Parliamentary Committees

Associations Incorporation and Other Legislation Amendment Bill 2019

Report No. 30, 56th Parliament
Education, Employment and Small Business Committee
February 2020

Education, Employment and Small Business Committee[1]

Chair	Ms Leanne Linard MP, Member for Nudgee
Deputy Chair	Mr Jim McDonald MP, Member for Lockyer
Members	Mr Bruce Saunders MP, Member for Maryborough
	Mrs Simone Wilson MP, Member for Pumicestone
	Mr Michael Healy MP, Member for Cairns
	Mr Nick Dametto MP, Member for Hinchinbrook

Committee Secretariat

Telephone	+61 7 3553 6656
Fax	+61 7 3553 6699
Email	EESBC@parliament.qld.gov.au
Technical Scrutiny Secretariat	+61 7 3553 6601
Committee webpage	www.parliament.qld.gov.au/eesbc

Acknowledgements

The committee acknowledges the assistance provided by the Department of Justice and Attorney-General.

[1] NB: The former Member for Currumbin and Deputy Chair, Mrs Jann Stuckey, resigned from Parliament as at 1 February 2020.

Contents

Abbreviations **iii**

Chair's foreword **iv**

Recommendations **v**

1 Introduction **1**

1.1 Role of the committee 1

1.2 Inquiry process 1

1.3 Policy objectives of the Bill 1

1.4 Government consultation on the Bill 2

1.5 Should the Bill be passed? 3

2 Background to the Bill **5**

2.1 Incorporated associations 5

2.1.1 Rules of an incorporated association 5

2.2 Charitable fundraising and the Not-for Profits Commission 5

3 Examination of the Bill **7**

3.1 Stakeholders' general views on the Bill 7

3.2 Internal governance of committees 7

3.2.1 Stakeholder views and department response 8

3.2.2 Disclosure of remuneration 8

3.2.3 Duty to prevent insolvent trading 10

3.2.4 Dispute resolution/grievance procedure 11

3.3 Reducing regulatory burden 14

3.3.1 Financial reporting 14

3.3.2 Voluntary cancellation of incorporation 15

3.4 Streamlining internal processes 16

3.4.1 Discontinuation of common seal 16

3.4.2 Communications technology 17

3.4.3 Management committee eligibility 18

3.5 Inspector powers 19

3.6 Other amendments 20

3.6.1 Applied Corporations Law 20

4 Compliance with the *Legislative Standards Act 1992* **22**

4.1 Fundamental legislative principles 22

4.1.1 Rights and liberties of individuals 22

4.1.2 Onus of proof 25

4.1.3 Power to enter premises 26

4.1.4 Grievance procedure 30

4.1.5 Institution of Parliament – delegation of legislative power 31

4.2 Explanatory notes 32

Appendix A – Submitters **33**

Appendix B – Witnesses at public hearing **34**

Appendix C – Officials at public departmental briefing **35**

Abbreviations

ACNC	Australian Charities and Not-for-profits Commission
AGM	annual general meeting
AI Act	*Associations Incorporation Act 1981*
AI Regulation	*Associations Incorporation Regulation 1999*
Bill	Associations Incorporation and Other Legislation Amendment Bill 2019
Caxton Legal Centre Inc.	Caxton Legal Centre
Collections Act	*Collections Act 1966*
committee	Education, Employment and Small Business Committee
Corporations Act	*Corporations Act 2001* (Cth)
department	Department of Justice and Attorney-General
FTI Act	*Fair Trading Inspectors Act 2014*
LSA	*Legislative Standards Act 1992*
NFP	not-for-profit
OFT	Office of Fair Trading

All Acts are Queensland Acts unless otherwise specified.

Chair's foreword

This report presents a summary of the Education, Employment and Small Business Committee's examination of the Associations Incorporation and Other Legislation Amendment Bill 2019.

The Bill amends the *Associations Incorporation Act 1981* to clarify its operation and improve the internal governance of incorporated associations. The Bill reduces regulatory burden for incorporated associations and charitable entities, and streamlines government processes.

The committee's task was to consider the policy to be achieved by the legislation and the application of fundamental legislative principles – that is, to consider whether the Bill has sufficient regard to the rights and liberties of individuals, and to the institution of Parliament.

The committee made one recommendation, that the Bill be passed.

On behalf of the committee, I thank those individuals and organisations who made written submissions on the Bill. I also thank our Parliamentary Service staff and officials from the Department of Justice and Attorney-General.

I commend this report to the House.

Leanne Linard MP

Chair

Recommendations

Recommendation 1 **4**

The committee recommends the Associations Incorporation and Other Legislation Amendment Bill 2019 be passed.

1 Introduction

1.1 Role of the committee

The Education, Employment and Small Business Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 15 February 2018 under the *Parliament of Queensland Act 2001* and the Standing Rules and Orders of the Legislative Assembly.[2]

The committee's primary areas of responsibility include:

- education
- industrial relations
- employment and small business, and
- training and skills development.

Section 93(1) of the *Parliament of Queensland Act 2001* provides that a portfolio committee is responsible for examining each bill and item of subordinate legislation in its portfolio areas to consider:

- the policy to be given effect by the legislation
- the application of fundamental legislative principles
- for subordinate legislation – its lawfulness.

The Associations Incorporation and Other Legislation Amendment Bill 2019 (Bill) was introduced into the Legislative Assembly on 26 November 2019 and referred to the committee. The committee is to report to the Legislative Assembly by 21 February 2020.

1.2 Inquiry process

On 3 December 2019, the committee invited stakeholders and subscribers to make written submissions on the Bill. Five submissions were received (see Appendix A for list of submitters).

The committee received a written briefing from the Department of Justice and Attorney-General (department) on the Bill on 9 December 2019.

On 17 January 2020 the committee received written advice from the department in response to matters raised in submissions.

The committee held a public hearing and received a public briefing from the department about the Bill on 3 February 2020 (see Appendix B for a list of witnesses and Appendix C for a list of departmental officials).

The submissions, correspondence from the department and transcripts of the briefing and hearing are available on the committee's webpage.

1.3 Policy objectives of the Bill

The objectives of the Bill are to:

- clarify the operation of the *Associations Incorporation Act 1981*
- improve the internal governance of incorporated associations
- reduce regulatory burden for incorporated associations and charitable entities, and
- streamline, enhance or otherwise improve government processes.[3]

---

[2] *Parliament of Queensland Act 2001*, section 88 and Standing Order 194.

[3] Explanatory notes, p 1.

1.4 Government consultation on the Bill

As set out in the explanatory notes, community consultation on the Bill was predominantly undertaken through two discussion papers, released in 2010 and 2012.[4]

The 2010 discussion paper, *Possible changes to the Associations Incorporation Act 1981 and the Associations Incorporation Regulation 1999*:

> *… sought feedback on proposals intended to assist associations in their day-to- day operations including proposals relating to dispute resolution, eligibility for election to the management committee, the appointment of a voluntary administrator, and disclosure of remuneration and pecuniary interests.*[5]

Following the establishment of the Australian Charities and Not-for-profits Commission (ACNC), further consultation was undertaken through the release of another discussion paper in 2012, *Supporting Queensland Associations: a modern framework for civil society*. Dispute resolution and management committee responsibilities were some of the key issues canvassed during this process.[6]

The explanatory notes state further consultation occurred with the appointment of a not-for-profit red tape reference group comprising of sector and government representatives. The group convened four times and discussed approaches to reform and how the relevant not-for-profit (NFP) legislation might be modernised.[7]

At the public hearing for the inquiry, Emeritus Professor Myles McGregor, member of the Queensland Law Society (QLS) Not-for-profit Law Committee, expressed concern about the consultation process noting that the QLS:

> *… received a draft discussion paper in July 2016. There were about 10 or 12 representatives, mainly from large organisations—yourtown, the Fundraising Institute, the RSL, Clubs Queensland and the Law Society. We went through that discussion paper, and minutes were produced. We never saw that paper again. It was drafted to go out for public consultation.*
>
> *…*
>
> *In my view, we have not had a public discussion of this paper. Our very long submission is more for a policy paper for discussion which has traditionally always come out. We seem to have skipped a step in the policy consultation process.*[8]

Clubs Queensland also raised concern with the public consultation process stating:

> *Clubs Queensland supports the comments broadly made by the Queensland Law Society in relation to the short time frame allowed for responding to this bill, specifically noting that such reforms should only proceed on the basis that detailed consultation has been undertaken with the stakeholders working with incorporated associations and the incorporated associations themselves.*[9]

---

4 Explanatory notes, p 13.

5 Explanatory notes, p 13.

6 Explanatory notes, p 13.

7 Explanatory notes, p 13.

8 Public hearing transcript, Brisbane, 3 February 2020, p 4.

9 Mr Dan Nipperess, General Manager, Clubs Queensland, public hearing transcript, Brisbane, 3 February 2020, p 1.

In response to these concerns, the department advised:

> *DJAG can confirm that in July 2016, a draft discussion paper was provided on a confidential basis to members of a Not-for-profit Reform Reference Group (NFPRRG), which included the QLS.*
>
> *The draft discussion paper, which did not represent Government policy, was at the time being prepared with the assistance of NFPRRG for the purpose of potentially canvassing broader community opinion on a much wider range of reforms than those contained in the Bill. Significantly, the draft discussion paper was also proposed, for example, to replace the Collections Act 1966 (Collections Act) with a new Queensland fundraising Act to provide charities with more modern, principles-based regulation. The paper then outlined a number of pertaining to charitable fundraising that could be dealt with in the proposed new Act.*
>
> *…*
>
> *Given the uncertainty which existed and continues to exist in relation to the direction of fundraising regulation at the national level, it was decided not to proceed in further developing the draft discussion paper through NFPRRG.*[10]

The department also advised:

> *Almost every provision in the bill, particularly in relation to the corporate governance requirements, was canvassed in one of the three processes that have occurred over the last several years. The difficulty that we face as policymakers is that there are differing views about whether or not certain things should happen and where the balance should lie.*[11]

The department also expressed its intention to conduct 'full consultation' in regards to reform of the Associations Incorporation Regulation 1999 (AI Regulation), which would support implementation of the Bill:

> *There will be a process, if the bill passes, to reform the Associations Incorporation Regulation. There will be full consultation on that along the lines that stakeholders have raised. As we know, the devil is in the detail. You will note that a lot of the bill is about the power or the ability for a regulation to provide for something. However, the detail will be in the regulations and/or the model rules, which is a schedule to the regulation. That will be a full process that I suspect will take most of this year to finish, if the bill passes.*[12]

Committee comment

The committee appreciates the advice provided by the department in response to stakeholder concerns regarding consultation, and notes that full consultation will occur in regards to the Associations Incorporation Regulation 1999 (and model rules).

