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1.0 INTRODUCTION

This document reports the public benefit test undertaken on the *Partnership Act 1891*; the *Partnership (Limited Liability) Act 1988* and the *Partnership (Limited Liability) Regulation 1993*.

The above pieces of legislation were identified in the Queensland Legislation Review Timetable as requiring review, in line with National Competition Policy guidelines, given the restrictions on competition contained within them.

The guiding principle for the review of legislation, as set down by the Competition Principles Agreement, is that the legislation should not restrict competition unless it can be demonstrated that:-

- the benefits of the restriction to the community as a whole outweigh the costs; and
- the objectives of the legislation can only be achieved by restricting competition.

In considering restrictions contained within the *Partnership Act 1891*; the *Partnership (Limited Liability) Act 1988* and the *Partnership (Limited Liability) Regulation 1993* the Department considered a wide range of issues including fair trading, social justice issues and a balance of the commercial interest of providers and consumers respectively.

The Department would welcome submission from stakeholders in relation to the findings of this review. Submissions may be sent as a hard copy, or by email to:

Attention: NCP Legislative Review Unit
Office of Fair Trading
Department of Equity and Fair Trading
GPO Box 3111
BRISBANE QLD 4001
Email: ncp@deft.qld.gov.au

2.0 REVIEW DETAILS

2.1 Type of Review Undertaken:

A reduced review has been conducted on the above pieces of legislation within the Legislative Review Unit of the Office of Fair Trading.

2.2 Terms of Reference:

The review examined the extent to which competition may be restricted under the current model.

Without limiting the scope of the terms of reference, and as set out in Clause 5(9) of the Competition Principles Agreement, the review was required to:

- Clarify the objectives of the legislation.
- Identify the nature of restriction on competition.
- Analyse the likely effect of the restriction on competition and on the economy generally.
- Assess and balance the costs and benefits of the restrictions identified by conducting a Public Benefit Test.
- Consider other means for achieving the same results including alternative legislative or non-legislative approaches.

Key issues considered, during the course of the review included:

- Social welfare and equity considerations, including community service obligations;
- Government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity;
- Economic and regional development, including employment and investment growth;
- The interests of consumers generally or of a class of consumers;
- The competitiveness of Australian businesses; and
- The effective allocation of resources.

3.0 The Current Legislative Regime

3.1 *Partnerships Act 1891:*

The above Act came into force on 1 January 1892 to declare and amend the law of partnership, and substantially adopted the content and format of England's Partnership Act of 1890. Prior to this Act and similar legislation of other colonies, the law relating to partnerships was to be found almost exclusively in the reported decisions of the courts embodying the principles of the Common Law and the Rules of Equity.

The Act was introduced with the objective of clarifying the Common Law and Rules of Equity in relation to partnerships and attempt to solve, by declaration, the doubtful points that existed on the subject of partnerships. For example, before the passing of the Act it was doubtful whether an assignment of a partner of his or her share in the partnership caused an automatic dissolution of the partnership.

The Act provides for:

- the interpretation of partnership issues in the absence of any specific partnership agreement; and
- addresses circumstances where the partnership is or is not liable for commitments made by members of the partnership as well as the extent of any such liability.

The following types of relationships are excluded from the definition of Partnership within the meaning of the Act:

- members of any company or association registered as a company under the Companies Act 1863 or any other Act of Parliament for the time being in force and relating to the registration of joint stock companies; or
- formed or incorporated by or in pursuance of any other Act of Parliament or letters patent, or Royal Charter.

3.2 *Partnerships (Limited Liability) Act 1988 and Partnership (Limited Liability) Regulation 1993*

The above Act commenced on 15 May 1989 to provide for the formation and registration of limited partnerships and for related matters, superseding provisions of the *Mercantile Act 1867* relating to limited partnerships.

The broad objective of the legislation is to provide a business vehicle that has the severalty feature of a partnership but the limited liability of a company.

Another objective of the legislation is to ensure that adequate information is available to the public about limited partnerships formed under the legislation.

The Act includes provisions relating to the formation and maintenance of limited partnerships; the modification of the general law of partnership; the dissolution and cessation of limited partnerships; and miscellaneous provisions.

The *Partnership (Limited Liability) Regulation 1993* covers:

- The approval of a form, by the Chief Executive, for a purpose –
 - (a) for which a prescribed form is required or authorised to be used under the Act or the regulation; or
 - (b) in connection with the administration of the Act or the regulation.
- Fees payable under the *Partnership (Limited Liability) Act 1988*.

