



Speech by

Fiona Simpson

MEMBER FOR MAROOCHYDORE

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ASSOCIATIONS INCORPORATION AND OTHER LEGISLATION AMENDMENT BILL

Miss SIMPSON (Maroochydore—NPA) (Deputy Leader of the Opposition) (4.28 pm): It is a pleasure to rise to speak in the debate on the Associations Incorporation and Other Legislation Amendment Bill and to commend the minister and her departmental staff on its preparation. I know that the bipartisan support that has been expressed in this parliament is genuine because it is a common-sense bill. It is one that we know will be of benefit to many of our community organisations, thus we strongly support it.

The life of a member of parliament to some may seem glamorous. We know that the reality is there is a lot of hard work. The benefit is that when we go away from this place we go back to our communities. We have significant contact with the community organisations that we are talking about today. Therefore, the feedback we receive from many people is that the passionate work that they do to support communities often requires them to have organisational structures and legal steps in place to do that work of serving the community. When they have to jump through a lot of hoops to do that work they can find it extremely onerous.

Obviously this legislation is not about removing people's liability from litigation but it is about recognising that requiring organisations to take out public liability insurance is onerous for some organisations where they have a very low risk. This legislation does not remove the risk of being sued but it recognises that there are many organisations where that risk is actually fairly low. This legislation acknowledges that by saying that, rather than in certain circumstances having to take out insurance, they can make an assessment and report that assessment to their association. Based upon the steps in this legislation they do not necessarily have to take out mandatory insurance if they are associations that do not have an interest in land. It is quite clear in the legislation where exemptions apply.

This legislation has been widely accepted by community organisations. My office has been contacted by people asking, 'When is the legislation coming forward?' and it will be with great pleasure that we will report back to those constituents. I made a comment earlier about the life of a member of parliament, because we know that people comment on how many days of the year this parliament sits and people say that they are the only days that members of parliament work. The reality is that we go back to our electorates and meet with those community associations. We go back and hear from some of the most basic democratic organisations in our community about the issues that are important to them. Some of these are action groups. Some of them are service groups—many of them are service groups. Some of them do have interests in land and will not be exempt from the provisions of public liability. However, all of them are part of those very basic democratic institutions in our community. We do genuinely express our gratitude for the work that they do.

This bill will also address some of the auditing requirements, and I want to outline some of the tiered auditing requirements in this legislation to provide clarity to some of my local organisations. The bill introduces a tiered reporting system which has three basic levels on the total revenue of assets. Level 1 associations with total revenue or current assets of more than \$100,000 will continue to be fully audited as

per current requirements. Level 2 associations are those which do not fall into either level 1 or level 3 and will not be required to provide fully audited statements. They must instead have a registered accountant confirm that the books of the association have been kept in a manner consistent with good accounting practices. Level 3 associations are those with total revenue of \$20,000 or less and current assets of \$20,000 or less. These associations will only be required to lodge a statement by the association's president or treasurer that they have kept accurate books of accounts.

As we know, some organisations will easily exceed those thresholds but once again this is a risk based approach recognising that smaller groups that do not handle as much money should not be under the higher levels of reporting or auditing. Does that mean that these associations do not have to be accountable? No, that is not the case. We recognise that some of the hardest issues we face in our community are when associations get into turmoil and dispute. While the majority of community organisations will be harmonious, the nature of life is that politics does not just belong to political parties; it is wherever people are involved. Therefore, there will be issues of disagreement. These can be quite difficult to resolve, and people will often look for legal measures to resolve these where they become more serious.

While this legislation will not resolve all of those difficulties, it does in fact make it clearer about the rights of members to access minutes of any general meeting and financial documents. There is also a requirement that an association include its registered name on all documentation endorsed or issued by the association. There is also a requirement that, if an association's rules or other documentation lodged with the Office of Fair Trading are in a language other than English, a certified English translation must also be provided. This is also similar to a requirement under the Commonwealth Corporations Act 2001. There is also revised requirements for the quorum that is needed to hold a general meeting to take into account the fact that smaller associations may not need the same quorum requirement.

There are a number of other miscellaneous amendments that I am sure we will all be seeking to bring to the attention of our associations. In summary, I commend the department and the minister. As further issues arise, as they always will with associations and how they are regulated under law, I am sure that we will be able to bring those forward to the minister. Some of the mediation mechanisms that have been discussed do require further consideration. While we cannot always have a legal solution to fix all human disagreements, how we equip some associations to better address some of those issues are things that we would well turn our minds to. It is always a sad thing when a community organisation that has operated well falls into a state of disrepair because of disagreement, but perhaps the answer is also to look at how better we equip these associations with the skills to be able to resolve these issues at the local level before having to take them to a higher level. I commend the legislation to the House.