

SECOND-HAND DEALERS AND PAWNBROKERS BILL 2003

AMENDMENTS IN COMMITTEE

EXPLANATORY NOTES

GENERAL OUTLINE

Objectives of the legislation

The objective of the amendments in Committee is to correct an error due to an oversight associated with the complex drafting of the National Competition Policy (NCP) amendments to the *Funeral Benefit Business Act 1982* (FBB Act). The inconsistency became apparent after the Second-hand Dealers and Pawnbrokers Bill 2003 (the Bill) was drafted.

The NCP Report made a number of recommendations for reform of the FBB Act in order to meet its policy objectives in a more cost-effective way. One of the recommendations was to retain Parts 3 and 4 of the FBB Act in their current form, so that they only apply in relation to existing contracts, to ensure the rights and obligations of the parties under those contracts are not changed.

The Bill inadvertently restricts the application of the inspectors' powers to current registered funeral benefit providers, and there are only fifteen (15) registered corporations in that category. The amendments in Committee are required to allow the Office of Fair Trading inspectors to be able to enforce both existing and future funeral benefit contracts.

A minor typographical error will also be corrected.

Administrative cost

There are no costs associated with the amendments in Committee.

Fundamental legislative principles

The amendments in Committee do not infringe any fundamental legislative principles.

Consultation

Approval from the Department of the Premier and Cabinet was obtained. No issue about inspectors' powers under the FBB Act was raised during consultation on the draft Bill.

NOTES ON PROVISIONS**PART 1—PRELIMINARY**

Clause 1 amends a typographical error, changing the word “of” to the word “or”.

Clause 2 omits clause 178 of the Bill which restricts the application of the inspectors' powers to Part 3 and Part 4 corporations and moves the section to the relevant part of the Bill, which is Part 8. Part 8 of the Bill contains all of the sections that apply to both existing and future funeral benefit contracts.

Clause 3 renumbers the sections in Part 8 as a result of adding the inspectors' powers to this part of the Bill.