was stalling under the former Labor government? The wheels of business were slowly grinding to a halt under the heavy regulatory burdens forced upon them.

In my role as the Assistant Minister for Planning Reform, it has been a great pleasure to build on the work of my predecessor, Ian Walker, as we have worked as a government to strip away many of the regulations and the overburden of regulation from the previous government. Just this evening we had the Property Industry Foundation here at Parliament House for an official launch of a new charity that the industry have created in Queensland, and it was very pleasing to hear Kathy MacDermott and others from the industry speak with confidence and a real sense of hope and enthusiasm about how things are starting to turn.

Just last week I had the privilege of addressing a group of business leaders at Springfield, and I was really surprised and encouraged to hear how positive they were about the reforms of our government and the impact that that is having now on the development industry and the flow on that is starting to have on new house starts and new homes in Queensland. I understand that the Property Council of Australia and the ANZ Bank will tomorrow release the latest figures on business confidence in Australia, and it will come as no surprise that when those figures are released tomorrow they will highlight a significant leap in consumer and business confidence in Queensland.

I have not seen the actual figures but I am told that they will reflect amongst the highest increase in business confidence of any state in Australia. That says that these reforms and the measures our government is undertaking are on the right track.

I congratulate the Attorney-General for his innovation and for his willingness to tackle some of these issues. He has demonstrated courage this week in making some very tough decisions and driving some very strong legislative reform in respect of sex offenders and serious criminal gangs.

This bill will cut red tape and bring Queensland into line with the national commitment to a more consistent approach to directors liability across Australian jurisdictions. Of course, this bill identifies the important categories of offences for which directors liability is retained, recognising that there will always be circumstances in which a director should be held to account. These include animal cruelty, child protection, fire and building safety, public health and safety, revenue protection, marine pollution, environmental and heritage protection and unauthorised mining activities.

A key component of this legislation is the principle that a director should only be personally liable for a corporation offending if they have encouraged or assisted in the commission of the offence or have otherwise being negligent or reckless with regard to its commission. However, the legislation provides for cases where it may be appropriate to ask directors to prove that they have taken reasonable steps to prevent the corporation's offending.

This is a sensible piece of legislation from the Attorney-General and I congratulate him on his consistent work to improve the productivity and profitability of Queensland businesses as we work to free them from the strangling red tape left over from the former government. I support the Directors' Liability Reform Amendment Bill 2012. It is my great pleasure to stand in the House and speak in support of it.