



Speech By  
**Hon. Cameron Dick**


**MEMBER FOR WOODRIDGE**

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Record of Proceedings, 24 May 2022

**STATE PENALTIES ENFORCEMENT (MODERNISATION) AMENDMENT BILL**

**Second Reading**

 **Hon. CR DICK** (Woodridge—ALP) (Treasurer and Minister for Trade and Investment) (11.34 am): I move—

That the bill be now read a second time.

At the heart of this bill are two binding principles: that people should pay what they owe; and that people are paid what they are owed. The amendments in this bill relating to the Residential Tenancies Authority will ensure that people are paid what they are owed. When tenants entrust their bonds to the state they must have confidence their money is safe and secure. Similarly, landlords need the confidence that bonds are available if called upon. It is now clear that the previous model could no longer deliver this certainty.

I have today written to the member for Toowoomba South and shadow Treasurer to affirm once again that these changes will not affect the debt position of the state. A copy of that letter was forwarded to the opposition office electronically by email and I delivered a copy to the member for Toowoomba South in the chamber. I am pleased that he read the letter this morning; I noted him doing that.

Specifically, there will be no increase to the value of assets or liabilities shown on the general government sector balance sheet as a result of these changes. I now table a copy of the letter delivered to honourable members in the House to ensure that the member for Toowoomba South and all members of the opposition—in fact, all members of the House—can be left in no doubt in relation to this matter.

*Tabled paper:* Letter, dated 24 May 2022, from the Treasurer and Minister for Trade and Investment, the Hon. Cameron Dick, to the member for Toowoomba South, Mr David Janetzki MP, regarding a statement made during matters of public interest on 10 May 2022 relating to the State Penalties Enforcement (Modernisation) Amendment Bill 2022 [694](#).

A member would intentionally mislead the House if they suggested or implied that this amendment is 'accounting trickery'. In a similar vein, a member would fall into error and intentionally mislead the House if they suggested, imputed or stated that these amendments are 'tricks and distractions'. A member would mislead this House if they suggested this bill is 'accounting without principles', the government is somehow 'raiding from renters', the bill was 'sneaky and a mean-spirited cash grab for Queensland renters' or 'more trickery accounting'. All members are now on notice as to the truth, and they should act and speak accordingly.

**Ms Bates:** So you're threatening members now, are you?

**Mr DICK:** I take the interjection from the member for Mudgeeraba. Those words are highly offensive and unparliamentary and I ask her to withdraw.

**Mr DEPUTY SPEAKER** (Mr Hart): Minister, do you take personal offence at what the member said?

**Mr DICK:** Thank you, Mr Deputy Speaker. I take deep personal offence.

**Mr DEPUTY SPEAKER:** Member for Mudgeeraba, will you withdraw?

**Ms BATES:** I withdraw.

**Mr DICK:** I am seeking to assist members of this House and not threaten them, as alleged by the member for Mudgeeraba. That was a disgraceful comment. As I say, all members are now on notice as to the truth, including the member for Mudgeeraba, and should act and speak accordingly. I will go into more detail regarding the RTA changes later in this debate contribution.

**Ms Bates:** Misogynistic bully!

**Mr DICK:** Mr Deputy Speaker, again I take deep personal offence at the words used by the member for Mudgeeraba and ask her to withdraw.

**Mr DEPUTY SPEAKER:** Member for Mudgeeraba, the minister has taken personal offence. Will you withdraw?

**Ms BATES:** I withdraw.

**Ms GRACE:** Mr Deputy Speaker, I rise to a point of order. In the middle of that point of order—I am not sure exactly which section; you may want to seek some guidance—the term that was used against the Treasurer which I heard, ‘bully’, was then reiterated while you were making a judgement to ‘misogynist bully’. I do not know which way we do that. It is most unparliamentary. I am not sure of the section.

**Ms Bates** interjected.

**Mr DEPUTY SPEAKER:** Member for Mudgeeraba, I do not need your assistance.

**Ms GRACE:** Maybe you would like to get some guidance in relation to it.

**Mr DEPUTY SPEAKER:** Minister, I do not need your assistance either. I did not hear that interjection. Member for Mudgeeraba, do you have anything else to withdraw? Treasurer, you have the call. There is no point of order.

**Mr DICK:** Mr Deputy Speaker, I rise to a point of order. I take very deep personal offence at the words used by the member for Mudgeeraba, ‘misogynistic bully’, and I ask her again to withdraw.