4.0 BACKGROUND INFORMATION

A “Partnership” is defined by the *Partnership Act 1891* as “...the relationship which subsists between persons carrying on a business in common with a view to profit”.

Partners have a fiduciary obligation to each other. The concept of fiduciary obligation stems from a complex body of rules developed by the courts over centuries imposing high duties of conduct on persons in special relationships of trust and confidence. It is these fiduciary obligations which are fundamental to the operations of a partnership.

Partnerships exist within a wide range of industries; and operate under varying circumstances and at many levels. For example, express and implied agreements can exist which may vary certain provisions under the *Partnership Act 1891*.

Partnerships are suited to professional groups where capital raising needs are relatively minor and the returns can be varied to reflect, for example, earnings derived by each partner.

Partnerships are so widespread and varied it is difficult to determine the number and distribution of partnerships operating in Queensland.

At Common Law and under the above Act, all partners, no matter what agreements they may arrive at between themselves, have unlimited liability as against any outside party having dealings with the partnership. This means that no matter how much a partner contributes to a partnership, financially or otherwise, each partner is equally and severally liable for the actions of their partners in their dealings with people outside of the partnership.

Limited partnerships formed under the *Partnership (Limited Liability) Act 1988* are an exception to this rule.

Limited partnerships are partnerships that exist between two or more persons of whom:

- one or more shall be a general partner or general partners - a partner whose liability in connection with the business of the firm is not limited under the Act; and
- one or more shall be a limited partner or limited partners - a partner whose liability to

contribute is limited under the Act so as not to exceed their capital contributions. A corporate person may be a general partner or a limited partner in a limited partnership.

There are currently 169 Limited Partnerships operating in Queensland, about 85% of which are located in South East Queensland, predominantly in the Brisbane metropolitan area. Further details about the distribution of limited partnerships can be found in Appendix 1 of this report.

Of the limited partnerships operating in Queensland, a wide range of industries are represented, predominantly the real estate and property sector which accounts for 31% of limited partnership firms. A breakdown of industries in which limited partnerships operate can be found at Appendix 2 of this report.

The number of partners making up limited partnership firms varies from 2 to 92 partners. The majority of limited partnership firms, 60% in total, are made up of between 2 and 5 partners. Most firms, 94% in total, only have one general partner. A breakdown of the number of partners within limited partnership firms can be found in Appendix 3 of this report.

About 59% of limited partners are resident in Queensland, while 31% are resident in other jurisdictions around Australia. Overseas investors account for about 10% of limited partners. The total value of limited partner liability within firms ranges from as little as \$1 to over \$5 million. Further details about limited partner liability can be found in Appendix 3.

Previously, limited partnerships were administered by the *Mercantile Act 1867*. The provisions of this Act, as they related to limited partnerships, were cumbersome. For example the legislation placed limitations on the nature of business that could be conducted by a limited partnership. Limited partnerships could only be formed for the transaction of agricultural, mining, mercantile, mechanical, manufacturing or other business. There was also a limitation placed on the duration of a limited partnership, limited partnerships only being able to be entered into for a period of seven years at which stage limited partnerships would be required to re-register if they wished to continue to operate.

The *Partnership (Limited Liability) Act 1988* was introduced to provide a simple facility for formation and registration that eliminated the above restrictions and streamlined registration procedures; and avoided the complexity of the Companies Code. The intention of these changes was to attract capital investment, particularly to small businesses.

The *Partnership Act 1891* states that “A limited partnership formed under the *Mercantile Act 1867* or the *Partnership (Limited Liability) Act 1988* is a partnership within the meaning of this Act, and the rules of law declared by this Act apply to such a limited partnership, except so far as the express provisions of that Act are inconsistent with such rules”. Due to the 7 year maximum for limited partnerships formed under the *Mercantile Act 1867*, there are no more partnerships in existence under that Act.

The *Partnership (Limited Liability) Act 1988* provides a framework in which business can operate and in which people may invest. The advantage of a limited liability partnership over an ordinary partnership is that it provides an opportunity for people to invest in businesses in the knowledge that their liability will not exceed their capital contribution. It also gives people the chance to operate a business who, while having the adequate knowledge and expertise, may not otherwise have the adequate funds to do so.

A register is kept by the Chief Executive of the Department “the Registrar” of all limited partnerships. The purpose of this register is to provide a public record, which enables members of the public to seek out relevant information about limited partnerships such as the composition of a limited partnership and the status of individual partners within a limited partnership.

