



Occupational Liability Cover

for members of the
Australian Tourism
Export Council



J M D ROSS
INSURANCE BROKERS



Australia's dramatic growth in tourism has created a need for inbound tour operators (ITOs) to keep abreast of the associated risks and potential legal liability involved in operating in the industry.

Many ITOs put their businesses at risk because they do not understand their legal responsibilities. ATEC and JMD Ross Insurance Brokers have developed the solution – a combined occupational liability insurance policy for ATEC members.

The policy covers:

- *Public and products liability*
Limit: \$10 million any one claim, unlimited in the aggregate.
- *Professional negligence*
Limit: \$1 million any one claim and in the aggregate, including commercial legal expenses of \$100,000 any one claim and in the aggregate.

Underwritten by CGU Insurance, the occupational liability insurance policy is designed to provide protection that's not always available in operators' existing insurance programs.



PUBLIC LIABILITY

A negligence action by an injured customer could be as devastating to your business as destruction from an earthquake, fire or other disaster.

ITOs are often asked by overseas travel organisers and/or suppliers to sign indemnities or hold harmless agreements for facilities and services provided to passengers. Many ITOs do not realise that, regardless of whether such agreements are signed, they are at risk. While most ITO service suppliers carry general public liability cover, your legal expenses are not covered if you are sued.

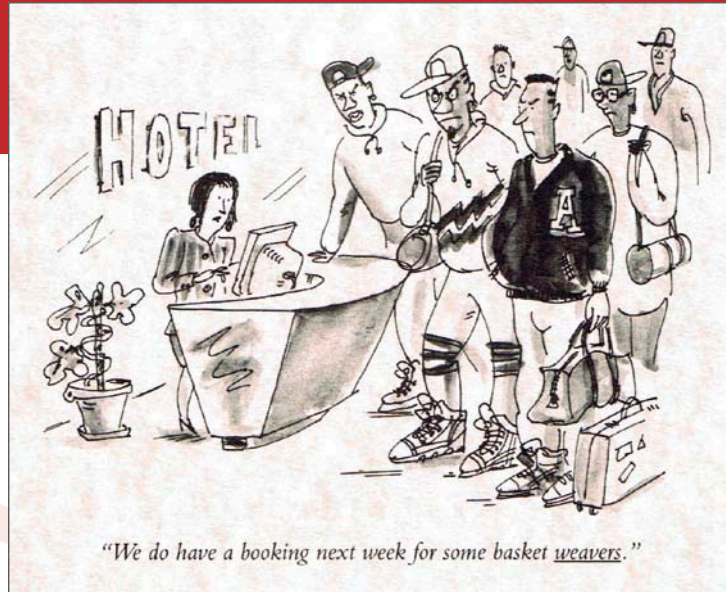
And there are other risks. ITOs are often left exposed because insurers exclude watercraft, aircraft and motor vehicles from public and product liability policies in the belief that boat owners, airlines, and bus and coach owners should carry liability insurance.

While suppliers must have their own liability cover, the insurance industry has not catered for ITOs that may face legal action as a result of accidents involving tourists. It is always possible an ITO may be joined in an action.

Are you aware of the exclusions specified in your current public liability policy?

What happens if a tourist is injured on a bus, boat or plane, in a hotel or swimming pool, on a bush walk or camping trip, or skiing or scuba diving and sues you for damages? No agreement with a supplier will prevent you from having to defend the action and you need insurance cover.

public liability professional indemnity commercial legal protection



PROFESSIONAL INDEMNITY

What happens if a claim is made against you for breach of professional duty because of poor accommodation, changes to itineraries, bad weather or loss of enjoyment?

As tourism expands, it is only a matter of time before ITOs are held accountable for failed itineraries, missed connections and unhappy tourists due to alleged negligence. Areas where you may be exposed to risk include:

- negligent selection of suppliers
- unqualified personnel arranging tours
- misrepresentation of tour activities
- misrepresentation of accommodation

There are well-documented cases, mainly overseas, of customers suing inbound operators. The trend has resulted in claims being made against Australian operators.

Occupational liability insurance provides protection for ITOs of up to \$1 million.

COMMERCIAL LEGAL PROTECTION

Many operators are unaware of the content of the federal Trade Practices Act or state Fair Trading Acts and uncertain what protection they have if a client or supplier launches legal proceedings against them. Given the potential for dispute with tour operations, it is vital that ITOs have cover against legal costs to defend commercial actions.

ATEC's occupational liability insurance ensures coverage, providing up to \$100,000.

In addition to actions under the Trade Practices Act, the policy provides cover if an operator is defending an action resulting from a contractual dispute with a customer or supplier.



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