

## REGULATORY AND OTHER LEGISLATION (AMENDMENTS AND REPEALS) BILL 2016

### First Reading

Bill introduced, and read a first time and ordered to be printed on motion by the Hon. John Ajaka.

### Second Reading

The Hon. JOHN AJAKA (Minister for Disability Services, Minister for Ageing, and Minister for Multiculturalism) ( 11 :18 ): I move:

That this bill be now read a second time.

I am pleased to introduce the Regulatory and Other Legislation (Amendments and Repeals) Bill 2016 which continues this Government's commitment to repealing unnecessary legislation, reducing the regulatory burden, and removing barriers to digitisation within government. This Government already has made significant inroads in reducing red tape and removing unnecessary regulatory burdens.

Initiatives like the Easy to do Business Program and the Commerce Regulation Program, the NSW Data Analytics Centre and the establishment of an independent review of the New South Wales regulatory policy framework show that this Government does not just talk about red tape reduction, we act on it. This bill does so by providing for repeals, amendments and reforms to increase digitisation, improve regulatory quality and consumer protection, and reduce regulatory burdens.

I turn to the amendments in the bill that will strengthen underquoting protections for consumers. The bill contains proposed amendments to the Property, Stock and Business Agents Act 2002 to clarify that a real estate and property industry licensee-in-charge is responsible for the actions of their employees. The need for these amendments arose following the outcome of the NSW Fair Trading prosecution against a Sydney real estate agency for underquoting the likely selling price of a residential property to consumers. In this case, the real estate agents were the licensees who operated the real estate agency, but the individual agents who made the false representations were in fact employed by a subsidiary company. The magistrate dismissed all charges on the basis that the individual agents, who had underquoted, were not directly employed by the licensees and therefore the licensees had not breached the laws. This is clearly not the intent of the Act. To prevent this situation occurring again, the proposed amendments will ensure that licensees are liable for the actions of their employees regardless of the employment arrangements.

Key industry stakeholders such as the Real Estate Institute of New South Wales and the Estate Agents Co-operative have been consulted and support these proposed amendments. I thank these stakeholders for their ongoing contributions to the improvement of real estate laws. It is very important to understand that the events behind this case occurred in 2014 and the matter was prosecuted under old underquoting laws. In January 2016, the Government took steps to provide greater consumer protections for prospective homebuyers with the introduction of stronger underquoting laws. I am confident that these amendments will work in conjunction with the new underquoting laws to protect consumers, clarify responsibilities of licensees and aid the enforcement of the property, stock and business agents laws.

I now turn to the provisions in the bill that will increase the number and uptake of government transactions that can be conducted online. The Rental Bonds Online service is a key initiative allowing tenants to lodge their bond quickly in a user-friendly, secure online environment. The money will go directly to the Rental Bond Board as the independent custodian, eliminating the possibility of those funds not being lodged. While there has been an encouraging start to lodging bonds online, changes are needed to help accelerate the uptake so as to ensure more tenants have the benefit of making this transaction digitally. The amendment in this bill will make it mandatory for real estate agents and landlords to register with the online service and offer it to all new tenants as the first option for paying their bond. Tenants without internet access will still be able to pay their bond in the traditional way.

This amendment will help achieve the target set for 80 per cent of bonds lodged via the online service by the end of 2017. The requirement for registration will not commence until next year, therefore landlords and agents will have ample time to register and get used to offering the online service to their tenants. Another amendment in the bill, which will increase the number of government transactions provided by digital means, is the removal of the requirement in the Architects Act 2003 and the Building Professionals Act 2005 to provide a statutory declaration when lodging a complaint. By removing this requirement, consumers will be able to lodge these complaints online in the same way they currently lodge complaints digitally about other services, providing yet another government transaction that can be completed online.

I will now address the proposed amendments in the bill to improve regulatory quality and consumer protection measures. The bill also makes an amendment to the Fair Trading Act 1987 to improve access to existing consumer protection provisions for addressing information asymmetry in the market. Section 58 of the Fair Trading Act enables the New South Wales Government to establish a scheme for the publication of standard retail prices of fuel for motor vehicle users. The Act is being amended to include hydrogen and electricity in the definition of "prescribed fuel" to ensure commercial recharging stations for electric vehicles are also covered in the publication of standard retail fuel prices. As more motor vehicle users purchase electric vehicles, this will ensure they have the same access as other motor vehicle users to readily available price information. The amendments are not intended to capture any private recharging facilities but to apply only where the service is being offered to the public on a commercial basis.

The bill also makes a number of repeals to legislation and legislative provisions that were not commenced for several reasons or have become redundant in order to improve the currency and overall quality of the regulatory stock in New South Wales. One of these amendments is the repeal of the uncommenced schedule in the Classification (Publications, Films and Computer Games) Enforcement Amendment Act 2001. As we all know, advances in electronic communication are progressing at lightning speed. These advances mean that the provisions in the uncommenced schedule 2 are now unable to adequately control the availability of dangerous material online. Instead, a combination of State and Federal legislation operates to control that online material. Given these other protections, the Legislative Council Standing Committee on Social Issues recommended the schedule, and hence the amendment Act, be repealed.

The Department of Justice has advised that it remained uncommenced pending the outcome of a review of the Broadcasting Services Act 1992. The review was not completed and the schedule is now being repealed. The bill also contains a number of smaller regulatory fixes to ensure legislation is not out of date and is still fit for purpose. Some of these amendments are minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for

inclusion in the bill. Examples of such amendments include corrections of cross-references, typographical errors and amendments arising out of the enactment of other legislation.

I now turn to the proposed amendments in the bill to remove red tape and reduce regulatory burden. The amendments in this bill will further reduce unnecessary red tape and relieve the regulatory burden on certain businesses as part of the Government's agenda to make it easier to do business in New South Wales. There are a number of reasons why a person would want to hold both a New South Wales driver licence and a photo card; however, due to an anomalous legislative provision this is not possible. Consequently, the bill repeals the provisions of the Photo Card Act 2005 that prevent the holder of a driver licence from being issued with a NSW Photo Card, thereby removing unnecessary regulatory barriers.

The amendments in the bill to the Funeral Funds Act will remove duplication of regulatory requirements and reduce red tape and regulatory burden on affected businesses. Friendly societies in New South Wales operating funeral funds will be exempt, as they are already subject to a stringent regulatory regime under the Commonwealth's Life Insurance Act and, as such, are under prudential supervision by the Australian Prudential Regulation Authority. Similarly, Crown cemetery trusts are adequately regulated by the recently introduced Cemeteries and Crematoria Trusts Act 2013, and therefore the requirement to comply with the Funeral Funds Act when performing those functions is unnecessarily burdensome.

To reduce time and costs involved in renewing licences and doing business in New South Wales, the Conveyancers Licensing Act 2003 and the Pawnbrokers and Second-hand Dealers Act are being amended to enable licences issued under these Acts to have effect for up to three years, rather than business people having to renew the licence annually. This amendment is consistent with home building and motor dealers and repairers licensees, who already have the choice of applying for one- or three-year licences. This amendment will save a new conveyancer, pawnbroker, or second-hand dealer over 30 per cent in processing fees over three years and an existing licensee 66 per cent in renewal processing fees over three years.

Finally, I say a big thank you to the Ministers for their support of the important work of regulatory reform contained in this bill. My thanks also go to the department secretaries for the contribution made by their departments. This bill delivers on the Government's commitment to increase the number of transactions delivered via digital platforms and reduce red tape and regulatory burden to make it easier to do business in New South Wales. I commend the bill to the House.