



Speech by

**Mrs J. SHELDON**

**MEMBER FOR CALOUNDRA**

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Hansard 25 March 2003

### **PUBLIC LIABILITY INSURANCE**

**Mrs SHELDON** (Caloundra—Lib) (11.50 a.m.): I raise an issue still confronting many community groups, that is, public liability insurance. This problem has not gone away. More and more community groups are not performing their full functions, are not performing at all or have closed down. Still we see no solution in sight.

Of particular concern to me is a letter I received from the Sunshine Coast Environment Council. I know that a number of people have received this letter, but I think it is time the council's concerns were raised in this House. The letter the council received in response from the government was not adequate in answering its concerns and problems at all. The council has spoken about the prohibitive public liability insurance premiums for community based organisations and says that they still face a crisis. The letter states—

The Sunshine Coast Environment Council is greatly concerned about the crippling effects of excessive public liability insurance premiums on our activities and those of other community-based, not-for-profit organizations. Australia Day events were cancelled on the Sunshine Coast this year because of unaffordable insurance premiums.

We all know that that occurred. The letter continues—

Will other events like ANZAC Day that define and underpin the fabric of our society be cancelled next?

I know that the RSL has had to considerably beef up its insurance provisions for Anzac Day ceremonies, which undoubtedly most members will go to shortly. The environment council goes on to say—

We seek action from your Government to address the crisis facing community groups. It is apparent that the State's alternative scheme established in late 2002 has failed to deliver affordable public liability premiums for many if not most community groups, and that this scheme might not continue.

The positive role played by community-based organizations such as ours is in jeopardy because we are being forced by prohibitively expensive quotes for public liability insurance to abandon many of our regular public events, including essential annual fundraising events, that are pivotal to our operations.

We all know how important the operations of the Sunshine Coast Environment Council are. It acts in a watchdog capacity to help ensure our environment is protected. All of us who live and work on the Sunshine Coast know that is why we went to live there and why most people choose to do so. The letter goes on to state—

In past years the SCEC's public liability premium has been \$1103 for our activities, including annual fundraising events, quarterly regional meetings etc.

Last year our insurer refused to include our main fundraising events in our public liability insurance policy and stated that we would have to obtain a separate quote for each event.

This is an absolute nonsense. The letter continues—

In August 2002 we had to cancel the Coolum Wildflower Show—

That is an amazing wildflower show. In Coolum we still have one of the rare stands of wildflowers in wallum country that used to be all over the Sunshine Coast. To have to cancel that I think was quite disastrous. Of course, that was one of the council's major fundraising and educational activities. The quote for public liability insurance for that event alone was \$2,200. The letter continues—

The amount quoted for public liability cover was well in excess of the revenue normally raised from the event. Instead of making a modest profit, the cost for public liability cover would have turned it into a loss-making event.

The council has urged the government to look at the role insurance companies play. I have said before in this House that fingers have been pointed at a number of reasons for this problem—the collapse of HIH, the global situation with insurance and some lawyers offering no-win, no-fee arrangements and being dubbed as ambulance chasers; that is only, one should stress, some lawyers—but very little scrutiny has been given to insurance companies, per se. I have said before that insurance companies should have to take into consideration the risk profile of the community groups. Many of these groups have never made a claim and would not in anyone's estimation have a high risk profile. This is not really being taken into consideration by these companies.

**Ms Nolan:** You are a Liberal member!

**Mrs SHELDON:** I am quite surprised at the stupidity of the interjection by the member, saying that I am a Liberal member. We have a right to know these things, too.

Time expired.