1.5 Should the Bill be passed?

Standing Order 132(1) requires the committee to determine whether or not to recommend that the Bill be passed.

[10] Department of Justice and Attorney-General (DJAG), correspondence dated 7 February 2020, pp 1-2.

[11] Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 2.

[12] Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 3.

Recommendation 1

The committee recommends the Associations Incorporation and Other Legislation Amendment Bill 2019 be passed.

2 Background to the Bill

2.1 Incorporated associations

NFP organisations can decide to become an incorporated association, providing it powers, benefits and responsibilities under law.

Incorporation also means an association becomes legally separate from its members, and allows an incorporated association to act in its own name, including owning property, entering into contracts and appearing in court.[13]

2.1.1 Rules of an incorporated association

All incorporated associations must abide by a set of operating rules. These rules can be developed by the association, pursuant to the *Associations Incorporation Act 1981* (AI Act) and AI Regulation, or taken from the AI Regulation which includes a set of rules known as 'model rules'.[14] The model rules are included in schedule 4 of the AI Regulation and include powers of the association, membership processes, and provisions regarding management committees.[15] These rules can generally be amended or added to by special resolution at a general meeting of an incorporated association.[16]

2.2 Charitable fundraising and the Not-for Profits Commission

Since 2012, the charitable sector has been regulated by both state governments and the national body, the ACNC.

The ACNC regulates charities which are registered by the ACNC. Registration is voluntary and provides Commonwealth tax concessions and benefits.[17]

The ACNC maintains a register of charities, provides education and advice to registered charities, and completes compliance activities to ensure charities are complying with their legal obligations. [18]

The department advised that approximately 17 percent of incorporated associations in Queensland are registered with the ACNC.[19]

The department advised fundraising is vital to NFPs because many organisations rely on donations to achieve charitable and other goals. Charitable fundraising in Queensland is regulated by the *Collections Act 1966* (Collections Act), under which it is an offence to 'conduct an appeal for support for a charitable or community purpose except in the ways authorised under that Act'.[20]

The Collections Act allows appeals for support to be conducted by: charities that register under the Act, associations with a community purpose objective that is sanctioned under the Act, and other entities or individuals who wish to fundraise for a sanctioned community purpose on a one-off basis.[21]

Similar to the benefits of incorporation, the authorisation to fundraise is also accompanied by the requirement to submit annual financial reports to the Office of Fair Trading (OFT). There is no

---

13 DJAG, correspondence dated 9 December 2019, p 1.

14 DJAG, correspondence dated 9 December 2019, p 1.

15 Associations Incorporation Regulation 1999 (AI Regulation), schedule 4.

16 AI Regulation, schedule 4, s 43.

17 Australian Government, Australian Charities and Not-for-profits Commission, *ACNC Regulatory Approach Statement,* https://www.acnc.gov.au/raise-concern/regulating-charities/regulatory-approach-statement.

18 Australian Government, Australian Charities and Not-for-profits Commission, *ACNC Regulatory Approach Statement,* https://www.acnc.gov.au/raise-concern/regulating-charities/regulatory-approach-statement.

19 DJAG, correspondence dated 9 December 2019, p 2.

20 DJAG, correspondence dated 9 December 2019, p 2.

21 DJAG, correspondence dated 9 December 2019, p 2.

requirement for an association to be incorporated to be authorised to fundraise. However, given incorporation is a popular way for charities and community associations to obtain legal identity, it is expected a number of Collections Act entities are also incorporated associations.[22]

[22] DJAG, correspondence dated 9 December 2019, p 2.

3 Examination of the Bill

This section discusses issues raised during the committee's examination of the Bill.

3.1 Stakeholders' general views on the Bill

Stakeholders generally supported the Bill however submissions raised a number of suggestions relating to amendments to: improve internal governance; reduce the regulatory burden of incorporated associations; streamline internal processes and ensure compliance with the AI Act.

In relation to amendments to improve the internal governance of committees, some submitters raised concerns about the requirement to disclose remuneration and the establishment of a dispute resolution/grievance procedure.[23] Some submitters raised concern about compliance measures, in particular that the Bill proposes to amend the powers provided to inspectors under the AI Act.[24] These matters and the department's response, are outlined below.

3.2 Internal governance of committees

The explanatory notes state the Bill seeks to improve the internal governance of incorporated associations by providing guidance on how management committee members and officers of associations should meet governance obligations.[25]

The Bill proposes obligations on members of an association's management committee to:

- *disclose material personal interests;*
- *disclose remuneration or benefits paid/given to management committee members and senior staff members, and their relatives; and*
- *prevent insolvent trading of the association.*[26]

The Bill seeks to impose obligations on officers of an association to:

- *exercise their powers and discharge their duties with care and diligence, in good faith in*
- *the best interests of the association, and for a proper purpose;*
- *not improperly use their position to gain, directly or indirectly, a pecuniary benefit or material advantage for themselves or another person; and*
- *not improperly use information obtained from their position to gain, directly or indirectly, a pecuniary benefit or material advantage for themselves or another person.*[27]

The explanatory notes state these provisions are to reflect the common law view that management committee members and officers have similar fiduciary duties to those of company directors.[28]

---

23 See for example, Clubs Queensland, submission 4, pp 2-4; Queensland Law Society, submission 5, pp 12-13.

24 See for example, Clubs Queensland, submission 4, p 5; Queensland Law Society, submission 5 pp 3-4.

25 Explanatory notes, p 2.

26 Explanatory notes, p 3.

27 Explanatory notes, pp 2-3.

28 Explanatory notes, p 3.

3.2.1 Stakeholder views and department response

Caxton Legal Centre Inc. (Caxton Legal Centre) provided general support for amendments to improve governance through transparency and the establishment of minimum standards. It raised a broad concern with the Bill's proposed penalties for governance provisions:

> *We do have some concerns about the* ***presumptions and fines proposed****. In principle, the presumptions are useful and will also help committee members to understand proper processes. However, the amendments contain significant increases in terms of the potential fines that may apply to management committee members where a breach occurs (with several involving 60 penalty unit fines). As we have noted earlier, many associations are wholly dependent upon the generosity and energies of volunteers. We have noticed whilst providing governance training that many committee members seem fearful even about the relatively modest current fines contained in the Act. If the penalty clauses increase dramatically, we have concerns that it will be more difficult for associations to recruit committee members, especially in rural and remote areas.*[29]

The department advised the 'new governance obligations reflect the general expectation that committee members should act in the best interest of the association',[30] and provided:

> *… most other jurisdictions apply similar governance requirements to incorporated associations, though the exact nature of the requirement may vary … However, the maximum penalty proposed by the Bill for failure to observe the obligations (60 penalty units; currently $8,007) is significantly lower than some of the penalties that apply in some other jurisdictions for comparable offences.*
>
> *It should be noted that the proposed penalties are also maximum penalties and the judiciary will typically take into account a range of considerations … when determining any actual penalty imposed for a breach of the provisions.*[31]

3.2.2 Disclosure of remuneration

The department noted some incorporated associations offer remuneration to management committee members, particularly for large associations 'where the skills, experience, workload, and probity demanded of the member is extremely high and equivalent to what is expected from directors of a company'.[32] Remuneration is typically a salary or other reward or incentive such as the use of a vehicle for both work or private use.[33] There is currently no requirement to disclose to association members the remuneration paid and benefits given to office holders or other persons such as relatives.[34]

The Bill introduces a requirement to disclose remuneration and benefits paid to each member of the management committee, each senior staff member of the association, and each relative of committee members or senior staff members.[35] The department advised this will 'ensure greater transparency and accountability … and give those not on the management committee the information necessary to determine whether remuneration is an appropriate use of the association's funds'.[36]

---

29 Caxton Legal Centre, submission 3, p 6.

30 DJAG, correspondence dated 17 January 2020, p 5.

31 DJAG, correspondence dated 17 January 2020, p 5.

32 DJAG, correspondence dated 9 January 2019, pp 10-11.

33 DJAG, correspondence dated 9 2019, p 11.

34 Explanatory notes, p 7.

35 Clause 31, new section 70D(2).

36 DJAG, correspondence dated 9 2019, p 11.

The term 'relative' means 'a spouse, parent, sibling, child, grandparent or grandchild'. Disclosure of remuneration in relation to committee members, senior staff and their relatives includes 'salary, allowances and other entitlements' which must be presented at the association's relevant annual general meeting (AGM) as prescribed by regulation.[37]