**Mr DEPUTY SPEAKER:** Minister, I have already ruled on that. There is no point of order. Minister, you have the call.

**Mr DICK:** Thank you, Mr Deputy Speaker. I will be checking the audio. The other purpose of the bill—

**Mr DEPUTY SPEAKER:** Minister, can you just confirm that is not a slight on the chair?

**Mr DICK:** Not on you at all, Mr Deputy Speaker. It is a matter for me and the member for Mudgeeraba so I apologise to you, Mr Deputy Speaker.

**Ms Boyd** interjected.

**Mr DEPUTY SPEAKER** (Mr Hart): Pause the clock. Member for Pine Rivers, I warned you previously about interjecting. You are now warned under the standing orders.

**Mr DICK:** The other purpose of the bill is to give legislative effect to the integration of specified fine administration functions into the Queensland Revenue Office from the Department of Transport and Main Roads and the Queensland Police Service. These amendments represent one of the most significant improvements to the way the State Penalties Enforcement Registry operates in its two decades of existence. The amendments are about ensuring that outstanding amounts owed to Queenslanders are recovered faster and more efficiently.

As mentioned in the explanatory speech, the bill also contains other important amendments to modernise the State Penalties Enforcement Act 1999 and the Taxation Administration Act 2001, and to ensure the continued effective administration of both SPER and the Queensland Revenue Office. However, I want to talk specifically about the amendments to the State Penalties Enforcement Act which will enable time frames for the registration of defaulted infringement notices with SPER to be prescribed by regulation.

The bill will not prescribe any time frames because this will be done at a later stage after consultation with administering authorities, including local governments. This is because the bill provides for different time frames to apply to different administering authorities. For example, for an administering authority like the Moreton Bay Regional Council or other large local governments, which already have robust collection practices and are doing a good job with recovering payment of fines, registration time frames could be longer.

We welcome councils like the Moreton Bay Regional Council which, as the committee evidence showed, take a responsible and proactive approach to fines management. As the committee heard, the Moreton Bay Regional Council have good processes in place to ensure infringement notices are

followed up in a timely way. I am advised that only debt that is truly difficult to collect is ultimately referred to SPER by the Moreton Bay Regional Council. I understand it is also referred within reasonable time frames that allow SPER the best possible chance to collect the debt. These are all things that we want fine issuing authorities to do, and we have no intention of interfering in this space.

On the other hand, for administering authorities like small councils that do not have access to quality debt collection resources, there is merit in requiring them to refer at an earlier stage, to help them help themselves. We want to help and encourage smaller councils to avoid missing out on money simply because they take too long to refer debts, and all members should support this intention.

The bill also amends the Land Tax Act 2010 to give beneficial land tax treatment to trustees of special disability trusts. This important amendment ensures that more funds can be used to meet the care and accommodation needs of beneficiaries with severe disabilities. I particularly want to thank the Deputy Speaker, the member for Greenslopes, for bringing this matter to my attention. The member for Greenslopes has been a passionate advocate on this issue.

I acknowledge the Economics and Governance Committee's report on the bill which was tabled on 6 May 2022. I would like to take this opportunity to thank all committee members and the secretariat for their hard work in considering this bill. I would also like to thank those who made submissions to the committee about the bill and those who appeared as witnesses as part of the committee's inquiry. I note that the committee made one recommendation to parliament—that the bill be passed. I also note that opposition members of the committee provided a statement of reservation, which I would like to address.

Opposition members commented on the government's management of SPER, the debt pool and write-offs. In September 2020, the government announced the Debt Recovery and Compliance Program to increase SPER's resources and capability. This program included the establishment of a dedicated Debt Management Centre in Ipswich. As of 31 March 2022, the centre had collected more than \$145 million. That money has been collected for Queenslanders. This program has also enabled SPER to increase its enforcement activities to focus on people who have longstanding debts and a history of nonpayment. These activities include the seizure and sale of vehicles and other property, and garnishing wages and bank accounts. These initiatives contributed to over \$325 million of debt being finalised in 2020-21.

I am advised that SPER debt recovery is projected to reach an all-time high of \$300.4 million in the 2021-22 financial year. This increase in collection is a direct result of the investment this government has made in SPER. The integration of functions from the Department of Transport and Main Roads and the Queensland Police Service into the Queensland Revenue Office is expected to bring forward repayments of more than \$20 million in its first year.