A systemic review of the *Partnership (Limited Liability) Act 1988* and *Partnership (Limited Liability) Regulation 1993* was carried out by the Department in 1996, and a regulatory impact statement (RIS) prepared. While it was acknowledged that the legislation did impose restrictions on business, it was concluded that the legislation continued to satisfy its original objective while keeping the level of regulation to a minimum. There was no suggestion from consultation undertaken with stakeholders that any amendments should be made to the legislation. As a result of the systemic review’s findings, the RIS recommended that the legislation should be retained in its current form.

5.0 ISSUES

5.1 Identification and Assessment of Restrictive Provisions Contained within the *Partnership Act 1891*, *Partnerships (Limited Liability) Act 1988* and *Partnership (Limited Liability) Regulation 1993*

The regulatory regimes covering partnerships and limited partnerships contain a number of restrictive provisions. Details of restrictions under each piece of legislation and an assessment of them follow:

5.1.1 *Partnership Act 1891*

The above Act imposes the following restrictions on both ordinary partnerships and limited liability partnerships:

➤ Accountability of partners for private profits (Section 32)

Partners must account to the firm for any benefit resulting from a transaction concerning the partnership, or the use of partnership property, name or business connection, without the consent of the other partners.

This also applies to transactions undertaken after a partnership has been dissolved by the death of a partner, and before the affairs thereof have been completely wound up, either by any surviving partner or by the representatives of the deceased partner.

➤ Duty of partner not to compete with firm (Section 33)

If a partner, without the consent of other partners, carries on any business of the same nature as, and competing with that of the firm, the partner must account for and pay over to the firm all profits made by him or her in that business.

The above provisions serve to protect the interests of partners, and restate Rules of Equity, reflecting the fiduciary obligation that partners have to each other.

The requirements restrict business conduct within a partnership. However, it should be noted that Section 22 of the Act makes an allowance for the mutual rights and duties of

partners to one another to be varied where there is consent from all partners concerned on such variations. Therefore, it is possible for the above requirements to be varied within a partnership where consent is given by all partners concerned. Consent may be express or inferred from a course of dealings.

The requirements outlined above set a reasonable benchmark for the conduct of partners, consistent with fiduciary obligations that are fundamental to the operations of a partnership. The fact that these requirements may be varied ensures that partners have the ability to negotiate standards of business conduct which better meet their individual requirements and the operational requirements of partnership firms.

In view of the above, it is unlikely that there will be any significant impact on competition as a result of the requirements.

5.1.2 *Partnership (Limited Liability) Act 1988 & Partnership (Limited Liability) Regulation 1993*

5.1.2.1 Registration Requirements

A limited partnership is formed upon registration in the Office of the Registrar, of a statement, in the prescribed form, signed by each person who is to be a partner in the partnership.

Information contained within the statement includes:

- the firm name;
- the full address, in Queensland, of the registered office of the firm;
- the full name and address of each partner; a statement that the partnership is to be a limited partnerships;
- a statement in relation to each limited partner to the effect that he or she is a limited partner whose liability to contribute is limited to the extent of an amount of money specified in the statement; and

The registration of the form attracts the payment of a prescribed fee to the Registrar of \$73.00.

To be eligible to be a registered limited partnership in Queensland, the Act stipulates that a limited partnership shall keep, in Queensland, at the place shown in the register as the address of the partnership, an office to which all communications with the firm may be addressed. The Queensland Government does not have the power to authorise the formation and operation of a limited partnership where the business is not being carried on

in Queensland under the firm's name. It is therefore necessary for the Registrar to be able to establish that the firm has a physical presence within the State where all communications with the firm may be addressed, hence the requirement for a limited partnership to have a registered office.

There are no ongoing registration requirements once a limited partnership is registered, aside from being required to register any changes in the limited partnership. The cost of registering changes is currently \$37.00. The dissolution or cessation of a limited partnership is also to be registered at a cost of \$11.50.

The registration requirements enable a public register to be kept of all limited partnerships, with the ongoing requirements for changes in the partnership, and the dissolution or cessation of a partnership to be registered existing to protect the integrity of the register, ensuring that information contained within it is up to date and therefore accurate.

The objective of the above requirements is to facilitate information disclosure, ensuring that relevant information exists for members of the public to access, including details of the composition of a limited partnership and the status of individual partners within a limited partnership.