3.2.2.1 *Stakeholder views and department response*

Although largely supportive of the proposed amendments to the AI Act[38], Clubs Queensland stated they opposed the proposal that 'each individual senior staff member's remuneration be disclosed at the AGM. We consider this to be unacceptable as such information is considered primarily to be in 'commercial confidence''.[39]

Clubs Queensland added:

> *… Clubs Queensland considers it unduly burdensome for an association to disclose the remuneration of each individual staff member where it is a requirement that is greatly in excess of the disclosure requirements of other entities which are incorporated under a different structure, such as a company limited by guarantee.*[40]

Instead Clubs Queensland recommended the provision about disclosure of remuneration and other benefits reflect the 'Australian Accounting Standards AASB124 Related Party Disclosures' which provides an entity shall disclose 'key management personnel compensation in total'.[41]

In response, the department noted the relevant provision of the Bill requires management committees present information about remuneration and benefits as prescribed by regulation. The department clarified further that:

> *The intention is that the regulation will require associations to specify the total remuneration paid to all relevant committee members, staff and relatives as a single value, which is consistent with the approach recommended by Clubs Queensland in its submission.*[42]

The department also explained that the disclosure of remuneration is intended to provide association members the information necessary to determine whether the remuneration or benefit provided to a management committee member is an appropriate use of the association's funds.[43]

Mr Dan Nipperess, General Manager, Clubs Queensland advised:

> *Clubs Queensland thanks the director-general* [Department of Justice and Attorney-General] *for his comments that the prescribed regulation will require that associations specify the total remuneration paid to all relevant persons as a single value, as recommended in its submission.*
>
> *…*
>
> *The corresponding definitions in the Australian Accounting Standards for such organisations as a company limited by guarantee would require the disclosure of management and board related expenses and remunerations as a total in sum, which is reflective of this amending bill and what we understand to be the position of the director-general. We are supportive of the disclosure of management personnel in a way that replicates the Corporations Act principles.*[44]

---

37 Clause 31, new section 70D(1).

38 Submission 4, p 1.

39 Submission 4, p 4.

40 Submission 4, p 4.

41 Submission 4, p 4.

42 DJAG, correspondence dated 17 January 2020, p 4.

43 DJAG, correspondence dated 17 January 2020, p 4.

44 Public hearing transcript, Brisbane, 3 February 2020, pp 1-2.

In clarifying the requirements for the disclosure of remuneration and benefits for committee members, staff and relatives, Mr Martin Scott, Director Policy and Projects, Office of Regulatory Policy stated:

> *At this stage, the intent is that it would be a band or a lump sum figure of all payments. That is for basic privacy reasons. … One consideration is that the remuneration that must be disclosed relates to family members. You might have a son, daughter or cousin who works at the bar and they would be captured by the requirement. That is one reason we went to the non-personal disclosure.*[45]

Additionally, Mr David McKarzel, Office of Regulatory Policy also provided that:

> *Where we have landed—again, it will be subject to consultation—is at least a band.*
>
> *… there would be nothing stopping an association from going a step further in its own rules and requiring it. This is about a minimum standard of transparency that we say everyone should have to adhere to. Yes, it is a little bit of a light touch in terms of providing for a range, but that is not necessarily obligating for a range; it is putting in a minimum.*[46]

While supportive of the disclosure of remuneration of the management committee and senior staff members, the QLS submitted:

> *The provision also seeks to include disclosure of remuneration or benefits given to relatives of management committee members or senior staff. The mischief presumably is to prevent avoidance of disclosure by diverting remuneration through relatives. The proposed provisions may not fully achieve this purpose ... the definition of 'relative' … is narrow and would not appear to include defacto partners, half brothers and sisters and stepchildren.*[47]

The department responded to these concerns noting the *Acts Interpretation Act 1954* already defines spouse to include defacto and civil partners.[48] Additionally, it provided that where a particular term is not defined, regard may be given to its ordinary meaning. For example, the term 'sibling' 'generally refers to one of two or more offspring sharing at least one parent'.[49]

3.2.3 Duty to prevent insolvent trading

The Bill proposes to impose a duty on incorporated association's committee members to prevent insolvent trading[50] which the department advised will 'help ensure the association does not incur financial loss caused by negligence of the committee'.[51] It is proposed that a member of the management committee, or a person who took part in an association's management, at the time the association incurred a debt, commits an offence if:

- *the association was insolvent at the time the debt was incurred or becomes insolvent by incurring that debt or by incurring at that time debts including that debt; and*

---

45 Mr Martin Scott, Director Policy and Projects, Office of Regulatory Policy, DJAG, public briefing transcript, Brisbane, 3 February 2020, p 5.

46 Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public briefing transcript, Brisbane, 3 February 2020, p 5.

47 Submission 5, p 12.

48 DJAG, correspondence dated 28 January 2020, p 11.

49 DJAG, correspondence dated 28 January 2020, p 11.

50 Clause 31, new section 70I.

51 DJAG, correspondence dated 9 December 2019, p 9.

- *immediately before the debt was incurred, there were reasonable grounds to expect that the association was insolvent; or there were reasonable grounds to expect that, if the association incurred the debt, the association would become insolvent.*[52]

Breaching the duty to prevent insolvent trading has a maximum penalty of 60 penalty units.[53]

3.2.4 Dispute resolution/grievance procedure

If a dispute arises in relation to an incorporated associations rules, the AI Act stipulates that the Supreme Court may hear the matter and make relevant orders.[54] The explanatory notes provide:

> *The Supreme Court was installed as the adjudicator in matters between an association and its members because of its broad power to grant injunctive relief, and to deter frivolous or vexatious claims (with the court able to summarily dismiss an application of a trivial or unreasonable nature).*[55]

It was noted by the department that costs associated with having the Supreme Court hear a matter can be prohibitive for some associations and their members.[56]

The Bill aims to address this issue and improve internal governance of incorporated associations, by introducing a requirement that an incorporated association has a grievance procedure in its rules.[57] This will provide a formal internal dispute resolution process, to be followed before an application is made to the Supreme Court.[58]

Clause 16 of the Bill inserts a framework governing the grievance procedure, including that the dispute resolution process must include mediation.[59] The Bill stipulates that if a procedure has been initiated by a member of an association, the association cannot take disciplinary action against the person until the procedure has been completed.[60]

An incorporated association may include a specific grievance procedure in its rules, or it will be taken as having adopted the grievance procedure in the model rules.[61]

The department noted there is no existing grievance procedure included in the model rules, and advised:

> *It is intended that the provisions in the Bill relating to grievance procedures will commence two years from assent to provide incorporated associations with sufficient time to develop their own grievance procedure. The model rules will be amended prior to this date to provide associations with a model grievance procedure that is compliant with the prescribed principles under the Bill. Those associations that wish to rely on the model rule grievance procedure will not need to amend their rules.*[62]

---

52 DJAG, correspondence dated 9 December 2019, p 9.

53 Clause 31, new section 70I(1).

54 AI Act, ss 72, 73.

55 Explanatory notes, p 3.

56 Explanatory notes, p 3.

57 Explanatory notes, p 3.

58 Clause 32; explanatory notes, p 3.

59 Clause 16, new section 47A.

60 Clause 16, new section 47A(5).

61 Clause 16, new section 47A(6).

62 DJAG, correspondence dated 9 December 2019, pp 11-12.

3.2.4.1 *Stakeholder views and department response*

Caxton Legal Centre welcomed the introduction of a mandatory grievance procedure, stating the requirement that an internal dispute resolution process be followed prior to court action was an 'overdue reform'.[63]

The QLS noted the introduction of grievance procedures was generally welcomed, however suggested a number of changes to the Bill's proposed process.[64] For example, the QLS recommended the Queensland Civil and Administrative Tribunal or the Magistrates Court should be able to adjudicate internal disputes, noting this is the approach in some other Australian jurisdictions.[65]

Clubs Queensland was broadly supportive of the grievance procedure amendments, however, it raised concern with the scope of the proposed procedure and stated:

> *In particular, we are concerned that Clubs will no longer have the ability to take disciplinary action against their members who have conducted themselves in a way considered to be injurious or prejudicial to the character or interests of the association, without first engaging in a mediation with the member.*
>
> *Clubs Queensland considers it inappropriate for an association to be required to engage in mediation with a member who has conducted themselves in a way considered to be injurious or prejudicial to the character or interests of the association.*[66]

As an alternative, Clubs Queensland recommended that the definition of 'dispute' be included in the Bill to 'ensure that persons who have conducted themselves in a way considered to be injurious or prejudicial to the character or interests of the association cannot use the proposed dispute resolution procedures'. [67]

At the public hearing, Mr Dan Nipperess, General Manager, Clubs Queensland added further:

