



Hon Stephen Robertson MP  
Member for Stretton



Queensland  
Government

Minister for Health

MI157010  
MO: H/08/07082

07 OCT 2008

30 SEP 2008

Mayor Paul Pisasale  
President  
Urban Local Government Association of Queensland Inc  
C/- Ipswich City Council  
PO Box 191  
IPSWICH QLD 4305

Dear Mayor 

Thank you for your letter dated 20 August 2008, regarding asbestos indemnity insurance and a Section 14 agreement under the *Public Health Act 2005* (the Act) between the State and local governments.

In 2006 the Local Government Association of Queensland (LGAQ) raised similar concerns about the lack of commercially available public liability and professional indemnity insurance for local governments. To assist local governments, the Queensland Government agreed that Queensland Health, on behalf of the State would offer indemnity insurance by entering into an insurance arrangement with Queensland Government Insurance Fund (QGIF). Queensland Health's role was to facilitate the insurance as QGIF is unable to directly offer insurance to non-state government entities. The offer of insurance would be on a cost recovery basis.

As you are aware, asbestos related issues are excluded from almost all insurance policies currently available both nationally and internationally. I am advised that the few organisations willing to cover this risk may charge exorbitant insurance premiums. An actuarial assessment undertaken by QGIF has concluded that the insurance premium is \$500,000 per year and would provide a claim cover of up to \$20 million per claim for a period of 50 years. I believe that this insurance premium represents a cost effective and affordable insurance solution when shared between 74 local governments. To cover the risk incurred by local governments enforcing the asbestos laws and as gesture of good will towards local governments, Queensland Health has paid the first year's insurance premium of \$500,000. Please note Queensland Health is unable to pay future insurance premiums.

To clarify the enforcement of asbestos issues in non-workplaces, I refer you to Sections 2D and E of the *Public Health Regulation 2005* which states that in a non-workplace, a person must not remove friable asbestos containing material (ACM) or remove 10 square metres or more of bonded ACM unless the person holds an asbestos removal certificate under the *Workplace Health and Safety Act 1995*.

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Section 14 of the Act allows for the State and local governments to administer the Act in partnership. I am advised that in 2007, the LGAQ and my Department agreed on a set of principles for a partnership agreement. The partnership agreement will set out arrangements under which local governments may refer enforcement of asbestos related complaints for non workplaces above 10 square metres. My Department is intending to send a draft partnership agreement for consideration to each local government in the near future.

As part of implementing the asbestos laws, Queensland Health has provided significant assistance to local governments. My Department has resourced and delivered a successful public awareness campaign on the asbestos laws, operates an asbestos information hot line and has provided training, tools and guidelines to local government officers across the State. Further, we have also been accepting referrals for asbestos related complaints from local governments since the commencement of the asbestos laws in June 2007. Please note my Department will not be able to accept complaint referrals for much longer. However, I remain committed to providing ongoing assistance to local governments through the proposed partnership agreement under the Act.

Should you have any queries regarding my advice to you, Ms Uma Rajappa, Manager Environmental Health Policy and Research, Environmental Health Unit, Queensland Health, will be pleased to assist you and can be contacted on telephone 3234 0827.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Robertson', with a long horizontal flourish extending to the right.

**STEPHEN ROBERTSON MP**