The availability of this type of information is particularly important where proceedings are being brought against a limited partnership and it is necessary for the status of individual partners to be established. The information may also be useful for persons considering doing business with a limited partnership by assisting them in making an informed decision, particularly where there is a limitation on the liability of a major participant in the partnership.

While it is recognised that the above requirements impose an administrative and financial burden on limited partnerships, the burden is likely to be minimal in nature.

The administrative burden is unlikely to be overly onerous on limited partnerships given that there are no ongoing requirements after registration, aside from notifying of changes to a limited partnership etc.

The costs involved in entering into this type of business arrangement are relatively small, certainly, registration fees and ongoing fees are minimal. In terms of the requirement for limited partnerships to have a registered office, it should be highlighted that the office may form part of residential property. This being the case, firms would not be required to rent out office space unnecessarily, which reduces any financial burden that may otherwise have been placed on business, particularly small business, as a result of this requirement.

Given the relatively small cost of entering into and maintaining this type of business arrangement, it is unlikely that the registration requirement will have any major impact on limited partnerships, or deter people from entering into a limited partnership arrangement.

5.1.2.2 Information Disclosure Requirements

Section 12 states that “every business document issued on behalf of a limited partnership in connection with the conduct of its business shall bear in legible characters –

- (a) the firm name shown in relation to the partnership in the register kept by the registrar” and
- (b) immediately adjacent to the firm name, the words “a limited partnership”.

Requirement (b) exists to ensure that the public is alerted to the fact that limited liability exists within a partnership. The objective of making the name the same as the register is to enable persons to easily seek out relevant information about a limited partnership from the register, including its composition and the status of individual partners.

The above requirements are likely to create little, if any burden on limited partnerships, and will help ensure that the legislation continues to meet its objective of ensuring that the public is adequately informed where a limit exists on the liability of partners within a partnership.

5.1.2.3 Restrictions Imposed on the Participation of a Limited Partner in the Partnership

Section 16(1) of the Act states “A limited partner in a limited partnership -

- (a) shall not take part in the management of the business of the partnership; and
- (b) has no power to bind the firm.”

Section 16(2) states that if subsection (1) is breached “the limited partner shall be liable for all liabilities of the firm incurred while the limited partner does so as if the limited partner were a general partner”. This means that, should a limited partner take on any functions of a general partner, he/she will become equally and severally liable for any liabilities incurred by the partnership during that period

The Limited Partner may however, personally, or by an agent, at any time inspect the books of the firm and examine the state and prospects of the business of the partnership, and may advise and consult with the other partners on those matters.

Restricting the involvement of limited partners is both practical and reasonable, it only being feasible to limit a person’s liability in a partnership arrangement by limiting the

involvement of the person in the management of the firm's business.

It is likely that the requirements would have little impact on competition, the people most likely to be attracted to this type of business arrangement being:

- investors looking to be involved in a business at a risk acceptable to them, without necessarily having any knowledge of the business itself, and not having any interest in being involved in the management of the business; and
- people with the expertise and desire to run a particular business, but requiring additional capital to do so, and minimal involvement from investors in the business.

This being the case, the requirements are unlikely to deter new entrants from entering into and remaining in this type of arrangement.

5.2 Identification and Assessment of Alternatives to the Current Regulatory Regime

Alternatives to the existing regulatory models have been explored. To determine the viability of these options we have compared the costs and benefits of each option to the costs and benefits of the existing legislative regime. Details follow:

5.2.1 Deregulation of Partnerships and Limited Partnerships

This course of action would achieve nothing in terms of creating a more competitive environment for partnerships to operate in, given that Common Law principles and Rules of Equity relating to partnerships would still apply if the Act were repealed. The objective of the *Partnership Act 1891*, being to clarify Common Law principles and Rules of Equity in relation to partnerships, and to solve, by declaration, potentially doubtful points on the subject of partnerships is still relevant. Deregulation is likely to have the impact, in some cases, of creating uncertainty for partners about their rights and responsibilities. It could also, in some cases, create an additional financial burden on partnerships as a result of the need to obtain increased professional assistance in order to clarify their rights and responsibilities in the absence of clarification provided by the Act. Deregulation would also put this State out of step with the rest of Australia. Repealing the *Partnerships Act 1891* is therefore not considered to be a viable option.