> *Clubs have liquor licences and therefore obligations under the Liquor Act to maintain order at licensed premises. Many instances will require clubs to follow its disciplinary procedures, terminate membership and issue venue bans on members who cause disturbances on a licensed premises, and the current amendments potentially restrict clubs as licensees from discharging their obligations under the Liquor Act.*
>
> …
>
> *The majority of membership terminations that a club deals with are in relation to potentially physical acts of violence or abuse made against staff members of the registered and licensed club. Under the Liquor Act there are obligations on the licensees, as well as pursuant to the associations act, to afford procedural fairness and natural justice when terminating somebody's membership. We would like clarification in relation to that grievance resolution procedure and the requirement for a mediation and how that would potentially affect an instance dealt with that may not be open to mediation or a dispute that does not require mediation.*[68]

---

63 Submission 003, p 7.

64 Submission 005, pp 6-10; public hearing transcript, pp 6-7.

65 QLS, submission 005, p 8.

66 Clubs Queensland, submission 004, pp 2-3.

67 Clubs Queensland, submission 004, p 3.

68 Public hearing transcript, Brisbane, 3 February 2020, p 2.

Similarly, the QLS suggested the Bill's proposed grievance procedure may hinder an association 'when decisive action is required for safety reasons', and recommended:

> *That consideration be given to including a qualification in section 47A(5) that allows an association to act immediately in critical situations such as those involving health and safety issues.*[69]

In response, Ms Victoria Thomson, Deputy Director-General of the department advised:

> *I note the Queensland Law Society's concerns from its submission to the committee that the bill may impede an association from adopting particular national or international procedures with which an association is to abide. However, it is intended that the local associations may simply refer to the parent association's grievance procedure in their rules, provided that the grievance procedure document meets the principles that I have just described. It is also intended that the provisions providing for grievance procedures will commence two years from assent. This will provide for the development, in consultation with the sector, of a grievance procedure for the model rules and will also provide incorporated associations with sufficient time to resolve any existing disputes and develop their own grievance procedures if they wish.*[70]

The department emphasised the purpose of the proposed grievance procedures were to act as a protection. Mr McKarzel stated:

> *If a person has initiated a grievance process, the act contemplates that they should not be affected by or punished for doing that process. In other words, if the grievance procedure is initiated on a particular matter, the bill is providing that you cannot then get thrown out basically on that matter until the grievance process is gone through. If a person puts in a grievance procedure and there has been no initiation of disciplinary action, then the grievance procedure follows its process.*[71]

The department advised that the Bill would allow a 'parallel process' to occur 'where the matters that are dealt with in one process are dealt with equivalently in the other process if it is in terms of providing procedural fairness and if the arguments are the same'.[72]

The department noted that further detail regarding the particulars of a grievance procedure will be contained in the model rules. This will include how a grievance procedure is initiated,[73] and how a grievance procedure would interact with other rules of an association. The Bill does not stipulate that an association would be prohibited from taking disciplinary action because it has a grievance procedure. [74]

The rules of an incorporated association can include appeals processes. It would be a matter for the rules as to whether a grievance procedure could act as a type of appeal for disciplinary action taken by an association.

---

69 Submission 005, p 9.

70 Public hearing transcript, Brisbane, 3 February 2020, p 2.

71 Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 6.

72 Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 6.

73 Public hearing transcript, Brisbane, 3 February 2020, p 6.

74 Public hearing transcript, Brisbane, 3 February 2020, p 6.

3.3 Reducing regulatory burden

3.3.1 Financial reporting

Charities which are registered with the ACNC must provide annual financial information to the ACNC.[75] This includes charities who are associated incorporations under the AI Act and organisations registered under the Collections Act, which have separate financial reporting obligations including that annual financial information is provided to the state regulator, the OFT.

It is estimated that approximately 3,759 incorporated associations in Queensland and approximately 3,220 entities registered under the Collections Act, are also registered with the ACNC, and so suffer duplication of annual financial reporting requirements.[76]

The department advised that the duplication of reporting requirements has been 'of significant concern to the sector' and that other states and territories of Australia have also progressed changes to 'at least partially address the situation, either by exempting ACNC-registered entities from the State based reporting requirements, or by aligning those reporting requirements with those of the ACNC'.[77]

The Bill seeks to address this issue by allowing the exemption of certain classes of association to provide financial reporting requirements to the OFT.[78] It is intended this would include ACNC-registered entities.[79]

Regulation can prescribe classes of associations which would be exempt.[80] These classes would be referred to in relation to a number of characteristics, including financial characteristics, registration under another Act, or whether the association or charity is required to prepare and submit financial statements under another Act.[81]

The department explained:

> *Coupled with information-sharing arrangements between the OFT and the ACNC, the provisions are intended to create a "report once" arrangement for affected associations and Collections Act entities. All ACNC-registered entities with an obligation to report under the AI or Collections Acts will benefit from the proposed change.*[82]

The department advised that regulations to prescribe the exempt classes would be in place for the 2020-2021 financial reporting period.[83] It stated: 'Taking into account the overlap between Collections Act entities and incorporated associations, it is estimated that approximately 5,000 NFPs will benefit from this change'.[84]

The Bill would allow the chief executive of an exempt association however, to obtain the financial information of the association if requested.[85] Further, the explanatory notes provide:

> *Additionally, the Bill contains amendments to assist in facilitating an information-sharing arrangement between the chief executive and the ACNC, which will ensure the chief executive*

---

75 DJAG, correspondence dated 9 December 2019, p 2.

76 Explanatory notes, p 3.

77 DJAG, correspondence dated 9 December 2019, p 3.

78 Clauses 21-24, 54.

79 Explanatory notes, p 4.

80 Clauses 45, 58.

81 Clauses 45, 58; DJAG, correspondence dated 9 December 2019, p 4.

82 DJAG, correspondence dated 9 December 2019, p 4.

83 DJAG, correspondence dated 9 December 2019, p 4.

84 DJAG, correspondence dated 9 December 2019, p 4.

85 Explanatory notes, p 4.

> *retains access to financial information in respect of the entities that are proposed to be exempt from Queensland Government reporting requirements.*[86]

3.3.1.1 *Stakeholder views and department response*

The proposed amendments to remove duplication of financial report requirements, was supported by the Caxton Legal Centre, which submitted:

> *When the ACNC was established with a view to limiting the number of times that registered charities and not-for-profits would have to engage in relevant financial and governance reporting, this was generally welcomed across the sector. We agree that it is far preferable that quality reports are available at a 'one-stop-shop' where, for example, funding bodies can check to see what an organisation's funding and structure looks like, rather than requiring organisations to write multiple reports to multiple funders, etc.*[87]

The department noted the amendments to reporting obligations were 'consistent with the trend towards national harmonisation for not-for-profit financial reporting requirements'[88] and would address issues of dual reporting requirements as raised by stakeholders.[89]

3.3.2 Voluntary cancellation of incorporation

Currently under the AI Act, associations can be voluntarily wound up by special resolution of its members, or it can be wound up by the Supreme Court in particular circumstances, for example if the association is unable to pay its debts. In either case, the association's incorporation is cancelled following the winding up of the association.[90]

To reduce the regulatory burden for incorporated associations, clause 36 of the Bill proposes an association can apply to cancel the incorporation without requiring the association undertake a formal winding up process.[91] The department advised this may arise when an association feels the:

> *… costs and/or administrative burden associated with the incorporation are not justified given the size of the association, the scale of its assets (if any), or the nature of the activities it undertakes. Alternatively, the association may no longer have any need for the benefits that incorporation provides, and may wish to continue as an unincorporated association.*[92]

Applications for cancellation can be made if the association has no outstanding debts or liabilities; has paid all fees and penalties under the AI Act; and is not party to any legal proceeding.[93]

---

86 Explanatory notes, p 4.

87 Submission 3, p 4.

88 Ms Victoria Thomson, Deputy Director-General, Liquor, Gaming and Fair Trading, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 1.

89 Mr David McKarzel, Executive Director, Office of Regulatory Policy, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 3.

90 DJAG, correspondence dated 9 December 2019, p 5.

91 Explanatory notes, p 4.

92 DJAG, correspondence dated 9 December 2019, p 5.

93 Explanatory notes, p 4.

3.4 Streamlining internal processes

3.4.1 Discontinuation of common seal

Incorporated associations are required to have a common seal, pursuant to the AI Act.[94] The common seal is used to identify an association as an incorporated association and provides proof of the association's name on legal documents.[95]

The Bill removes the requirement that an incorporated association must have a common seal, with the purpose of streamlining internal processes of incorporated associations.[96]

The department explained:

> *While historically common seals were the standard means by which a corporate entity would execute documents, it is now quite rare for contracts to require signature under seal. It is relevant to note that the requirement for companies to have a common seal was abolished by the Commonwealth Government in 1988 as part of the Company Law Review Act 1988 (Cth).*[97]

Amendments are proposed by the Bill to allow for legal execution of documents with or without a common seal.[98]

It was noted that an existing incorporated association which did not want to continue to use its seal, would need to change its relevant rules regarding use of the seal.[99]

3.4.1.1 *Stakeholder views and department response*

Clause 14 of the Bill provides for the execution of contracts by an incorporated association without a common seal, if the document is signed by a member of the management committee of the association and countersigned by the secretary of the association or another member of the management committee of the association or another person authorised by the management committee of the association.[100] For associations using a common seal, execution of a document occurs if the seal is attached and the document is signed by a member of the management committee of the association and countersigned by the secretary of the association or another member of the management committee of the association or another person authorised by the management committee of the association.[101]

Clubs Queensland generally supported the proposed amendment to remove the requirement for an incorporated association to use a common seal, however, raised concern with the Bill's requirements of relevant association members to sign the document.[102]

---

94 AI Act, s 21(b).

95 Queensland Government, *After you incorporate an association,* https://www.qld.gov.au/law/laws-regulated-industries-and-accountability/queensland-laws-and-regulations/associations-charities-and-non-for-profits/incorporated-associations/after-you-incorporate-an-association.

