

Republic of Nauru – 20<sup>th</sup> Parliament

## **Business Licences Bill 2011**

### **SECOND READING SPEECH**

Hon Mathew Batsiua, MP  
Minister for Justice and Border Control

21 June 2011

Mr Speaker,

I have introduced to the House today a Bill for an Act to provide for the licensing of businesses and for related purposes.

The licensing of businesses in Nauru is currently regulated under the *Licences Act 1922*, which consists of the *Licences Ordinance* of 1922 as amended by 12 amending Acts between the years of 1924 and 1997. The existing Act requires stores to have a trading licence, and requires a person importing explosives to obtain a licence. It is desirable to broaden the category of businesses that require a licence, so that a wider range of businesses can be regulated through licence conditions.

Rather than achieving this through amendment of the outdated and cumbersome *Licences Act 1922*, it is proposed to repeal this Act and replace it with a new Business Licences Act that is more suitable to the present and future needs of Nauru and which is drafted in plain language.

In order to provide for flexibility in relation to the classes of business that require a licence and in relation to other matters such as licence conditions and fees, the *Business Licences Bill* provides only for the basic structure of the licensing system, and enables the details to be prescribed by regulation. This will enable Cabinet to respond to changing circumstances by making and amending regulations, rather than having to amend the Act each time a new class of business is to be added or a fee is to be changed.

Mr Speaker, the transitional provisions in this Bill provide that any business that is currently required to hold a licence under the old Act will continue to require a licence until such time as Cabinet has made regulations prescribing which classes of business will require a business licence under the new Act. The transitional

provisions also provide that existing licences remain valid until the end of the period for which they were issued, which means for example that a person running a store that has a current trading licence does not need to obtain a new licence until their current licence has expired.

Mr Speaker, I have tabled with this Bill an Explanatory Memorandum that explains the purpose and effect of each clause of the Bill, so I will mention only a few specific clauses here. The Bill would create a number of offences, including operating a prescribed business without a licence, and failing to ensure that a prescribed business operates in compliance with the conditions of the business licence, each of which is punishable by a maximum fine of \$10,000. It would also be an offence to obstruct an authorised officer in the performance of their duties, and to fail to comply with an order of the Secretary to cease operating an unlicensed prescribed business until a licence has been obtained.

The Business Licences Bill is a short and straightforward bill that provides the basic framework for the regulation and licensing of businesses in Nauru. It will modernise the law relating to business licensing, and make it more flexible and effective.

I commend the Bill to the House.

Thank-you, Mr Speaker.