



Speech by

Barbara Stone

MEMBER FOR SPRINGWOOD

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ASSOCIATIONS INCORPORATION AND OTHER LEGISLATION AMENDMENT BILL

Ms STONE (Springwood—ALP) (5.35 pm): I rise to speak in support of the Associations Incorporation and Other Legislation Amendment Bill 2006. Like many speakers before me, I too have lots of associations in my electorate of various sizes with various resources available to them. It is important that legislation pertaining to these associations is reviewed and keeps abreast of the new challenges that face them.

A concern regularly raised with me by small associations in particular is the cost of public liability insurance. As we all know, there are small associations that do not want to hold public events and involve themselves in community events but simply want to allow people of common interests to meet—for example, a book club or friendship association—and discuss their interests. Basically they do very little fundraising. So this bill removes the existing mandatory requirement for all associations to hold public liability insurance while retaining safeguards. I know how important this amendment is to smaller groups. Often the insurance premium became a large expense when compared to the amount of money that those groups receive. This was putting a lot of pressure on associations and volunteers who held positions on committees. Often they would be very upset about the situation.

The bill clearly sets out the responsibilities of the management committee when deciding not to have public liability insurance. It also requires the committee to raise the awareness of public liability status with their members. I am pleased to see this change. I am sure we have all had associations in our electorates that were unable to find cover or find affordable cover. What would happen is that the group would fold and it would be the community that would miss out. I know that there will be many associations in the Springwood electorate that will certainly welcome this change.

It should be noted that the mandatory public liability insurance requirement will still apply to associations which own or lease real property and associations that are trustees of land under the Land Act 1994. This simply demonstrates that the bill is taking into consideration the differences between the 20,000 registered associations in Queensland.

The other concern that was often raised with me by members of associations is the auditing requirements. Many smaller associations have the same problem with this requirement as they have with public liability insurance. The cost of the audit would be a large outlay compared to their revenue. When we look at smaller or medium size associations we find it is the volunteers who often look after the financial books. They may use a very simple accounting method and not an advanced accounting system. These associations would find the audit requirements quite annoying and they felt that something other than a full audit was warranted.

The tiered reporting system will address the concerns that were held by those associations. I am very pleased that they have been heard and their concerns addressed. The new tiered reporting system has three levels. Level 1 associations with a total revenue or current assets of more than \$100,000 will continue to be fully audited as per current requirements. Level 3 associations with a total revenue of

\$20,000 or less and current assets of \$20,000 are required to lodge a statement by the association's president or treasurer to say that they have kept accurate books. Level 2 will cover most associations. They must have a registered accountant confirm that the books of the association have been kept in a manner consistent with good accounting practice. These changes will provide welcome relief for those volunteers of the many associations around the state.

Unfortunately, I have also had raised with me concerns about the mismanagement of funds. Only last week I heard a story from a club that they felt some money could have been borrowed—perhaps that is a better word to use. I am pleased that that misunderstanding was sorted out and the money is now in the account. It is a very low act to knowingly steal from the hardworking volunteers and abuse the trust of members. I know that clubs have gone through this and had to close. I say to them that their hard work certainly should not be abused in this way.

What I want to make clear to associations in my electorate is that the act will be amended to give the Office of Fair Trading a power to require the production of documents, and this does include financial records. This will be particularly useful when concerns are raised about an association being mismanaged. It should also be noted that the bill contains exemptions for the associations that are required to produce audited accounts under other legislation such as the Gaming Machine Act 1991 or pursuant to funding or grants agreements with the government. Those associations will still continue to be subject to full auditing requirements, and I believe that this is what the community would expect. A number of other amendments have the potential to reduce disputes and ensure transparency between members of the association and between members and committee members. To ensure more transparency there is the new provision to grant members access to minutes of any general meeting or financial documents.

Like all members in this chamber, I am patron or a member of many associations in my electorate including sports clubs, Meals on Wheels, Lions, Zonta, Soroptimist, P&Cs, P&Fs, Logan East Community Neighbourhood Association, Neighbourhood Watch, Liquor Industry Action Group, Winning Women and many more. I want to place on record my sincere thanks and gratitude to the incorporated associations in my electorate that are working hard to ensure that we have the community we want to have to live in. They are the unknown heroes that go quietly about their work and ask for nothing. I am sure that we would all agree that we all receive much more than we give when we volunteer. However, it is important that these groups do get our support, and I am pleased that this bill will benefit so many fine associations across Queensland.

I also note that there was a lot of consultation on this bill, and I want to thank the Loganholme ALP branch that discussed issues raised in this bill. Nearly all of the members are involved in other community groups or sports clubs in the area and were able to provide great feedback in the consultation process, and I want to thank them for participating in the process. While I did not want to name all of the associations in my electorate—I would be upset to accidentally miss one—I do feel I should mention one sports club in particular, and that is the Springwood Softball Club. It brought to my attention on Sunday at its presentation that we have nine softballers from the Springwood club who have been selected for representative teams and this weekend there are four teams from Springwood in the finals and that it is 10 years to the date that four teams played in the finals. That is a great omen and I wish those teams every success for this weekend. I particularly want to thank the minister for listening to the concerns of our volunteers and acting on them, and I commend the bill to the House.