96 DJAG, correspondence dated 9 December 2019, p 5.

97 DJAG, correspondence dated 9 December 2019, p 5.

98 Clause 13.

99 DJAG, correspondence dated 9 December 2019, p 5.

100 Clause 13, new section 28(2A).

101 Clause 13, new section 28(2B).

102 Submission 4, p 2.

Clubs Queensland suggested this requirement (under proposed new sections 28(2A) and 28(2B) would conflict with the existing section of the AI Act, section 28 (to be retained by the Bill) that states:

> *a contract, which if made between private persons, would be required by law to be in writing and signed by the parties to be charged therewith shall be made in writing and signed by any person acting under the express or implied authority of the incorporated association.*[103]

The QLS agreed with Club Queensland's view that the interaction between existing section 28 and proposed sections 28(2A) and 28(2B) should be clarified.[104]

The department clarified that while section 28(a)(b) a person to have express or implied authority when entering into a written contract, new sections 28(2A) and 28(2B) 'provide the procedural requirements which associations must comply when executing the contract',[105] and did not suggest the provisions required amendment.

General support for the removal of the requirement to use a common seal was also provided by Caxton Legal Centre.[106]

3.4.2 Communications technology

The AI Act provides that the rules of an incorporated association may permit the association to hold general meetings by using any technology that reasonably allows members to hear and take part in discussions.[107] The department advised communications technology is not permitted unless the rules specifically provide for this. However, the AI Act permits the use of communications technology for the conduct of management committee meetings without the need for the rules to specify this.

The Bill proposes to address this disparity by removing the requirement for the rules to specify the use of communications technology during general meetings, allowing associations to use communications technology without amending their rules.[108]

3.4.2.1 *Stakeholder views*

Caxton Legal Centre and Clubs Queensland supported the proposed amendment regarding the use of communications technology at general meetings. Clubs Queensland submitted it:

> *… strongly supports the proposed amendment of section 56 of the Act to allow an association to hold its' meetings using communications technology without having to amend its' constitution to do so.*
>
> *Clubs Queensland supports this positive change as we consider it unduly burdensome for a Club to go through the procedures involved in amending their constitution just to allow them to use modern technologies to conduct their meetings.*[109]

Caxton Legal Centre also noted the amendment is 'likely to be particularly useful for associations operating in country areas'.[110]

---

103 AI Act, s 28(1)(b); Bill, clause 14.

104 Submission 5, p 5.

105 DJAG, correspondence dated 17 January 2020, p 8.

106 Submission 3, p 4.

107 AI Act, s 56.

108 Clause 20; DJAG, correspondence dated 9 December 2019, p 6.

109 Clubs Queensland, submission 004, p 3.

110 Caxton Legal Centre, submission 003, p 3.

3.4.3 Management committee eligibility

Under the AI Act, a person cannot be elected as a member of an incorporated association's management committee, if the person has been convicted on indictment or convicted summarily and sentenced to imprisonment (other than in default of payment of a fine), and if the rehabilitation period in relation to the conviction has not expired.[111]

The department explained:

> *The AI Act defines 'rehabilitation period' by reference to the Criminal Law (Rehabilitation of Offenders) Act 1986 (CLROA). Under the CLROA, the rehabilitation period expires 10 years from the date of the conviction, or the date on which an order of the court relating to the conviction is satisfied. Accordingly, persons with relevant convictions are ineligible to serve on a management committee for a period of 10 years.*
>
> *However, there is a complication in that the CLROA also states that there is no rehabilitation period for convictions resulting in sentences of more than 30 months (i.e. 2.5 years) imprisonment, regardless of whether the offender actually serves any time. This may mean that a person who has been sentenced to serve more than 30 months in prison will never be eligible for election to a management committee. Alternately, it might be interpreted to mean that persons with more significant convictions are not prevented for any period of time from serving on the management committee of an incorporated association member of an incorporated association's management committee, will be removed from office in circumstances including if the person is convicted of an offence.*[112]

The Bill amends the eligibility criteria for a person to be elected to a management committee, to reduce the period of ineligibility from 10 years to five years for persons with relevant convictions.[113]

This amendment would improve consistency with similar legislation in other jurisdictions including the Commonwealth under Corporations Law, and would provide associations 'greater freedom regarding who they may elect to their committees'.[114] The department noted: 'It is anticipated that vital associations in some remote areas, and associations advocating for prison inmates and ex-inmates will be the primary beneficiaries of the change'.[115]

3.4.3.1 *Stakeholder views and department response*

Caxton Legal Centre supported the proposed change to management committee eligibility, however, suggested the role of treasurer of a management committee should retain the period of ineligibility of 10 years:

> *We support this reduction and see that it is likely to have particular value for organisations operating in rural and remote areas where it may be more difficult to recruit members for a management committee. That said, we also refer to the findings in the BDO Not-for-profit Fraud Survey 2010 report, which ought to be kept in mind. We note that the role of treasurer is one that requires particular consideration if someone has been convicted of an offence involving dishonesty. In this context, perhaps the longer exclusion period is still warranted in relation to the role of treasurer.*[116]

---

[111] AI Act, s 64.

[112] DJAG, correspondence dated 9 December 2019, p 6.

[113] Clause 28.

[114] DJAG, correspondence dated 9 December 2019, pp 6-7.

[115] DJAG, correspondence dated 9 December 2019, pp 6-7.

[116] Caxton Legal Centre, submission 003, p 6.

The department's response noted that the amendments proposed by the Bill do not provide automatic right for a person to be on a management committee, and would not stop a management committee from enquiring about the criminal history of a person.[117] It was also stated that the proposed amendments would not hinder an association from including additional eligibility requirements for particular management committee positions in its own rules.[118]

3.5 Inspector powers

The Bill amends the AI Act to replace existing powers of inspectors with powers which reflect those available to Fair Trading Inspectors under the FTIA Act.[119] This excludes powers of an inspector which were not considered necessary to apply to the AI Act, such as the power to stop or move vehicles, the power to obtain criminal history reports, and powers of entry and seizure where the place is a place of residence.[120]

Advice provided by the department notes these amendments would 'provide inspectors with the necessary powers to investigate incorporated associations, while also providing the established checks and balances to those powers', as well as 'provide efficiencies and consistency for OFT inspectors in the course of their work'.[121]

3.5.1.1 *Stakeholder views and department response*

The QLS generally welcomed the amendments to update powers of inspectors under the AI Act, however, raised concerns with inspectors' powers of entry without a warrant. The QLS stated:

> *It is noted that the power to enter under the Fair Trading Inspectors Act 2014 (FTA) includes power to enter without a warrant when the place is open for carrying on a business.*
>
> *QLS has a strong preference that entry of this kind is with a warrant. If an inspector considers that there are grounds for exercising these powers, QLS considers that those grounds should generally be tested before a magistrate by way of an application for a warrant.*[122]

Mr Luke Murphy, President of the QLS, further explained:

> *The society's position is that the freedom of entry that is extended in these circumstances represents a breach of what we consider to be a fundamental cornerstone legal principle. If in fact there is a concern and it is a reasonably held concern, then that should be something, in the society's view, that is capable of being put before a suitable authority to enable the warrant to be issued for it. We just think the exercise of the power in the manner in which it is proposed outweighs the mischief that is trying to be addressed.*[123]

Clubs Queensland also raised concerns over the power of inspectors, stating that:

> *The proposed Section 4A has the effect of allowing a fair trading inspector to enter the premises of an association and seize property without the association's consent and without a search warrant.*
>
> *Clubs Queensland considers it unduly excessive that a fair trading inspector possess these powers where the powers are greatly in excess of those which the Corporations Act 2001 (Cth) grants*

---

117 DJAG, correspondence dated 17 December 2019, p 7.

118 DJAG, correspondence dated 17 December 2019, p 7.

119 Clause 8, explanatory notes, p 6.

120 Clauses 63-65, explanatory notes, p 6.

121 DJAG, correspondence dated 9 December 2019, p 13.

122 Submission 5, p 3.

123 Public hearing transcript, Brisbane, 3 February 2020, p 7.

> *the Australian Securities and Investments Commission (ASIC) to enter company premises and seize company property.*
>
> *Clubs Queensland submits that the amendments should mimic the powers of ASIC, who can require the production of documents, but can only enter or seize company property in accordance with a search warrant.*[124]

Representatives of the department noted that the powers of entry are consistent with other Queensland legislation and relevant legislation in other jurisdictions.[125]

Mr Steve L'Barrow, Director of Investigations and Enforcement, Office of Fair Trading, advised:

> *With modern regulatory frameworks, being proactive in our activities is at [the] forefront. We are trying to find issues that happen before they blow out and become major problems. One of the other pieces of legislation that is regulated through the Fair Trading Inspectors Act relates to property agents. As you would be aware, property agents handle vast amounts of money through their trust accounts. As a part of our proactive enforcement or compliance regimes, we go to their premises unannounced, look at their books, make sure everything is okay and make sure they are not diddling any money out of owners' pockets.*
>
> *The same sorts of principles apply when looking at associations. I am not saying that we will march into every single association around Queensland, but we need to structure some sort of proactive compliance regime to be able to walk onto the premises and say, 'Can I have a look at your books, please?,' make sure everything is okay and walk out knowing that everything is fine, rather than waiting for a complaint 12 months or two years down the track where we find that hundreds of thousands of dollars have been taken from the kitty. That is the type of situation where we like to use those sorts of powers—unannounced visits and very light touch compliance.*[126]

The department noted that the FTI Act also provides safeguards which would apply under the AI Act, including that an inspector may not use its powers of entry without a warrant in respect of a place where a person resides.[127]

> *It should also be noted that the Fair Trading Inspectors Act provides appropriate safeguards relating to entry powers including procedures that inspectors must follow when entering a place with consent. Additional entry powers will not apply to a place where a person resides.*[128]

3.6 Other amendments

The Bill proposes a number of other amendments which were not specifically addressed by stakeholders. These include amendment to Applied Corporations law outlined below.

