



Speech by

Karen Struthers

MEMBER FOR ALGESTER

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ASSOCIATIONS INCORPORATION AND OTHER LEGISLATION AMENDMENT BILL

Ms STRUTHERS (Algester—ALP) (3.09 pm): I rise to speak to the Associations Incorporation and Other Legislation Amendment Bill. There are many good reasons for keeping the regulatory regime for incorporated associations in top working order. One very good reason is that one-third of the current and capital expenditure of the Queensland government in 2006-07 will go to non-profit organisations. That is billions of taxpayer dollars that need to be managed well.

Having spent most of my adult working life in non-government community service organisations, I am very pleased to see the improvements that this bill will bring for many NGOs. Around 20,000 non-profit organisations have become incorporated associations in Queensland. That means many thousands of great organisations doing sporting, charitable and other support work around the state. Where would we be without the many thousands of volunteers and staff who make these organisations tick over each day? I commend the minister for the provisions in this bill—provisions that will ease the burden of public liability insurance on many smaller organisations and their auditing requirements, while strengthening their capacity to be accountable.

I want to back my friend Myles McGregor-Lowndes from the Centre of Philanthropy and Nonprofit Studies at QUT. Myles has a longstanding record in improving the operations of non-government organisations around the state, and he is to be commended for his commitment and dedication to this area.

Mr Shine: He has done great work.

Ms STRUTHERS: Great work, I will take that interjection. Myles has prepared a paper on this bill outlining a number of issues that I will come to. He certainly welcomes, as I do, the minister's commitment to a second wave of legislative reform. Not all of the matters identified in the review are dealt with in the bill, and the minister indicated in her second reading speech that another bill is being progressed.

There is no doubt that the non-profit sector in Queensland has grown enormously. The growth in poker machine revenue and other trends, the increase in the demands on service organisations and the demand for more sporting organisations has meant we have seen many more groups and organisations actually formalise their role and become incorporated, but it has also meant many more demands on the committee members and others who are holding positions of responsibility in those organisations.

In his working paper, Myles noted that there are 573 clubs with over 22,000 gaming machines in Queensland, contributing to a projected \$582 million in tax revenue for 2006-07. About 50 per cent of the top 50 gaming machine clubs are incorporated associations, unlike some other states where there is a requirement for all gaming clubs to be companies limited by guarantee. We have had structures that have been, I guess, more informal for many of our groups but because of their expansion many of them have had to rethink their accountability measures and structures. I am pleased that the minister is giving these issues good consideration in this bill and in the second wave of reforms.

Currently, the act requires all associations regardless of size to submit professionally audited statements. This has been an impost on many organisations. I know in my own work we were sometimes paying \$3,000 or \$4,000 for audit fees each year but our association had an income of only \$60,000 or \$70,000 each year. It seemed ludicrous that we were paying so much for a small amount of money, so I am pleased that the minister is dealing with some of those issues.

The bill requires associations that are statutorily bound to produce audited accounts under the Collections Act 1966, the Gaming Machine Act or pursuant to the terms of funding or grant agreements with the government to be subject to full auditing requirements whatever their annual total revenue or current assets. So there are a number of provisions which will make it compulsory for people to have these audits, but the three-tiered system the minister is offering will certainly make it easier for smaller, more informal organisations to have less of a burden.

Other members have discussed the public liability insurance issues, and these are very important. Many people were running scared a number of years ago, and rightly so. With the collapse of HIH and the insurance industry going into panic, many people either could not get cover or could not afford cover. Many of us around the state were working with our local clubs and groups to help them. It was great that the Queensland government, the Beattie government, really took this issue to hand and initiated a number of support mechanisms for the community organisations to help them. This bill takes this a step further by actually reviewing the issue of mandatory public liability insurance. It certainly supports measures which mean that many organisations will not have to have compulsory public liability insurance.

Myles commented on the unfinished reforms in his paper, and I am sure he indicated these directly to the minister as well. I support him in his case. He argues that further work needs to be done on issues that were raised in the community consultation. The most significant ones he has identified include provision for an administrator in case of potential insolvency, automatic adoption of model rules to the latest available, mandatory dispute mediation procedures to be implied into all association rules, transfer of members' internal dispute resolution from the Supreme Court to the Magistrates Court or a suitable tribunal, and migration of associations to the Corporations Act regime where appropriate. There is a lot of work to be done on some of these and I know there is work underway. I certainly commend the minister's efforts.

The final issue I want to raise is one of my own pet projects. When I was working at the Queensland Council of Social Service, one thing I saw around the state was organisations and management committee members struggling to keep their organisations going. That problem is a common one. They have enormous responsibilities, and I really urge the minister to work with the minister for communities, who is in the House today, to see what further support we can provide to non-profit associations around the state with their management support and training. Many of them are, through their goodwill, doing some great work but they are finding it very tough. The more we can support them in their efforts the better. They are wonderful organisations around the state, and they need as much support as they can get. I commend the bill to the House.