

INQUIRY INTO PERSONAL INJURY COMPENSATION LEGISLATION

Organisation: Riverina Regional Organisation of Councils (RIVROC)
Name: Mr Peter Laird
Position: Chairman
Telephone: 6953 0916
Date Received: 11/03/2005

Subject:

Summary



RIVERINA REGIONAL ORGANISATION OF COUNCILS

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Vice Chairman: Cr Mick Rutledge
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7 March 2005

Steven Reynolds
Director
General Purpose Standing Committee No 1,
Legislative Council, Parliament House,
Macquarie Street,
Sydney NSW 2000

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To Mr Stephen Reynolds,

RIVROC Submission: personal injury compensation legislation

I am writing to you on behalf of the Riverina Regional Organisation of Councils (RIVROC) in regards to the recent inquiry into the operation and outcomes of recent personal injury compensation legislation.

RIVROC encompasses the local government areas of Carrathool, Griffith, Hay, Jerilderie, Leeton, Murrumbidgee and Narrandera in the Western Riverina.

In relation to the Personal Injury Compensation Legislation, RIVROC would like to make the following comments in line with the terms of reference as outlined by the Standing Committee.

1. The impact on employment in rural and regional communities

RIVROC notes that with the introduction of Civil Liability Act 2002 and the Civil Liability Amendment (Personal Responsibility) Act 2002 the number of claims against Councils in NSW have decreased substantially. It would appear too, that Courts are now looking more closely at individual's responsibilities and awareness of risks in public places when handing down decisions. This is good for local government and the communities they represent, and have allowed public liability insurance premiums to not increase at unrealistic levels

2. The impact on community events and activities, and community groups

Following the collapse of HIH and the introduction of reforms in 2002 community groups are finding it increasingly difficult to obtain and pay for public liability insurance cover.

Member Councils

Carrathool, Griffith City, Hay, Jerilderie, Leeton, Murrumbidgee and Narrandera

The impact of this is that a number of community events and activities are not longer held, and the vast majority of events which are held are now being organised by Section 355 Committees of Council (under the Local Government Act 1993), thus under the umbrella of Council's Public Liability insurance. As such, Council's insurers impose stringent guidelines, risk management plans and risk assessments for each event are required prior to being consented to.

This in the past has precluded some events in our region from taking place as no insurance could be obtained under these provisos. It has also seen the abolishment of many community events altogether.

This also affects the Council's abilities to hire out Council property such as halls and other facilities for events, to small and sometimes large interest groups in the community to be held on a one off basis. The groups that usually request these types of facilities are not large enough or earn enough money to become incorporated bodies, and thus rely on Section 355 to run their events.

RIVROC Member Councils are interested in looking at ways around this current dilemma however there is no clear solution and Member Councils do not want to be the ones that have to stop these community events and interest groups from meeting like they have done for many, many years without incident, accident or claim.

3. The Impact on Insurance Premium Levels and the Availabiltiy of Cost Effective Insurance

There is a need to provide individuals and community groups with access to reasonably priced public liability insurance.

As mentioned above, many of the community groups that require public liability insurance are not financially viable enough to be able to purchase public liability insurance because the premiums have gone up so substantially in the past it makes it impossible.

4. Other comments

Local event organisers find it difficult to understand the need for comprehensive documentation relating to hazard identification, risk assessment and management, and emergency plans when organising events and activities.

The expertise needed to undertake these requirements are not regularly found within these organisations, which then places a need on Council expertise from these events organisers.

Small communities rely on a number of events and activities each year to raise much-needed funds for local not-for-profit charity groups and organisations. These events also make up much of the local communities' social interaction. Because of insurance reasons, our Member Councils are finding the number of community run events has decreased with the advent of public liability insurance cover and the increase in premiums

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and for this reason has seen the social prosperity of our region fall away substantially.

Yours sincerely,

Peter Laird
RIVROC Chairman

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