3.6.1 Applied Corporations Law

The *Corporations (Ancillary Provisions) Act 2001* provides that a Queensland law may declare a matter to be an applied Corporations legislation matter. Where a provision makes such a declaration, the relevant Commonwealth Corporations legislation specified in the declaratory provision applies as if it were a Queensland law.[129]

---

[124] Submission 4, p 5.

[125] Ms Victoria Thomson, Deputy Director-General, Liquor, Gaming and Fair Trading, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 5.

[126] Public hearing transcript, Brisbane, 3 February 2020, p 5.

[127] DJAG, correspondence dated 9 December 2019, p 2.

[128] Ms Victoria Thomson, Deputy Director-General, Liquor, Gaming and Fair Trading, DJAG, public hearing transcript, Brisbane, 3 February 2020, p 2.

[129] *Corporations (Ancillary Provisions) Act 2001*, Part 3.

The AI Act currently applies parts 5.5 and 5.6 of the *Corporations Act 2001* (Cth) (Corporations Act) to the voluntary winding up of an incorporated association; and part 5.7 of the Corporations Act to the winding up of an association by the Supreme Court.

The Bill proposes to also apply the following applied Corporations legislation under the AI Act:

- *Corporations Act, part 5.3A to allow incorporated associations access to a legislative framework providing for voluntary administration. Currently, Queensland incorporated associations are unable to place themselves into voluntary administration and the ability to do this may assist them in overcoming period of financial difficulty as an alternative to liquidation.*
- *Corporations Act, part 5.7B, divisions 1 and 2 to allow a liquidator to recover payments by an association that are deemed unfair or unreasonable or were paid while the association was insolvent;*
- *Corporations Act, part 5.9, division 3 to apply miscellaneous provisions relating to external administration for consistency with the approach of some other jurisdictions in regard to the application of corporations law to incorporated associations;*
- *Corporations Act, part 5.9, division 4 to apply the Insolvency Practice Schedule. This amendment responds to recent structural changes to the Corporations Act and clarifies the role of liquidators and the rights of creditors in relation to the administration of an incorporated association.*[130]

[130] DJAG, correspondence dated 9 December 2019, p 7.

4 Compliance with the *Legislative Standards Act 1992*

4.1 Fundamental legislative principles

Section 4 of the *Legislative Standards Act 1992* (LSA) states that 'fundamental legislative principles' are the 'principles relating to legislation that underlie a parliamentary democracy based on the rule of law'. The principles include that legislation has sufficient regard to:

- the rights and liberties of individuals
- the institution of Parliament.

The committee has examined the application of the fundamental legislative principles to the Bill. The committee brings the following to the attention of the Legislative Assembly.

4.1.1 Rights and liberties of individuals

Section 4(2)(a) of the LSA requires that legislation has sufficient regard to the rights and liberties of individuals.

4.1.1.1 *Right to privacy regarding personal information – information sharing and disclosure*

Clause 42 amends the AI Act to provide for the disclosure of information obtained by the chief executive under that Act to the commissioner of the ACNC.

Clause 57 effects a similar amendment of the Collections Act for sharing information obtained under that Act.

Issue of fundamental legislative principle

These information-sharing arrangements between the OFT and the ACNC are aimed to support the other amendments in the Bill, whereby certain associations will be able to "report once", taking advantage of an exemption from state-based reporting requirements of entities that are registered with the ACNC (see clauses 21 to 24 and 32.)

In providing for the disclosure of information obtained by the chief executive under the AI Act and the Collections Act to the commissioner of the ACNC, these clauses raise an issue of fundamental legislative principle relating to the rights and liberties of individuals, particularly regarding an individual's right to privacy with respect to their personal information.[131]

The right to privacy, and the disclosure of private or confidential information, are relevant to a consideration of whether legislation has sufficient regard to the rights and liberties of the individual.

Committee comment

The explanatory notes offer the following justification for these provisions:

> *In this case, it could be argued that any potential concerns about privacy and confidentiality issues are outweighed by the industry's strong desire to report financial information once in a way which will satisfy its obligations to both the Queensland regulator and the ACNC.*[132]

---

[131] See *Legislative Standards Act 1992* (LSA), section 4(2)(a).

[132] Explanatory notes, p 7.

The explanatory notes set out safeguards and limitations regarding the information to be shared:

> *It should also be noted that there are stringent parameters around the information sharing arrangement to ensure that only certain information is disclosed and that it is disclosed for an appropriate purpose. Specifically:*
>
> - *the disclosure … must be for the purpose of enabling or assisting the commissioner to perform or exercise the commissioner's functions or powers;*
> - *the information disclosed must only relate to an ACNC-registered entity; and*
> - *the information disclosed must have been obtained by the chief executive under the relevant Act (i.e. the Associations Incorporation Act or the Collections Act as the case may be).*[133]

The explanatory notes report that the ACNC is supportive of the information sharing arrangements and has already entered into similar arrangements with the majority of other jurisdictions.[134]

The fundamental legislative principle under consideration relates to rights and liberties of the individual. The information to be shared under these provisions would be held by an association, not an individual. Nonetheless, it could be envisaged that the information held by an association and being shared would include information relating to individuals.

Having regard to the aims of the information sharing arrangements, the committee is satisfied that there are sufficient protections for the privacy of the individual and thus the provisions for disclosure of information have sufficient regard to the rights and liberties of individuals.

4.1.1.2 *Right to privacy regarding personal information*

Clause 31 inserts new section 70D in the AI Act, which will require management committee members of an incorporated association to disclose to the association's annual general meeting the remuneration paid or other benefits given to management committee members and senior staff, and their relatives. There is a maximum penalty of 10 penalty units for non-compliance.

Issue of fundamental legislative principle

This clause raises the same issue of fundamental legislative principle, discussed immediately above, regarding an individual's right to privacy.

As noted above, the right to privacy, and the disclosure of private or confidential information, are relevant to a consideration of whether legislation has sufficient regard to the rights and liberties of the individual. [135]

The explanatory notes offer the following justification for the provision:

> *… while new section 70D may impact on an individual's right to privacy and confidentiality, the provision is intended to facilitate greater transparency and accountability within associations by giving association members who are not on the committee the information necessary to determine whether the remuneration or benefit provided is an appropriate use of the association's funds.*[136]

---

[133] Explanatory notes, p 7.

[134] Explanatory notes, p 7.

[135] See LSA, section 4(2)(a).

[136] Explanatory notes, p 8.

Committee comment

The committee is satisfied that, given the aim of achieving greater accountability, the breach of fundamental legislative principle is justified.

4.1.1.3 *Proportion and relevance*

Clause 31 inserts new part 7, divisions 2 and 3 in the AI Act, setting out a range of obligations and duties of management committee members, and creating offences for non-compliance. The maximum penalties range from 4 to 60 penalty units. (The nature of the offences and the penalties is set out under 'comment' below.)

Issue of fundamental legislative principle

Proportion and relevance

The creation of new offences and penalties affects the rights and liberties of individuals.

Whether legislation has sufficient regard to rights and liberties of individuals depends on whether, for example, penalties and other consequences imposed by legislation are proportionate and relevant to the actions to which the consequences relate. A penalty should be proportionate to the offence:

> *In the context of supporting fundamental legislative principles, the desirable attitude should be to maximise the reasonableness, appropriateness and proportionality of the legislative provisions devised to give effect to policy.*
>
> *… Legislation should provide a higher penalty for an offence of greater seriousness than for a lesser offence. Penalties within legislation should be consistent with each other.*[137]

The offences and the maximum penalties are summarised below:

- 4 penalty units ($533.80) for a breach of new section 70B(6) (failure to record and disclose details of a disclosure of a material personal interest)
- 4 penalty units for a breach of new section 70C(4) (failure to record and disclose a decision allowing a member disclosing an interest to nonetheless be present or vote)
- 10 penalty units ($1334.50) for a breach of new section 70D(1) (failure to disclose remuneration or other benefits at an annual general meeting)
- 60 penalty units ($8007.00) for a breach of new sections 70B(1) and 70B(2) (failure to disclose material personal interests)
- 60 penalty units for a breach of new section 70C(1) (being present at consideration of, or voting on, a matter involving a material personal interest)
- 60 penalty units for a breach of new sections 70E(1) (failure to exercise due care and diligence) and 70F (failure to act in good faith and for a proper purpose)
- 60 penalty units for a breach of new section 70G (improper use of position to gain benefit or cause detriment)
- 60 penalty units for a breach of new section 70H (improper use of information to gain benefit or cause detriment)
- 60 penalty units for a breach of new section 70I(1) (failure to prevent insolvent trading).

