



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

**NATIONAL CONSUMER CREDIT
PROTECTION (TRANSITIONAL AND
CONSEQUENTIAL) PROVISIONS BILL 2009**

Second Reading

SPEECH

Thursday, 25 June 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Thursday, 25 June 2009
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Questioner
Speaker Bowen, Chris, MP

Source House
Proof No
Responder
Question No.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (9.19 am)—I move:

That this bill be now read a second time.

The National Consumer Credit Protection (Transitional and Consequential) Provisions Bill sets out the transitional and consequential arrangements to support a smooth and comprehensive transition from the current state-based regulation of consumer credit to the new national scheme under the National Consumer Credit Protection Bill. This is crucial to ensure that, in the transition to the new regulatory framework, consumers' rights are preserved and the disruption to business is minimised.

The key elements of the National Consumer Credit Protection (Transitional and Consequential Provisions) Bill are that:

- it sets out the requirement for persons currently engaging in credit activities to register with the Australian Securities and Investments Commission (ASIC) prior to becoming holders of an Australian credit licence. The procedures for applying for an Australian credit licence are contained in chapter 2 of the National Consumer Credit Protection Bill 2009;
- it will substitute existing rights and liabilities under the state-based Uniform Consumer Credit Code with equivalent rights and liabilities under the National Credit Code;
- it will substitute existing court proceedings in train under the Uniform Consumer Credit Code with equivalent new proceedings under the National Credit Code;
- it provides that the National Credit Code does not apply to state or territory tribunal proceedings; and
- it grants functions and powers in relation to appeal, review or enforcement proceedings.

Both the National Consumer Credit Protection Bill and the National Consumer Credit Protection (Transitional and Consequential Provisions) Bill provide for a broad regulation-making power, in recognition of the need for flexibility to deal with circumstances that may arise in the future.

Such a power ensures that any necessary consequential amendments can be made without the need for the enactment of another act.

I commend this bill to the House.

Debate (on motion by **Mr Lindsay**) adjourned.