Again, repealing the *Partnership (Limited Liability) Act 1988* is not considered to be a viable option. This Act creates an opportunity for business by creating a business vehicle

that has the severalty feature of a partnership but the limited liability of a company, an opportunity that would not exist in Queensland should the Act be repealed. In addition to removing the opportunity for businesses of this nature to be created, it is likely that repealing the legislation would also be detrimental to limited partnerships currently operating within the State, forcing them to either restructure their business, or to cease trading. This would not only have a detrimental impact on businesses, but stakeholders associated with those businesses.

5.2.2 Modification of Section 32 and 33 of the Partnerships Act 1891

Modifying Sections 32 and 33 with a view to reducing any negative impact on competition is not a feasible option.

In view of the nature of partnerships, as reflected by the definition provided in the Act, being “the relation which subsists between persons carrying on a business in common with a view to a profit”, it is likely that current requirements will suit many partnership firms. Because partnerships exist across a wide range of markets; operate under varying circumstances and at many levels it would be unlikely that more appropriate requirements could be established.

It is considered that those best placed to modify requirements under Sections 32 and 33 would be partners themselves. Section 22 of the Act allows partners to vary their mutual rights and duties to one another, and this should be sufficient to reduce any negative impact on competition resulting from these requirements.

It should also be noted that these provisions restate the Rules of Equity and are also consistent with requirements in all other Australian jurisdictions. Modification of these requirements by Queensland would therefore put this State out of step with the rest of Australia, and potentially cause confusion to businesses.

5.2.3 Modification of the Partnership (Limited Liability) Act 1988

A number of modifications were considered to the existing legislative regime as follows:

5.2.3.1 Removal of Registration Requirements

The removal of registration requirements is not considered to be a viable option.

This legislation amends the law of partnership to the extent that it allows for a special partnership arrangement to exist whereby the liability of certain partners may be limited. In allowing this special arrangement to exist, it is in the public interest for members of the community to be aware of such arrangements.

As stated previously, one of the objectives of this legislation is to ensure that adequate information is disclosed to members of the public about limited partnerships. This could not be effectively achieved without current registration requirements.

It is unlikely that the registration requirement will have any major impact on limited partnerships, or deter people from entering into a limited partnership arrangement. This being the case, and because the requirements, as they stand, are integral to the effective operation of this legislation, they should not be removed.

5.2.3.2 Removal of Information Disclosure Requirements

The requirement for a limited partnership to adequately disclose its limited liability status on documentation, is important in ensuring that members of the public are alerted to the limited liability status of a partnership. Requiring that the name appearing on documents be the same as that listed on the register enables those people dealing with, or considering dealing with this type of business to find out relevant information about the composition of the partnership and the status of the individual partners.

Removal of the requirements would significantly reduce the effectiveness of the legislation in meeting its objective of ensuring adequate information disclosure in relation to limited partnerships, and potentially put those dealing with this type of business at a disadvantage. This option is therefore not considered to be viable.

5.2.3.3 Removal of or Modification to the Restriction on the Involvement of Limited Partners in the Partnership

In order for this type of business arrangement to be viable, restrictions need to be put in place to limit the involvement of a person who wishes to limit their liability.

Opening up the possibility for limited partners to be involved in the management of the business and to have the power to bind the firm could increase the risk of detriment being suffered by persons dealing with a limited partnership. Consequently, this would increase the risk of liability being incurred by the partnership, and place general partners in a more vulnerable position.

Modifying the scope of the restrictions to allow limited partner involvement in certain aspects of the management of a business could have similar outcomes. In addition, it could potentially make requirements placed on limited partners ambiguous, leading to difficulties in the administration of the legislation, and confusion for participants within this type of business arrangement.

In view of the above, removal of or modification to these restrictions is not considered to be a viable option.

6.0 LEGISLATIVE REQUIREMENTS IN OTHER JURISDICTIONS

All jurisdictions in Australia have legislation governing partnership, with requirements being substantially uniform across all States and Territories.

New South Wales; Victoria and South Australia have incorporated provision relating to limited partnerships into their respective Partnership legislation, while Western Australia and Tasmania both have separate pieces of legislation. The Northern Territory and the ACT have no legislation for Limited Partnerships.

In terms of limited partnerships, each of the above-mentioned States have similar legislative provisions to those contained in Queensland's legislation. Additional restrictions to those contained in Queensland's legislation also apply in some States as follows:

- Victoria, NSW and Western Australia all restrict the size of a limited partnership;
- Western Australia impose an “ad valorem” stamp duty on contributions by limited partners; and
- South Australia restrict certain criminal offenders from carrying on business as a general partner.