---

[137] Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 120.

The offences

Regarding the imposition of the various duties on office-holders, and the creation of associated offences, the explanatory notes state that these are introduced in light of:

- *the growing sophistication of the* [not for profit] *sector and the resulting increase in public expectation that those who hold influential positions within incorporated associations should be held accountable to minimum standards of behavior*
- *the common law view that management committee members and officers have similar fiduciary duties to those of company directors*
- *the absence of clear guidance under the Associations Incorporation Act about how management committee members and officers should behave in their roles; and*
- *the potential benefit that greater legislative guidance will provide to management committee members and officers by potentially reducing the likelihood of intentional or inadvertent breaches of their governance duties.*[138]

The penalties

As to the level of penalties, the explanatory notes state:

> *The proposed penalties are considered necessary to promote adherence to the principles of good governance and the penalties give weight to the obligations. The maximum penalty amount has been limited … in recognition of the* [not for profit] *and often voluntary nature of incorporated associations. These penalty amounts are comparable to those applicable in Western Australia for breaches of similar obligations.* [139]

<u>Committee comment</u>

The committee considers, having regard to the intent of the provisions and the nature of associations, that:

- the various offences are relevant to the conduct being prescribed, and
- the associated penalties are reasonable and proportionate.

4.1.2 Onus of proof

Clause 31 inserts new section 70I(1) to impose a duty on an officer of an unincorporated association to prevent insolvent trading.

It provides that a person who was a member of the management committee of an incorporated association, or took part in the management of an incorporated association, at the time the association incurred a debt commits an offence if the association was insolvent at the time the debt was incurred or becomes insolvent by incurring that debt or by incurring at that time debts including that debt; and immediately before the debt was incurred, there were reasonable grounds to expect that the association was insolvent; or there were reasonable grounds to expect that, if the association incurred the debt, the association would become insolvent.

There is a maximum penalty of 60 penalty units.

---

[138] Explanatory notes, p 8.

[139] Explanatory notes, p 8.

Under new section 70I(2), it is a defence if an accused person proves:

- the debt was incurred without the accused's express or implied authority or consent
- at the time the debt was incurred, because of illness or for some other good reason, the accused did not take part in the management of the incorporated association, or
- at the time the debt was incurred, the accused had reasonable grounds to expect, and did expect, that the incorporated association would become insolvent.

Issue of fundamental legislative principle

The onus of proving matters under section 70I(2) will lie with the defendant. This involves a reversal of the onus of proof.

Whether legislation has sufficient regard to rights and liberties of individuals depends on whether, for example, the legislation does not reverse the onus of proof in criminal proceedings without adequate justification.[140]

Legislation should not reverse the onus of proof in criminal matters, and it should not provide that it is the responsibility of an alleged offender in court proceedings to prove innocence:

> *For a reversal to be justified, the relevant fact must be something inherently impractical to test by alternative evidential means and the defendant would be particularly well positioned to disprove guilt.*[141]

Committee comment

The explanatory notes state that the clause is justified:

> *… as the information required to be proven would be readily available to a defendant and would be difficult and/or expensive for the State to prove... In the case of a defence to the offence in new section 70I(1), the accused would have particular knowledge of whether a debt was incurred without their authority or consent and would know whether they had reasonable grounds to expect that the association was solvent at the time the debt was incurred..* [142]

It is noted that where an accused person is wanting to prove that they were not taking part in the management of the association at the relevant time, under new section 70I(2)(b) they must demonstrate this was for 'illness or other good reason'. What amounts to 'good reason' is not defined. Further, if they had merely absented themselves from taking part in the management of the affairs for what might not be good reason, they would be liable for the offence.

4.1.3 Power to enter premises

Clause 8 provides that certain common provisions in the FTI Act are enacted for the AI Act. Additionally, unless the latter Act otherwise provides in relation to the former Act, the powers that an inspector has under the former Act are in addition to and do not limit any powers the inspector may have under the latter Act.

Clause 63 modifies the operation of the FTI Act for the purposes of the AI Act to in effect exclude certain of the powers available to inspectors.

The combined effect of clause 8 and the other provisions is that certain powers available to inspectors under the FTI Act will become available to those inspectors under the AI Act.

---

[140] LSA, section 4(3)(d).

[141] Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 36.

[142] Explanatory notes, p 36.

These powers include not only a power of entry, but also powers of seizure and to make a help requirement. By virtue of clause 63, they exclude a power to search a vehicle or a residence and a power to obtain a criminal history.

Section 22 of the FTI Act is the general power of entry provision. The combined effect of section 22 and the provisions of the Bill is that entry can be effected with the consent of the occupier or upon warrant but neither consent nor a warrant is required if:

- it is a public place, during times it is open to the public
- it is a place of business that is regulated under a primary Act (in this case the AI Act) and is open for carrying on the business or otherwise open for entry, or required to be open for inspection under the primary Act, or
- if it is a place where an incorporated association carries out its activities, holds its general meetings or keeps its records.

None of these listed situations authorise entry to premises used as a residence. Any consent must be an informed consent.

Inspectors have a range of powers which they can exercise after an entry which is made by consent, authorised under a warrant, or otherwise authorised by the legislation (excluding entry to a public place at times it is open to the public).[143]

These include powers to:

- **search, inspect,** examine, film, take a thing for examination, place an identifying mark, take an extract or copy from a document, produce an image from an electronic document and remain at the place for the time necessary to achieve the purpose of the entry. (If an inspector takes a document from the place to copy it, they must return it to the place as soon as practicable. If an inspector takes an article or device from the place that is reasonably capable of producing a document from an electronic document, they must produce the document and return the article or device to the place as soon as practicable).[144]
- **make a 'help requirement'** of an occupier or person at the place to give the inspector reasonable help to exercise a general power, including, for example, to produce a document or give information.[145] (A failure to comply without a reasonable excuse carries a maximum penalty of 200 penalty units or 12 months imprisonment).[146]
- **seize a thing,** including where the inspector has a reasonable belief that the thing is evidence of an offence against the Act and the seizure is consistent with the purpose of entry. The inspector may also seize anything else at the place if the inspector reasonably suspects the thing is evidence of an offence against the Act and the seizure is necessary to prevent the thing being hidden, lost or stolen, or if the inspector reasonably suspects the thing has just been used in committing an offence against the Act.[147] (A failure to comply with a direction to assist regarding a seizure without a reasonable excuse carries a maximum penalty of 50 penalty units.)[148]

---

[143] See the *Fair Trading Inspectors Act 2014* (FTI Act), sections 37 and following.

[144] FTI Act, section 38.

[145] FTI Act, section 39.

[146] FTI Act, section 40.

[147] FTI Act, sections 41 and 42.

[148] FTI Act, section 45.

- **require the giving of personal details**.[149] An inspector can require a person to provide their name and residential address if the inspector finds the person committing an offence against the Act or in circumstances that lead the inspector to reasonably suspect the person has just committed an offence against the Act or the inspector has information that leads the inspector to reasonably suspect an offence has just been committed. (A failure to comply without a reasonable excuse carries a maximum penalty of 50 penalty units).[150]
- **require a person to make available for inspection or produce** a document required to be kept by the person under the Act or a document given to the person under the Act. The inspector may copy the document, and require the person responsible for keeping the document to certify the copy as a true copy.[151] (A failure to comply with a document production requirement or a document certification requirement without a reasonable excuse carries a maximum penalty of 200 penalty units.)[152]
- **require a person to provide information** to the inspector related to an offence by a stated reasonable time, if the inspector reasonably believes an offence against the Act has been committed and the person may be able to give information about the offence.[153] (A failure to comply with an information requirement without a reasonable excuse carries a maximum penalty of 200 penalty units or 12 months imprisonment.)[154]

Issue of fundamental legislative principle

Whether legislation has sufficient regard to the rights and liberties of the individual depends on whether, for example, it confers power to enter premises and search for or seize documents or other property, only with a warrant issued by a judge or other judicial officer.[155]

Committee comment

Power to enter premises should generally be permitted only with the occupier's consent or under a warrant issued by a judge or other judicial officer. Legislation should confer power to enter premises, and search for or seize documents or other property, only with a warrant issued by a judge. This principle supports a long established rule of common law that protects the property of citizens.[156]

Strict adherence to the principle may not be required if the premises are business premises operating under a licence or premises of a public authority.

As already noted, any consent must be an informed consent, and entry of premises used as a residence can only be by consent or upon warrant.

In addition, the range of additional powers that can become exercisable after entry without a warrant or consent, is noted.[157] Under the FTI Act once a power of entry is exercised, many other powers flow, including search and seizure powers and provisions for possible forfeiture of property to the State. In

---

[149] FTI Act, section 55.

[150] FTI Act, section 56.

[151] FTI Act, section 57.

[152] FTI Act, sections 58 and 59.

[153] FTI Act, section 60.

[154] FTI Act, section 61.

[155] LSA, s 4(3)(e).

[156] Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 44.

[157] See the discussion in the Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 45.

association with the grant of those powers, a number of offences are created, with penalties that are in some cases significant.

