

4. BILL FOR SECOND READING

**4.1. Registration of Business Names (Amendment) Bill 2019 –
Second Reading approved**

Mr Cannan to move:

That the Registration of Business Names (Amendment) Bill 2019 be read a second time.

The Speaker: Item 4 is Bills for Second Reading and the Registration of Business Names (Amendment) Bill 2019. I call on Mr Cannan to move.

Mr Cannan: Thank you, Mr Speaker.

5 I am pleased to bring the Second Reading of the Registration of Business Names (Amendment) Bill 2019 before you today.

This is a very short Bill, which focuses on resolving a specific technical issue in relation to the requirement to register business names under the Register of Business Names Act 1918. The primary purpose of the original 1918 Act is to create and maintain a public register of
10 companies, firms or individuals carrying on a business under a name other than their legal name. This is a matter primarily of consumer protection.

The requirement to register extends to companies defined under the Companies Act 1931-2004, the Limited Liability Companies Act 1996 and the Foreign Companies Act 2014, but does not currently extend to companies defined under the Companies Act 2006. The exclusion of such
15 companies from the requirement to register under the Act is inconsistent with the treatment of other companies and creates a gap within the intended application of the 1918 Act.

In June 2019, the Companies Registry became aware that it had been incorrectly applying the 1918 Act to companies incorporated under the Companies Act 2006. Consequently, the Registry took the step to stop accepting business name applications for 2006 Act Companies after that
20 time. The Registration of Business Names (Amendment) Bill brings into effect provisions which extend the requirement to register to companies also formed under the 2006 Companies Act. The Bill also includes retrospective provisions which confirm that decisions in relation to companies formed under the Companies Act 2006 have effect. For this reason, business names already registered to 2006 Act companies prior to June 2019 have not been removed from the
25 register, and those businesses will not therefore have to re-register.

Mr Speaker, there is a degree of urgency associated with this Bill given that the lack of registration for 2006 companies could give rise to confusion for consumers, who may not be aware of who they are actually conducting business with. In this context I intend to bring forward a motion at the next sitting requesting that the clauses and Third Reading stages are
30 taken together. Given the size of the Bill and the need to resolve the gap in legislation as quickly as possible, I hope Hon. Members will support this proposal.

Mr Speaker, I beg to move the Second Reading of the Registration of Business Names (Amendment) Bill 2019.

35 **The Speaker:** Hon. Member for Middle, Mr Shimmins.

Mr Shimmins: Thank you, Mr Speaker.
I beg to second and reserve my remarks.

40 **The Speaker:** Mr Hooper.

Mr Hooper: Thank you, Mr Speaker.

45 I would just like to put on record my thanks and the thanks of the Finance Agency to the
Treasury Minister for bringing this Bill through. We are quite relieved to see, as well, that he is
intending on speeding this Bill through the House of Keys next week; (**A Member:** Hear, hear.) it
is a straightforward Bill, and I think I would just like to say I am happy to support the Minister
when he does that.

50 **The Speaker:** Mover to reply.

Mr Cannan: Thank you, Mr Speaker.

55 **The Speaker:** Okay, no reply, then I put the question that the Registration of Business Names
(Amendment) Bill 2019 be read for a second time. Those in favour, please say aye; those against,
no. The ayes have it. The ayes have it.