



Speech by

CAROLYN MALE

MEMBER FOR GLASS HOUSE

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PUBLIC LIABILITY INSURANCE

Ms MALE (Glass House—ALP) (12.20 a.m.): The problems that community groups are facing because of their inability to obtain affordable public liability insurance have been spoken about often in this House over the past year. A local group contacted me recently to tell me of their problems with trying to obtain insurance. The Wamuran Sporting Association is a small not-for-profit organisation which acts as caretakers for the Caboolture Shire Council's building at the Wamuran sports ground. They do not run any sport at all. They have many affiliated clubs which utilise both the grounds and the building but are all covered by their own insurance. They hire the building out to community members for functions and meetings and once a month they have a social evening for the Wamuran community.

How much do members think their public liability insurance premium should be? Last year it was \$768. This year it is—wait for it—\$3,580; an increase of 366 per cent. They have been advised that in September, when their policy is due for renewal, it will rise to \$10,000. This is a 1,202 per cent increase in two years. So a not-for-profit group that runs a newish building that does not host any risky activities is facing a \$10,000 a year public liability insurance policy.

This situation is ridiculous and exposes the insurance industry as greedy, money-grubbing parasites. They are ripping off our hardworking volunteers so that they can make million-dollar profits for their shareholders and give their CEOs huge salaries and share options.

The Queensland government acted decisively when this crisis first made itself apparent and has done its utmost to help the insurance industry by reducing the causes of premium increases. The Queensland government has reformed tort law to change the legal environment that allowed law suits and excessive damages awards to flourish; introduced further legislation through the Civil Liability Bill which ensures that all parties must take personal responsibility for their conduct and safety; exempted not-for-profit and sporting organisations from stamp duty on their public liability insurance policies, which saves them 8.5 per cent on premiums; established and improved a group insurance scheme for not-for-profit groups to ensure that groups who could not obtain insurance elsewhere would be able to; and introduced a new web site about risk management which helps small businesses and not-for-profit groups develop and refine risk management processes.

The Wamuran Sporting Association summed it up perfectly in their letter to me when they said—

It would appear later this year when our premium falls due that we will not be able to afford insurance and will have no other option than to walk out and hand keys back to council. We have no intention of using the majority of our funds to feed hungry insurance companies which unfortunately do not seem to care about small local communities.

The Association was incorporated on 24 April 1985 and to date has not made an insurance claim in any shape or form, but it seems that our record counts for nothing.

We ask that you in your capacity as State Member voice our concerns in an attempt to gain some sanity from this ridiculous situation.

I have done that for them, but have two further things to ask. The first is that the federal government get up off its hands and give the Australian Competition and Consumer Commission more powers to ensure that insurers pass savings on to consumers, and that insurance companies show some responsibility and provide public liability insurance to our not-for-profit groups at a reasonable price and with reasonable conditions attached. They should let these groups get on with the services and events that are part of Queensland's way of life.

I look forward to seeing those two things happen. I call on our local federal member to get up and start advocating for these small groups and see that this insurance crisis is settled.