The OQPC Notebook states:

> *Fundamental legislative principles are particularly important when powers of inspectors and similar officials are prescribed in legislation because these powers are very likely to interfere directly with the rights and liberties of individuals.*[158]
>
> *Residential premises should not be entered except with consent or under a warrant or in the most exceptional circumstances.*[159]

The explanatory notes give this background:

> *The Associations Incorporation Act applies Part 10 of the Financial Institutions Code 1992 (the Code) to an investigation of an incorporated association. Despite its repeal in 1999, the provisions in Part 10 continue to apply to the Associations Incorporation Act as if the Code had not been repealed. Due to the length of time since its repeal however, the Code is not considered to be a responsive modern repository of regulatory best practice for the conduct of compliance investigations or for investigation powers. Additionally, the Code was originally intended to be used for the regulation of certain financial institutions and is therefore, not considered to be fit-for-purpose in the context of incorporated associations.*
>
> *In contrast, the Fair Trading Inspectors Act 2014 (FTIA), which consolidates inspector functions and powers across a number of Acts within the Fair Trading portfolio, is the most contemporary piece of legislation dealing with inspectorate provisions. In order to provide administrative efficiencies, and consistency and certainty for Fair Trading inspectors, the Bill replaces the application of Part 10 of the Code to the Associations Incorporation Act with the FTIA.*

The explanatory notes state that it is considered that the power of entry is 'appropriately limited'.[160]

The explanatory notes set out factors there described as 'appropriate safeguards relating to entry powers':

> *For example, sections 25 and 26 prescribe procedures that inspectors must follow when entering a place with consent. This includes the requirement for an inspector to, prior to asking for consent, advise the occupier of the purpose of the entry including the powers to be exercised, that the occupier is not required to give consent, and that the consent may be given subject to conditions and may be withdrawn at any time. If consent is given, the inspector may ask the occupier to sign an acknowledgement of the consent containing relevant details such as the time and day the consent was given and any conditions of the consent.*[161]

The explanatory notes do not, upon analysis, provide in-depth consideration or justification for the extension of these powers, other than to generally state that the Financial Institutions Code 1992 is 'not considered to be a responsive modern repository of regulatory best practice for the conduct of compliance investigations or for investigation powers', whereas the FTI Act is 'the most contemporary piece of legislation dealing with inspectorate provisions'.

This falls short of offering justification for the breaches of fundamental legislative principle involved in the provisions.

---

[158] Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 45.

[159] Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles*: *The OQPC Notebook*, p 46.

[160] Explanatory notes, p 9.

[161] Explanatory notes, p 10.

Any justification for the breach of fundamental legislative principle involved in the addition of the powers would rest on policy considerations – that they are appropriate or necessary for the purpose of aiding or enhancing investigation and enforcement of the offence provisions in the AI Act. The provisions also exist in similar form in a range of other legislation.

The Bill provides for powers of entry, and a wide range of consequential powers (with associated offence and penalty provisions), including powers of search and seizure and potential forfeiture of property, which are not subject to consent or warrant.

4.1.4 Grievance procedure

Clause 16 inserts new section 47A in the AI Act, which will require the rules of an incorporated association to set out a grievance procedure for dealing with any dispute under the rules between members, a member and the management committee, or a member and the association. Associations and members will be required to make reasonable attempts to resolve their dispute under the grievance procedure prior to seeking external redress.

If the rules of the association do not set out a grievance procedure that is consistent with the prescribed principles in new section 47A(2) to (5), then new section 47A(6) specifies that the rules of the association are taken to include the provisions of the model rules providing for the grievance procedure.

Issue of fundamental legislative principle

An association might have adopted rules that contain no grievance procedures or grievance procedures that do not meet the requirements of section 47A. In such a case, the effect of section 47A will be to impose grievance procedures in those rules - replacing part of the rules of the association with provisions of the model rules regarding grievance procedures (even though the association's rules will have been supported by at least three-quarters of the association membership present and entitled to vote).

This arguably could be seen as having a retrospective effect on rights and liberties of individuals.

Whether legislation has sufficient regard to rights and liberties of individuals depends on whether, for example, the legislation does not adversely affect the rights and liberties, or impose obligations retrospectively. [162]

Committee comment

There is a common law presumption against retrospectivity. Strong argument is required to justify an adverse effect on rights and liberties, or imposition of obligations, retrospectively.

The explanatory notes state that the impact of the clause:

> *… is considered justified as it is intended to ensure that the members of an incorporated association have access to a fair dispute resolution process.*[163]

Here, it can be noted that any retrospective effect here does not arise in a criminal context, rather it is a question of any retrospective impact on rights in a civil context. Further, there would not necessarily be an *adverse* retrospective effect. This would depend on the circumstances in each case.

The committee is satisfied that any adverse retrospective impact would be unlikely to be significant, and in any event is justified by the policy aim of the provision, and that accordingly any breach of fundamental legislative principle occasioned by any retrospective operation of the amendment is justified.

---

[162] LSA, s 4(3)(g).

[163] Explanatory notes, p 10.

4.1.5 Institution of Parliament – delegation of legislative power

Clause 44 amends section 136 of the AI Act which currently provides that the maximum penalty that may be prescribed by a regulation for an offence against a regulation is 4 penalty units. Clause 44 increases this limit to 20 penalty units. (This equates to $2669.00).

Clause 58 similarly amends section 47(3)(zo) of the Collections Act to increase a limit for that purpose from 6 to 20 penalty units (an existing limit of imprisonment terms of 3 months is unchanged).

Issue of fundamental legislative principle

Whether a Bill has sufficient regard to the institution of parliament depends on whether the legislation allows the delegation of legislative power only in appropriate cases and to appropriate persons.[164]

Committee comment

It is noted that the wrong issue of fundamental legislative principle is referenced in the discussion of these provisions in the explanatory notes. The explanatory notes refer to the issue in section 4(4)(b) of the LSA, requiring that legislation should have sufficient regard to the institution of Parliament including by sufficiently subjecting the exercise of a delegated legislative power to the scrutiny of the Legislative Assembly.[165]

This matter is concerned with the level at which delegated legislative power is used. The greater the level of potential interference with individual rights and liberties, or the institution of Parliament, the greater will be the likelihood that the power should be prescribed in an Act of Parliament and not delegated below Parliament.[166]

In relation to a power to create offences and impose penalties under subordinate legislation, the more serious the consequences, the more likely it is that an offence or penalty should be imposed only by an Act of Parliament.[167]

The issue here is not the level of the penalties, but whether penalties of that level are appropriate for inclusion in regulation rather than in a primary Act.

The explanatory notes state:

> *The prescription of no more than 20 penalty units for a contravention of a regulation made under the Associations Incorporation Act or the Collections Act is considered appropriate as the former Scrutiny of Legislation Committee … has previously considered that the maximum penalty for offences under regulations should generally be limited to 20 penalty units.*[168]

This is a reference to a policy adopted by the former Scrutiny of Legislation Committee in 1996 that legislative power to create offences and prescribe penalties could be delegated in limited circumstances, if these safeguards were observed:

- rights and liberties of individuals should not be affected by the delegation of the power
- the obligations imposed on a person under the delegated power be limited, and

---

164 LSA, section 4(4)(a).

165 Explanatory notes, p10.

166 Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 145.

167 Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, p 150.

168 Explanatory notes, p 10.

- the maximum penalties generally ought not to exceed 20 penalty units.[169]

The new maximum levels of penalty are within the limit set out in the policy adopted by the former Scrutiny of Legislation back in 1996, and below levels for limits able to be included in regulation that are provided for in other Acts.

In the circumstances, the committee is satisfied that the new increased limits on penalties that are authorised to be imposed by regulation are reasonable and accordingly, the provisions have sufficient regard to the institution of Parliament.

4.2 Explanatory notes

Part 4 of the LSA requires that an explanatory note be circulated when a Bill is introduced into the Legislative Assembly, and sets out the information an explanatory note should contain.

Explanatory notes were tabled with the introduction of the Bill. The notes are fairly detailed and contain the information required by Part 4 and a sufficient level of background information and commentary to facilitate understanding of the Bill's aims and origins.

Committee comment

Some minor comments can be made, all relating to the discussion of issues of fundamental legislative principle. Further discussion in the context of the power of entry and associated powers of inspectors would have aided interpretation and consideration of those provisions. There is an error in the examination in the explanatory notes regarding clauses 44 and 58, as has been noted above. Additionally, references to new provisions being inserted by the Bill do not always indicate whether those provisions are being inserted in the AI Act or the Collections Act.

[169] Scrutiny of Legislation Committee, Policy No 2, Alert Digest No 4 of 1996, at pp 6-7. See the discussion in the Office of the Queensland Parliamentary Counsel, *Fundamental Legislative Principles: The OQPC Notebook*, pp 150-151.

Appendix A – Submitters

Sub #	Submitter
001	Robert Heron
002	Victor Jackson
003	Caxton Legal Centre Inc.
004	Clubs Queensland
005	Queensland Law Society

Appendix B – Witnesses at public hearing

Clubs Queensland

- Doug Flockhart, Chief Executive Officer
- Dan Nipperess, General Manager

Queensland Law Society

- Luke Murphy, President
- Wendy Devine, Principal Policy Solicitor
- Emeritus Professor Myles McGregor-Lowndes, Member QLS Not for Profit Law Committee

Appendix C – Officials at public departmental briefing

Department of Justice and Attorney-General

- Victoria Thomson, Deputy Director-General, Liquor, Gaming and Fair Trading
- Steve L'Barrow, Director, Investigations and Enforcement, Office of Fair Trading
- David McKarzel, Executive Director, Office of Regulatory Policy
- Martin Scott, Director, Policy and Projects, Office of Regulatory Policy