



Speech by

**Mr T. MALONE**

**MEMBER FOR MIRANI**

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Hansard 1 August 2001

### **VOLUNTEER ORGANISATIONS, INSURANCE**

**Mr MALONE** (Mirani—NPA) (7.18 p.m.): As shadow minister for emergency services the role of volunteers comes under my jurisdiction. I am vitally concerned about the role of volunteer organisations in our community. The problem we are having with volunteer organisations is the high cost of litigation insurance. Certainly from the letters I have received over a period of time I can identify the situation quite clearly.

The Sarina Beach Progress Association, very close to my electorate office, has a typical membership of 30, is a sounding-board for the local residents in that community and raises funds annually, from small raffles and so on, with an annual budget of around \$3,000.

With the present litigation situation, legal advice suggests that if that body is not incorporated the members of the executive may be personally responsible if anything goes wrong. Obviously, that is a constraint on those organisations and certainly is a worry to those individuals who take on a responsibility within those organisations.

The Sarina Beach Progress Association spent up to three months liaising with eight insurance brokers to achieve one quote of \$637 to cover their litigation insurance. Most of the insurance companies were not interested in insuring voluntary organisations at all. Indeed, Suncorp Metway, which incorporates the crest of the Queensland government, was certainly not interested.

Unfortunately, litigation lunacy, as I call it, which is happening in America is slowly but surely overtaking Australian society. Governments are relying more and more on voluntary organisations to provide services and resources to our communities. Governments are encouraging local communities to resolve their own problems. Local people are best able to recognise problems within their communities. They are in a good position to muster local support and address problems as they come along. Of course, the crux of the problem is that these organisations then are saddled with the high cost of insurance, and getting membership to be prepared to raise extra funds for insurance premiums becomes a real problem. Increasingly, volunteers are unprepared to belong to organisations that are not incorporated and, therefore, do not carry litigation insurance. It then becomes a problem to get extra volunteer recruitment.

My real concern is that within five years, unless we break through this impasse, there will be plenty of groups in our community that will fold up and disappear into the sunset. There are possibly some remedies to the situation, such as government intervention to provide some form of subsidy to incorporated organisations to meet their insurance commitments or, in the case of an accident or an event, the government picking up the tab.

Time expired.

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