7.0 CONSULTATION

The Department of Equity and Fair Trading would welcome written submission from interested parties on the findings of this review by Thursday 21 December 2000.

8.0 CONCLUSIONS

8.1 Review of the *Partnership Act 1891*

The purpose of this legislation is to clarify Common Law principles and Rules of Equity in relation to partnerships.

Deregulation of partnerships would achieve nothing in terms of creating a more competitive environment for this type of business to operate in, given that Rules of Equity and Common Law principles relating to partnerships would still apply in the event of the Act being repealed.

It is likely that deregulation would have the impact, in some cases, of creating uncertainty for partners about their rights and responsibilities, and create an additional financial burden on some partnerships as a result of the need to obtain increased professional assistance.

Restrictive provisions within the legislation, being Sections 32 and 33 help to meet the objective of the legislation, these requirements reflecting fiduciary obligations of partners to one another. Partners have the ability to modify these requirements, through Section 22 of the Act, and the ability of partners to do this is considered to sufficiently reduce any negative impact on competition.

Given the nature of this legislation, it is unlikely to generate any negative impacts on employment.

As the legislation stands, there are no inconsistencies with the Government priority outcomes.

Restrictions identified in the Partnerships Act 1891 serve to ensure that the objectives of the legislation are effectively achieved. It is therefore recommended that the Partnerships Act 1891 remain in its current form.

8.2 Review of the *Partnership (Limited Liability) Act 1988* and the *Partnership (Limited Liability) Regulation 1993*

The primary objective of this legislation is to provide a business vehicle that has the severalty feature of a partnership but the limited liability of a company.

The legislation creates the opportunity for special partnership arrangements to exist whereby the liability of certain partners within a firm may be limited, and by doing this provides a mechanism from which business can operate and in which people may invest.

To repeal the legislation would mean that this particular type of business opportunity would no longer exist in Queensland. This could have a negative impact on competition, and would therefore not be recommended.

In allowing certain partners within a firm to limit their liability, it is important that the activities of those partners be restricted in order to reduce the likelihood of detriment being suffered by persons dealing with a limited liability partnership, and therefore liability being incurred by the firm. Restricting the ability of limited partners to be able to bind the firm, and to be involved in the management of the business is considered to be reasonable.

In creating special partnership arrangements, it is important that the legislation includes provisions to ensure that members of the public are aware of such arrangements. Another objective of the legislation is therefore to ensure that adequate information is available to the public in relation to limited partnerships. Registration requirements, and requirements outlined in Section 12 of the Act, are valuable in ensuring that this objective is achieved. It is therefore recommended that these requirements remain.

It is likely that this legislation will have a positive impact on employment, albeit a relatively minor one.

As the legislation stands, there are no inconsistencies with the Government priority outcomes.

It is recommended that the Partnership (Limited Liability Act) 1988 remain in its current form to ensure that limited partnerships are able to continue to exist in Queensland and that the concept remains viable.