In relation to debt write-offs, SPER takes all reasonable steps to pursue debts owed to Queenslanders. However, some debts simply cannot be recovered—for example, where a debtor has passed away or a business has been deregistered. In 2020-21, \$37.5 million of debts were written off after all reasonable attempts were made to recover those debts. Overall, SPER collects more than 89 per cent of the value of the fines referred to it. It is standard practice in both government and the private sector to write off uncollectable debts. It was also standard practice under the LNP when the member for Clayfield was the Treasurer. There were write-offs every year of the three years of the Newman LNP government, including \$102 million in 2012-13. To quote the member for Clayfield from his evidence to the Finance and Administration Committee on 13 July 2013, he said—

Cleansing of the SPER debt pool has been conducted with \$100 million in aged, unrecoverable debt being written off in 2012-13. I authorised that debt to be written off. Much of it was over five years old and, in fact, some of it was over 10 years old. It was quite simply unrecoverable at that rate.

This demonstrates the point that the LNP believed write-offs of unrecoverable debt was an appropriate step to take. Bizarrely, although entirely predictably, the LNP now says write-offs are somehow scandalous. It is simply common sense. Writing off uncollectable debts means that SPER officers can focus their efforts on debts that can be collected and pursue debtors who continue to avoid paying the debts that they properly owe to Queenslanders.

I now return to the amendments concerning the Residential Tenancies and Rooming Accommodation Act 2008, including claims made by the LNP that these changes are intended to inflate budget figures. As advised by Queensland Treasury during the committee process, the RTA is already part of the general government sector, which means assets and liabilities held by the RTA are already reported as part of the general government sector balance sheet, and this reporting framework will remain unchanged. There will be no increase to the value of assets or liabilities shown on the general government sector balance sheet as a result of the changes. The RTA will continue to show the value of bonds as an asset, which will now be held as cash, rather than investments, and the value of the bond liability on its balance sheet.

Under the current funding model, the RTA relies on investment returns on tenants' rental bonds to meet its operating expenses. Returns from investment markets have been weak so far in 2021-22. As interest rate expectations and inflation have increased, returns on fixed income investments, such as government or corporate bonds, have been negative. I am advised that the RTA has not been immune to this, with year-to-date returns on its investment portfolio also being negative. In previous years, between 30 June 2016 and 30 June 2020, the RTA moved from a positive equity position of \$42.8 million to a negative equity position of \$312,000. This was the result of investment returns being insufficient to meet the RTA's operating expenses. The 2019-20 result of a \$43.3 million deficit, driven by investment losses, was a key contributor.

The proposed amendments will provide for a stable and reliable funding approach of annual grant funding from the Consolidated Fund. This will ensure the RTA can continue to deliver essential services, without being concerned about the impact of volatile investment markets. When it comes to investment returns, Queenslanders understand that things are turbulent in the world right now, and this has been no different for the RTA. This change gets them away from having to worry about investments and lets them focus on their core business—looking after the rental system. The changes will not impact the RTA's operations, powers or core functions and no jobs will be lost due to the reforms. On the contrary, the RTA will be backed with a significant appropriation. I can advise the House that the RTA will be provided with \$35 million in funding annually. This amount will be increased in line with other agencies, including to meet the results of enterprise bargaining.

I also note this is more than they have spent on average over the last three years. By any measure, this is a good financial outcome for the RTA. There will be no change to the way renters and landlords interact with the authority, with all services including those relating to the payment, redemption and holding of rental bonds remaining unchanged.

Stakeholders, including Tenants Queensland and the Real Estate Institute of Queensland, can be confident that the authority will have a stable and secure funding source that will underpin its operations rather than being subject to volatile investment returns.

Tenants' representatives are right to point out that the Newman LNP government defunded the services they provide. They not only defunded them, they put out a media release bragging about defunding 23 community and local government organisations that provided these services.

Our government, the Labor government, knows the value of tenants' representatives. That is why we reinstated funding to these services by providing \$6.6 million per year. As Tenants Queensland correctly observes, this funding comes from consolidated revenue, being an appropriation. The Palaszczuk government's tenancy advice services do not, and should not, rely on investment returns and that should be extended to the operation of the RTA, as this bill provides.

What this sorry saga shows is that having a supposedly independent investment account is no guarantee that tenants will get what they deserve; that is, fair, funded representation. What it shows is that the only way you can guarantee that disadvantaged people will get proper community services and proper representation is to have a Labor government. As we know all too well from recent history, the LNP do not care about the rules, they do not care about the independence of the RTA, and they will use every trick in the book to cut funding, cut jobs and cut services.

Turning briefly to consultation, it is worth noting that the RTA has been consulted in this process at every step of the way, a process that was commenced with the chairperson and chief executive officer of the RTA in October 2021. I want to thank the CEO, Jennifer Smith, for her support and also the board chair, Mr Paul Melville, for his ongoing support and consultation on behalf of the RTA board, which includes many esteemed representatives from the community sector, including those who have worked for tenant organisations. I commend these important reforms and this bill to the House.