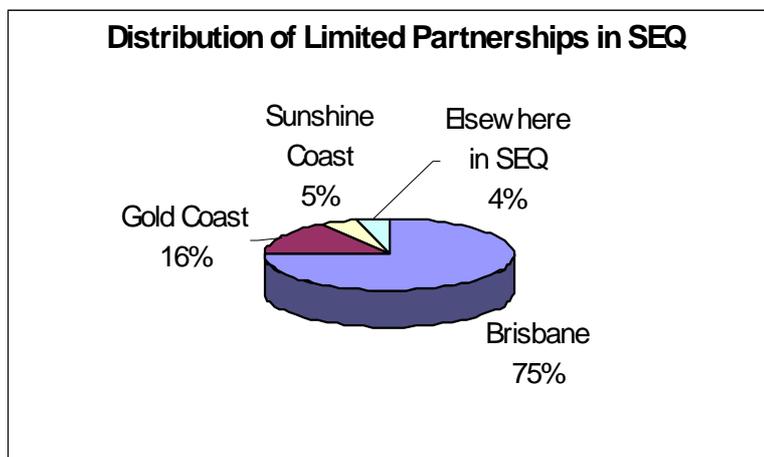
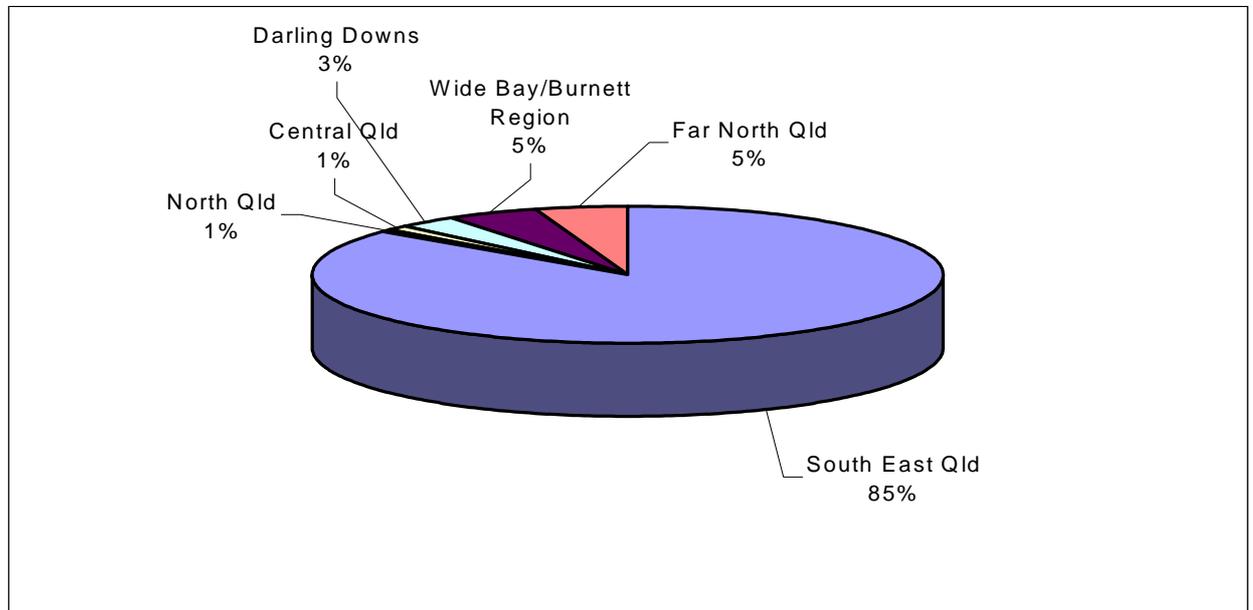
9.0 DATE FOR REVIEW

In view of the objective of the *Partnership Act 1891* in clarifying Common Law Principles, and the findings of the review process in this regard, it is recommended that no future NCP review be undertaken of this legislation.

In terms of the *Partnership (Limited Liability) Act 1984* and *Partnership (Limited Liability) Regulation 1993*, it is proposed that a further NCP review be carried out in 10 years time.

Appendix 1

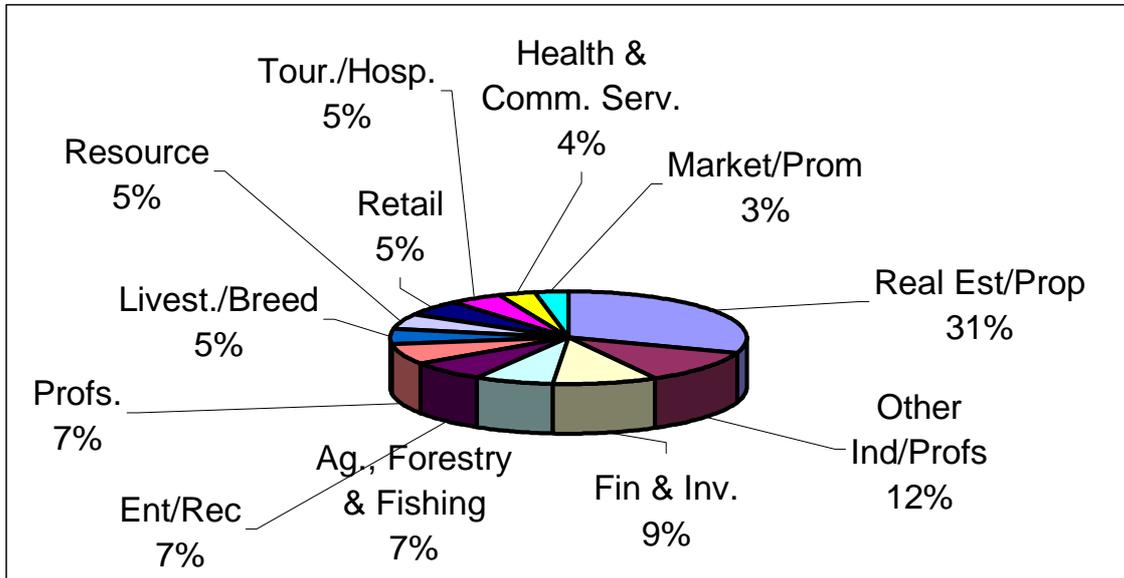
Distribution of Limited Partnerships throughout Queensland



Breakdown of the Distribution of Limited Partnerships	No. of Firms
Brisbane	109
Gold Coast	23
Sunshine Coast	7
Elsewhere in SEQ	6
North Queensland	1
Central Queensland	2
Darling Downs	5
Wide Bay/Burnett Region	8
Far North Queensland	8

Appendix 2

Representation of Industries Across Limited Partnerships

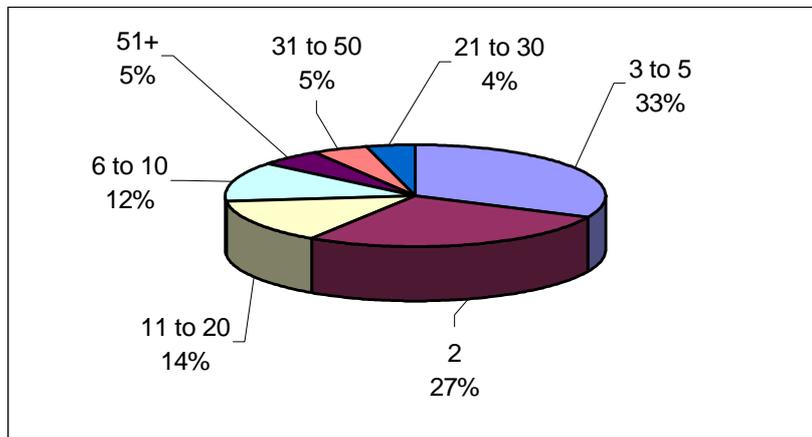


Industry Breakdown

Real Estate/Property (Development, Management, Investment)	51
Finance & Investment	16
Agricultural, Forestry & Fishing	12
Entertainment/Recreation	12
Professions (legal/accountancy).	12
Livestock/Breeding	9
Resource	9
Retail	9
Tourism/Hospitality	8
Health & Community Services	6
Marketing/Promotions	5
Other Industries/Professions	20

No. of Firms

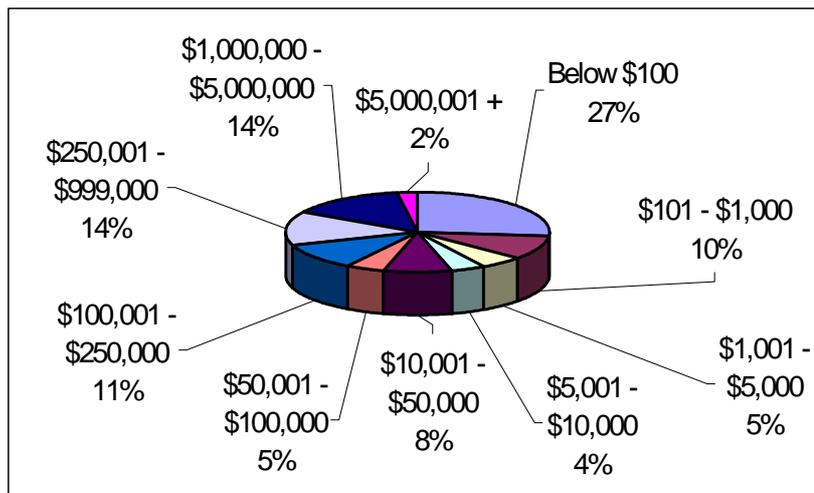
Total Number of Partners in Limited Partnerships



Total Number of Partners

Total Number of Partners	No. of Firms
2	46
3 to 5	54
6 to 10	21
11 to 20	24
21 to 30	7
31 to 50	8
51+	9

Total Value of Limited Partner Liability within Limited Partnerships



Total Limited Partner Liability

Total Limited Partner Liability	No. of Firms
Below \$100	45
\$101 - \$1,000	16
\$1,001 - \$5,000	9
\$5,001 - \$10,000	7
\$10,001 - \$50,000	14
\$50,001 - \$100,000	8
\$100,001 - \$250,000	18
\$250,001 - \$999,000	23
\$1,000,000 - \$5,000,000	24
\$5,000,001 +	4